SCHEME DOCUMENT DATED 10 JULY 2026

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This Scheme Document (together with the Notice of Court Meeting and the Proxy Form) has been made available on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the corporate website of the Company at the URL https://www.avarga.com.sg/investor-relations/sgx-announcements/. A printed copy of this Scheme Document, the Notice of Court Meeting and the Proxy Form will be despatched to Entitled Shareholders (as defined herein).

If you have sold or transferred all or any of your shares in the capital of the Company, you should immediately inform the purchaser or the transferee or the bank, stockbroker or agent through whom you effected the sale or transfer for onward notification to the purchaser or the transferee, that this Scheme Document (together with the Notice of Court Meeting and the Proxy Form) may be accessed on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the corporate website of the Company at the URL https://www.avarga.com.sg/investor-relations/sgx-announcements/.

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

AVARGA LIMITED

# AVARGA LIMITED

(Company Registration Number: 196700346M)
(Incorporated in the Republic of Singapore)

**PROPOSED ACQUISITION BY**

## TKO PTE. LTD.

(Company Registration Number: 202438305G)
(Incorporated in the Republic of Singapore)

## OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF AVARGA LIMITED (OTHER THAN TREASURY SHARES AND SHARES OWNED OR CONTROLLED BY THE EXCLUDED SHAREHOLDERS (AS DEFINED HEREIN) BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT 1967 OF SINGAPORE

**Financial Adviser to the Offeror**

Maybank

**Maybank Securities Pte. Ltd.**
(Company Registration No.: 197201256N)
(Incorporated in the Republic of Singapore)

**Independent Financial Adviser to the Non-Conflicted Directors**

PRIME Partners

**PrimePartners Corporate Finance Pte. Ltd.**
(Company Registration No.: 200207389D)
(Incorporated in the Republic of Singapore)

**IMPORTANT DATES AND TIMES**

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| Last date and time for lodgement of Proxy Form for the Court Meeting | : | 24 July 2026, Friday at 2.30 p.m. |
| Date and time of Court Meeting | : | 27 July 2026, Monday at 2.30 p.m. |
| Venue of Court Meeting | : | YMCA @ One Orchard, Tan Chin Tuan Room Level 4, 1 Orchard Road, Singapore 238824 |

# CONTENTS

## CONTENTS

# DEFINITIONS

In this Scheme Document, the following definitions shall apply throughout unless the context otherwise requires:

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| "**1Q2026 Financial Results of the Taiga Group**" | : | Unaudited condensed interim financial statements of the Taiga Group for the three-month period ended 31 March 2026, which was issued in the Company's announcement released on the website of the SGX-ST at www.sgx.com/securities/company-announcements on 7 July 2026, set out in **Appendix N** to this Scheme Document |
| "**Acquisition**" | : | The proposed acquisition by the Offeror of all the Shares |
| "**ACRA**" | : | The Accounting and Corporate Regulatory Authority of Singapore |
| "**AL Group**" | : | The Company and all of its subsidiaries taken as a whole |
| "**AL Group Company**" | : | A member of the AL Group |
| "**Board**" | : | The board of directors of the Company |
| "**Business Day**" | : | A day (other than a Saturday, Sunday or public holiday) on which banks in Singapore are generally open for business |
| "**Cash Consideration**" | : | S$2.70 in cash per Scheme Share |
| "**CDP**" | : | The Central Depository (Pte) Limited |
| "**Code**" | : | The Singapore Code on Take-overs and Mergers |
| "**Combination Consideration**" | : | A combination of S$2.00 in cash and one (1) new RPS for each Scheme Share |
| "**Companies Act**" | : | The Companies Act 1967 of Singapore |
| "**Company**" or "**AL**" | : | Avarga Limited |
| "**Company Auditor**" | : | CLA Global TS Public Accounting Corporation |
| "**Company Auditor's Review Report**" | : | The report of the Company Auditor dated 10 July 2026 on the 1Q2026 Financial Results of the Taiga Group, set out in **Appendix N** to this Scheme Document |
| "**Company Securities**" | : | (a) Shares;<br>(b) securities which carry voting rights in the Company; and<br>(c) convertible securities, warrants, options or derivatives in respect of such Shares or securities which carry voting rights in the Company |

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| **"Conditions Long-Stop Date"** | : The date falling six (6) months from the date of the Implementation Agreement, that is 13 September 2026, or such other date as the Company and the Offeror may agree in writing |
| **"Constitution"** | : The constitution of the Company, as amended, modified or supplemented from time to time |
| **"Court"** | : The General Division of the High Court of the Republic of Singapore, or where applicable on appeal, the Appellate Division of the High Court of the Republic of Singapore and/or the Court of Appeal of the Republic of Singapore |
| **"Court Meeting"** | : The meeting of the Shareholders to be convened at the direction of the Court for the purpose of considering and, if thought fit, approving the Scheme (and shall include any adjournment of the meeting), notice of which is set out in **Appendix O** to this Scheme Document |
| **"Court Order"** | : The order of the Court pursuant to Section 210 of the Companies Act sanctioning the Scheme |
| **"CPF"** | : The Central Provident Fund |
| **"CPF Agent Bank"** | : Agent banks included under the CPFIS |
| **"CPF Board"** | : Central Provident Fund Board |
| **"CPFIS"** | : CPF Investment Scheme |
| **"CPFIS Investors"** | : Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS |
| **"delisting"** | : The delisting and removal of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms |
| **"Directly-Held Shares"** | : Shares held by an Entitled Shareholder as a Depositor or in scrip form registered in his/her/its name |
| **"Dr Tong"** | : Dr Tong Kooi Ong |
| **"Effective Date"** | : The date on which the Scheme, if approved and sanctioned by the Court, becomes effective in accordance with its terms |
| **"Electing Party"** | : Each Entitled Shareholder who holds Directly-Held Shares under paragraph 3.8(a)(i) of the Letter to Shareholders and each Entitled Depository Agent (for and on behalf of each sub-account holder who holds Indirectly-Held Shares under paragraph 3.8(a)(ii) of the Letter to Shareholders) |

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| "**Election**" | : | An Entitled Shareholder making an election or electing to receive, for each Share, either the Cash Consideration or the Combination Consideration |
| "**Election Closing Date**" | : | The last day of the Election Period |
| "**Election Forms**" | : | The election forms (to be despatched by the Offeror (or on its behalf)) on the Election Forms Despatch Date to the Entitled Shareholders by which the Entitled Shareholders shall elect to receive either the Cash Consideration or the Combination Consideration |
| "**Election Forms Despatch Date**" | : | A date after the Record Date, being no later than three (3) Business Days after the Record Date or such other date as may be agreed between the Parties |
| "**Election Period**" | : | A period of 10 Business Days or such other period as may be agreed by the Parties in writing, commencing from the Election Forms Despatch Date, during which the duly completed Election Forms or Sub-Account Holders Forms (as the case may be) shall be received by the Share Registrar or CDP (as the case may be) |
| "**Encumbrances**" | : | All claims, charges, mortgages, liens, hypothecations, hire purchases, judgments, encumbrances, easements, security, title retentions, preferential rights, trust arrangements or any other security interests or any other agreements or arrangements having a commercial effect analogous to the conferring of security or similar rights in favour of any person |
| "**Entitled Depository Agent**" | : | An Entitled Shareholder who is a Depository Agent |
| "**Entitled Shareholders**" | : | All the Scheme Shareholders as at 5.00 p.m. on the Record Date |
| "**Excluded Shareholders**" | : | Has the meaning ascribed to that term in paragraph 3.2 of the Letter to Shareholders |
| "**Excluded Shares**" | : | Has the meaning ascribed to that term in paragraph 3.2 of the Letter to Shareholders |
| "**Explanatory Statement**" | : | The explanatory statement in compliance with Section 211 of the Companies Act set out in **Appendix A** to this Scheme Document |
| "**FY**" | : | Financial year ended or ending 31 December, as the case may be |

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| "**Genghis**" | : | Genghis S.à.r.l. is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO in its capacity as trustee of the Phileo Trust. Genghis holds directly 7,343,900 Shares in the Company |
| "**Governmental Agency**" | : | Any foreign or Singapore government or governmental, semi-governmental, administrative, regulatory, fiscal or judicial agency, authority, body, commission, department, exchange, tribunal or entity |
| "**Headcount Condition**" | : | The condition under Section 210(3AB)(a) of the Companies Act |
| "**IFA**" | : | PrimePartners Corporate Finance Pte. Ltd., the independent financial adviser appointed to (a) provide an opinion as to whether the terms of the Scheme are fair and reasonable pursuant to Rule 1309(2) of the Listing Manual; and (b) advise the Non-Conflicted Directors, who will be making a recommendation to the Shareholders in relation to the Scheme, on the Scheme pursuant to the Code |
| "**IFA Letter**" | : | The letter from the IFA to the Non-Conflicted Directors set out in **Appendix B** to this Scheme Document |
| "**IFA's Review Letter**" | : | The letter of the IFA dated 10 July 2026 on the 1Q2026 Financial Results of the Taiga Group, set out in **Appendix N** to this Scheme Document |
| "**Implementation Agreement**" | : | The implementation agreement dated 13 March 2026 entered into between the Company and the Offeror setting out the terms and conditions on which the Acquisition and the Scheme will be implemented |
| "**Indirectly-Held Shares**" | : | Shares held by an Entitled Shareholder in its capacity as a Depository Agent on behalf of sub-account holder(s) |
| "**Irrevocable Undertaking**" | : | The irrevocable undertaking in favour of the Offeror given by Phileo Capital, as set out in paragraph 4 of the Letter to Shareholders |
| "**Joint Announcement**" | : | The joint announcement by the Company and the Offeror dated 13 March 2026 in relation to, *inter alia*, the Acquisition and the Scheme |
| "**Joint Announcement Date**" | : | 13 March 2026, being the date of the Joint Announcement |
| "**KYC form**" | : | The "know-your-client" particulars form to be submitted by an Entitled Shareholder who wishes to elect to receive the Combination Consideration in accordance with the procedures set out in this Scheme Document and the Election Form |

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| "**Latest Practicable Date**" | : | 1 July 2026, being the latest practicable date prior to the printing of this Scheme Document |
| "**Letter to Shareholders**" | : | The letter from the Company to the Shareholders set out on pages 17 to 39 of this Scheme Document |
| "**Listing Manual**" | : | The listing manual of the SGX-ST, as amended, modified or supplemented from time to time |
| "**Market Day**" | : | A day on which the SGX-ST is open for the trading of securities |
| "**NAV**" | : | Net asset value |
| "**Non-Conflicted Directors**" | : | The directors of the Company who are considered independent for the purposes of making a recommendation to the Shareholders on the Scheme, namely Lai Ven Li, Moey Weng Foong, Andrew Lim Cheong Seng and Kevin Kang Kah Wee |
| "**Notice of Court Meeting**" | : | The notice of the Court Meeting as set out in **Appendix O** to this Scheme Document |
| "**Offeror**" or "**Acquiror**" | : | TKO Pte. Ltd. (Company Registration No. 202438305G) a company incorporated in the Republic of Singapore |
| "**Offeror Constitution**" | : | The constitution of the Offeror |
| "**Offeror Financial Adviser**" | : | Maybank Securities Pte. Ltd., the financial adviser to the Offeror in connection with the Acquisition and the Scheme |
| "**Offeror Securities**" | : | (a) Offeror Shares;<br>(b) securities which carry voting rights in the Offeror; and<br>(c) convertible securities, warrants, options or derivatives in respect of such Offeror Shares or securities which carry voting rights in the Offeror |
| "**Offeror Shares**" | : | Ordinary shares in the capital of the Offeror |
| "**Offeror's Letter**" | : | The letter from the Offeror to the Shareholders set out in **Appendix C** to this Scheme Document |
| "**Overseas Shareholders**" | : | Shareholders whose registered addresses are outside Singapore as shown on the Register of Members, or as the case may be, in the records of the CDP |
| "**Parties**" | : | The parties to the Implementation Agreement, being the Offeror and the Company, and a "**Party**" means either of them |

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| **"Phileo Capital"** | : | Phileo Capital Limited, which is wholly-owned by ZICO in its capacity as trustee of the Phileo Trust. Phileo Capital holds directly 22,480,800 Shares in the Company |
| **"Phileo Trust"** | : | The family trust constituted under a trust deed under which Dr Tong is the sole beneficiary, which owns indirectly 78,661,865 Shares in the capital of the Company, representing approximately 86.60%[1] of the total number of Shares in the Company through (i) the Offeror, (ii) Genghis and (iii) Phileo Capital |
| **"Prescribed Occurrence"** | : | The events set out in **Appendix G** to this Scheme Document |
| **"Proxy Form"** | : | The accompanying proxy form for the Court Meeting as set out in this Scheme Document |
| **"Receiving Agent"** | : | B.A.C.S. Private Limited, the receiving agent appointed by the Offeror in respect of the Election |
| **"Record Date"** | : | The date and time to be announced (before the Effective Date) by the Company on which the transfer books and the Register of Members will be closed in order to determine the entitlements of the Shareholders in respect of the Scheme |
| **"Redemption Amount"** | : | The price of S$1.20 for each RPS |
| **"Register of Members"** | : | The register of members of the Company |
| **"Regulatory Approvals"** | : | Such consents and approvals or other acts from any Governmental Agency as required by either Party which, or which the Parties may agree, are necessary to complete the Acquisition or implement the Scheme or to give effect to the provisions of the Implementation Agreement, as set out in **Appendix F** to this Scheme Document |
| **"Relevant Date"** | : | The date immediately prior to the Effective Date |
| **"relevant intermediary"** | : | (a) A banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;<br><br>(b) a person holding a capital markets services licence to provide custodial services for securities under the SFA, and who holds shares in that capacity; or |

[1] The percentage shareholding of the issued share capital of the Company is based on a total of 90,831,335 Shares in issue (excluding 4,183,170 Shares held in treasury) as at the Latest Practicable Date.

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| | | (c) the CPF Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation |
| "**RPS**" | : | Redeemable preference share(s) in the capital of the Offeror |
| "**RPS Certificates**" | : | The share certificates in respect of the RPS |
| "**Scheme**" | : | The scheme of arrangement under Section 210 of the Companies Act dated 10 July 2026 set out in **Appendix M** to this Scheme Document (as may be amended or modified from time to time) |
| "**Scheme Conditions**" | : | The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Conditions Long-Stop Date for the Scheme to be implemented and which are reproduced in **Appendix F** to this Scheme Document |
| "**Scheme Consideration**" | : | For each Share, at the Election of each Entitled Shareholder, either:<br>(a) the Cash Consideration; or<br>(b) the Combination Consideration |
| "**Scheme Document**" | : | This document dated 10 July 2026 (and any other document(s) which may be issued by or on behalf of the Company to the Shareholders to amend, revise, supplement or update the document(s) from time to time) containing, *inter alia*, the Scheme, the Explanatory Statement, the Notice of Court Meeting and the Proxy Form |
| "**Scheme Shareholders**" | : | Shareholders other than the Excluded Shareholders |
| "**Scheme Shares**" | : | All the Shares other than Shares held in treasury and Shares owned or controlled by the Excluded Shareholders |
| "**Scheme Resolution**" | : | The resolution relating to the Scheme referred to in the Notice of Court Meeting dated 10 July 2026 set out in **Appendix O** to this Scheme Document |
| "**Securities Account**" | : | The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account |

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| **"SFA"** | : | Securities and Futures Act 2001 of Singapore |
| **"SGXNet"** | : | A system network used by listed companies to send information and announcements to the SGX-ST, or any other system network prescribed by the SGX-ST |
| **"SGX RegCo"** | : | Singapore Exchange Regulation Pte. Ltd. |
| **"SGX-ST"** | : | Singapore Exchange Securities Trading Limited |
| **"SGX-ST Delisting Approval"** | : | The SGX-ST advising that it has no objections to the Company's application for the Delisting |
| **"Share Registrar"** | : | B.A.C.S. Private Limited, the share registrar of the Company |
| **"Shareholder"** | : | Any person who is registered:<br>(a) in the Register of Members (other than CDP) as the holder of a Share; and/or<br>(b) in the Depository Register of the Company as having a Share credited to his/her/its Securities Account with CDP |
| **"Shares"** | : | The issued and paid-up ordinary shares in the capital of the Company |
| **"SIC"** | : | Securities Industry Council of Singapore |
| **"SIC Application"** | : | The application made by the Offeror to the SIC to seek certain rulings and confirmations in relation to the Acquisition and the Scheme |
| **"SIC Rulings"** | : | The rulings obtained from the SIC on 3 March 2026 pursuant to the SIC Application as set out in paragraph 8.2 of the Letter to Shareholders |
| **"SRS"** | : | Supplementary Retirement Scheme |
| **"SRS Agent Banks"** | : | Agent banks included under the SRS |
| **"SRS Investors"** | : | Investors who have purchased Shares using their SRS contributions pursuant to the SRS |
| **"Sub-Account Holders Form"** | : | The List of Sub-Account Holders Who Wish to Accept the Combination Consideration form, which will be provided to Entitled Depository Agents through the SGX-SFG service |
| **"Surviving Provisions"** | : | Has the meaning ascribed to that term in paragraph 3.6 of the Letter to Shareholders |

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| "**Taiga**" | : | Taiga Building Products Ltd., a principal subsidiary of the Company |
| "**Taiga Group**" | : | Taiga and its subsidiaries |
| "**Value Condition**" | : | The condition under Section 210(3AB)(b) of the Companies Act |
| "**Warranties**" | : | (a) In relation to the Offeror, the representations and warranties set out in **Appendix H** to this Scheme Document; and<br>(b) in relation to the Company, the representations and warranties set out in **Appendix I** to this Scheme Document,<br>and a "**Warranty**" means any one of them |
| "**ZICO**" | : | ZICO Trust (S) Ltd |
| "**S$**" and "**cents**" | : | Singapore dollars and cents respectively, being the lawful currency of Singapore |
| "**%**" or "**per cent.**" | : | Per centum or percentage |

The term "**acting in concert**" shall have the meaning ascribed to it in the Code, and a "**concert party**" of a person means a person acting in concert with the first mentioned person.

The terms "**Depositor**", "**Depository Agent**", "**Depository Register**" and "**sub-account holder**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms "**treasury shares**", "**subsidiary**" and "**related corporation**" shall have the meanings ascribed to them respectively in Sections 4, 5 and 6 of the Companies Act.

The headings in this Scheme Document are for ease of reference only and shall be ignored in construing this Scheme Document.

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

Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Listing Manual or the Code or any modification thereof and used in this Scheme Document shall, where applicable, have the same meaning assigned to it under the Companies Act, the SFA, the Listing Manual or the Code or any modification thereof, as the case may be, unless otherwise provided.

Any reference to any document or agreement shall include a reference to such document or agreement as amended, modified, supplemented and/or varied from time to time.

Any reference to a time of day and date in this Scheme Document shall be a reference to Singapore time and date respectively, unless otherwise specified.

Any discrepancies in figures included in this Scheme Document between the listed amounts shown and the totals thereof and/or the respective percentages are due to rounding. Accordingly, figures shown as totals in this Scheme Document may not be an arithmetic aggregation of the figures that precede them.

In this Scheme Document, the total number of Shares in issue as at the Latest Practicable Date is 90,831,335 Shares (excluding 4,183,170 Shares held in treasury). Unless stated otherwise, all references to percentage shareholding of the issued share capital of the Company in this Scheme Document are based on a total of 90,831,335 Shares in issue (excluding 4,183,170 Shares held in treasury) as at the Latest Practicable Date.

# FORWARD-LOOKING STATEMENTS

**Forward Looking Statements**. All statements other than statements of historical facts included in this Scheme Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "**seek**", "**expect**", "**anticipate**", "**estimate**", "**believe**", "**intend**", "**project**", "**plan**", "**strategy**", "**forecast**" and similar expressions or future or conditional verbs such as "**will**", "**would**", "**should**", "**could**", "**may**" and "**might**". These statements reflect the Offeror's or the Company's (as the case may be) current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Given the risks and uncertainties that may cause actual results or outcomes to differ materially from those expressed or implied in such forward-looking statements, shareholders and investors of the Offeror and the Company should not place undue reliance on such forward-looking statements, and neither the Offeror nor the Company undertakes any obligation to update publicly or revise any forward-looking statements.

## EXPECTED TIMETABLE

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| Last date and time for submission of questions in advance of the Court Meeting | : | 17 July 2026 at 11.59 p.m. |
| Last date and time for the Company's responses to substantial and relevant questions received from Scheme Shareholders | : | 22 July 2026 at 2.30 p.m. |
| Latest date and time for lodgement of Proxy Form for the Court Meeting | : | 24 July 2026 at 2.30 p.m.(1), (2) |
| Date and time of Court Meeting | : | 27 July 2026 at 2.30 p.m. |
| Venue of the Court Meeting | : | YMCA @ One Orchard, Tan Chin Tuan Room Level 4, 1 Orchard Road, Singapore 238824(3) |
| Expected date of the Court hearing of the application to sanction the Scheme | : | On or around 10 September 2026(4) |
| Expected last day for trading of the Shares on the SGX-ST | : | On or around 15 September 2026 |
| Expected Record Date | : | On or around 24 September 2026, 5.00 p.m. |
| Expected date of despatch of Election Forms and KYC forms by or on behalf of the Offeror to Entitled Shareholders | : | On or around 30 September 2026 |
| Expected latest date and time for submission of Election Forms | : | On or around 14 October 2026, 5.30 p.m. |
| Expected Effective Date | : | On or around 29 October 2026(5) |
| Expected date for payment of the Scheme Consideration | : | On or around 4 November 2026 |
| Expected date for the delisting of the Shares | : | On or around 6 November 2026(6) |

**Notes:**

(1) Shareholders are requested to lodge the Proxy Form for the Court Meeting in accordance with the instructions contained therein not less than 72 hours before the time appointed for the Court Meeting.

(2) All Proxy Forms for the Court Meeting must be submitted to the Share Registrar, B.A.C.S. Private Limited in the following manner:

(a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to main@zicoholdings.com; or

(b) if submitted by post, be lodged at the office of the Share Registrar, B.A.C.S. Private Limited 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.

**Shareholders are strongly encouraged to submit their completed Proxy Forms electronically via e-mail.** Completion and lodgement of the Proxy Form will not prevent a Shareholder from attending, speaking and voting in person at the Court Meeting if he/she/it subsequently wishes to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

(3) The Court Meeting will be convened and held in a wholly physical format. There will be no option for Shareholders to participate virtually.

(4) The date of the Court hearing of the application to sanction the Scheme will depend on the date that is allocated by the Court.

(5) On the basis that all the Scheme Conditions have been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement and the Court Order is lodged with ACRA pursuant to Section 210(5) of the Companies Act by the Company on a date to be mutually agreed between the Parties. The Scheme will only become effective if all the Scheme Conditions have been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement and a copy of the Court Order has been lodged with ACRA.

(6) The delisting is conditional upon the SGX-ST Delisting Approval.

**You should note that save for (a) the last date and time for submission of questions in advance of the Court Meeting; (b) the last date and time for the Company's responses to substantial and relevant questions received from the Shareholders; (c) the last date and time for the lodgement of the Proxy Form for the Court Meeting; and (d) the date, time and venue of the Court Meeting, the above timetable is indicative only and may be subject to change. For the events listed above which are described as "expected", please refer to future announcement(s) by the Company and/or the SGX-ST for the exact dates of these events.**

## CORPORATE INFORMATION

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| **DIRECTORS** | : | Dr Tong Kooi Ong (Executive Chairman)<br>Mr. Tong Ian (Chief Executive Officer and Executive Director)<br>Ms. Lai Ven Li (Lead Independent Director)<br>Mr. Moey Weng Foong (Independent Director)<br>Mr. Andrew Lim Cheong Seng (Independent Director)<br>Mr. Kevin Kang Kah Wee (Independent Director) |
| **COMPANY SECRETARY** | : | Ms. Chan Lai Yin |
| **REGISTERED OFFICE** | : | 1 Kim Seng Promenade #13-10<br>Great World City<br>Singapore 237994 |
| **SHARE REGISTRAR** | : | B.A.C.S. Private Limited<br>77 Robinson Road #06-03<br>Robinson 77<br>Singapore 068896 |
| **LEGAL ADVISERS TO THE COMPANY** | : | Chang See Hiang & Partners<br>224A River Valley Road<br>Singapore 238282<br><br>Rev Law LLC<br>1D Duxton Hill<br>Singapore 089587<br>Instructed Counsel for Court Application |
| **INDEPENDENT FINANCIAL ADVISER TO THE NON-CONFLICTED DIRECTORS** | : | PrimePartners Corporate Finance Pte. Ltd.<br>16 Collyer Quay #10-00<br>Collyer Quay Centre<br>Singapore 049318 |

# AVARGA LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 196700346M)

| **Directors:** | **Registered Office:** |
| --- | --- |
| Dr Tong Kooi Ong (Executive Chairman) | 1 Kim Seng Promenade #13-10 |
| Mr. Tong Ian (Chief Executive Officer and Executive Director) | Great World City |
| Ms. Lai Ven Li (Lead Independent Director) | Singapore 237994 |
| Mr. Moey Weng Foong (Independent Director) | |
| Mr. Andrew Lim Cheong Seng (Independent Director) | |
| Mr. Kevin Kang Kah Wee (Independent Director) | |

10 July 2026

To: The Shareholders of Avarga Limited

Dear Sir/Madam

**PROPOSED ACQUISITION BY TKO PTE. LTD. OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF AVARGA LIMITED (OTHER THAN TREASURY SHARES AND SHARES OWNED OR CONTROLLED BY THE EXCLUDED SHAREHOLDERS) BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT 1967 OF SINGAPORE**

## 1. INTRODUCTION

### 1.1 Joint Announcement

On 13 March 2026, the Company and the Offeror made the Joint Announcement in relation to the Acquisition by the Offeror of all the Scheme Shares. The Acquisition will be effected by the Company by way of the Scheme in accordance with Section 210 of the Companies Act, the Code and the terms and conditions of the Implementation Agreement.

If the Scheme becomes effective and binding in accordance with its terms, all Scheme Shareholders will be bound by the terms of the Scheme (whether or not they were present in person or by proxy or voted at the Court Meeting), and their Scheme Shares will be transferred to the Offeror in return for the Scheme Consideration, after which the Company will be delisted from the Official List of the SGX-ST.

A copy of the Joint Announcement is available on SGXNet at the URL https://www.sgx.com/securities/company-announcements.

### 1.2 Implementation Agreement

In connection with the Scheme, the Company and the Offeror have on the Joint Announcement Date entered into the Implementation Agreement setting out the terms and conditions on which the Parties will implement the Scheme.

### 1.3 Purpose

The purpose of this Scheme Document is to set out information pertaining to the Scheme, to seek Shareholders' approval of the Scheme, and to give Shareholders notice of the Court Meeting.

1.4 **Explanatory Statement**

An Explanatory Statement setting out the key terms of, the rationale for, and the effect of, the Scheme and the procedures for its implementation is set out in **Appendix A** to this Scheme Document. The Explanatory Statement should be read in conjunction with the full text of this Scheme Document, including the terms of the Scheme as set out in **Appendix M** to this Scheme Document.

1.5 **Information on the Company**

The Company was incorporated in Singapore on 7 October 1967 and was listed on the Main Board of the SGX-ST on 15 October 1980. The Company is an investment holding company. The principal activity of the AL Group is in the business of distribution of building materials and portfolio investment.

As at the Latest Practicable Date, the Board comprises the following:

(a) Dr Tong Kooi Ong (Executive Chairman);

(b) Mr. Tong Ian (Chief Executive Officer and Executive Director);

(c) Ms. Lai Ven Li (Lead Independent Director);

(d) Mr. Moey Weng Foong (Independent Director);

(e) Mr. Andrew Lim Cheong Seng (Independent Director); and

(f) Mr. Kevin Kang Kah Wee (Independent Director).

As at the Latest Practicable Date, the Company has 90,831,335 Shares in issue (excluding 4,183,170 Shares held by the Company as treasury shares).

1.6 **Information on the Offeror**

As stated in paragraph 9 of the Offeror's Letter:

(a) the Offeror is a special purpose vehicle incorporated in Singapore on 18 September 2024 for the purpose of being a holding company and providing management consultancy services; and

(b) as at the Latest Practicable Date:

(i) the Offeror has an issued and paid-up capital of S$1.00 comprising one (1) ordinary share. ZICO holds 100 per cent. of the shares in the Offeror in its capacity as trustee of Phileo Trust. Phileo Trust is a family trust constituted under a trust deed, under which Dr Tong is the sole beneficiary; and

(ii) Dr Tong is the sole director of the Offeror, and hence is a director on the boards of both the Offeror and the Company.

Please refer to Schedule A of the Offeror's Letter for certain additional information relating to the Offeror.

## 2. OFFEROR'S RATIONALE FOR THE ACQUISITION AND THE SCHEME AND FUTURE INTENTIONS FOR THE COMPANY

### 2.1 The Offeror's Rationale for the Acquisition and the Scheme

The Offeror's rationale for the Acquisition is stated in paragraph 4.1 of the Offeror's Letter (an extract of which is reproduced in italics below):

"*4.1* ***Rationale for the Acquisition.*** *The Acquisition is expected to allow the Offeror to achieve the following objectives:*

*(a)* *Opportunity for Scheme Shareholders who may find it difficult to exit their investment in the Company due to low trading liquidity*

*The primary reason for taking the Company private is its consistently low trading volumes on the SGX-ST, meaning the Shares have been thinly traded and difficult for Shareholders to buy or sell. Trading volume has averaged under 7,000 Shares per day (approximately less than 0.1% of the issued Shares) over the three (3)-month period up to and including the Last Trading Day, leaving many investors with low liquidity. Because of this, the Acquisition provides a clear exit opportunity at a premium price relative to recent trading prices – something not easily available on the open market.*

*(b)* *Opportunity to Realise their Investment in the Scheme Shares at a Premium to Market Price Without Incurring Brokerage Cost*

*The proposed offer price of S$2.70 per Share under the Cash Consideration represents a premium to the prevailing market prices and a valuation multiple that the Offeror believes better reflected the Company's intrinsic value than the depressed Share price does.*

*As set out in paragraph 7 below, the Cash Consideration represents a premium of approximately 16.4%, 18.7%, 18.0% and 33.5% 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 12 March 2026, being the last full day of trading of the Shares prior to the Joint Announcement Date ("**Last Trading Day**"). The Cash Consideration also represents a premium of 14.9% over the last transacted price per Share on the Last Trading Day.*

*The implied price to net tangible asset value ratio ("**P/NTA**") based on the Cash Consideration and the unaudited consolidated net tangible asset value per Share of S$2.60[(1)] of the Company as at 31 December 2025 is approximately 1.04 times.*

*The Cash Consideration under the Scheme 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.*

*Note (1): Net tangible asset per Share is calculated based on the capital and reserves attributable to equity holders of the Company of S$256.2 million less (i) goodwill on consolidation of S$19.8 million and (ii) intangible assets of S$0.1 million, as at 31 December 2025, divided by the issued and paid-up capital (excluding treasury shares) of 90,831,335 ordinary shares.*

(c) *Scheme Shareholders have an option to elect to accept the Combination Consideration*

*Scheme Shareholders will have an option to elect for the Combination Consideration in the form of a combination of S$2.00 in cash and one (1) new RPS for each Scheme Share. The Redemption Amount for each RPS pursuant to the Combination Consideration is S$1.20.*

*The RPS are in a private unlisted company, and Scheme Shareholders should carefully consider the restrictions set out in Schedule B of this Offeror's Letter and the risk factors set out in Schedule C of this Offeror's Letter should they wish to elect to receive the Combination Consideration.*

(d) *Greater Management Control and Flexibility*

*The Offeror believes that the Acquisition and subsequent privatisation of the Company will provide the Offeror and the Company with greater control over strategic decisions. Without being subject to the SGX-ST's continuing listing rules, the management can focus more on long-term plans and have more flexibility in utilising and reallocating those resources toward its core business.*

(e) *Reduced Regulatory Burden*

*Delisting would allow the Company to avoid ongoing regulatory and reporting requirements imposed on SGX-listed companies, such as disclosure obligations, investor communications, and continued listing maintenance costs, including compliance costs, which can be materially costly, especially for a company with low free float and limited public trading.*

(f) *Underlying Investment Proposition*

*Following the sale or closure of the Company's other operating businesses, the remaining operating business within the Company is Taiga Building Products Ltd. ("**Taiga**"), of which the Company has an approximately 74 per cent. interest. As Taiga is separately listed on the Toronto Stock Exchange, interested investors can invest directly, rather than through the Company and incur additional costs.*"

2.2 **The Offeror's Future Intentions for the Company**

As stated in paragraph 4.2 of the Offeror's Letter (an extract of which is reproduced in italics below):

"*4.2* ***Offeror's Future Intentions for the Company.***

(a) *The Offeror intends to retain the current management team of the AL Group to ensure continuity of management and minimal interruption of the AL Group's business.*

(b) *Save as disclosed in this Offeror's Letter, there is presently no intention by the Offeror to (i) introduce any major changes to the business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the employees of the Company, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Company which may be implemented after the Effective Date.*

(c) *However, the Offeror retains and reserves the right and flexibility at any time and from time to time to further consider any options or opportunities in relation to the Company which may present themselves, or which the Offeror may regard to be in the interest of the Company*."

## 3. THE ACQUISITION AND THE SCHEME

### 3.1 Terms of the Scheme

The Acquisition will be effected by way of the Scheme and in accordance with the Code and the terms and conditions of the Implementation Agreement. The Scheme will involve, *inter alia*, the transfer of all the Scheme Shares held by the Scheme Shareholders as at the Record Date, to the Offeror:

(i) fully paid up;

(ii) free from Encumbrances; and

(iii) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.

3.2 **Excluded Shares**. The Shares which will **not** be transferred pursuant to the Scheme, and which will not be subject to the Scheme, comprise:

(a) the 48,837,165 Shares directly held by the Offeror; and

(b) the 7,343,900 Shares directly held by Genghis,

(collectively, the "**Excluded Shares**", and the Shareholders holding such Shares, the "**Excluded Shareholders**").

The Scheme will not be extended to the Excluded Shareholders, while Phileo Capital will be entitled to participate in the Scheme. Pursuant to the Irrevocable Undertaking, Phileo Capital has undertaken to elect the Cash Consideration in the event of the Scheme becoming effective, with the Cash Consideration being treated, in lieu of actual payment, as a debt owing to it by the Offeror.

Genghis and Phileo Capital are both parties acting in concert with the Offeror within the meaning of the Code, given that Dr Tong indirectly owns all the Shares held under Genghis, Phileo Capital and the Offeror. As Genghis, Phileo Capital and the Offeror are controlled by the same ultimate beneficial owner, Dr Tong, they are treated as concert parties within the meaning of the Code.

3.3 **Scheme Consideration**. In consideration of the Acquisition, each Scheme Shareholder as at the Record Date shall be entitled to receive from the Offeror for each Scheme Share held as at the Record Date, at their Election:

3.3.1 S$2.70 in cash (the "**Cash Consideration**"); or

3.3.2 in lieu of the Cash Consideration, S$2.00 in cash and one (1) new RPS for each Scheme Share (the "**Combination Consideration**"). The RPS shall be mandatorily redeemed five (5) years from the date of their issuance at the Redemption Amount of S$1.20 for each RPS.

The RPS to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental authorities or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

The RPS:

(a) are not and will not be listed on any securities exchange;

(b) will not carry any voting or dividend rights;

(c) will be mandatorily redeemed by the Offeror on the expiry of five (5) years from the date of its issuance; and

(d) will have liquidation preference rights such that in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Offeror, the holders of the RPS shall preferentially be entitled to be paid an amount equal to the Redemption Amount, prior to and in preference to any payments to holders of ordinary shares in the capital of the Offeror.

The full terms and conditions of the RPS are set out in the Offeror Constitution, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the Joint Announcement Date and up to the Effective Date. The salient provisions of the Offeror Constitution and additional information on the rights and privileges of the RPS are set out in Schedule B to the Offeror's Letter.

For the avoidance of doubt, each Scheme Shareholder will only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration, in respect of all his/her/its Scheme Shares, and not a mixture of both. Any Scheme Shareholder who does not make any election or fails to make a valid election will be deemed to have elected to receive the Cash Consideration in respect of all Scheme Shares registered under such Scheme Shareholder's name.

**A Scheme Shareholder who wishes to elect to receive the Cash Consideration does not need to complete and return the Election Form.**

If any dividend, right or other distribution is declared, paid or made by the Company to any of the Shareholders on or after the Joint Announcement Date and before the Effective Date, the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions. For the avoidance of doubt, where a Scheme Shareholder has elected to receive the Combination Consideration, any such reduction in the Scheme Consideration will be applied to the cash component of the Combination Consideration.

3.4 **The RPS will not be listed on any securities exchange following completion of the Acquisition and the Scheme in accordance with the Implementation Agreement**. The RPS will be issued to and registered in the name of the person or entity recorded in the Register of Members of the Company or the Depository Register as at the close of business on the Record Date, regardless of whether such Shareholder holds the Shares as custodian or nominee or otherwise.

There are risks involved with investing in the RPS. As stated in Schedule C of the Offeror's Letter, there are risks relating to the business of the Offeror in general and the ownership of the RPS, including the following:

(i) risks relating to the business of the Offeror:

(1) the Offeror has no track record and may not perform in the same manner as the Company;

(2) the Offeror is subject to risks associated with debt financing; and

(3) the Offeror may require additional funding for its future growth;

(ii) risks relating to the RPS:

(1) the RPS have never been publicly traded and will not be publicly traded upon the completion of the Scheme;

(2) the RPS confer no dividend rights;

(3) the RPS are not freely transferable and the potential returns on the RPS may be limited;

(4) the RPS confer no voting rights;

(5) there are limitations to the liquidation preference rights attached to the RPS;

(6) there is no guarantee that the Offeror will have sufficient funds to redeem the RPS at the Redemption Amount when they become due;

(7) the Offeror is not subject to the same corporate disclosure and corporate governance requirements that the Company has been subjected to as a listed company; and

(8) future transfers of the RPS will be subject to stamp duties.

**Further details on the risks relating to the business of the Offeror in general and the ownership of the RPS can be found in Schedule C to the Offeror's Letter. Shareholders are advised to carefully consider the risk factors in their entirety.**

3.5 **Scheme Conditions**. The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of a number of Scheme Conditions. Additional information on the Scheme Conditions is set out in paragraph 7 of the Explanatory Statement in **Appendix A**. The Scheme Conditions are reproduced in **Appendix F** to this Scheme Document.

Subject to the fulfilment or waiver of all Scheme Conditions, the Scheme will become effective on the Effective Date on which a copy of the Court Order has been lodged by the Company with the ACRA to give effect to the Scheme pursuant to Section 210(5) of the Companies Act, which shall be a date to be mutually agreed between the Parties.

Scheme Shareholders should note that if for any reason the Scheme Conditions are not satisfied (or, if applicable, waived) or if the Scheme has not become effective on or before 5.00 p.m. on the Conditions Long-Stop Date, either the Offeror or the Company may immediately terminate the Implementation Agreement by notice in writing to the other Party, and as such the Scheme will not become effective.

3.6 **Effect of Termination**. In the event of termination of the Implementation Agreement by either Party pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall terminate (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law (the "**Surviving Provisions**")) and there shall be no other liability on any Party (save for the Surviving Provisions).

3.7 **Effect of Scheme**. In the event the Scheme becomes effective, it will be binding on all Scheme Shareholders, whether or not they were present in person or by proxy or voted to approve the Scheme at the Court Meeting. Scheme Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding. In the event that the Scheme has been approved at the Court Meeting by a majority in number of Shareholders present and voting, either in person or by proxy, at the Court Meeting, and such majority holding not less than three-fourths in value of the Scheme Shares voted at the Court Meeting, all Scheme Shareholders, including those who voted against the Scheme Resolution or those who did not vote at the Court Meeting are entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration.

3.8 **Election**

(a) **Election Process**. Each Entitled Shareholder:

(i) who holds Directly-Held Shares, shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration for all of his/her/its Directly-Held Shares, but not a mixture of both; and

(ii) who holds Indirectly-Held Shares, shall in respect of each sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration for all the Indirectly-Held Shares held on behalf of such sub-account holder, but not a mixture of both.

**If an Entitled Shareholder holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s), such Entitled Shareholder shall elect to receive either the Cash Consideration OR the Combination Consideration (and not a mixture of both) in respect of all of his/her/its Directly-Held Shares, and shall direct his/her/its Depository Agent(s) to elect to receive the same form of Scheme Consideration in respect of all of his/her/its Indirectly-Held Shares.**

(b) **Deemed Election**. In the event that any Electing Party:

(i) fails to elect to receive the Combination Consideration within the Election Period, whether due to the Receiving Agent or CDP (as the case may be) (A) failing to receive from the Entitled Shareholder an Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) by the end of the Election Period; or (B) receiving an Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect;

(ii) elects to receive the Cash Consideration or the Combination Consideration in respect of only some and not all of his/her/its Shares;

(iii) holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of his/her/its Directly-Held Shares and Indirectly-Held Shares respectively, and the Offeror is notified of such occurrence; and/or

(iv) maintains an address recorded in the Register of Members, the Depository Register or in the records of an Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company and the Receiving Agent or CDP (as the case may be) with an address in Singapore by the Record Date,

such Electing Party shall be deemed to have elected to receive the Cash Consideration for all of his/her/its Shares, and shall be entitled only to receive the Cash Consideration for all of his/her/its Shares as at the Record Date.

In addition, if the Receiving Agent or CDP (as the case may be) fails to receive, from any Electing Party, an Election Form, the KYC form, certified supporting documents and Sub-Account Holders Form (as the case may be) by 5.30 p.m. on the Election Closing Date or receives an Election Form or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected to receive the Cash Consideration for all of his/her/its Shares as at the Record Date.

Further information about the Election process, as well as the settlement and registration of the Scheme Consideration, can be found in paragraphs 9 and 11 of the Explanatory Statement in **Appendix A** and paragraphs 13 and 14 of the Offeror's Letter.

## 4. IRREVOCABLE UNDERTAKING

As stated in paragraph 5 of the Offeror's Letter:

4.1 **Irrevocable Undertaking**. Phileo Capital, which holds 22,480,800 Shares, representing approximately 24.75 per cent. of the Shares, has given the Irrevocable Undertaking to the Offeror to, *inter alia*:

(a) elect to accept, in respect of the Shares held directly or indirectly by it, the Cash Consideration; and

(b) not receive the Cash Consideration in respect of the Shares held directly or indirectly by it, and instead treat such consideration payable as a non-interest bearing debt owed by the Offeror, with the repayment of such debt on an agreed date after the Effective Date, and after the date on which the RPS are mandatorily redeemed (which will be five (5) years from the date of their issuance).

4.2 **Termination of Irrevocable Undertaking**. The Irrevocable Undertaking shall terminate, lapse and cease to have any effect upon the Acquisition pursuant to the Scheme lapsing or being withdrawn for any reason other than a breach of any of Phileo Capital's obligations under the Irrevocable Undertaking.

4.3 **No Other Irrevocable Undertakings**. Save for the Irrevocable Undertaking, as at the Latest Practicable Date, none of (i) the Offeror and its director, (ii) Tong Ian, Phileo Capital, Genghis, ZICO, and the directors of Phileo Capital, Genghis, ZICO, and (iii) the Offeror Financial Adviser has received any irrevocable undertaking from any party to vote in favour of the Scheme at the Court Meeting.

4.4 **SIC Confirmation**. Pursuant to an application made to the SIC to seek certain rulings in relation to the Acquisition, the SIC has confirmed that the arrangements relating to the Irrevocable Undertaking do not constitute a prohibited special deal for the purposes of Rule 10 of the Code.

## 5. NO SPECIAL ARRANGEMENTS

As stated in paragraph 10 of the Offeror's Letter:

5.1 **No Agreement having any Connection with or Dependence on the Scheme**. As at the Latest Practicable Date, save for the Implementation Agreement, and save as disclosed in this Scheme Document (including the Offeror's Letter), there is no agreement, arrangement or understanding between (a) the Offeror or any party acting in concert with it, and (b) any of the current or recent directors of the Company or any of the current or recent Shareholders or any other person that has any connection with, or is dependent on or is conditional upon, the Scheme or its outcome.

5.2 **Transfer of Shares**. As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), there is no agreement, arrangement or understanding whereby any of the Shares acquired by the Offeror pursuant to the Scheme will be transferred to any other person. However, the Offeror reserves the right to direct or transfer any of the Shares to any of its related corporations.

5.3 **No Payment or Benefit to Directors of the Company or its Related Corporations**. As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or of any of its related corporations (within the meaning of Section 6 of the Companies Act) as compensation for loss of office or otherwise in connection with the Scheme.

5.4 **Directors' and Managers' Service Contracts**. As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), the emoluments of the respective directors of the Offeror will not be varied or affected by the implementation of the Scheme or any other associated relevant transaction.

## 6. NO CASH OUTLAY

Shareholders should note that no cash outlay (including any stamp duties or brokerage costs) will be required from Shareholders under the Scheme.

## 7. WAIVER OF RIGHTS TO A GENERAL OFFER

In accordance with the SIC Rulings as set out in paragraph 8.2 of this Letter to Shareholders, Shareholders should note that by voting in favour of the Scheme, Shareholders will be regarded as having waived their rights to a general offer by the Offeror and its concert parties to acquire the Shares under the Code and are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company.

## 8. APPROVALS REQUIRED

### 8.1 SGX-ST's Approval-in-Principle, Court Meeting and Court Sanction

The Scheme will require, *inter alia*, the following approvals:

8.1.1 the approval-in-principle from the SGX-ST of this Scheme Document and for the proposed delisting of the Company from the Main Board of the SGX-ST after the Scheme becomes effective and binding in accordance with its terms;

8.1.2 the approval of the Scheme by a majority in number of Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, such majority holding not less than three-fourths in value of the Scheme Shares voted at the Court Meeting pursuant to the requirements of Section 210(3AB) of the Companies Act; and

8.1.3 the grant of the Court Order and such Court Order having become final and non-appealable.

In addition, the Scheme will only come into effect if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement and a copy of the Court Order has been lodged with ACRA.

8.2 **SIC Confirmations**

Pursuant to the SIC Application, the SIC had, on 3 March 2026, confirmed, *inter alia*, that:

(a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code, subject to the following conditions:

(i) the Offeror and its concert parties, as well as the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, abstain from voting on the Scheme;

(ii) the directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in sub-paragraph (i) above abstain from making a recommendation on the Scheme to the Scheme Shareholders;

(iii) the Scheme Document contains advice to the effect that by voting for the Scheme, the Scheme Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;

(iv) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the Latest Practicable Date and their voting rights in the Offeror and the Company after the Scheme;

(v) the Company appoints an independent financial adviser to advise Scheme Shareholders on the financial terms of the Scheme; and

(vi) the Scheme being completed within six (6) months (unless extended with the SIC's consent) from the Joint Announcement Date;

(b) it has no objections to the Scheme Conditions;

(c) Dr Tong and Tong Ian are exempted from the requirement to make a recommendation on the Scheme to the Scheme Shareholders of the Company. Dr Tong and Tong Ian, however, must still assume responsibility for the accuracy of facts stated and opinions expressed in documents or advertisements issued by, or on behalf of, the Company in connection with the Scheme;

(d) the arrangements relating to the Irrevocable Undertaking do not constitute a prohibited special deal for the purposes of Rule 10 of the Code; and

(e) the non-participation of Genghis in the Scheme does not constitute a special deal prohibited under Rule 10 of the Code.

## 9. ABSTENTION FROM VOTING ON THE SCHEME

In accordance with the SIC Rulings as set out in paragraph 8.2(a)(i) of this Letter to Shareholders, the Offeror and its concert parties, as well as the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, will abstain from voting on the Scheme.

## 10. DELISTING

Upon the Scheme becoming effective and binding in accordance with its terms, the Offeror will hold all the Scheme Shares held by the Scheme Shareholders prior to such date, comprising approximately 38.15 per cent.[2] of the Shares, and the Offeror will directly hold 91.91 per cent. of the Shares. The remaining 8.09 per cent. of the Shares are held by Genghis, a party acting in concert with the Offeror within the meaning of the Code. Accordingly, the Company will become fully controlled by the Offeror and its concert parties, and will be delisted from the Official List of the SGX-ST.

An application will be made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The delisting will be conditional upon the receipt of the SGX-ST's approval advising that it has no objection to the Company's application for the delisting.

SGX-ST's decision is not to be taken as an indication of the merits of the Scheme, the delisting of the Company from the Official List of the SGX-ST, the Company, its subsidiaries and/or their securities.

**SCHEME SHAREHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, THE SHARES WILL, SUBJECT TO THE SGX-ST DELISTING APPROVAL BEING OBTAINED, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.**

## 11. CONFIRMATION OF FINANCIAL RESOURCES

As stated in paragraph 18.3 of the Offeror's Letter, Maybank Securities Pte. Ltd., being the financial adviser to the Offeror in connection with the Acquisition and the Scheme, confirms that sufficient financial resources are available to the Offeror to satisfy in full the aggregate Scheme Consideration payable by the Offeror for all the Scheme Shares to be acquired by the Offeror pursuant to the Scheme (on the basis that all Scheme Shareholders only elect to receive the Cash Consideration, excluding the RPS component of the Combination Consideration and excluding the aggregate Cash Consideration amount payable to Phileo Capital).

## 12. INDEPENDENT FINANCIAL ADVISER TO THE NON-CONFLICTED DIRECTORS

### 12.1 Appointment of IFA

Pursuant to the SIC Rulings, the Code and Rule 1309(2) of the Listing Manual, PrimePartners Corporate Finance Pte. Ltd. has been appointed as the IFA to advise the Non-Conflicted Directors as to whether the terms of the Scheme are fair and reasonable for the purposes of the Non-Conflicted Directors making a recommendation to the Scheme Shareholders in connection with the Scheme.

[2] All shareholding percentages in the Company are calculated based on a total of 90,831,335 Shares in issue (excluding 4,183,170 Shares held in treasury) as at the Latest Practicable Date.

**Scheme Shareholders should consider carefully the recommendation of the Non-Conflicted Directors and the advice of the IFA to the Non-Conflicted Directors before deciding whether or not to vote in favour of the Scheme at the Court Meeting. The advice of the IFA in relation to the Scheme is set out in the IFA Letter dated 10 July 2026 as set out in Appendix B to this Scheme Document.**

12.2 **Factors Taken into Consideration by the IFA**

In arriving at its opinion in respect of the Scheme, the IFA has considered the following key considerations (an extract of which is reproduced in italics below). Scheme Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in **Appendix B** to this Scheme Document. Unless otherwise defined or the context otherwise requires, all capitalised terms below shall bear the same meanings ascribed to them in the IFA Letter.

"***Factors in favour of the Scheme:***

*(a) The Cash Consideration of S$2.70 is above our Estimated Valuation Range for the Shares of between S$2.63 and S$2.66;*

*(b) The PV of the Combination Consideration of S$2.79 is above our Estimated Valuation Range for the Shares of between S$2.63 and S$2.66;*

*(c) Based on the Company's NTA per Share, the Cash Consideration represents a premium of 3.8% over the NTA per Share and the P/NTA ratio of the Company as implied by the Cash Consideration of 1.04 times;*

*(d) Based on the Company's RNTA per Share, the Cash Consideration represents a premium of 0.5% over the RNTA per Share and the P/RNTA ratio of the Company as implied by the Cash Consideration of 1.01 times;*

*(e) Based on the Company's Adjusted RNTA per Share, the Cash Consideration represents a premium of 2.5% over the Adjusted RNTA per Share and the P/Adjusted RNTA ratio of the Company as implied by the Cash Consideration of 1.03 times;*

*(f) In respect of the historical trailing P/NTA ratio of the Shares:*

- *For the 1-month, 3-month, 6-month, 1-year and 2-year periods prior to and including the Last Trading Day, the implied P/Adjusted RNTA based on the Cash Consideration of 1.03 times is above the average historical trailing P/NAV of the Shares of 0.71 times, 0.69 times, 0.69 times, 0.71 times and 0.66 times respectively; and*

- *For the period after the Last Trading Day up to the Latest Practicable Date, the implied P/Adjusted RNTA based on the Cash Consideration of 1.03 times is above the average historical trailing P/NAV of the Shares of 0.97 times;*

*(g) In respect of the Comparable Companies:*

- *the implied Adjusted P/E Ratio based on the Cash Consideration of the Company of 15.46 times is above the range of the LTM P/E ratios of the Comparable Companies;*

- *the implied P/NTA ratio based on the Cash Consideration of the Company of 1.04 times is within the range of the P/NTA ratios of the Comparable Companies of between 0.46 times and 4.73 times, and is higher than both the mean and median P/NTA ratios of 0.91 times and 1.01 times respectively; and*

- *the implied Adjusted P/RNTA ratio based on the Cash Consideration of the Company of 1.03 times is within the range of the P/NTA ratios of the Comparable Companies of between 0.46 times and 4.73 times, and is higher than both the mean and median P/NTA ratios of 0.91 times and 1.01 times respectively;*

***Factors against the Scheme:***

*(a) In respect of the Comparable Companies:*

- *The implied Adjusted EV/EBITDA Ratio based on the Cash Consideration of the Company of 6.76 times is within the range of the LTM EV/EBITDA ratios of the Comparable Companies of between 5.95 times and 11.48 times, but is lower than both the mean and median LTM EV/EBITDA ratios of 8.22 times and 8.38 times respectively; and*

- *The implied P/NAV ratio based on the Cash Consideration of the Company of 0.96 times is within the range of the P/NAV ratios of the Comparable Companies of between 0.46 times and 1.50 times, but is lower than both the mean and median P/NAV ratios of 1.05 times and 1.08 times respectively;*

*(b) In respect of the Precedent Privatisation Transactions:*

- *The premium implied by the Cash Consideration of 14.9% over the last transacted prices is within the range but is lower than the mean and median premia of 39.0% and 32.0% respectively;*

- *The premium implied by the Cash Consideration of 16.6% over the 1-month VWAP is within the range but is lower than the mean and median premia of 41.7% and 38.3% respectively;*

- *The premium implied by the Cash Consideration of 18.6% over the 3-month VWAP is within the range but is lower than the mean and median premia of 42.1% and 37.1% respectively;*

- *The premium implied by the Cash Consideration of 18.0% over the 6-month VWAP is within the range but is lower than the mean and median premia of 45.0% and 38.8% respectively;*

- *The premium implied by the Cash Consideration of 2.7% over the 1-year VWAP is below the range of Precedent Privatisation Transactions, primarily due to the declaration of interim dividend by the Company which resulted the Shares traded at significantly higher price between 11 August 2025 to 14 August 2025 following; and*

- *The implied P/NAV, implied P/NTA and implied Adjusted P/RNTA ratios based on the Cash Consideration of the Company of 0.96 times, 1.04 times and 1.03 times are within the range of P/NAV or P/NTA ratios between 0.43 times and 7.30 times, but are lower than the mean and median P/NAV or P/NTA ratios of 1.50 times and 1.10 times respectively.*

*While the premium implied by the Cash Consideration over the 1-year, 6-month, 3-month and 1-month VWAPs as well as the last transacted price is within the range but is below the mean and median, we wish to highlight that the Precedent Privatisation Transactions are not directly comparable in terms of, inter alia, geographical markets, business activities, scale of operations, risk profile, asset base, valuation methodologies, accounting policies, track record, future prospects, market and industry size, political risk, competitive and regulatory environment, financial position and other relevant criteria. Accordingly, the above comparison merely serves as a general guide to provide an indication of the premium or discount in connection with the Precedent Privatisation Transactions. Conclusions drawn from the comparisons made may not necessarily reflect any perceived market valuation for the Group.*

*After careful consideration of the above factors, we are of the view that the financial terms of the Scheme are **FAIR**.*

***Assessment of reasonableness of the Scheme***

*In determining the reasonableness of the Scheme, we have considered the following:*

*(a) In respect of the trading prices of the Shares, the Cash Consideration of S$2.70 represents premia of 15.9%, 2.7%, 18.0%, 18.6% and 16.6% over the VWAP of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods, prior to the Joint Announcement Date respectively. The Cash Consideration also represents a premium of approximately 14.9% over the last transacted price on the Last Trading Day;*

*(b) The Cash Consideration also represents a premium of approximately 1.1% over the last transacted price on the Latest Practicable Date;*

*(c) During the 2-year Lookback Period prior to the Last Trading Day, the ADTV of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day, was low, representing 0.41%, 0.09%, 0.05%, 0.06% and 0.06% of the free float of the Shares respectively. The ADTV of the Shares on the Last Trading Day, was low, representing 0.24% of the free float of the Shares;*

*(d) Save for certain periods between (i) 11 November 2024 and 6 January 2025; and (ii) 3 April 2025 and 14 August 2025, the Shares had generally underperformed or on par with the rebased FSSTI during the 2-year Lookback Period up to and including the Last Trading Day;*

(e) *Although the dividend yield (based on the dividend declared for FY2025) of the Company based on the closing price as at the Latest Practicable Date and Cash Consideration of approximately 44.9% and 44.4% respectively are higher than the dividend yields of STI ETF, and mean and median of the Comparable Companies of approximately 3.3%, 11.9% and 4.5% respectively, the Company's dividend declaration arose from a back-to-back dividend declared by Taiga, and Taiga did not consistently declared dividends annually as we observed. In addition, any remittance of cash by Taiga to its overseas shareholder, i.e. the Company, may be subject to a 15% withholding tax imposed by the Canadian government and there is no certainty that Taiga will declare dividends in the future;*

(f) *As at the Latest Practicable Date, apart from the Scheme being proposed by the Offeror, no alternative offer or proposal has been received by the Company; and*

(g) *The Company's controlling shareholder, Phileo Capital, has provided the Irrevocable Undertaking in favour of the Offeror to, inter alia, vote in favour of the Scheme at the Scheme Meeting in respect of all their Shares and not withdraw such undertaking once it has been given. Phileo Capital holds 22,480,000 Shares, representing 24.75% of the total Shares in the Company as at the Latest Practicable Date.*

*After careful consideration of the above factors, we are of the view that the financial terms of the Scheme are* ***REASONABLE****.*"

12.3 **Advice of the IFA on the Scheme**

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, the IFA has given its advice in respect of the Scheme to the Non-Conflicted Directors (an extract of which is reproduced in italics below).

Scheme Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety as set out in **Appendix B** to this Scheme Document.

"***Having considered as at the Latest Practicable Date the aforementioned factors set out in this letter and summarised in this section, we are of the opinion that the financial terms of the Scheme are fair and reasonable. Based on our opinion, we advise the Non-Conflicted Directors to recommend that Scheme Shareholders vote in favour of the Scheme, unless Scheme Shareholders are able to obtain a price higher than the Scheme Consideration, taking into account all the brokerage commissions of transactions costs in connection with open market transactions.***

*In respect of the Scheme Consideration, our assessment is as follows:*

| | |
|---|---|
| ***Cash Consideration:*** | *Scheme Shareholders who wish to realise their entire investment in the Company with the certainty of value fully in cash should either sell their Shares in the open market if they are able to obtain a price higher than the Cash Consideration of S$2.70 per Share after deducting brokerage costs or transaction costs in connection with open market transactions;* ***OR*** *vote in favour of the Scheme and elect to receive the Cash Consideration of S$2.70 per Share in respect of all their Shares.* |

| | |
|---|---|
| ***Combination Consideration:*** | *Scheme Shareholders who wish to (i) realise part of their investment in cash at S$2.00 per Share upon acceptance; and (ii) are prepared to accept the higher risk of holding the RPS for a potentially higher return based on the Redemption Amount of S$1.20 per RPS in an unlisted company (i.e. the Offeror) which shall be mandatorily redeemed on the expiry of five (5) calendar years from the issuance should vote in favour of the Scheme and elect for the Combination Consideration. Shareholders should be aware of the risk associated with holding the RPS as set out in paragraph 3.4 of the Scheme Document and the outlook of the industry the Group operates in as elaborated in paragraph 8 of this letter.* |

*We note that Scheme Shareholders may elect to receive the Cash Consideration or the Combination Consideration. We make no recommendation as to whether Scheme Shareholders should elect to receive the Cash Consideration or the Combination Consideration. Any Scheme Shareholder who does not make an election or fails to make a valid election will be deemed to have elected to receive the Cash Consideration in respect of all of their Scheme Shares registered under such Scheme Shareholder's name.*

*The Non-Conflicted Directors should also note that any trades or transactions of the Shares after the Latest Practicable Date are subject to possible market fluctuations and accordingly, our opinion on the Scheme does not and cannot take into account the future transactions or price levels that may be established for the Shares since these are governed by factors beyond the ambit of our review.*

*In rendering our opinion, we have not had regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual Scheme Shareholder. As each Scheme Shareholder would have different investment objectives and profiles, we would advise the Non-Conflicted Directors to recommend that any individual Scheme Shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately. As such, our opinion should not be the sole basis for deciding whether or not to vote in favour of the Scheme.*"

## 13. NON-CONFLICTED DIRECTORS' RECOMMENDATION

### 13.1 Independence

The Non-Conflicted Directors who are considered independent for the purposes of making a recommendation to Shareholders in respect of the Scheme are Ms. Lai Ven Li, Mr. Moey Weng Foong, Mr. Andrew Lim Cheong Seng and Mr. Kevin Kang Kah Wee.

### 13.2 Recommendation

The Non-Conflicted Directors, having considered carefully the terms of the Scheme and the advice given by the IFA in the IFA Letter as set out in **Appendix B** to this Scheme Document, concur with the recommendation of the IFA in respect of the Scheme and recommend that Shareholders **VOTE IN FAVOUR** of the Scheme at the Court Meeting.

Scheme Shareholders should also be aware and note that there is no assurance that the trading volumes and market prices of the Shares will be maintained at the current levels prevailing as at the Latest Practicable Date if the Scheme does not become effective and binding for whatever reason. In the event the Scheme becomes effective, it will be binding on all Scheme Shareholders whether or not they were present in person or by proxy or voted to approve the Scheme at the Court Meeting. Scheme Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

Scheme Shareholders should read and consider carefully this Scheme Document in its entirety, in particular, the advice of the IFA in the IFA Letter as set out in **Appendix B** to this Scheme Document before deciding whether or not to vote in favour of the Scheme.

13.3 **No Regard to Specific Objectives**

The Non-Conflicted Directors advise Scheme Shareholders, in deciding whether or not to vote in favour of the Scheme, to carefully consider the advice of the IFA and in particular, the various considerations highlighted by the IFA in the IFA Letter as set out in **Appendix B** to this Scheme Document.

In giving the above recommendation, the Non-Conflicted Directors have not had regard to the specific objectives, financial situation, tax position, tax status, risk profiles or particular needs and constraints and circumstances of any individual Scheme Shareholder.

As each Scheme Shareholder would have different investment objectives and profiles, the Non-Conflicted Directors recommend that any individual Scheme Shareholder who may require advice in the context of his specific investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

**14. DIRECTORS' INTERESTS AND INTENTIONS WITH RESPECT TO THEIR SHARES**

The interests of the directors of the Company in the Shares as at the Latest Practicable Date are set out in paragraph 5.3 of **Appendix D** to this Scheme Document.

As at the Latest Practicable Date, other than Dr Tong, who has a deemed interest in 78,661,865 Shares (which are beneficially owned by the Offeror, Phileo Capital and Genghis), none of the directors of the Company hold any Shares.

As stated in paragraph 9 of this Letter to Shareholders, in accordance with the SIC Rulings as set out in paragraph 8.2(a)(i) of this Letter to Shareholders, the Offeror, Genghis and Phileo Capital (as concert parties of the Offeror) will abstain from voting on the Scheme.

As stated in paragraph 4 of this Letter to Shareholders, Phileo Capital, which holds 22,480,800 Shares, representing approximately 24.75 per cent. of the Shares, has given the Irrevocable Undertaking to the Offeror to, *inter alia*:

(a) elect to accept, in respect of the Shares held directly or indirectly by it, the Cash Consideration; and

(b) not receive the Cash Consideration in respect of the Shares held directly or indirectly by it, and instead treat such consideration payable as a non-interest bearing debt owed by the Offeror, with the repayment of such debt on an agreed date after the Effective Date, and after the date on which the RPS are mandatorily redeemed (which will be five (5) years from the date of their issuance).

## 15. OVERSEAS SHAREHOLDERS

### 15.1 Overseas Shareholders

The applicability of the Scheme to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Where there are potential restrictions on sending this Scheme Document and any related documents to any overseas jurisdiction, the Offeror reserves the right not to send such documents to Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Scheme Shareholders (including Overseas Shareholders), including those to whom this Scheme Document and any related documents will not be, or may not be, sent, provided that this Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

**Overseas Shareholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.**

### 15.2 Copies of Scheme Document

There may be potential restrictions on sending this Scheme Document, the Notice of Court Meeting and the Proxy Form to Overseas Shareholders due to the laws of the relevant overseas jurisdictions. Accordingly, the Offeror and the Company reserve the right not to send the Notice of Court Meeting and the Proxy Form to any Overseas Shareholder, including where there are potential restrictions on sending the Notice of Court Meeting and the Proxy Form to the relevant overseas jurisdiction. Hence, this Scheme Document and any related documents have not been and will not be sent to any Overseas Shareholder.

Overseas Shareholders may request for printed copies of this Scheme Document and related documents to be sent to an address in Singapore by ordinary post no later than three (3) market days prior to the date of the Court Meeting. Such a request may be made by post to the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 or via e-mail to admin@avarga.com.sg. Printed copies of the Scheme Document will be sent to the address in Singapore specified by the Overseas Shareholder at his/her/its own risk.

Electronic copies of this Scheme Document (together with the Notice of Court Meeting and the Proxy Form) have been made available on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's corporate website at the URL https://www.avarga.com.sg/investor-relations/sgx-announcements/. A

Scheme Shareholder will need an internet browser and PDF reader to view these documents on the SGXNet announcement page of the Company and the corporate website of the Company.

For the avoidance of doubt, the Scheme is being proposed to all Scheme Shareholders (including the Overseas Shareholders), including those to whom this Scheme Document have not been, or will not be, sent, provided that this Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

It is the responsibility of any Overseas Shareholder who wishes to request for this Scheme Document and any related documents to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for this Scheme Document and any related documents or participating in the Scheme, the Overseas Shareholder represents and warrants to the Offeror and the Company that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection, and that he/she/it is in full compliance with all necessary formalities or legal requirements.

**If any Overseas Shareholder is in any doubt about his/her/its position, he/she/it should consult his/her/its professional adviser in the relevant jurisdiction.**

15.3 **Payment and Delivery of RPS Certificates to Overseas Shareholders**

Overseas Shareholders who wish to elect to receive the Combination Consideration are required to provide the Company, the Receiving Agent or CDP (as the case may be), by the Record Date, with an address within Singapore for the purposes of service of notices and delivery by the Offeror of the RPS Certificates.

**Entitled Shareholders whose addresses recorded in the Register of Members, Depository Register or in the records of an Entitled Depository Agent (as the case may be) are not within Singapore and who do not provide the Company, the Receiving Agent or CDP (as the case may be) with an address in Singapore by the Record Date will be deemed to have elected for the Cash Consideration in respect of their Shares.**

15.4 **Notice**

The Offeror and the Company each reserves the right to notify any matter, including the fact that the Scheme has been proposed, to any or all Scheme Shareholders (including Overseas Shareholders) by announcement to 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 Scheme Shareholder (including any Overseas Shareholder) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as the Company remains listed on the SGX-ST, the Company will continue to notify all Scheme Shareholders (including Overseas Shareholders) of any matter relating to the Scheme by announcement via SGXNet.

**Notwithstanding that any Overseas Shareholder may not receive the Notice of Court Meeting, they shall be bound by the Scheme if the Scheme becomes effective in accordance with its terms.**

15.5 **Foreign Jurisdiction**

It is the responsibility of any Overseas Shareholder who wishes to participate in the Scheme to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In participating in the Scheme, the Overseas Shareholder represents and warrants to the Offeror and the Company that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection, and that he/she/it is in full compliance with all necessary formalities or legal requirements.

**If any Overseas Shareholder is in any doubt about his/her/its position, he/she/it should consult his/her/its professional adviser in the relevant jurisdiction.**

**16. ACTION TO BE TAKEN BY SCHEME SHAREHOLDERS**

Scheme Shareholders who are unable to attend the Court Meeting are requested to complete the Proxy Form in accordance with the instructions printed thereon and lodge them with the Share Registrar, B.A.C.S. Private Limited in the following manner:

(a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to main@zicoholdings.com; or

(b) if submitted by post, be lodged at the office of the Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in either case, by 2.30 p.m. on 24 July 2026, being not less than 72 hours before the time fixed for the Court Meeting.

**Scheme Shareholders are strongly encouraged to submit their completed Proxy Forms electronically via e-mail.**

The completion and lodgement of the Proxy Form will not prevent a Scheme Shareholder from attending, speaking and voting in person at the Court Meeting if he/she/it subsequently wishes to do so. In such event, the relevant Proxy Form will be deemed to be revoked.

**17. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS**

CPFIS Investors and SRS Investors are advised to consult their respective CFP Agent Banks or SRS Agent Banks for further information and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice.

**18. DIRECTORS' RESPONSIBILITY STATEMENT**

The directors of the Company (including any who may have delegated detailed supervision of the preparation of this Scheme Document) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Scheme Document which relate to the

Company (excluding **Appendices B** and **C** to this Scheme Document, and any information relating to the Offeror, the Offeror and its concert parties, the Offeror Financial Adviser and/or the IFA or any opinion expressed by the Offeror, the Offeror and its concert parties, the Offeror Financial Adviser and/or the IFA) are fair and accurate and that, where appropriate, no material facts which relate to the Company have been omitted from this Scheme Document. The directors of the Company jointly and severally accept full responsibility for the accuracy of the information given in this Scheme Document (excluding **Appendices B** and **C** to this Scheme Document, and any information relating to the Offeror, the Offeror and its concert parties, the Offeror Financial Adviser and/or the IFA or any opinion expressed by the Offeror, the Offeror and its concert parties, the Offeror Financial Adviser and/or the IFA).

The directors of the Company confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Scheme Document constitutes full and true disclosure of all material facts about the Acquisition, the Scheme and the AL Group, and the directors of the Company are not aware of any facts the omission of which would make any statement in this Scheme Document misleading.

Where any information in this Scheme Document (including information which relates to the Company) has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source (including the Offeror, the Offeror and its concert parties, the Offeror Financial Adviser and/or the IFA), the sole responsibility of the directors of the Company has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Scheme Document in its proper form and context. The directors of the Company do not accept any responsibility for any information relating to the Offeror, the Offeror and its concert parties, the Offeror Financial Adviser, and/or the IFA or any opinion expressed by the Offeror, the Offeror and its concert parties, the Offeror Financial Adviser and/or the IFA.

In respect of the IFA Letter set out in **Appendix B** to this Scheme Document, the sole responsibility of the directors of the Company has been to ensure that the facts stated with respect to the AL Group are fair and accurate.

**19. GENERAL INFORMATION**

Your attention is drawn to the further relevant information in the Appendices to this Scheme Document.

**In particular, your attention is also drawn to paragraph 9 and paragraph 11 of the Explanatory Statement in Appendix A of this Scheme Document explaining (a) the Election process, and (b) the procedures and timing for the settlement of the Scheme Consideration.**

Yours faithfully
For and on behalf of the Board of Directors of
**Avarga Limited**

Tong Ian
Chief Executive Officer and Executive Director

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# APPENDIX A – EXPLANATORY STATEMENT
# (In compliance with Section 211 of the Companies Act)

**PROPOSED ACQUISITION OF THE COMPANY BY THE OFFEROR BY WAY OF THE SCHEME**

## 1. INTRODUCTION

### 1.1 Joint Announcement

On 13 March 2026, the Company and the Offeror made the Joint Announcement in relation to the Acquisition by the Offeror of all the Scheme Shares. The Acquisition will be effected by the Company by way of the Scheme in accordance with Section 210 of the Companies Act, the Code and the terms and conditions of the Implementation Agreement.

A copy of the Joint Announcement is available on SGXNet at the URL https://www.sgx.com/securities/company-announcements.

### 1.2 Implementation Agreement

In connection with the Scheme, the Company and the Offeror have on the Joint Announcement Date entered into the Implementation Agreement setting out the terms and conditions on which the Parties will implement the Scheme.

### 1.3 Effect of the Scheme and Delisting

Upon the Scheme becoming effective and binding in accordance with its terms, the Offeror will hold all the Scheme Shares held by the Scheme Shareholders prior to such date, comprising approximately 38.15 per cent. of the Shares, and the Offeror will directly hold 91.91 per cent. of the Shares. Consequently, the Company will not be able to meet the listing requirements of the SGX-ST, including the requirement under Rule 723 of the Listing Manual which requires the Company to ensure that at least 10% of the total number of Shares in issue is at all times held by the public.

An application will be made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The delisting will be conditional upon the receipt of the SGX-ST's approval advising that it has no objection to the Company's application for the delisting.

SGX-ST's decision is not to be taken as an indication of the merits of the Scheme, the delisting of the Company from the Official List of the SGX-ST, the Company, its subsidiaries and/or their securities.

### 1.4 Explanatory Statement

The purpose of this Explanatory Statement is to provide Shareholders with information on the Scheme and to explain the rationale for and effect of the Scheme. This Explanatory Statement should be read in conjunction with the full text of this Scheme Document, including the Scheme as set out in **Appendix M** to this Scheme Document.

Unless otherwise defined or the context otherwise requires, all capitalised terms used in this Explanatory Statement shall bear the same meanings ascribed to them in this Scheme Document.

**2. INFORMATION ON THE OFFEROR AND THE OFFEROR'S RATIONALE FOR THE ACQUISITION AND THE SCHEME AND FUTURE INTENTIONS FOR THE COMPANY**

Information on the Offeror, as well as the Offeror's rationale for the Acquisition and the Scheme and future intentions for the Company are set out in the Offeror's Letter.

**3. THE ACQUISITION AND THE SCHEME**

3.1 **Terms of the Scheme.** The Acquisition will be effected by way of the Scheme and in accordance with the Code and the terms and conditions of the Implementation Agreement. The Scheme will involve, *inter alia*, the transfer of all the Scheme Shares held by the Scheme Shareholders as at the Record Date, to the Offeror:

(a) fully paid up;

(b) free from Encumbrances; and

(c) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.

3.2 **Excluded Shares.** The Shares which will **not** be transferred pursuant to the Scheme, and which will not be subject to the Scheme, comprise:

(a) the 48,837,165 Shares directly held by the Offeror; and

(b) the 7,343,900 Shares directly held by Genghis,

(collectively, the "**Excluded Shares**", and the Shareholders holding such Shares, the "**Excluded Shareholders**").

The Scheme will not be extended to the Excluded Shareholders, while Phileo Capital will be entitled to participate in the Scheme. Pursuant to the Irrevocable Undertaking, Phileo Capital has undertaken to elect the Cash Consideration in the event of the Scheme becoming effective, with the Cash Consideration being treated, in lieu of actual payment, as a debt owing to it by the Offeror.

Genghis and Phileo Capital are both parties acting in concert with the Offeror within the meaning of the Code, given that Dr Tong indirectly owns all the Shares held under Genghis, Phileo Capital and the Offeror. As Genghis, Phileo Capital and the Offeror are controlled by the same ultimate beneficial owner, Dr Tong, they are treated as concert parties within the meaning of the Code.

3.3 **Scheme Consideration**. In consideration of the Acquisition, each Scheme Shareholder as at the Record Date shall be entitled to receive from the Offeror for each Scheme Share held as at the Record Date, at their Election:

3.3.1 S$2.70 in cash (the "**Cash Consideration**"); or

3.3.2 in lieu of the Cash Consideration, S$2.00 in cash and one (1) new RPS for each Scheme Share (the "**Combination Consideration**"). The RPS shall be mandatorily redeemed five (5) years from the date of their issuance at the Redemption Amount of S$1.20 for each RPS.

The RPS to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental authorities or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

The RPS:

(a) are not and will not be listed on any securities exchange;

(b) will not carry any voting or dividend rights;

(c) will be mandatorily redeemed by the Offeror on the expiry of five (5) years from the date of its issuance; and

(d) will have liquidation preference rights such that in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Offeror, the holders of the RPS shall preferentially be entitled to be paid an amount equal to the Redemption Amount, prior to and in preference to any payments to holders of ordinary shares in the capital of the Offeror.

The full terms and conditions of the RPS are set out in the Offeror Constitution, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the Joint Announcement Date and up to the Effective Date. The salient provisions of the Offeror Constitution and additional information on the rights and privileges of the RPS are set out in Schedule B to the Offeror's Letter.

For the avoidance of doubt, each Scheme Shareholder will only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration, in respect of all his/her/its Scheme Shares, and not a mixture of both. Any Scheme Shareholder who does not make any election or fails to make a valid election will be deemed to have elected to receive the Cash Consideration in respect of all Scheme Shares registered under such Scheme Shareholder's name.

**A Scheme Shareholder who wishes to elect to receive the Cash Consideration does not need to complete and return the Election Form.**

If any dividend, right or other distribution is declared, paid or made by the Company to any of the Shareholders on or after the Joint Announcement Date and before the Effective Date, the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions. For the avoidance of doubt, where a Scheme Shareholder has elected to receive the Combination Consideration, any such reduction in the Scheme Consideration will be applied to the cash component of the Combination Consideration.

3.4 **The RPS will not be listed on any securities exchange following completion of the Acquisition and the Scheme in accordance with the Implementation Agreement**.

The RPS will be issued to and registered in the name of the person or entity recorded in the Register of Members of the Company or the Depository Register as at the close of business on the Record Date, regardless of whether such Shareholder holds the Shares as custodian or nominee or otherwise.

There are risks involved with investing in the RPS. Some of these risks are set out in Schedule C to the Offeror's Letter.

3.5 **Scheme Conditions**. The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of a number of Scheme Conditions. Additional information on the Scheme Conditions is set out in paragraph 7 of this Explanatory Statement. The Scheme Conditions are reproduced in **Appendix F** to the Scheme Document.

Subject to the fulfilment or waiver of all Scheme Conditions, the Scheme will become effective on the Effective Date on which a copy of the Court Order has been lodged by the Company with the ACRA to give effect to the Scheme pursuant to Section 210(5) of the Companies Act, which shall be a date to be mutually agreed between the Parties.

Scheme Shareholders should note that if for any reason the Scheme Conditions are not satisfied (or, if applicable, waived) or if the Scheme has not become effective on or before 5.00 p.m. on the Conditions Long-Stop Date, either the Offeror or the Company may immediately terminate the Implementation Agreement by notice in writing to the other Party, and as such the Scheme will not become effective.

3.6 **Effect of Termination**. In the event of termination of the Implementation Agreement by either Party pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall terminate (except for the Surviving Provisions) and there shall be no other liability on any Party (save for the Surviving Provisions). The details on the termination rights under the Implementation Agreement are set out in paragraph 7.5 of this Explanatory Statement.

3.7 **Effect of Scheme**. In the event the Scheme becomes effective, it will be binding on all Scheme Shareholders, whether or not they were present in person or by proxy or voted to approve the Scheme at the Court Meeting. Scheme Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding. In the event that the Scheme has been approved at the Court Meeting by a majority in number of Shareholders present and voting, either in person or by proxy, at the Court Meeting, and such majority holding not less than three-fourths in value of the Scheme Shares voted at the Court Meeting, all Scheme Shareholders, including those who voted against the Scheme Resolution or those who did not vote at the Court Meeting are entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration.

3.8 **No Cash Outlay**

Shareholders should note that no cash outlay (including any stamp duties or brokerage costs) will be required from Shareholders under the Scheme.

3.9 **Waiver of Rights to a General Offer**

In accordance with the SIC Rulings as set out in paragraph 8.2 of the Letter to Shareholders, Shareholders should note that by voting in favour of the Scheme, Scheme Shareholders will be regarded as having waived their rights to a general offer by the Offeror and its concert parties to acquire the Shares under the Code and are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company.

## 4. IRREVOCABLE UNDERTAKING

As stated in paragraph 5 of the Offeror's Letter:

4.1 **Irrevocable Undertaking**. Phileo Capital, which holds 22,480,800 Shares, representing approximately 24.75 per cent. of the Shares, has given the Irrevocable Undertaking to the Offeror to, *inter alia*:

(a) elect to accept, in respect of the Shares held directly or indirectly by it, the Cash Consideration; and

(b) not receive the Cash Consideration in respect of the Shares held directly or indirectly by it, and instead treat such consideration payable as a non-interest bearing debt owed by the Offeror, with the repayment of such debt on an agreed date after the Effective Date, and after the date on which the RPS are mandatorily redeemed (which will be five (5) years from the date of their issuance).

4.2 **Termination of Irrevocable Undertaking**. The Irrevocable Undertaking shall terminate, lapse and cease to have any effect upon the Acquisition pursuant to the Scheme lapsing or being withdrawn for any reason other than a breach of any of Phileo Capital's obligations under the Irrevocable Undertaking.

4.3 **No Other Irrevocable Undertakings**. Save for the Irrevocable Undertaking, as at the Latest Practicable Date, none of (i) the Offeror and its director, (ii) Tong Ian, Phileo Capital, Genghis, ZICO, and the directors of Phileo Capital, Genghis, ZICO, and (iii) the Offeror Financial Adviser has received any irrevocable undertaking from any party to vote in favour of the Scheme at the Court Meeting.

4.4 **SIC Confirmation**. Pursuant to an application made to the SIC to seek certain rulings in relation to the Acquisition, the SIC has confirmed that the arrangements relating to the Irrevocable Undertaking do not constitute a prohibited special deal for the purposes of Rule 10 of the Code.

## 5. NO SPECIAL ARRANGEMENTS

As stated in paragraph 10 of the Offeror's Letter:

5.1 **No Agreement having any Connection with or Dependence on the Scheme**. As at the Latest Practicable Date, save for the Implementation Agreement, and save as disclosed in this Scheme Document (including the Offeror's Letter), there is no agreement, arrangement or understanding between (a) the Offeror or any party acting in concert with it, and (b) any of the current or recent directors of the Company or any of the current or recent Shareholders or any other person that has any connection with, or is dependent on or is conditional upon, the Scheme or its outcome.

5.2 **Transfer of Shares**. As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), there is no agreement, arrangement or understanding whereby any of the Shares acquired by the Offeror pursuant to the Scheme will be transferred to any other person. However, the Offeror reserves the right to direct or transfer any of the Shares to any of its related corporations.

5.3 **No Payment or Benefit to Directors of the Company or its Related Corporations**. As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or of any of its related corporations (within the meaning of Section 6 of the Companies Act) as compensation for loss of office or otherwise in connection with the Scheme.

5.4 **Directors' and Managers' Service Contracts**. As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Offeror's Letter), the emoluments of the respective directors of the Offeror will not be varied or affected by the implementation of the Scheme or any other associated relevant transaction.

## 6. COURT MEETING

### 6.1 Court Meeting

The Scheme, which is proposed pursuant to Section 210 of the Companies Act, is required to be approved by the Shareholders at the Court Meeting. By an order of the Court, the Court Meeting was directed to be convened for the purpose of considering, and if thought fit, approving the Scheme.

By proposing that the Acquisition be implemented by way of a scheme of arrangement under Section 210 of the Companies Act, the Company is providing Shareholders with the opportunity to decide at the Court Meeting whether they consider the Scheme to be in their best interests.

The Scheme must be approved at the Court Meeting by a majority in number of Shareholders, present and voting, either in person or by proxy at the Court Meeting, such majority representing not less than three-fourths in value of the Shares voted at the Court Meeting. In accordance with the SIC Rulings, the Offeror, Genghis and Phileo Capital (as concert parties of the Offeror) will abstain from voting at the Court Meeting.

If and when the Scheme becomes effective, it will be binding on all Shareholders, whether or not they were present in person or by proxy or voted at the Court Meeting and whether or not they voted for or against the Scheme Resolution. Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

6.2 **Convening of Court Meeting**

Pursuant to an application by the Company, the Court ordered on 7 July 2026 that a meeting be summoned of the Company's members in order for a scheme of arrangement to be proposed in accordance with Section 210(1) of the Companies Act.

The Court Meeting will be held on **27 July 2026 at 2.30 p.m.** and convened in the manner set out in **Appendix L** to this Scheme Document for the purpose of considering, and if thought fit, approving (with or without modification) the Scheme Resolution.

6.3 **Voting at the Court Meeting**

As set out in **Appendix L** to this Scheme Document:

(a) a Shareholder which is not a relevant intermediary who is entitled to attend, speak and vote at the Court Meeting may only appoint one (1) proxy to attend, speak and vote in his/her/its stead and may only cast all the voting rights attached to his/her/its Shares at the Court Meeting (whether in person or by proxy) in one (1) way. Where a Shareholder which is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid;

(b) in relation to any Shareholder which is a relevant intermediary:

(i) subject to paragraph 6.3(b)(ii) below, a Shareholder which is a relevant intermediary need not cast all the voting rights attached to the Shares held on behalf of its sub-account holders in the same way provided that (A) each vote is exercised in relation to a different Share; and (B) the voting rights attached to all or any of the Shares in each sub-account may only be cast at the Court Meeting in one (1) way but, for the avoidance of doubt, the voting rights of such Shares need not be cast in the same way as the Shares in another sub-account; and

(ii) a Shareholder which is a relevant intermediary may appoint more than two (2) proxies in relation to the Court Meeting to exercise all or any of such Shareholder's rights to attend and to speak and vote at the Court Meeting, but each proxy must be appointed to exercise the voting rights attached to a different Share or Shares held by the Shareholder on behalf of its sub-account holders (which number and class of Shares must be specified), provided that no more than one (1) proxy may be given in respect of each sub-account which holds Shares. Where a proxy is appointed in accordance with this paragraph 6.3(b)(ii) in respect of Shares held on behalf of only one (1) sub-account holder, such proxy may only cast all the voting rights attached to all or any of the Shares in such sub-account at the Court Meeting in one (1) way; and

(c) for the purposes of determining whether the Headcount Condition and the Value Condition are satisfied:

(i) each proxy appointed in accordance with paragraph 6.3(a) above and which casts a vote in respect of its Shares for or against the Scheme shall be treated as:

(A) casting one (1) vote in number for the purposes of the Headcount Condition; and

(B) the value represented by the proxy for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights are being exercised by the proxy.

Where a person has been appointed in accordance with paragraph 6.3(a) above as the proxy of more than one (1) Shareholder to vote at the Court Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing Shareholder for the purposes of the Headcount Condition and the Value Condition; provided that the proxy is exercising the voting rights attached to a different Share or Shares (which number and class of Shares must be specified);

(ii) each proxy appointed in accordance with paragraph 6.3(b)(ii) above and which casts a vote in respect of its Shares for or against the Scheme shall be treated as:

(A) casting one (1) vote in number for the purposes of the Headcount Condition; and

(B) the value represented by the proxy for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights are being exercised by the proxy.

Where a person has been appointed in accordance with paragraph 6.3(b)(ii) above as the proxy of more than one (1) sub-account holder to vote at the Court Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing sub-account holder for the purposes of the Headcount Condition and the Value Condition; provided that such proxy is exercising the voting rights attached to a different Share or Shares (which number and class of Shares must be specified);

(iii) where a Shareholder which is a relevant intermediary casts the voting rights attached to the Shares held on behalf of its sub-account holder(s) for and/or against the Scheme:

(A) such relevant intermediary shall be treated as casting one (1) vote in number for the purposes of the Headcount Condition in respect of each sub-account holder on whose behalf the Shareholder which is a relevant intermediary casts the voting rights attached to the Shares; and

(B) the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights "for" and/or "against" the Scheme are being exercised by the relevant intermediary,

provided that the Shareholder which is a relevant intermediary shall submit to the Company's Share Registrar, B.A.C.S. Private Limited, by no later than 2.30 p.m. on 24 July 2026, either:

(I) by e-mail to main@zicoholdings.com; or

(II) by post to the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

the list of these sub-account holder(s) (which sets out the name of each sub-account holder, the number of Shares attributed to each sub-account holder, and whether the sub-account holder has voted in favour of or against the Scheme in respect of such Shares). Each sub-account holder may only vote one (1) way in respect of all or any part of the Shares in such sub-account; and

(iv) where a Shareholder which is a relevant intermediary casts the voting rights attached to the Shares held on behalf of its sub-account holder(s) both for and against the Scheme without submitting to the Company's Share Registrar the information required under paragraph 6.3(c)(iii) above then, without prejudice to the treatment of any proxies appointed in accordance with paragraph 6.3(b)(ii) above:

(A) such relevant intermediary shall be treated as casting one (1) vote in favour of the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes for the Scheme than against the Scheme;

(B) such relevant intermediary shall be treated as casting one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes against the Scheme than for the Scheme;

(C) such relevant intermediary shall be treated as casting one (1) vote for and one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts equal votes for and against the Scheme; and

(D) with respect to each of the scenarios set out in paragraphs 6.3(c)(iv)(A), 6.3(c)(iv)(B) and 6.3(c)(iv)(C) above, the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights "for" and "against" the Scheme are being exercised by the relevant intermediary.

*For example, to illustrate – a Shareholder who is a relevant intermediary holds 100 Shares on behalf of 10 sub-account holders who each beneficially own 10 Shares.*

*Two (2) of these sub-account holders ask to attend the Court Meeting in person, one to vote "for" the Scheme and the other to vote "against" the Scheme. The relevant intermediary submits one (1) proxy form on behalf of each of these two (2) sub-account holders appointing each of them as proxies. Pursuant to paragraph 6.3(c)(ii) above, the Company shall treat the proxy who casts a vote "for" the Scheme as casting one (1) vote "for" for the purposes of the Headcount Condition (representing 10 Shares "for" the Scheme for the purposes of the Value Condition) and the proxy who casts a vote "against" the Scheme as casting one (1) vote "against" for the purposes of the Headcount Condition (representing 10 Shares "against" the Scheme for the purposes of the Value Condition).*

*Another two (2) of these sub-account holders do not ask to attend the Court Meeting in person. One of them instructs the relevant intermediary to vote "for" the Scheme and the other instructs the relevant intermediary to vote "against" the Scheme. The relevant intermediary submits one (1) proxy form for both these two (2) sub-account holders including the following information: (a) the names of these two (2) sub-account holders, (b) that 10 Shares are attributed to each sub-account holder and (c) one (1) sub-account holder has voted "for" the Scheme and one (1) sub-account holder has voted "against" the Scheme. Pursuant to paragraph 6.3(c)(iii) above, the Company shall treat the sub-account holder who casts a vote "for" the Scheme as casting one (1) vote "for" for the purposes of the Headcount Condition (representing 10 Shares "for" the Scheme for the purposes of the Value Condition) and the sub-account holder who casts a vote "against" the Scheme as casting one (1) vote "against" for the purposes of the Headcount Condition (representing 10 Shares "against" the Scheme for the purposes of the Value Condition).*

*The remaining six (6) sub-account holders do not ask to attend the Court Meeting in person but:*

- *Scenario 1: Five (5) of these sub-account holders give instructions to the relevant intermediary to vote "for" the Scheme while the remaining one (1) gives instructions to the relevant intermediary to vote "against" the Scheme. The relevant intermediary submits one (1) proxy form on behalf of these six (6) sub-account holders collectively indicating 50 Shares "for" the Scheme and 10 Shares "against" the Scheme in the proxy form without specifying the names or number of sub-account holders, the number and class of Shares held by each sub-account holder and the vote cast by each sub-account holder. Pursuant to paragraph 6.3(c)(iv)(A) above, the Company shall treat the relevant intermediary as casting one (1) vote for the Scheme for the purposes of the Headcount Condition (representing 50 Shares "for" the Scheme and 10 Shares "against" the Scheme for the purposes of the Value Condition).*

- *Scenario 2: One (1) of these sub-account holders gives instructions to the relevant intermediary to vote "for" the Scheme while the remaining five (5) give instructions to the relevant intermediary to vote "against" the Scheme. The relevant intermediary submits one (1) proxy form on behalf of these six (6) sub-account holders collectively indicating 10 Shares "for" the Scheme and 50 Shares "against" the Scheme in the proxy form without specifying the names or number of sub-account holders, the number and class of Shares held by each sub-account holder and the vote cast by each sub-account holder. Pursuant to paragraph 6.3(c)(iv)(B) above, the Company shall treat the relevant intermediary as casting one (1) vote against the Scheme for the purposes of the Headcount Condition (representing 10 Shares "for" the Scheme and 50 Shares "against" the Scheme for the purposes of the Value Condition).*

- *Scenario 3: Three (3) of these sub-account holders give instructions to the relevant intermediary to vote "for" the Scheme while the remaining three (3) give instructions to the relevant intermediary to vote "against" the Scheme. The relevant intermediary submits one (1) proxy form on behalf of these six (6) sub-account holders collectively indicating 30 Shares "for" the Scheme and 30 Shares "against" the Scheme in the proxy form without specifying the names or number of sub-account holders, the number and class of Shares held by each sub-account holder and the vote cast by each sub-account holder. Pursuant to paragraph 6.3(c)(iv)(C) above, the Company shall treat the relevant intermediary as casting one (1) vote for and one (1) vote against the Scheme for the purposes of the Headcount Condition (representing 30 Shares "for" the Scheme and 30 Shares "against" the Scheme for the purposes of the Value Condition).*

6.4 **Notice of Court Meeting**

The Notice of Court Meeting is set out in **Appendix O** to this Scheme Document. Shareholders are requested to take note of the date, time and venue of the Court Meeting.

## 7. CONDITIONS OF THE SCHEME

7.1 **Scheme Conditions**

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the Scheme Conditions set out in the Implementation Agreement and reproduced in **Appendix F** to this Scheme Document. Subject to the fulfilment or waiver of all Scheme Conditions, the Scheme will become effective on the Effective Date on which a copy of the Court Order has been lodged by the Company with the ACRA to give effect to the Scheme pursuant to Section 210(5) of the Companies Act, which shall be a date to be mutually agreed between the Parties.

7.2 **Update on Status of Scheme Conditions**

Set out below is an update on the status of the Scheme Conditions as at the Latest Practicable Date.

7.2.1 Pursuant to the SIC Application, the SIC had, on 3 March 2026, confirmed, *inter alia*, that:

(a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code, subject to the following conditions:

(i) the Offeror and its concert parties, as well as the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, abstain from voting on the Scheme;

(ii) the directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in sub-paragraph (i) above abstain from making a recommendation on the Scheme to the Scheme Shareholders;

(iii) the Scheme Document contains advice to the effect that by voting for the Scheme, the Scheme Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;

(iv) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the Latest Practicable Date and their voting rights in the Offeror and the Company after the Scheme;

(v) the Company appoints an independent financial adviser to advise Scheme Shareholders on the financial terms of the Scheme; and

(vi) the Scheme being completed within six (6) months (unless extended with the SIC's consent) from the Joint Announcement Date;

(b) it has no objections to the Scheme Conditions;

(c) Dr Tong and Tong Ian are exempted from the requirement to make a recommendation on the Scheme to the Scheme Shareholders of the Company. Dr Tong and Tong Ian, however, must still assume responsibility for the accuracy of facts stated and opinions expressed in documents or advertisements issued by, or on behalf of, the Company in connection with the Scheme;

(d) the arrangements relating to the Irrevocable Undertaking do not constitute a prohibited special deal for the purposes of Rule 10 of the Code; and

(e) the non-participation of Genghis in the Scheme does not constitute a special deal prohibited under Rule 10 of the Code.

7.2.2 The SGX-ST has on 30 April 2026 given its clearance for this Scheme Document.

Other than as set out in this paragraph 7.2, none of the other Scheme Conditions have, as at the Latest Practicable Date, been satisfied (or, where applicable, waived).

7.3 **Remaining Scheme Conditions**

Accordingly, as at the Latest Practicable Date, the Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the remaining Scheme Conditions as set out in **Appendix F** to this Scheme Document by the Conditions Long-Stop Date.

7.4 **Benefit of Certain Scheme Conditions**

(a) **The Offeror's Benefit**. The Offeror alone may waive the Scheme Conditions in paragraph (g) (in relation to Prescribed Occurrences relating to the AL Group Companies) and paragraphs (i) and (j) of **Appendix F** (in relation to the Company's Representations, Warranties and Covenants, and No Material Adverse Event, respectively). Any breach or non-fulfilment of any such Scheme Conditions may be relied upon only by the Offeror. The Offeror may at any time and from time to time at its sole and absolute discretion waive any such breach or non-fulfilment.

(b) **The Company's Benefit**. The Company alone may waive the Scheme Conditions in paragraph (g) (in relation to Prescribed Occurrences relating to the Offeror) and paragraph (h) (in relation to the Offeror's Representations, Warranties and Covenants) of **Appendix F**. Any breach or non-fulfilment of any such Scheme Conditions may be relied upon only by the Company. The Company may at any time and from time to time at its sole and absolute discretion waive any such breach or non-fulfilment.

(c) **Mutual Benefit**. The Offeror and the Company together may jointly waive the Scheme Conditions in paragraph (b) (in relation to Authorisations) and paragraph (f) (in relation to No Legal or Regulatory Restraint) of **Appendix F** (in each case, to the extent legally permissible). For the avoidance of doubt, the Parties agree that the Scheme Conditions in paragraphs (a) (in relation to Regulatory Approvals), (c) (in relation to Shareholder Approval), (d) (in relation to Court Order), and (e) (in relation to Lodgement of the Court Order) of **Appendix F** are not capable of being waived by either or both of the Company and the Offeror.

7.5 **Termination**

**Right to Terminate.** The Implementation Agreement provides that the Implementation Agreement may be terminated at any time prior to the Effective Date as follows:

(a) by either the Company or the Offeror, if any court of competent jurisdiction has issued an order, decree or ruling or taken any other action permanently enjoining, restraining or otherwise prohibiting the Scheme or any part thereof, or has refused to do anything necessary to permit the Scheme or any part thereof, and such order, decree, ruling, other action or refusal shall have become final and non-appealable;

(b) by either the Company or the Offeror, if the resolutions submitted to the Court Meeting are not approved (without amendment) by the requisite majority of the Scheme Shareholders at the Court Meeting as provided for in Section 210(3AB) of the Companies Act; or

(c) if there shall have been a breach by any Party of its obligations under the Implementation Agreement and such breach is material in the context of the Scheme, by either the Offeror or the Company (as the case may be, being the Party not in default and having the benefit of such obligations) by 14 days written notice to the other Party,

in each case, after prior consultation with the SIC.

7.6 **Non-fulfilment of Scheme Conditions**. If for any reason the Scheme Conditions are not satisfied (or, if applicable, waived) or if the Scheme has not become effective on or before 5.00 p.m. on the Conditions Long-Stop Date, either the Offeror or the Company may immediately terminate the Implementation Agreement (save for the Surviving Provisions) by notice in writing to the other Party.

7.7 **SIC Determination**. Subject to paragraph 7.4, the Offeror and/or the Company (as the case may be) may only invoke the non-fulfilment of any of the Scheme Conditions to terminate the Implementation Agreement if it has first consulted the SIC and the SIC gives its approval for, or states that it has no objection to, such termination and the Scheme not proceeding as a result of such termination. For the avoidance of doubt, if the Implementation Agreement is not terminated because the SIC for any reason does not give its approval for, or does not state that it has no objection to, such termination and the Scheme not proceeding as a result of such termination, such non-termination of the Implementation Agreement shall not amount to a waiver of any claims or rights which a Party may have against the other Party in relation to the non-satisfaction of the relevant Scheme Condition. In the event that any Party intends to consult with the SIC in relation to such termination of the Implementation Agreement, it shall give prior written notice of such intention to the other Party.

7.8 **Competing Offer**. Pursuant to the terms of the Implementation Agreement, in the event of a Competing Offer (as defined below) or in the event that an intention to make a Competing Offer is announced (whether or not such Competing Offer is pre-conditional), the Offeror may terminate the Implementation Agreement (save for the Surviving Provisions), by notice in writing to the Company, after prior consultation with the SIC. For the avoidance of doubt, if the Implementation Agreement is not terminated because the SIC does not for any reason give its approval for, or does not state that it has no objection to, such termination, such non-termination of the Implementation Agreement shall not amount to a waiver of any claims or rights which a Party may have against the other Party in relation to the Implementation Agreement.

"**Competing Offer**" means any expression of interest, offer or proposal by any person other than the Offeror, involving:

(a) a sale, transfer or other disposal of any direct or indirect interest in substantially all of the assets, business and/or undertakings of the Company (whether held directly by the Company or indirectly through one or more AL Group Companies);

(b) a general offer (including partial offer) for the Shares;

(c) a scheme of arrangement involving the Company or the merger of the Company with any other entity (whether by way of joint venture, reverse takeover bid, dual listed company structure or otherwise); or

(d) any other arrangement having an effect similar to any of (a) to (c), including a merger or amalgamation proposal.

For the purposes of this definition, a Competing Offer will be deemed to be for substantially all of the assets, business and/or undertakings of the Company if the relevant assets, business and/or undertakings in question constitute a "material amount" as defined in Note 2 to Rule 5 of the Code.

7.9 **Effect of Termination**. In the event of termination of the Implementation Agreement by either Party pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall terminate (except for the Surviving Provisions) and there shall be no other liability on any Party (save for the Surviving Provisions).

7.10 **Obligations of the Offeror and the Company**

Pursuant to the terms of the Implementation Agreement, the Offeror and the Company shall in connection with the implementation of the Scheme, as expeditiously as practicable, comply with the obligations set out respectively in **Appendix J** and **Appendix K** to this Scheme Document.

The obligations of the Company in **Appendix K** to this Scheme Document are subject to the fiduciary duties of its directors and compliance with all applicable laws.

**8. EFFECT OF THE SCHEME AND DELISTING**

Upon the Scheme becoming effective and binding in accordance with its terms, the Offeror will hold all the Scheme Shares held by the Scheme Shareholders prior to such date, comprising approximately 38.15 per cent. of the Shares, and the Offeror will directly hold 91.91 per cent. of the Shares. Consequently, the Company will not be able to meet the listing requirements of the SGX-ST, including the requirement under Rule 723 of the Listing Manual which requires the Company to ensure that at least 10% of the total number of Shares in issue is at all times held by the public.

An application will be made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The delisting will be conditional upon the receipt of the SGX-ST's approval advising that it has no objection to the Company's application for the delisting.

SGX-ST's decision is not to be taken as an indication of the merits of the Scheme, the delisting of the Company from the Official List of the SGX-ST, the Company, its subsidiaries and/or their securities.

**SCHEME SHAREHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, THE SHARES WILL, SUBJECT TO THE SGX-ST DELISTING APPROVAL BEING OBTAINED, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.**

## 9. IMPLEMENTATION OF THE SCHEME

### 9.1 Application to Court for Sanction

Upon the Scheme being approved by a majority in number of Shareholders present and voting, either in person or by proxy, at the Court Meeting, such majority representing not less than three-fourths in value of the Shares voted at the Court Meeting, an application will be made to the Court by the Company for the sanction of the Scheme.

### 9.2 Election

(a) **Election Period**

Entitled Shareholders who wish to elect to receive the Cash Consideration, or, in lieu thereof, the Combination Consideration, in respect of all of his/her/its Shares, may do so during the Election Period.

The duration of the Election will be a period of 10 Business Days or such other period as may be agreed by the Parties in writing, commencing from the Election Forms Despatch Date. The Company will announce the Election Forms Despatch Date and the Election Period in due course.

(b) **Election Forms**

Each Entitled Shareholder (other than Entitled Depository Agents) may elect to receive the Cash Consideration, or, in lieu thereof, the Combination Consideration, in respect of all of his/her/its Shares, but not a mixture of both.

The Election Forms will be despatched by the Offeror (or on its behalf) on the Election Forms Despatch Date to all Entitled Shareholders (including the Entitled Depository Agents), at their respective addresses shown in the records of CDP (in respect of Entitled Shareholders being Depositors) or the Register of Members (in respect of Entitled Shareholders not being Depositors), as the case may be, at their own risk. The Election Forms will be despatched to Singapore addresses only.

The Election Forms can also be collected at the Receiving Agent's office situated at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 during the Election Period.

Entitled Shareholders (including the Entitled Depository Agents) should complete, sign and return the Election Form in accordance with the procedures set out below and the provisions and instructions printed on the Election Form during the Election Period:

(i) **Entitled Shareholders whose Shares are not deposited with CDP**

An Entitled Shareholder (not being a Depositor) who wishes to elect to receive the Combination Consideration should deliver the completed and signed Election Form together with the KYC form and certified supporting documents to the Receiving Agent in the following manner:

(A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to the Receiving Agent at main@zicoholdings.com; or

(B) if submitted by post, be sent using the pre-addressed envelope at his/her/its own risk to the office of the Receiving Agent at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

(ii) **Entitled Shareholders whose Shares are deposited with CDP (other than Entitled Depository Agents)**

An Entitled Shareholder (being a Depositor who is not a Depository Agent) who wishes to elect to receive the Combination Consideration should deliver the completed and signed Election Form together with the KYC form and certified supporting documents to the Receiving Agent in the following manner:

(A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to the Receiving Agent at main@zicoholdings.com; or

(B) if submitted by post, be sent using the pre-addressed envelope at his/her/its own risk to the office of the Receiving Agent at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**If an Entitled Shareholder wishes to receive the Cash Consideration in respect of all of his/her/its Shares, he/she/it does not need to complete and return the Election Form.**

(c) **Entitled Depository Agents**

If an Entitled Depository Agent wishes to elect to receive the Combination Consideration in respect of any of its sub-account holder's Shares, such Entitled Depository Agent must, submit the completed Election Form, the KYC form, certified supporting documents and the Sub-Account Holders Form by post, to be sent to the office of the Receiving Agent at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**Entitled Depository Agents do not have to complete or return the Election Form and Sub-Account Holders Form if they wish to elect to receive the Cash Consideration in respect of all of their sub-account holders' Shares.**

(d) **Information Pertaining to CPFIS Investors and SRS Investors**

CPFIS Investors and SRS Investors are advised to consult their respective CPF Agent Banks or SRS Agent Banks for further information and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice.

(e) **Receipt**

The Election Forms, the KYC form, certified supporting documents and Sub-Account Holders Forms must be received no later than 5.30 p.m. on the Election Closing Date. No acknowledgement of receipt of any Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form will be given by the Offeror, the Company, CDP or the Receiving Agent. Each Entitled Shareholder (who is not an Entitled Depository Agent) is permitted to submit only one (1) Election Form and any subsequent submission of any Election Forms will be disregarded and deemed invalid. Each Entitled Depository Agent is permitted to submit only one (1) Sub-Account Holders Form and any subsequent submission of any Sub-Account Holders Forms will be disregarded and deemed invalid.

(f) **Deemed Election**

(i) In the event that any Electing Party:

(A) fails to elect to receive the Combination Consideration within the Election Period, whether due to the Receiving Agent or CDP (as the case may be) (1) failing to receive from the Entitled Shareholder an Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) by the end of the Election Period; or (2) receiving an Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect;

(B) elects to receive the Cash Consideration or the Combination Consideration in respect of only some and not all of his/her/its Shares;

(C) holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of his/her/its Directly-Held Shares and Indirectly-Held Shares respectively, and the Offeror is notified of such occurrence; and/or

(D) maintains an address recorded in the Register of Members, the Depository Register or in the records of an Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company and the Receiving Agent or CDP (as the case may be) with an address in Singapore by the Record Date,

such Electing Party shall be deemed to have elected to receive the Cash Consideration for all of his/her/its Shares, and shall be entitled only to receive the Cash Consideration for all of his/her/its Shares as at the Record Date.

(ii) In addition, if the Receiving Agent or CDP (as the case may be) fails to receive, from any Electing Party, an Election Form, the KYC form, certified supporting documents and Sub-Account Holders Form (as the case may be) by 5.30 p.m. on the Election Closing Date or receives an Election Form or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in this Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected to receive the Cash Consideration for all of his/her/its Shares as at the Record Date.

(g) **Discretion**

Each of the Offeror and the Company reserves the right to treat Election Forms and Sub-Account Holders Forms as valid if received by or on behalf of it at any place or places determined by it otherwise than as stated in this Scheme Document, the Election Form or the Sub-Account Holders Form (as the case may be), or if made otherwise than in accordance with the provisions of this Scheme Document, the Election Form or the Sub-Account Holders Form (as the case may be). CDP and the Receiving Agent take no responsibility for any such decision made by the Offeror and/or the Company.

(h) **Disclaimer**

The Offeror, the Company, CDP and the Receiving Agent will each be authorised and entitled, in its absolute discretion, to accept or reject any Election Form or Sub-Account Holders Form which is not entirely in order or does not comply with this Scheme Document or the provisions and instructions contained in the Election Form or the Sub-Account Holders Form (as the case may be), or which is otherwise incomplete, incorrect, unsigned or invalid in any respect. The Offeror shall not be required to notify any Entitled Shareholder or Entitled Depository Agent if his/her/its Election Form or Sub-Account Holders Form (as the case may be) is not received or is not in compliance with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or is otherwise incomplete or invalid in any other respect.

If an Entitled Shareholder wishes to receive the Combination Consideration, it is such Entitled Shareholder's responsibility to ensure that the Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) is properly completed in all respects, signed and all required supporting documents, where applicable, are provided. Any decision to reject any Election Form or Sub-Account Holders Form will be final and binding and none of the Offeror, the Company, CDP or the Receiving Agent accepts any responsibility or liability in relation to such rejection, including the consequences thereof.

(i) **Correspondences**

All communication, certificates, notices, documents and remittances to be delivered or sent to an Entitled Shareholder (or such Entitled Shareholder's designated agent or, in the case of joint Entitled Shareholders who have not designated any agent, to the one first named in the Depository Register or the Register of Members (as the case may be)) will be sent by ordinary post to such Entitled Shareholder's mailing address as maintained with the CDP or as it appears in the Register of Members, as the case may be, at the risk of the person entitled thereto.

The attention of Overseas Shareholders is also drawn to paragraph 15 of the Letter to Shareholders and paragraph 12 of the Offeror's Letter.

## 10. RECORD DATE

### 10.1 Notice of Record Date

Subject to the approval by the requisite majority of Shareholders at the Court Meeting and the sanction of the Scheme by the Court, notice of the Record Date will be given in due course for the purposes of determining the entitlements of Entitled Shareholders to the Scheme Consideration under the Scheme.

**The Record Date is expected to be on 24 September 2026 at 5.00 p.m. The Company will make a further announcement in due course on the Record Date.**

### 10.2 Transfer of Shares after Record Date

No transfer of the Shares where the share certificates relating thereto are not deposited with CDP may be effected after the Record Date, unless such transfer is made pursuant to the Scheme.

### 10.3 Trading in Shares on the SGX-ST

The Scheme is tentatively scheduled to become effective and binding in accordance with its terms on or about 29 October 2026.

Assuming the Scheme becomes effective and binding in accordance with its terms on 29 October 2026 and subject to the SGX-ST Delisting Approval being obtained, the Shares are expected to be delisted and removed from the Official List of the SGX-ST after the settlement of the Scheme Consideration. It is therefore expected that, subject to the approval of the SGX-ST, the Shares will cease to be traded on the SGX-ST on or about 15 September 2026 at 5.00 p.m., being six (6) Market Days prior to the expected Record Date on 24 September 2026 at 5.00 p.m..

Shareholders (not being Depositors) who wish to trade in their Shares on the SGX-ST are required to deposit with CDP their share certificates relating to their Shares, together with the duly executed instruments of transfer in favour of CDP, by 12 Market Days prior to the tentative last day for trading of the Shares.

## 11. SETTLEMENT AND REGISTRATION

Subject to the Scheme becoming effective and binding in accordance with its terms, the following settlement and registration procedures will apply:

### 11.1 Entitled Shareholders whose Shares are not deposited with CDP

Entitlements of Entitled Shareholders (not being Depositors) under the Scheme will be determined on the basis of their holdings of Shares appearing in the Register of Members as at 5.00 p.m. on the Record Date.

Entitled Shareholders (not being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are registered in their names with the Receiving Agent by 5.00 p.m. on the Record Date.

From the Effective Date, all existing share certificates relating to the Shares held by Entitled Shareholders (not being Depositors) will cease to be evidence of title to the Shares represented thereby.

Within seven (7) Business Days of the Effective Date, the Offeror shall satisfy the Scheme Consideration to each Entitled Shareholder (not being a Depositor) based on his/her/its holding of the Shares as at 5.00 p.m. on the Record Date.

### 11.2 Entitled Shareholders whose Shares are deposited with CDP

Entitlements of Entitled Shareholders (being Depositors) under the Scheme will be determined on the basis of the number of Shares standing to the credit of their Securities Accounts at 5.00 p.m. on the Record Date.

Entitled Shareholders (being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are credited to their Securities Accounts by 5.00 p.m. on the Record Date.

Following the Effective Date, CDP will debit all the Shares standing to the credit of each relevant Securities Account of each Entitled Shareholder (being a Depositor) and credit all of such Shares to the Securities Account(s) of the Offeror or such Securities Account(s) as directed by the Offeror, within seven (7) Business Days of the Effective Date and prior to the delisting of the Company.

Within seven (7) Business Days of the Effective Date, CDP shall, based on the number of Shares standing to the credit of the Securities Account of Entitled Shareholders (being Depositors) as at 5.00 p.m. on the Record Date satisfy the Scheme Consideration to each Entitled Shareholder (being a Depositor).

11.3 **Procedure for Implementation**

If the Court sanctions the Scheme, the Offeror and the Company will (subject to the Scheme Conditions having been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement on or before 5.00 p.m. on the Conditions Long-Stop Date) take the necessary steps to render the Scheme effective and binding in accordance with its terms, and the following will be implemented:

(a) the Shares held by Entitled Shareholders will be transferred to the Offeror for either (i) the Cash Consideration to be paid by the Offeror, or (ii) the Combination Consideration to be paid and issued by the Offeror, as the case may be, to Entitled Shareholders for each Share, in the following manner:

(i) in the case of Entitled Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Shareholders an instrument or instruction of transfer of all the Shares held by such Entitled Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Shareholder as transferor; and

(ii) in the case of Entitled Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Shareholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Shares standing to the credit of the Securities Account of such Entitled Shareholders and credit all of such Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror;

(b) from the Effective Date, all existing share certificates relating to the Shares held by Entitled Shareholders (not being Depositors) will cease to be evidence of title of the Shares represented thereby; and

(c) the Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 11.3(a) of this Explanatory Statement above, satisfy the Scheme Consideration in the manner set out in paragraph 11.4 of this Explanatory Statement.

11.4 **The Scheme Consideration**

(a) **The Cash Consideration**

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 11.3(a) of this Explanatory Statement above, make payment of the aggregate Cash Consideration to Entitled Shareholders who elect (or are deemed to have elected) to receive the Cash Consideration and are entitled to receive the Scheme Consideration in the form of Cash Consideration for their Scheme Shares as follows:

(i) **Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall pay each Entitled Shareholder (not being a Depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled

Shareholder, or in the case of joint Entitled Shareholders, a cheque for the Cash Consideration payable to and made out in favour of the first-named Entitled Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Shareholders.

(ii) **Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall pay each Entitled Shareholder (being a Depositor) by making payment of the aggregate Cash Consideration payable to such Entitled Shareholder to CDP. CDP shall:

(A) in the case of an Entitled Shareholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Shareholder, to the designated bank account of such Entitled Shareholder; and

(B) in the case of an Entitled Shareholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Cash Consideration to such Entitled Shareholder's cash ledger with CDP and such Cash Consideration shall be subject to the same terms and conditions applicable to "Cash Distributions" under "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which are available from CDP.

Assuming that the Scheme becomes effective and binding in accordance with its terms on 29 October 2026, the crediting by CDP of the Cash Consideration into the designated bank accounts of Entitled Shareholders (in the case of Entitled Shareholders being Depositors and who have registered with CDP for its direct crediting service) or, as the case may be, the Entitled Shareholder's cash ledger with CDP (in the case of Entitled Shareholders being Depositors and who have not registered with CDP for its direct crediting service) in the manner set out in paragraph 11.4(a) above is expected to take place on or before 6 November 2026.

The despatch of payment by the Offeror to each Entitled Shareholder's address and/or CDP (as the case may be) in accordance with the above shall discharge the Offeror from any liability in respect of those payments.

(b) **The Combination Consideration**

In respect of the cash component of the Combination Consideration, the procedure for settlement shall be as described above in respect of the Cash Consideration.

In respect of the RPS component of the Combination Consideration, the Offeror shall allot and issue RPS, credited as fully-paid, on the basis of one (1) RPS for every one (1) Scheme Share held by such Entitled Shareholder who elects to and is entitled to receive the Scheme Consideration in the form of the Combination Consideration for all of his/her/its Shares, and the RPS Certificates shall be delivered to the relevant person/entity recorded in the Register of Members or the Depository Register (as the case may be) as at the close of business on the Record Date, regardless of whether such Entitled Shareholder holds the Shares as custodian or nominee or otherwise.

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 11.3(a) of this Explanatory Statement above, do the following:

(i) **Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall send the RPS Certificates representing the relevant number of RPS to each Entitled Shareholder (not being a Depositor) by ordinary post to his/her/its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder, by ordinary post to his/her/its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no RPS Certificates will be despatched in or into any overseas jurisdiction (please refer to paragraph 15 of the Letter to Shareholders and paragraph 12 of the Offeror's Letter for more information on the arrangements for Overseas Shareholders).

(ii) **Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall send the RPS Certificates representing the relevant number of RPS to each Entitled Shareholder (being a Depositor) by ordinary post to his/her/its Singapore address as appearing in the Depository Register at the close of business on the Record Date at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder by ordinary post to his/her/its Singapore address as appearing in the Depository Register at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no RPS Certificates will be despatched in or into any overseas jurisdiction (please refer to paragraph 15 of the Letter to Shareholders and paragraph 12 of the Offeror's Letter for more information on the arrangements for Overseas Shareholders).

Assuming that the Scheme becomes effective and binding in accordance with its terms on 29 October 2026, the posting of the RPS Certificates representing the RPS to be allotted and issued pursuant to the Scheme in the manner set out in paragraphs 11.4(b)(i) and 11.4(b)(ii) above, is expected to take place on or before 6 November 2026.

The despatch of the RPS Certificates to each Entitled Shareholder's Singapore address in accordance with the above shall discharge the Offeror from any liability in respect of the delivery of such RPS Certificates.

The RPS to be allotted and issued pursuant to the Scheme will, on issue, be duly authorised, fully paid up and validly allotted and issued, and free from all Encumbrances and rank *pari passu* in all respects with one another.

The rights, privileges and restrictions attaching to the RPS shall be set out in the Offeror Constitution, which shall take effect on and from the Effective Date. Extracts of Offeror Constitution relating to (A) certain transfer restrictions in respect of shares in the Offeror, and (B) the rights of holders of shares in the Offeror in respect of capital, dividends and voting are set out in Schedule B to the Offeror's Letter.

(c) **Retention and Release of Proceeds**

(i) In relation to Entitled Shareholders (not being Depositors), on and after the day being six (6) calendar months after the posting of such cheques relating to the Cash Consideration or the cash component of the Combination Consideration, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in the Company's name with a licensed bank in Singapore selected by the Company.

(ii) The Company or its successor entity shall hold such moneys until the expiration of six (6) years from the Effective Date and shall prior to such date make payments therefrom of the sums payable pursuant to Clauses 3.3 and 3.4 of the Scheme as set out in **Appendix M** to this Scheme Document to persons who satisfy the Company or its successor entity that they are respectively entitled thereto and that the cheques referred to in Clauses 3.3 and 3.4 of the Scheme as set out in **Appendix M** to this Scheme Document for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by the Company hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to Clause 3.1 of the Scheme as set out in **Appendix M** to this Scheme Document.

(iii) On the expiry of six (6) years from the Effective Date, the Company and the Offeror shall be released from any further obligation to make any payments of the Cash Consideration or the cash component of the Combination Consideration under the Scheme and the Company or its successor entity shall transfer to the Offeror the balance (if any) of the sums then standing to the credit of the bank account referred to in Clause 3.5(a) of the Scheme as set out in **Appendix M** to this Scheme Document including accrued interest, subject, if applicable, to the deduction of interest, tax or any withholding tax or any other deduction required by law and subject to the deduction of any expenses.

## 12. DIRECTORS' INTERESTS

The interests of the directors of the Company in the Shares as at the Latest Practicable Date are set out in **Appendix D** to this Scheme Document.

## 13. PAYMENT AND DELIVERY OF RPS CERTIFICATES TO OVERSEAS SHAREHOLDERS

Overseas Shareholders who wish to elect to receive the Combination Consideration are required to provide the Company, the Receiving Agent or CDP (as the case may be), by the Record Date, with an address within Singapore for the purposes of service of notices and delivery by the Offeror of the RPS Certificates.

**Entitled Shareholders whose addresses recorded in the Register of Members, Depository Register or in the records of an Entitled Depository Agent (as the case may be) are not within Singapore and who do not provide the Company, the Receiving Agent or CDP (as the case may be) with an address in Singapore by the Record Date will be deemed to have elected for the Cash Consideration in respect of their Shares.**

Overseas Shareholders should also refer to paragraph 15 of the Letter to Shareholders and paragraph 12 of the Offeror's Letter for further information relating to Overseas Shareholders.

**14. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER**

The IFA Letter setting out the advice of the IFA to the Non-Conflicted Directors is set out in **Appendix B** to this Scheme Document.

**15. NON-CONFLICTED DIRECTORS' RECOMMENDATION**

The recommendation of the Non-Conflicted Directors in relation to the Scheme is set out in paragraph 13 of the Letter to Shareholders.

**16. GENERAL INFORMATION**

Your attention is drawn to the further relevant information, including the interests in the Shares of the directors of the Company, which is set out in the Appendices to this Scheme Document. These Appendices form part of this Scheme Document. This Explanatory Statement should be read in conjunction with, and is qualified by, the full text of this Scheme Document, including the Scheme as set out at **Appendix M** to this Scheme Document.

**PRIMEPARTNERS CORPORATE FINANCE PTE. LTD.**
16 Collyer Quay
#10-00 Collyer Quay Centre
Singapore 049318

10 July 2026

To: The Non-Conflicted Directors of Avarga Limited
1 Kim Seng Promenade,
#13-10 Great World City,
Singapore 237994

Dear Sirs/Madam

**INDEPENDENT FINANCIAL ADVICE TO THE NON-CONFLICTED DIRECTORS IN RESPECT OF THE PROPOSED ACQUISITION BY TKO PTE. LTD. OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF AVARGA LIMITED (OTHER THAN TREASURY SHARES AND SHARES OWNED OR CONTROLLED BY THE EXCLUDED SHAREHOLDERS) BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT 1967 OF SINGAPORE**

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*Unless otherwise defined or the context otherwise required, all terms used herein shall have the same meaning attributed to them in the scheme document issued by the Company dated 10 July 2026 (the "**Scheme Document**").*

## 1 INTRODUCTION

### 1.1 Joint Announcement and Implementation Agreement

On 13 March 2026 (the "**Joint Announcement Date**"), the respective boards of directors of Avarga Limited (the "**Company**") and TKO Pte. Ltd. ("**TKO**" or the "**Offeror**") jointly announced the proposed privatisation of the Company by the Offeror, through the Offeror's acquisition (the "**Acquisition**") of all the issued and fully paid-up ordinary shares in the capital of the Company (the "**Shares**") held by the shareholders of the Company (the "**Shareholders**"), other than Shares held in treasury and Shares owned or controlled by the Excluded Shareholders (as defined below) (the "**Scheme Shares**") by way of a scheme of arrangement (the "**Scheme**") in accordance with Section 210 of the Companies Act 1967 of Singapore (the "**Companies Act**"), the Singapore Code on Take-overs and Mergers (the "**Code**") and the terms and conditions of the Implementation Agreement (as defined below) (the "**Joint Announcement**").

In connection with the Scheme, the Company and the Offeror (each, a "**Party**" and collectively, the "**Parties**") had on 13 March 2026 entered into an implementation agreement (the "**Implementation Agreement**") setting out the terms and conditions on which the Parties will implement the Scheme. Pursuant to the Implementation Agreement, each holder of the Scheme Shares (the "**Scheme Shareholder**") as at the Record Date will be entitled to receive for each Scheme Share held as at the Record Date (the "**Scheme Consideration**"), at their election:

(a) S$2.70 in cash (the "**Cash Consideration**"); or

(b) in lieu of the Cash Consideration, S$2.00 in cash and one (1) new redeemable preference share in the capital of the Offeror ("**RPS**") for each Scheme Share (the "**Combination Consideration**"). The RPS shall be mandatorily redeemed five (5) years from the date of their issuance at the price of S$1.20 for each RPS ("**Redemption Amount**").

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of the conditions precedent (the "**Scheme Conditions**") set out in the Implementation Agreement and paragraph 7 of the Explanatory Statement in Appendix A. Subject to the fulfilment or waiver of all Scheme Conditions, the Scheme will become effective on the date on which a copy of the order of the Court pursuant to Section 210 of the Companies Act approving and sanctioning the Scheme (the "**Court Order**") has been lodged by the Company with the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**") to give effect to the Scheme pursuant to Section 210(5) of the Companies Act (the "**Effective Date**"), which shall be a date to be mutually agreed between the Parties.

### 1.2 Our Role as Independent Financial Adviser

In connection with the Scheme, PrimePartners Corporate Finance Pte. Ltd. ("**PPCF**") has been appointed as the independent financial adviser ("**IFA**") pursuant to Rule 1309(2) of the Listing Manual as well as under the Code to advise the directors of the Company (the "**Directors**") who are considered independent in respect of the Scheme (the "**Non-Conflicted Directors**") as to whether the financial terms of the Scheme are fair and reasonable, and for the purpose of the Non-Conflicted Directors making a recommendation to the Scheme Shareholders on the Scheme.

This letter sets out, *inter alia*, our views and evaluation of the financial terms of the Scheme and our opinion thereon and forms part of the Scheme Document providing, *inter alia*, details of the Scheme and the recommendation of the Non-Conflicted Directors in respect of the Scheme.

## 2 TERMS OF REFERENCE

We have been appointed as the IFA pursuant to Rule 1309(2) of the Listing Manual, as well as under the Code and the rulings and confirmations of the SIC in respect of the Scheme to advise the Non-Conflicted Directors for the purposes of making a recommendation to the Scheme Shareholders in connection with the Scheme. We have confined our evaluation of the financial terms of the Scheme and have not considered the commercial risks and/or commercial merits of the Scheme. In addition, we have not been requested to, and we do not express any advice or give any opinion on the merits of the Scheme relative to any other alternative transaction. We were not involved in the negotiations pertaining to the Scheme nor were we involved in the deliberations leading up to the decision to put forth the Scheme to the Shareholders.

Our terms of reference do not require us to evaluate or comment on the rationale for, or the strategic or long-term merits of the Scheme or on the future prospects of the Company and its subsidiaries (the "**Group**") or the method and terms by which the Scheme is made or any other alternative methods by which the Scheme may be made. We have not relied on any financial projections or forecasts in respect of the Group in our evaluation of the financial terms of the Scheme. We are not required to express, and we do not express any view herein on the growth prospects, financial position, and earnings potential of the Group. Such evaluations and comments remain the sole responsibility of the Directors, 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 opinion as set out in this letter.

We are not authorised to solicit, and we have not solicited, any indications of interest from any third party with respect to the Shares. We are therefore not addressing the relative merits of the Scheme as compared to any alternative transaction that may be available to the Company, or as compared to any alternative Scheme or offer that might otherwise be available in the future.

In the course of our evaluation of the financial terms of the Scheme, we have relied on, and assumed without independent verification, the accuracy and completeness of published information relating to the Company. We have also relied to a considerable extent on information provided and representations made, including relevant financial analyses and estimates, by the management of the Group (the "**Management**"), the Directors and the Company's professional advisers. We have not independently verified such information, or any representation or assurance made by them, whether written or verbal, and accordingly cannot and do not make any representation or warranty, express or implied, in respect of, and do not accept any responsibility for, the accuracy, completeness or adequacy of such information, representation or assurance. We have nevertheless made such reasonable enquiries and exercised our judgement as we deemed necessary and have found no reason to doubt the reliability of the information.

We have relied upon the assurances of the Management that upon making all reasonable inquiries and to the best of their respective knowledge, information and belief, all material information in connection with the Scheme and the Company has been disclosed to us, that such information is true, complete and accurate in all material respects and that there is no other information or fact, the omission of which would cause any information disclosed to us or the facts of or in relation to the Company stated in the Scheme Document to be inaccurate, incomplete or misleading in any material respect. The Directors jointly and severally accept responsibility accordingly for the information contained in the Scheme Document.

Our analysis and opinion as set out in this letter are based upon market, economic, industry, monetary and other conditions in effect on, and the information provided to us as at 1 July 2026 (the "**Latest Practicable Date**"). Such conditions may change significantly over a relatively short period of time. 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 Scheme which may be released by the Company and/or the Offeror after the Latest Practicable Date.

We have not made any independent evaluation or appraisal of the assets and liabilities including, without limitation, the Group's intangible assets, property, plant and equipment, financial assets and derivative assets. As such, we have relied on the disclosures and representations made by the Company on the values of the assets and liabilities and profitability of the Group and no representation or warranty, expressed or implied, is made and no responsibility is accepted by it concerning the accuracy, completeness or adequacy of such information.

In rendering our opinion, we have not had regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual Shareholder. As each Shareholder would have different investment objectives and profiles, we would advise the Non-Conflicted Directors to recommend that any individual Shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately. As such, our opinion should not be the sole basis for deciding whether or not to vote in favour of the Scheme.

The Company has been separately advised by its own advisers in the preparation of the Scheme Document (other than this letter). We have had no role or involvement and have not and will not provide any advice (financial or otherwise) in the preparation, review and verification of the Scheme Document (other than this letter). Accordingly, we take no responsibility for and express no views, express or implied, on the contents of the Scheme Document (other than this letter).

Whilst a copy of this letter may be reproduced in the Scheme Document for the purpose of the Scheme, neither the Company nor any other person may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose, at any time and in any manner without the prior written consent of PPCF in each specific case.

We have prepared this letter as required under the Code and the rulings and confirmations of the SIC in respect of the Scheme and pursuant to Rule 1309(2) of the Listing Manual as well as addressed this letter to the Non-Conflicted Directors for their benefit and deliberation of the Scheme. The recommendation made to the Shareholders on the Scheme shall remain the responsibility of the Non-Conflicted Directors.

**Our opinion in respect of the Scheme, as set out in paragraph 9 of this letter, should be considered in the context of the entirety of this letter and the Scheme Document.**

## 3 THE SCHEME

The principal terms and conditions of the Scheme as set out below, have been extracted from paragraph 3 of the Scheme Document. **Shareholders are advised to read the terms and conditions of the Scheme set out in the Scheme Document carefully.**

### 3.1 Terms of the Scheme

The Acquisition will be effected by way of the Scheme and in accordance with the Code and the terms and conditions of the Implementation Agreement. The Scheme will involve, *inter alia*, the transfer of all the Scheme Shares held by the Scheme Shareholders as at the Record Date, to the Offeror:

(a) fully paid up;

(b) free from all claims, charges, mortgages, liens, hypothecations, hire purchases, judgments, encumbrances, easements, security, title retentions, preferential rights, trust arrangements or any other security interests or any other agreements or arrangements having a commercial effect analogous to the conferring of security or similar rights in favour of any person ("**Encumbrances**"); and

(c) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.

### 3.2 Excluded Shares

The Shares which will **not** be transferred pursuant to the Scheme, and which will not be subject to the Scheme, comprise:

(a) the 48,837,165 Shares directly held by the Offeror; and

(b) the 7,343,900 Shares directly held by Genghis,

(collectively, the "**Excluded Shares**", and the Shareholders holding such Shares, the "**Excluded Shareholders**").

The Scheme will not be extended to the Excluded Shareholders, while Phileo Capital will be entitled to participate in the Scheme. Pursuant to the Irrevocable Undertaking, Phileo Capital has undertaken to elect the Cash Consideration in the event of the Scheme becoming effective, with the Cash Consideration being treated, in lieu of actual payment, as a debt owing to it by the Offeror.

Genghis and Phileo Capital are both parties acting in concert with the Offeror within the meaning of the Code, given that Dr Tong indirectly owns all the Shares held under Genghis, Phileo Capital and the Offeror. As Genghis, Phileo Capital and the Offeror are controlled by the same ultimate beneficial owner, Dr Tong, they are treated as concert parties within the meaning of the Code.

### 3.3 Scheme Consideration

In consideration of the Acquisition, each Scheme Shareholder as at the Record Date shall be entitled to receive from the Offeror for each Scheme Share held as at the Record Date, at their election:

(a) the Cash Consideration, being S$2.70 in cash; or

(b) in lieu of the Cash Consideration, the Combination Consideration, being a combination of S$2.00 in cash and one (1) new RPS for each Scheme Share. The RPS shall be mandatorily redeemed five (5) years from the date of their issuance at the Redemption Amount of S$1.20 for each RPS.

The RPS to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental authorities or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

The RPS:

(a) are not and will not be listed on any securities exchange;

(b) will not carry any voting or dividend rights;

(c) will be mandatorily redeemed by the Offeror on the expiry of five (5) years from the date of its issuance; and

(d) will have liquidation preference rights such that in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Offeror, the holders of the RPS shall preferentially be entitled to be paid an amount equal to the Redemption Amount, prior to and in preference to any payments to holders of ordinary shares in the capital of the Offeror.

The full terms and conditions of the RPS are set out in the Offeror Constitution, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the Joint Announcement Date and up to the Effective Date. The salient provisions of the Offeror Constitution and additional information on the rights and privileges of the RPS are set out in Schedule B to the Offeror's Letter.

For the avoidance of doubt, each Scheme Shareholder will only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration, in respect of all his/her/its Scheme Shares, and not a mixture of both. Any Scheme Shareholder who does not make any election or fails to make a valid election will be deemed to have elected to receive the Cash Consideration in respect of all Scheme Shares registered under such Scheme Shareholder's name.

If any dividend, right or other distribution is declared, paid or made by the Company to any of the Shareholders on or after the Joint Announcement Date and before the Effective Date, the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions. For the avoidance of doubt, where a Scheme Shareholder has elected to receive the Combination Consideration, any such reduction in the Scheme Consideration will be applied to the cash component of the Combination Consideration.

**The RPS will not be listed on any securities exchange following completion of the Acquisition and the Scheme in accordance with the Implementation Agreement.**

**Scheme Shareholders should carefully note the details in relation to election of the Cash Consideration or Combination Consideration in relation to the Scheme as set out in paragraph 3.3 of the Scheme Document.**

**Scheme Shareholders should note that there are risks involved in investing in the RPS. Scheme Shareholders should carefully consider the risks set out in the Scheme Document should they wish to elect to receive the Combination Consideration.**

**3.4 Scheme Conditions**

The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of a number of Scheme Conditions. Additional information on the Scheme Conditions is set out in paragraph

7 of the Explanatory Statement in **Appendix A**. The Scheme Conditions are reproduced in **Appendix F** to the Scheme Document.

Subject to the fulfilment or waiver of all Scheme Conditions, the Scheme will become effective on the Effective Date on which a copy of the Court Order has been lodged by the Company with the ACRA to give effect to the Scheme pursuant to Section 210(5) of the Companies Act, which shall be a date to be mutually agreed between the Parties.

**Scheme Shareholders should note that if for any reason the Scheme Conditions are not satisfied (or, if applicable, waived) or if the Scheme has not become effective on or before 5.00 p.m. on the Conditions Long-Stop Date, either the Offeror or the Company may immediately terminate the Implementation Agreement by notice in writing to the other Party, and as such the Scheme will not become effective.**

Further details of the Scheme Conditions are set out in Appendix F to the Scheme Document and Scheme Shareholders are advised to read the information carefully.

**3.5 Irrevocable Undertaking**

Phileo Capital, which holds 22,480,800 Shares, representing approximately 24.75% of the Shares, has given an irrevocable undertaking to the Offeror (the "**Irrevocable Undertaking**") to, *inter alia*:

(a) elect to accept, in respect of the Shares held directly or indirectly by it, the Cash Consideration; and

(b) not receive the Cash Consideration in respect of the Shares held directly or indirectly by it, and instead treat such consideration payable as a non-interest bearing debt owed by the Offeror, with the repayment of such debt on an agreed date after the Effective Date, and after the date on which the RPS are mandatorily redeemed (which will be five (5) years from the date of their issuance).

Save for the Irrevocable Undertaking, as at the Latest Practicable Date, none of (i) the Offeror and its director; (ii) Tong Ian, Phileo Capital, Genghis, ZICO, and the directors of Phileo Capital, Genghis, ZICO; and (iii) the Offeror Financial Adviser has received any irrevocable undertaking from any party to vote in favour of the Scheme at the Court Meeting.

**3.6 Approvals required in respect of the Scheme**

The information on the approvals required in respect of the Scheme as set out below in italics has been extracted from paragraph 8 of the Scheme Document. Unless otherwise defined, all terms and expressions used in the extract below shall have the same meanings as those defined in the Scheme Document.

*"8.1* ***SGX-ST's Approval-in-Principle, Court Meeting and Court Sanction***

*The Scheme will require, inter alia, the following approvals:*

*8.1.1 the approval-in-principle from the SGX-ST of this Scheme Document and for the proposed delisting of the Company from the Main Board of the SGX-ST after the Scheme becomes effective and binding in accordance with its terms;*

*8.1.2 the approval of the Scheme by a majority in number of Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, such majority holding not less than three-fourths in value of the Scheme Shares voted at the Court Meeting pursuant to the requirements of Section 210(3AB) of the Companies Act; and*

*8.1.3 the grant of the Court Order and such Court Order having become final and non-appealable.*

*In addition, the Scheme will only come into effective if all the Scheme Conditions have been satisfied or, as the case may be, waived in accordance with the Implementation Agreement and a copy of the Court Order has been lodged with ACRA.*

*8.2* ***SIC Confirmations***

*Pursuant to the SIC Application, the SIC had, on 3 March 2026, confirmed, inter alia, that:*

*(a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code, subject to the following conditions:*

*(i) the Offeror and its concert parties, as well as the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, abstain from voting on the Scheme;*

*(ii) the directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in sub-paragraph (i) above abstain from making a recommendation on the Scheme to the Scheme Shareholders;*

*(iii) the Scheme Document contains advice to the effect that by voting for the Scheme, the Scheme Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;*

*(iv) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the Latest Practicable Date and their voting rights in the Offeror and the Company after the Scheme;*

*(v) the Company appoints an independent financial adviser to advise Scheme Shareholders on the financial terms of the Scheme; and*

*(vi) the Scheme being completed within six (6) months (unless extended with the SIC's consent) from the Joint Announcement Date;*

*(b) it has no objections to the Scheme Conditions;*

*(c) Dr Tong and Tong Ian are exempted from the requirement to make a recommendation on the Scheme to the Scheme Shareholders of the Company. Dr Tong and Tong Ian, however, must still assume responsibility for the accuracy of facts stated and opinions expressed in documents or advertisements issued by, or on behalf of, the Company in connection with the Scheme;*

*(d) the arrangements relating to the Irrevocable Undertaking do not constitute a prohibited special deal for the purposes of Rule 10 of the Code; and*

*(e) the non-participation of Genghis in the Scheme does not constitute a special deal prohibited under Rule 10 of the Code."*

**3.7 Delisting**

Upon the Scheme becoming effective and binding in accordance with its terms, the Offeror will hold all the Scheme Shares held by the Scheme Shareholders prior to such date, comprising approximately 38.15%[1] of the Shares, and the Offeror will directly hold 91.91% of the Shares. The remaining 8.09% of the Shares are held by Genghis, a party acting in concert with the Offeror within the meaning of the Code. Accordingly, the Company will become fully controlled by the Offeror and its concert parties, and will be delisted from the Official List of the SGX-ST.

An application will be made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The delisting will be conditional upon the receipt of the SGX-ST's approval advising that it has no objection to the Company's application for the delisting.

SGX-ST's decision is not to be taken as an indication of the merits of the Scheme, the delisting of the Company from the Official List of the SGX-ST, the Company, its subsidiaries and/or their securities.

**SCHEME SHAREHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, THE SHARES WILL, SUBJECT TO THE SGX-ST DELISTING APPROVAL BEING OBTAINED, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.**

### 3.8 Further details of the Scheme

Further details of the Scheme are set out in Appendices A and M to the Scheme Document, including details on (i) Conditions Precedent; (ii) Transfer of Shares; (iii) Payment of Scheme Consideration; and (iv) Effective Date.

## 4 INFORMATION ON THE COMPANY

The Company was incorporated in Singapore on 7 October 1967 and was listed on the Main Board of the SGX-ST on 15 October 1980. The Company is an investment holding company. The principal activity of the Group is in the business of distribution of building materials and portfolio investment.

As at the Latest Practicable Date, the Board comprises the following:

(a) Dr Tong Kooi Ong (Executive Chairman);

(b) Mr. Tong Ian (Chief Executive Officer and Executive Director);

(c) Ms. Lai Ven Li (Lead Independent Director);

(d) Mr. Moey Weng Foong (Independent Director);

(e) Mr. Andrew Lim Cheong Seng (Independent Director); and

(f) Mr. Kevin Kang Kah Wee (Independent Director).

As at the Latest Practicable Date, the Company has 90,831,335 Shares in issue (excluding 4,183,170 Shares held by the Company as treasury shares).

[1] All shareholding percentages in the Company are calculated based on a total of 90,831,335 Shares in issue (excluding 4,183,170 Shares held in treasury) as at the Latest Practicable Date.

**5 INFORMATION ON THE OFFEROR**

The information on the Offeror as set out below in italics has been extracted from paragraph 1.6 of the Scheme Document.

***"1.6 Information on the Offeror***

*As stated in paragraph 9 of the Offeror's Letter:*

*(a) the Offeror is a special purpose vehicle incorporated in Singapore on 18 September 2024 for the purpose of being a holding company and providing management consultancy services; and*

*(b) as at the Latest Practicable Date:*

*(i) the Offeror has an issued and paid-up capital of S$1.00 comprising one (1) ordinary share. ZICO holds 100 per cent. of the shares in the Offeror in its capacity as trustee of Phileo Trust. Phileo Trust is a family trust constituted under a trust deed, under which Dr Tong is the sole beneficiary; and*

*(ii) Dr Tong is the sole director of the Offeror, and hence is a director on the boards of both the Offeror and the Company.*

*Please refer to Schedule A of the Offeror's Letter for certain additional information relating to the Offeror."*

**6 OFFEROR'S RATIONALE FOR THE ACQUISITION AND THE SCHEME AND FUTURE INTENTIONS FOR THE COMPANY**

The information on the Offeror's rationale of the Scheme as set out below in italics has been extracted from paragraph 2 of the Scheme Document.

***"2. OFFEROR'S RATIONALE FOR THE ACQUISITION AND THE SCHEME AND FUTURE INTENTIONS FOR THE COMPANY***

*2.1* ***The Offeror's Rationale for the Acquisition and the Scheme***

*The Offeror's rationale for the Acquisition is stated in paragraph 4.1 of the Offeror's Letter (an extract of which is reproduced in italics below):*

*"4.1* ***Rationale for the Acquisition.*** *The Acquisition is expected to allow the Offeror to achieve the following objectives:*

*(a) Opportunity for Scheme Shareholders who may find it difficult to exit their investment in the Company due to low trading liquidity*

*The primary reason for taking the Company private is its consistently low trading volumes on the SGX-ST, meaning the Shares have been thinly traded and difficult for Shareholders to buy or sell. Trading volume has averaged under 7,000 Shares per day (approximately less than 0.1% of the issued Shares) over the three (3)-month period up to and including the Last Trading Day, leaving many investors with low liquidity. Because of this, the Acquisition provides a clear exit opportunity at a premium price relative to recent trading prices — something not easily available on the open market.*

*(b) Opportunity to Realise their Investment in the Scheme Shares at a Premium to Market Price Without Incurring Brokerage Cost*

*The proposed offer price of S$2.70 per Share under the Cash Consideration represents a premium to the prevailing market prices and a valuation multiple that the Offeror believes better reflected the Company's intrinsic value than the depressed Share price does.*

*As set out in paragraph 7 below, the Cash Consideration represents a premium of approximately 16.4%, 18.7%, 18.0% and 33.5% 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 12 March 2026, being the last full day of trading of the Shares prior to the Joint Announcement Date ("**Last Trading Day**"). The Cash Consideration also represents a premium of 14.9% over the last transacted price per Share on the Last Trading Day.*

*The implied price to net tangible asset value ratio ("**P/NTA**") based on the Cash Consideration and the unaudited consolidated net tangible asset value per Share of S$2.60 (1) of the Company as at 31 December 2025 is approximately 1.04 times.*

*The Cash Consideration under the Scheme 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.*

*Note (1): Net tangible asset per Share is calculated based on the capital and reserves attributable to equity holders of the Company of S$256.2 million less (i) goodwill on consolidation of S$19.8 million and (ii) intangible assets of S$0.1 million, as at 31 December 2025, divided by the issued and paid-up capital (excluding treasury shares) of 90,831,335 ordinary shares.*

*(c) Scheme Shareholders have an option to elect to accept the Combination Consideration*

*Scheme Shareholders will have an option to elect for the Combination Consideration in the form of a combination of S$2.00 in cash and one (1) new RPS for each Scheme Share. The Redemption Amount for each RPS pursuant to the Combination Consideration is S$1.20.*

*The RPS are in a private unlisted company, and Scheme Shareholders should carefully consider the restrictions set out in Schedule B of this Offeror's Letter and the risk factors set out in Schedule C of this Offeror's Letter should they wish to elect to receive the Combination Consideration.*

*(d) Greater Management Control and Flexibility*

*The Offeror believes that the Acquisition and subsequent privatisation of the Company will provide the Offeror and the Company with greater control over strategic decisions. Without being subject to the SGX-ST's continuing listing rules, the management can focus more on long-term plans and have more flexibility in utilising and reallocating those resources toward its core business.*

*(e) Reduced Regulatory Burden*

*Delisting would allow the Company to avoid ongoing regulatory and reporting requirements imposed on SGX-listed companies, such as disclosure obligations, investor communications, and continued listing maintenance costs, including compliance costs, which can be materially costly, especially for a company with low free float and limited public trading.*

*(f) Underlying Investment Proposition*

*Following the sale or closure of the Company's other operating businesses, the remaining operating business within the Company is Taiga Building Products Ltd. ("**Taiga**"), of which the Company has an approximately 74 per cent. interest. As Taiga is separately listed on the Toronto Stock Exchange, interested investors can invest directly, rather than through the Company and incur additional costs.*"

*2.2 **The Offeror's Future Intentions for the Company***

*As stated in paragraph 4.2 of the Offeror's Letter (an extract of which is reproduced in italics below):*

"*4.2 **Offeror's Future Intentions for the Company.***

*(a) The Offeror intends to retain the current management team of the AL Group to ensure continuity of management and minimal interruption of the AL Group's business.*

*(b) Save as disclosed in this Offeror's Letter, there is presently no intention by the Offeror to (i) introduce any major changes to the business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the employees of the Company, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Company which may be implemented after the Effective Date.*

*(c) However, the Offeror retains and reserves the right and flexibility at any time and from time to time to further consider any options or opportunities in relation to the Company which may present themselves, or which the Offeror may regard to be in the interest of the Company.*"

*[The rest of this page is intentionally left blank]*

## 7 ASSESSMENT OF THE FINANCIAL TERMS OF THE SCHEME

In assessing the fairness and reasonableness of the financial terms of the Scheme, we have considered the following factors which we consider to be pertinent and to have a significant bearing on our assessment of the Scheme:

(a) Historical market price performance and trading activity of the Shares;

(b) Share price performance relative to market indices;

(c) Historical financial information of the Group;

(d) Valuation ratios of selected listed companies broadly comparable to the Group;

(e) Selected precedent privatisation transactions on SGX-ST;

(f) Combination Consideration as an election;

(g) Assessment of the Scheme Consideration;

(h) Estimated valuation of the Shares; and

(i) Distribution track record of the Company.

We have also considered other relevant considerations which have a significant bearing on our assessment as set out in paragraph 8 of this letter.

The following is a brief description of the widely used valuation measures considered in our evaluation:

| Valuation Ratios | General Descriptions |
|---|---|
| **EV/EBITDA** | "**EV**" or "**enterprise value**" is the sum of the company's market capitalisation, preferred equity, minority interests, and short and long-term debt less its cash and equivalents. "**EBITDA**" stands for historical earnings before interest, tax, depreciation and amortisation expenses, including shares of associates' and joint ventures' income and excluding exceptional items. The "**EV/EBITDA**" ratio illustrates the market value of the company's business relative to its historical pre-tax operating cash flow performance, without regard to the company's capital structure. The EV/EBITDA is an earnings-based valuation methodology. |
| **P/E** | "**P/E**" or "**price-to-earnings**" illustrates the market price of a company's shares relative to its earnings per share. The P/E ratio is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to depreciation and intangible assets. |
| **P/NAV** | "**P/NAV**" or "**price-to-NAV**" illustrates the comparison between a company's stock price or market value versus the book value ("**NAV**") of the company's total shareholders' common equity as indicated on its balance sheet. Comparisons of companies using their book NAVs are affected by differences in their respective accounting policies, in particular their depreciation and asset valuation policies. The P/NAV 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 group decides to realise or convert the use of all or most of its assets. P/NAV shows the extent to which the value of each share is backed by assets and represents an asset-based relative valuation methodology. |

| Valuation Ratios | General Descriptions |
|---|---|
| **P/NTA** | "**P/NTA**" or "**price-to-NTA**" refers to the ratio of a company's share price divided by net tangible assets ("**NTA**") per share. The ratio represents an asset-based relative valuation which takes into consideration the book value or NTA backing of a company. The NTA of a company provides an estimate of its value assuming a hypothetical sale of all its tangible assets and repayment of its liabilities and obligations, with the balance being available for distribution to its shareholders. It is an asset-based valuation methodology and this approach is meaningful to the extent that it measures the value of each share that is attached to the net tangible assets of the company. |

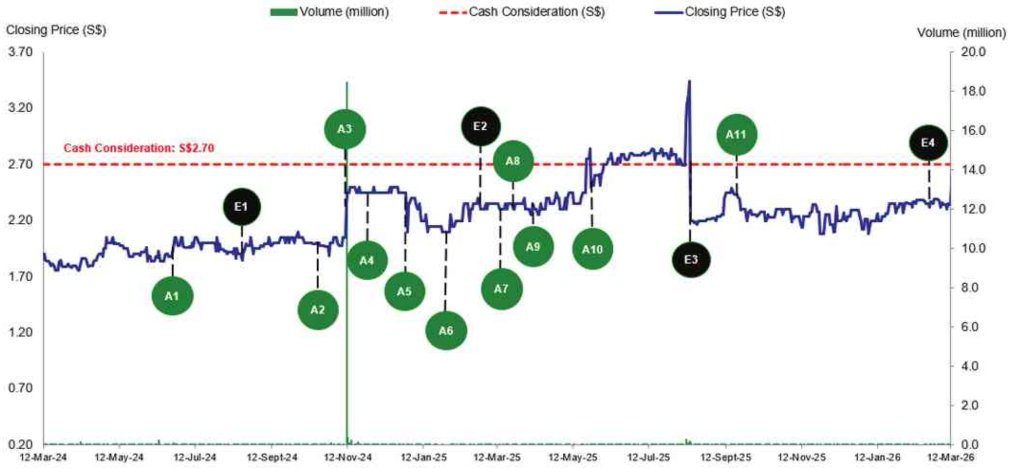
**The figures, underlying financial and market data used in our analysis, including securities prices, trading volumes, free float data and foreign exchange rates have been extracted from S&P Capital IQ, Bloomberg L.P., Monetary Authority of Singapore, SGXNET and other public filings as at the Latest Practicable Date or as provided by the Company where relevant. PPCF makes no representation or warranties, express or implied, as to the accuracy or completeness of such information.**

### 7.1 Historical Market Price Performance and Trading Activity of the Shares

For the purpose of our analysis, we have compared the Cash Consideration against the historical market price performance of the Shares and considered the historical trading volume of the Shares from 12 March 2024 to 12 March 2026, being the 2-year period prior to the last market day prior to the Joint Announcement Date ("**Last Trading Day**") (the "**2-year Lookback Period**"), and after the Joint Announcement Date and up to and including the Latest Practicable Date.

We set out below the daily closing price and daily trading volume of the Shares for the 2-year Lookback Period. We have also marked certain dates in the chart where significant events have occurred.

**Daily Closing Price and Daily Trading Volume of the Shares for the 2-year Lookback Period up to and Including the Last Trading Day**




*Sources: Bloomberg L.P. and the Company's announcements on the SGXNET*

**Earnings announcements:**

**E1.** **13 August 2024.** The Group announced its financial results for the six (6) months period ("**1H**") ended 30 June 2024. The Group's revenue decreased by approximately 3.7% from approximately S$860.4 million in 1H2023 to approximately S$828.4 million in 1H2024. The Group recorded a profit after tax of approximately S$24.4 million in 1H2024 as compared to a profit after tax of approximately S$27.0 million in 1H2023.

**E2.** **28 February 2025.** The Group announced its financial results for the financial year ended 31 December ("**FY**") 2024. The Group's revenue decreased by approximately 4.3% from approximately S$1,691.6 million in FY2023 to approximately S$1,619.6 million in FY2024. The Group recorded a profit after tax of approximately S$36.3 million in FY2024 as compared to approximately S$27.2 million in FY2023.

**E3.** **9 August 2025.** The Group announced its financial results for 1H2025. The Group's revenue decreased by approximately 3.5% from approximately S$815.5 million in 1H2024 to approximately S$787.2 million in 1H2025. The Group recorded a profit after tax of approximately S$3.3 million in 1H2025 as compared to a profit after tax of approximately S$24.4 million in 1H2024.

The Company declared an interim one-tier tax exempt dividend of S$1.20 per Share for 1H2025.

**E4.** **28 February 2026.** The Group announced its financial results for FY2025. The Group's revenue decreased by approximately 4.3% from approximately S$1,592.9 million in FY2024 to approximately S$1,523.8 million in FY2025. The Group recorded a profit after tax of approximately S$19.8 million in FY2025 as compared to approximately S$36.3 million in FY2024.

**Other significant events or announcements:**

**A1.** **21 June 2024.** The Company announced that it has entered into a conditional sale and purchase agreement with Greengen Pte. Ltd. ("**Greengen**") for the disposal of its entire shareholding interest in its wholly-owned subsidiary, UPP Greentech Pte. Ltd. ("**UPP Greentech**"), which holds the entire interest in UPP Power (Myanmar) Limited ("**Proposed Disposal of UPP Greentech**"). In connection with the Proposed Disposal of UPP Greentech, the Company will also assign and transfer to Greengen the account receivable owing by the UPP Greentech to the Company.

**A2.** **24 October 2024.** In connection with the Proposed Disposal of UPP Greentech, the Company announced an update to the condition subsequent in relation to the termination of the operation and maintenance agreement entered into between UPP Greentech and Myan Shwe Pyi Tractors Ltd (the "**Condition Subsequent**"). After the completion of the Proposed Disposal of UPP Greentech, the Company entered into a settlement agreement with Greengen to settle all remaining obligations in relation to the Condition Subsequent.

**A3.** **11 November 2024.** The Offeror announced the intention of the unconditional mandatory general offer ("**2024 MGO**") to acquire all the issued and paid-up ordinary shares in the capital of the Company, other than those already owned, controlled and agreed to be acquired, directly or indirectly, by the Offeror and concert parties (the "**Offer Share**"). The offer price for each Offer Share was S$0.25 in cash ("**2024 MGO Offer Price**").

**A4.** **29 November 2024.** The Company announced that the Paper Mill Division (as defined below) operated by its wholly-owned subsidiary, UPP Pulp & Paper (M) Sdn. Bhd. ("**UPP Malaysia**") will cease operations after 31 December 2024, following the expiry of the gas supply contract for its plant in Ijok, Selangor ("**Gas Supply Contract**") on the same date.

**A5.** **27 December 2024.** The Offeror announced the close of the 2024 MGO and the final level of acceptances of the 2024 MGO.

**A6.** **31 January 2025.** The Company announced that UPP Malaysia has accepted two (2) letters of offer from Ideal Quality Sdn Bhd in relation to the proposed disposal of the land and building that were used for the Paper Mill Division (as defined below) ("**Proposed Disposal of Land and Building**").

**A7.** **13 March 2025.** The Company announced that it proposes to undertake a share consolidation, whereby every ten (10) Shares will be consolidated into one (1) Share with fractional entitlements to be disregarded ("**Share Consolidation**"). The Share Consolidation was effective and completed on 23 May 2025.

**A8.** **26 March 2025.** The Company announced that UPP Malaysia had entered into two (2) sale and purchase agreements in relation to the Proposed Disposal of Land and Building for an aggregate consideration of approximately S$27.4 million.

**A9.** **14 April 2025.** The Company announced that its wholly-owned subsidiary, Avarga Canada Limited increased its shareholdings in Taiga Building Products Ltd. ("**Taiga**", together with its subsidiaries, the "**Taiga Group**") to approximately 74.2% pursuant to the share purchase agreement.

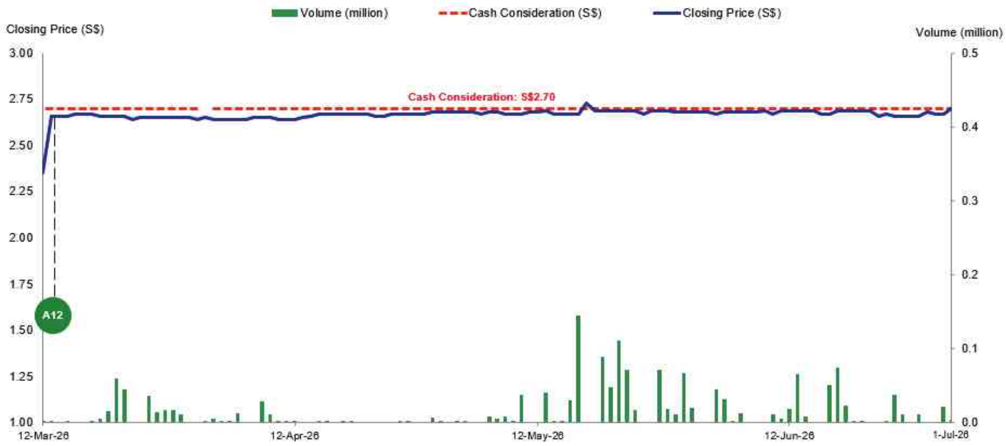
**A10.** **28 May 2025.** The Company announced that Taiga had on 27 May 2025 declared a special dividend of CAD1.6675 per share of Taiga ("**Taiga Share**").

**A11.** **24 September 2025.** The Company announced that the principal business activity of UPP Malaysia will change to portfolio investment following the cessation of the Paper Mill Division.

Based on the chart above, we note that during the 2-year Lookback Period, the Shares had generally traded below the Cash Consideration, except for certain periods between 6 June 2025 to 14 August 2025. We further observed that the Shares traded between S$3.050 and S$3.440 between 11 August 2025 to 14 August 2025 which is significantly higher than the Cash Consideration primarily due to the declaration of interim dividend of S$1.20 per Share by the Company. Following which, we noted that the traded price of the Shares has corrected to S$2.20 on 15 August 2025, being the ex-date in relation to the interim dividend, which represent a discount of approximately 18.5% to the Cash Consideration. The Cash Consideration represents a premium of approximately 14.9% to the last transacted price of S$2.350 on the Last Trading Day. In relation to the daily trading volume during the 2-year Lookback Period, we noted a huge spike in trading volume on 11 November 2024 to approximately 18.5 million shares which is mainly due to the announcement of the 2024 MGO by the Offeror.

We have also set out below the daily closing price and daily trading volume of the Shares for the period after the Last Trading Day and up to and including the Latest Practicable Date.

**Daily Closing Price and Daily Trading Volume of the Shares from the Last Trading Day and up to the Latest Practicable Date**




*Sources: Bloomberg L.P. and the Company's announcements on the SGXNET*

**Significant events or announcements:**

**A12.** **13 March 2026.** The Company and the Offeror jointly announced the intention of the proposed privatisation of the Company by way of a Scheme. The Scheme Consideration will be, at the election of the Scheme Shareholders of either the (i) Cash Consideration; or (ii) Combination Consideration.

On the Joint Announcement Date, the price of the Shares rose to close at S$2.660. From 13 March 2026 to the Latest Practicable Date, the daily closing price of the Shares was between S$2.640 to S$2.730, representing a discount of approximately 2.2% to a premium of approximately 1.1% to the Cash Consideration.

We have set out below the premium over or discount as implied by the Cash Consideration to the historical volume weighted average price ("**VWAP**") and historical trading volume of the Shares during the 2-year Lookback Period from 12 March 2024 (being the beginning of the 2-year Lookback Period) up to and including the Latest Practicable Date.

| Premium/(Discount) Implied by the Cash Consideration to VWAP(1) | | | | | | | |
|---|---|---|---|---|---|---|---|
| | VWAP(1) (S$) | Premium of Cash Consideration Over VWAP (%) | Highest Closing Price (S$) | Lowest Closing Price (S$) | No. of Traded Days(2) | Average Daily Trading Volume ("ADTV")(3) | ADTV as a Percentage of Free Float(4) (%) |
| **2-year Lookback Period Prior to the Last Trading Day** | | | | | | | |
| 2-year VWAP | 2.330 | 15.9 | 3.440 | 1.760 | 503 | 50,308 | 0.41 |
| 1-year VWAP | 2.629 | 2.7 | 3.440 | 2.080 | 253 | 10,886 | 0.09 |
| 6-month VWAP | 2.289 | 18.0 | 2.490 | 2.080 | 125 | 5,654 | 0.05 |
| 3-month VWAP | 2.276 | 18.6 | 2.390 | 2.080 | 61 | 7,338 | 0.06 |
| 1-month VWAP | 2.316 | 16.6 | 2.390 | 2.300 | 19 | 7,384 | 0.06 |
| Last Trading Day | 2.350 | 14.9 | 2.350 | 2.290 | - | 29,600 | 0.24 |
| **Period from the Joint Announcement Date to the Latest Practicable Date** | | | | | | | |
| Between the Joint Announcement Date and the Latest Practicable Date | 2.665 | 1.3 | 2.730 | 2.640 | 75 | 20,375 | 0.17 |
| Latest Practicable Date | 2.670 | 1.1 | 2.670 | 2.670 | - | 5,000 | 0.04 |

*Sources: Bloomberg L.P and PPCF calculations*

**Notes:**

(1) VWAP is calculated based on the aggregate daily turnover value of the Shares and aggregate daily traded volume of the Shares for the relevant trading days for each relevant period as obtained from Bloomberg L.P. excluding off-market transactions.

(2) Traded days refer to the number of days on which the Shares were traded on the SGX-ST during that relevant period.

(3) The ADTV of the Shares is calculated based on the total volume of Shares traded during the relevant periods, divided by the number of market days (excluding days with full day trading halts on the Shares) during that relevant period.

(4) Free float refers to approximately 12.2 million Shares, representing approximately 13.4% of the issued Shares, held by the public (as defined under the Listing Manual of the SGX-ST) as obtained from Bloomberg L.P.

Based on the table above, we note the following in relation to the trading prices of the Shares:

(a) The Cash Consideration of S$2.70 is within the range of the daily closing price of the Shares traded over the 2-year Lookback Period up to and including the Last Trading Day, which is between a low of S$1.760 per Share and a high of S$3.440 per Share;

(b) The Cash Consideration represents premia of approximately 15.9%, 2.7%, 18.0%, 18.6% and 16.6% over the VWAP of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to the Joint Announcement Date respectively. The

Cash Consideration also represents a premium of approximately 14.9% over the last transacted price of S$2.350 on the Last Trading Day; and

(c) Between the Joint Announcement Date and up to the Latest Practicable Date, the Cash Consideration represents a premium of approximately 1.3% to the VWAP of the Shares of approximately S$2.665. The Cash Consideration also represents a premium of approximately 1.1% over the last transacted price of S$2.670 on the Latest Practicable Date.

We note the following regarding the trading liquidity of the Shares:

(a) During the 2-year Lookback Period prior to the Last Trading Day, the ADTV of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day, was low, representing 0.41%, 0.09%, 0.05%, 0.06% and 0.06% of the free float of the Shares respectively. The ADTV of the Shares on the Last Trading Day, was low, representing 0.24% of the free float of the Shares; and

(b) Subsequent to the Joint Announcement Date and up to the Latest Practicable Date, the trading liquidity of the Shares rose to an ADTV of approximately 20,375 Shares, representing approximately 0.17% of the Company's free float which is lower than the ADTV of approximately 50,308 Shares over the 2-year Lookback Period. We note that the higher ADTV of approximately 50,308 Shares over the 2-year Lookback Period was primarily attributable to the significantly high trading volume of approximately 18.5 million Shares on 11 November 2024 in relation to the launch of the 2024 MGO. We have adjusted the 2-year ADTV of Shares by excluding the significantly higher trading volume of approximately 18.5 million Shares on 11 November 2024 which may not be considered as representative of the usual trading volume ("**Adjusted ADTV of Shares**"). Accordingly, we noted that the Adjusted ADTV of Shares decreased to approximately 13,638 Shares, representing approximately 0.11% of the Company's free float.

Based on the above observations, it appears likely that the market price and the trading volume of the Shares have been supported by the Scheme subsequent to the Joint Announcement Date. As such, there is no assurance that the market price and trading volume of the Shares will be maintained at the prevailing level as at the Latest Practicable Date.

**Scheme Shareholders should note that the historical trading performance of the Shares should not, in any way, be relied upon as an indication or a promise of its future trading performance.**

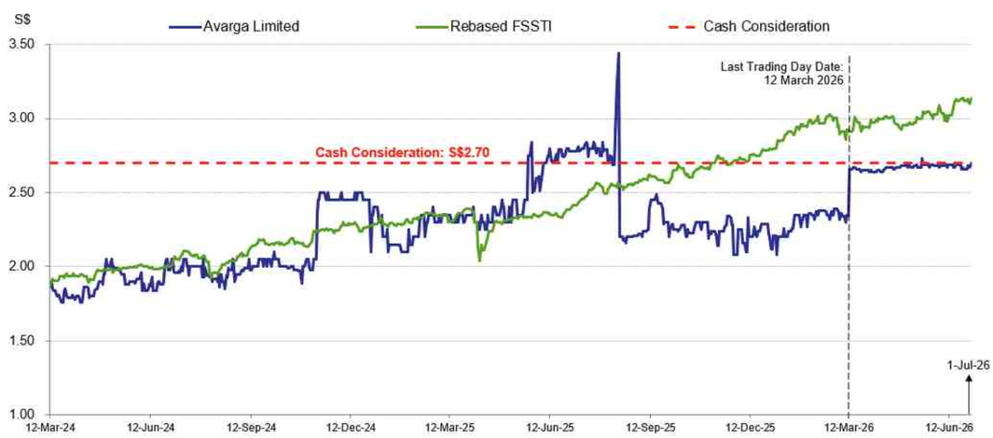
We wish to highlight that the market valuation of shares traded on a stock exchange may be affected by, *inter alia*, its relative liquidity, the size of its free float, the extent of research coverage, the investor interest it attracts, the prevailing economic conditions, economic outlook and the general market sentiment at a given point in time.

### 7.2 Share Price Performance Relative to Market Indices

To gauge the market price performance of the Shares relative to the general share price performance of the Singapore equity market, we have compared the market price movement of the Shares against the FTSE Straits Times Index (the "**FSSTI**"), which is a market capitalisation weighted index based on stocks of 30 representative companies listed on the Mainboard of the SGX-ST.

The FSSTI has been rebased to the closing price of the Company as at the beginning of the 2-year Lookback Period (being 12 March 2024). The market price performance of the Shares relative to the rebased FSSTI for the period from 12 March 2024 up to and including the Latest Practicable Date, is illustrated below.

**Share Price Performance against Rebased FSSTI**




*Sources: Bloomberg L.P. and PPCF calculations*

We have also set out in the table below the movements in the last transacted prices as compared to the start of the 2-year Lookback Period (being 12 March 2024) and the rebased FSSTI between the Last Trading Day and the Latest Practicable Date:

| | As at the Last Trading Day (S$) | As at the Latest Practicable Date (S$) | Percentage Change (%) |
|---|---|---|---|
| Shares | 2.350 | 2.670 | 13.6% |
| Rebased FSSTI | 2.919 | 3.103 | 6.3% |

*Sources: Bloomberg L.P. and PPCF computations*

Based on the above, we note the following:

(a) There are two (2) relatively extended periods where the Shares had outperformed the rebased FSSTI. Firstly, between 11 November 2024 and 6 January 2025, this was primarily attributable to the 2024 MGO launched by the Offeror at the 2024 MGO Offer Price (equivalent to S$2.50 assuming the completion of the Share Consolidation). Secondly, between 3 April 2025 and 14 August 2025, we noted that (i) the rebased FSSTI experienced a sharp decline in April 2025 primarily due to the risks and uncertainties in relation to global trade tension after the announcement by the president of the United States on the imposition of global trade tariff on 2 April 2025; and (ii) the announcements of the special dividend by Taiga and an interim dividend by the Company in May and August 2025 respectively;

(b) Save for the aforementioned two (2) periods, the Shares had generally underperformed or on par with the rebased FSSTI during the 2-year Lookback Period up to and including the Last Trading Day;

(c) Since the beginning of the 2-year Lookback Period from 12 March 2024 compared to the Last Trading Day, the Share price had increased by approximately 26.3%, while the rebased FSSTI had increased by approximately 56.9%; and

(d) From the Last Trading Day and up to the Latest Practicable Date, the Share prices increased significantly to outperform the rebased FSSTI, having increased by approximately 13.6% as compared to the increase in approximately 6.3% in the rebased FSSTI over the same period.

The above observation reinforces our view that the market price of the Shares appears to have been supported by the Scheme subsequent to the Joint Announcement Date. Scheme Shareholders should note that there is no assurance that the market price of the Shares will be maintained at the prevailing level as at the Latest Practicable Date.

**7.3 Historical Financial Information of the Group**

**7.3.1 Historical financial performance of the Group**

For the purpose of evaluating the financial terms of the Scheme, we have considered the Group's audited consolidated financial statements for FY2023, FY2024 and FY2025. A summary of the consolidated income statements of the Group for FY2023, FY2024 and FY2025 is set out in the table below. The following summary of the income statement should be read in conjunction with the full text of the audited financial statements set out in the Group's annual reports in respect of the relevant financial years including the notes thereto.

| Selected Items from the Consolidated Income Statement | | | |
|---|---|---|---|
| **S$'000** | **FY2023 (Audited)** | **FY2024 restated (Audited)** | **FY2025 (Audited)** |
| **Revenue** | **1,691,626** | **1,592,861** | **1,523,785** |
| **Profit before income tax ("PBT") from Continuing Operations** | **49,150** | **60,636** | **13,426** |
| *PBT margin* | *2.9%* | *3.8%* | *0.9%* |
| **Net profit ("PAT") from Continuing Operations** | **37,926** | **42,016** | **3,522** |
| *PAT from Continuing Operations margin* | *2.2%* | *2.6%* | *0.2%* |
| **PAT from discontinued operations** | **(10,746)** | **(5,684)** | **16,246** |
| *PAT from discontinued operations margin* | *(0.6)%* | *(0.4)%* | *1.1%* |
| **PAT for the year** | **27,180** | **36,332** | **19,768** |
| *PAT margin* | *1.6%* | *2.3%* | *1.3%* |
| PAT from Continuing Operations attributable to the equity holders of the Company | 21,673 | 29,243 | (3,192) |
| PAT from discontinued operations attributable to the equity holders of the Company | (10,746) | (5,684) | 16,246 |
| **Profit for the year attributable to the equity holders of the Company** | **10,927** | **23,559** | **13,054** |

*Sources: The Company's annual reports for FY2023, FY2024 and FY2025*

**Note**:

(1) Any discrepancies in the tables above between the total sum of amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

The Group's businesses comprise the following segments:

(a) the wholesale distribution of building materials in Canada and United States which is operated by Taiga Group ("**Building Products Division**"); and

(b) others, which include the corporate and investment segment ("**Others Division**")

(collectively, the "**Continuing Operations**").

The Company announced (i) the completion of the Proposed Disposal of UPP Greentech which holds the entire interest in UPP Power (Myanmar) Limited, the operator of the power plant in Myanmar on 10 July 2024 ("**Power Plant Division**"); and (ii) UPP Malaysia, the wholly-owned subsidiary of the Company that operates the paper mill division, would cease operations after 31 December 2024 following the expiry of the Gas Supply Contract ("**Paper Mill Division**") on

29 November 2024. Accordingly, the Power Plant Division was classified as discontinued operation since FY2023 and the Paper Mill Division was classified as discontinued operation in FY2024 and FY2025.

Notwithstanding, we note that the Building Products Division has consistently been the Group's principal revenue contributor, with an average contribution of approximately 99.6% to the Group's revenue for FY2023, FY2024 and FY2025.

FY2025 as compared to FY2024

For FY2025, the Group's revenue was approximately 4.3% lower year-on-year at approximately S$1.5 billion, mainly attributable to lower average lumber prices as well as lower sales volume of building products. The Paper Mill Division did not contribute revenue in FY2025 as it has been classified as discontinued operation since FY2024. As a result, the Group's revenue in FY2025 was derived entirely from the Building Products Division.

The Group's PBT from Continuing Operations decreased by approximately 77.9% from approximately S$60.6 million in FY2024 to approximately S$13.4 million in FY2025. The decrease in PBT was mainly attributable to (i) the lower profitability from the Building Products Division as a result of the lower sales volume, lower average lumber prices and recognition of the Impairment Loss (as defined below); and (ii) higher losses incurred under Others Division arising from the withholding tax payable to the Canadian tax authority on dividends declared and paid by Taiga Group to Avarga Canada Limited and subsequently to the Company's Singapore subsidiary.

The Group's PAT decreased by approximately 45.6% from approximately S$36.3 million in FY2024 to approximately S$19.8 million in FY2025. The decrease in PAT was mainly attributable to the aforementioned reason and was partially offset by the increase in gain on disposal of assets including Proposed Disposal of Land and Building classified under PAT from discontinued operations.

FY2024 as compared to FY2023

For FY2024, the Group's revenue was approximately 5.8% lower year-on-year at approximately S$1.6 billion, mainly attributable to the lower sales volume of building products.

The Group's PBT from Continuing Operations increased by approximately 23.4% from approximately S$49.2 million in FY2023 to approximately S$60.6 million in FY2024. The increase in PBT was mainly due to the loss-making Paper Mill Division classified under continuing operations in FY2023 and subsequently classified as discontinued operation in FY2024.

The Group's PAT increased by approximately 33.7% from approximately S$27.2 million in FY2023 to approximately S$36.3 million in FY2024. The increase in PAT was mainly attributable to (i) the decrease in losses from Paper Mill Division, which was classified under continuing operations in FY2023 and subsequently classified as a discontinued operation in FY2024; and (ii) in relation to Power Plant Division, the recognition of gain on Proposed Disposal of UPP Greentech in FY2024 and the net profits recorded in FY2024 as compared to the net loss in FY2023.

*EV/EBITDA Ratio as Implied by the Cash Consideration*

The EV/EBITDA ratio illustrates the ratio of the market value of a company's business relative to its historical pre-tax operating cash flow performance, without regard to a company's existing capital structure.

We have evaluated the implied enterprise value ("**EV**") of the Group of approximately S$335.6 million based on the market capitalisation of the Company as implied by the Cash Consideration after adding back loans and borrowings and non-controlling interests, and deducting cash and cash equivalents as at 31 December 2025. The EBITDA of the Group of approximately S$49.6 million was based on its PBT from Continuing Operations for FY2025 after adjusting for the impairment losses on goodwill recorded in FY2025 of approximately S$19.1 million ("**Impairment Loss**") as an exceptional item and adding back depreciation and amortisation expenses and net finance costs. The Impairment Loss arose from the annual impairment assessment conducted by the Company where the carrying value of the EW CGU (as defined below) exceeded its recoverable value due to a decline in housing market activity in the United States which resulted in lower sales volume for the Company in FY2025.

Save for the above, the Management has confirmed that there are no non-operating and one-off exceptional items in FY2025. Accordingly, the Group's EV/EBITDA ratio as implied by the Cash Consideration is approximately 6.76 times ("**Adjusted EV/EBITDA Ratio**").

*Historical P/E Ratio as Implied by the Cash Consideration*

The P/E ratio illustrates the market price of a company's shares relative to its earnings per share. The P/E ratio is affected by, *inter alia*, the capital structure of a company, its tax position as well as its accounting policies relating to depreciation and intangible assets. The earnings per share of the Group of approximately S$0.17 is based on its PAT from Continuing Operations for FY2025 after adjusting for the Impairment Loss as an exceptional item.

Save for the above, there are no non-operating and one-off exceptional items during FY2025, the Group's P/E ratio as implied by the Cash Consideration is approximately 15.46 times ("**Adjusted P/E Ratio**").

### 7.3.2 Historical financial position of the Group

The audited statement of financial position of the Group as at 31 December 2025 is set out in the table below. The following statement of financial position of the Group should be read in conjunction with the full text of the audited financial statements of the Group for FY2025.

| | As at 31 December 2025 (Audited) S$'000 | Contribution % |
|---|---|---|
| **Assets** | | |
| **Non-current assets** | | |
| Property, plant and equipment | 109,456 | 20.5% |
| Financial assets, at fair value through profit or loss ("**FVPL**") | 10,587 | 2.0% |
| Financial assets, at fair value through other comprehensive income ("**FVOCI**") | 7,595 | 1.4% |
| Long-term inventories | 4,487 | 0.8% |
| Intangible assets | 19,993 | 3.7% |
| Deferred tax assets | 1,758 | 0.3% |
| | **153,876** | **28.8%** |
| **Current assets** | | |
| Cash and cash equivalents | 82,134 | 15.4% |
| Trade and other receivables | 118,362 | 22.1% |
| Inventories | 177,494 | 33.2% |
| Income tax recoverable | 3,043 | 0.6% |
| | **381,033** | **71.2%** |
| **Total assets** | **534,909** | **100.0%** |
| **Liabilities** | | |
| **Non-current liabilities** | | |
| Lease liabilities | 80,593 | 39.5% |
| Deferred gains | 1,768 | 0.9% |
| Deferred income tax liabilities | 4,417 | 2.2% |
| | **86,778** | **42.6%** |
| **Current liabilities** | | |
| Trade and other payables | 99,797 | 49.0% |
| Derivative financial instruments | 245 | 0.1% |
| Revolving credit facility | 10,626 | 5.2% |

| | As at 31 December 2025 (Audited) S$'000 | Contribution % |
|---|---|---|
| Lease liabilities | 6,355 | 3.1% |
| | **117,023** | **57.4%** |
| **Total liabilities** | **203,801** | **100.0%** |
| **Net assets** | **331,108** | **-** |
| | | |
| **Equity** | | |
| **Capital and reserves attributable to equity holders of the Company** | | |
| Share capital | 169,597 | 51.2% |
| Treasury shares | (12,130) | (3.7)% |
| Retained profits/(accumulated losses) | 154,366 | 46.6% |
| Other reserves | (55,626) | (16.8)% |
| | 256,207 | 77.4% |
| **Non-controlling interests** | 74,901 | 22.6% |
| **Total equity** | **331,108** | **100.0%** |

*Source: The Company's annual report for FY2025*

**Note:**

(1) Any discrepancies in the tables above between the total sum of amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

As at 31 December 2025, the Group's financial position remained healthy, with cash and cash equivalents of approximately S$82.1 million and total equity of approximately S$331.1 million. The Group recorded positive working capital of approximately S$264.0 million.

### 7.3.3 Cash Flows of the Group

A summary of the consolidated statements of cash flows of the Group for FY2023, FY2024 and FY2025 is set out in the table below. The following summary consolidated statements of cash flows should be read in conjunction with the full text of the Company's annual reports in respect of the relevant financial years including the notes thereto.

| Summary Consolidated Statement of Cash Flows (S$'000) | FY2023 (Audited) | FY2024 (Audited) | FY2025 (Audited) |
|---|---|---|---|
| Net cash generated from operating activities | 110,097 | 48,066 | 35,312 |
| Net cash generated from/(used in) investing activities | (17,860) | 6,139 | 17,772 |
| Net cash used in financing activities | (19,572) | (24,142) | (168,300) |
| **Net increase/(decrease) in cash and cash equivalents** | **72,665** | **30,063** | **(115,216)** |

*Sources: The Company's annual reports for FY2023, FY2024 and FY2025*

**Note:**

(1) Any discrepancies in the tables above between the total sum of amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

<u>FY2025</u>

Net cash from operating activities for FY2025 amounted to approximately S$35.3 million, which was supported by an operating cash flow before changes in working capital of approximately S$46.9 million and a positive change in working capital of approximately S$3.8 million. The net cash inflow was partially offset by the net interest and income tax paid of approximately S$1.1 million and S$14.3 million respectively.

Net cash generated from investing activities for FY2025 amounted to approximately S$17.8 million mainly due to proceeds from disposal of property, plant and equipment of approximately S$31.1 million, and was partially offset by the purchase of property, plant and equipment and purchase of financial assets at FVOCI of approximately S$5.2 million and S$8.1 million respectively.

Net cash used in financing activities for FY2025 amounted to approximately S$168.3 million mainly due to (i) acquisition of non-controlling interest of approximately S$9.4 million; (ii) principal element of lease payments of approximately S$6.5 million; (iii) repayment of bank borrowings of approximately S$10.1 million; (iv) interest paid of approximately S$0.3 million; (v) dividend paid by a subsidiary corporation to non-controlling interest of approximately S$43.3 million; and (vi) dividend paid to equity holders of the Company of approximately S$109.0 million, and was partially offset by the changes in revolving credit facilities of approximately S$10.2 million.

**7.3.4 Post Balance Sheet Event after 31 December 2025**

Since the end of FY2025 as at 31 December 2025 and up to the Latest Practicable Date, we noted that the Company had on 9 May 2026, 15 May 2026 and 7 July 2026 released the unaudited condensed interim consolidated financial statements of its subsidiary, Taiga, for the three (3) months ended 31 March 2026 ("**1Q2026**") ("**Taiga 1Q2026 Unaudited FS**"). The summary of financial position of Taiga as at 31 December 2025 and 31 March 2026 set out below should be read in conjunction with the full text of Taiga's audited financial statements for FY2025 and Taiga 1Q2026 Unaudited FS released by the Company.

| **Summary of the financial position of Taiga** | | |
|---|---|---|
| **CAD ('000)** | **As at 31 December 2025 (Audited)** | **As at 31 March 2026 (Unaudited)** |
| Current assets | 388,951 | 452,483 |
| Non-current assets | 131,556 | 150,356 |
| **Total assets** | **520,507** | **602,839** |
| | | |
| Current liabilities | 122,487 | 177,862 |
| Non-current liabilities | 91,286 | 106,669 |
| **Total liabilities** | **213,773** | **284,531** |
| | | |
| **Shareholders' equity** | **306,734** | **318,308** |
| **Shareholders' equity attributable to the Company** | **227,597** | **236,185** |

We noted that the shareholders' equity of Taiga increased by approximately CAD11.6 million (equivalent to approximately S$10.7 million[2]) from approximately CAD306.7 million (equivalent to approximately S$283.2 million[2]) as at 31 December 2025 to approximately CAD318.3 million as at 31 March 2026 (equivalent to approximately S$293.9 million[2]). The increase was primarily due to net earnings for 1Q2026 recorded by Taiga of approximately CAD9.0 million (equivalent to approximately S$8.3 million[2]) and exchange differences on translating foreign controlled entities of approximately CAD2.6 million (equivalent to approximately S$2.4 million[2]).

As the Company holds approximately 74.2% equity interest in Taiga, the shareholders' equity of Taiga attributable to the Company as at 31 March 2026 was approximately CAD227.6 million (equivalent to approximately S$210.2 million[2]). For illustrative purposes only and based on hypothetical computation, the increase in shareholders' equity of Taiga attributable to the

[2] Based on the closing exchange rate of CAD1: S$0.9233 as at 31 March 2026 as extracted from S&P Capital IQ.

Company from as at 31 December 2025 to as at 31 March 2026 was approximately CAD8.6 million (equivalent to approximately S$7.9 million[2]), representing an increase of approximately S$0.0873 per Share.

**7.3.5 Analysis of the Net Assets Value Backing of the Group**

Overview of the Group's NAV

As at 31 December 2025, the Group's assets comprised mainly (i) property, plant and equipment of approximately S$109.5 million, representing approximately 20.5% of total assets; (ii) inventories of approximately S$177.5 million, representing approximately 33.2% of total assets; (iii) trade and other receivables of approximately S$118.4 million, representing approximately 22.1% of total assets; and (iv) cash and cash equivalents of approximately S$82.1 million, representing approximately 15.4% of total assets.

The Group's liabilities mainly comprised (i) lease liabilities of approximately S$86.9 million, representing approximately 42.7% of total liabilities; and (ii) trade and other payables of approximately S$99.8 million, representing approximately 49.0% of total liabilities.

The Group's NAV as at 31 December 2025 amounted to approximately S$256.2 million.

*Trade and other receivables*

The Group's trade and other receivables are not interest bearing and grants credit terms of between 30 and 120 days to its customers. The Group's trade and other receivables' turnover days[3] is approximately 26 days for FY2025 which is within the historical range of approximately 27 days in FY2024, approximately 29 days in FY2023 and approximately 25 days in FY2022.

*Inventories*

The Group's inventories comprised building products, work in progress and production consumables. Inventories are measured at the lower of cost and net realisable value, except for production consumables which are measured at the lower of cost and replacement cost with replacement cost approximating net realisable value. The Group's inventories' turnover days[4] is approximately 47 days for FY2025 which is within the historical range of approximately 46 days in FY2024, approximately 51 days in FY2023 and approximately 42 days in FY2022.

*Property, plant and equipment*

The Group's property, plant and equipment as at 31 December 2025 comprised mainly freehold land, leasehold land, buildings and leasehold improvements, treating equipment, warehouse equipment and plant and machinery, furniture, fixtures and office equipment, motor vehicles and computer system and license. Property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any.

*Intangible assets*

Intangible assets recognised by the Group comprised goodwill, favourable lease terms, and customer relationship and brand name. Goodwill represents the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed arising from the acquisition of Taiga and Exterior Wood, Inc ("**EW**") in 2017 and 2018 respectively. Goodwill is tested for impairment annually by comparing the carrying value of the cash-generating unit ("**CGU**") against its value-in-use. As at 31 December 2025, we noted that the Group recorded goodwill of approximately S$19.8 million which was attributable to the acquisition of Taiga in 2017, representing approximately 3.7% of the Group's total assets. The Group recorded Impairment Loss in FY2025 as the carrying amount of EW CGU exceeded its

[3] Trade and other receivables' turnover days = (Average trade and other receivables balances/revenue) x 365 days. Average trade and other receivables balances are based on the average of the opening and closing trade and other receivable balances for the relevant financial year.
[4] Inventory turnover days = (Average inventory balances/cost of sales) x 365 days. Average inventory balances are based on the average of the opening and closing inventory balances for the relevant financial year.

recoverable amount. The Impairment Loss was allocated first to goodwill and subsequently to the other intangible assets associated with EW CGU. As a result, the goodwill arising from the acquisition of EW has been fully impaired as at 31 December 2025.

In relation to favourable lease terms, and customer relationship and brand name, these were acquired through the acquisition of Taiga and EW in 2017 and 2018 respectively, reflecting the strong recurring customer relationships as well as lease agreement with terms more favourable than prevailing market rates. The customer relationship and brand name related to EW CGU has been fully impaired following the impairment assessment conducted in FY2025.

*Financial Assets*

As at 31 December 2025, the Group's financial assets comprise mainly (i) the financial assets at FVOCI of approximately S$7.6 million, representing approximately 1.4% of total assets; and (ii) financial assets at FVPL of approximately S$10.6 million, representing approximately 2.0% of total assets. The financial assets at FVOCI comprises the Group's equity interest in certain listed companies across Hong Kong, Malaysia, United States and China, and the fair value has been determined based on the quoted market prices of the stocks at each end of the reporting period. The financial assets at FVPL comprises the Group's investment in the non-listed securities such as Private Asian Real Estate Fund and Private Guaranteed Bond and the fair value has been determined by the Group using the most appropriate valuation methodology in light of the nature, facts and circumstances of the investments at each end of the reporting period. The carrying value of these financial assets have been fair valued at 31 December 2025 with no further adjustments required.

Net Asset Backing of the Group

The net asset backing of the Group is measured by its NAV or NTA. Scheme Shareholders should note that the analysis based on the NAV or NTA of the Group only provides an estimate of the value of the Group based on a hypothetical scenario involving the sale of all its assets in an orderly manner over a reasonable period of time and does not take into account or consideration other variables such as the hypothetical sale of assets in a non-orderly manner or over a short period of time, time value of money, market conditions, legal and professional fees, liquidation costs, contractual obligations, regulatory requirements and availability of potential buyers, all of which could theoretically lower the NAV or NTA that can be realised. While the asset base of the Group can be a basis for valuation, such a valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may also vary depending on prevailing market and economic conditions.

The NAV-based valuation approach shows the extent to which the value of each Share is backed by both the Group's tangible and intangible assets. NTA is derived by deducting intangible assets from the NAV, and the NTA-based valuation approach shows the extent to which the value of each Share is backed by the Group's net tangible assets.

**7.3.6 NAV per Share**

| **NAV per Share** | **As at 31 December 2025** |
|---|---|
| **Audited NAV attributable to equity holders of the Company (S$'000)** | **256,207** |
| Number of issued Shares as at the Latest Practicable Date (excluding treasury shares) | 90,831,335 |
| **NAV per Share (S$)** | **2.82** |
| **Cash Consideration (S$)** | **2.70** |
| **P/NAV ratio as implied by the Cash Consideration** | **0.96** |
| **Premium/(Discount) of Cash Consideration over the NAV per Share** | **(4.3)%** |

Based on the total number of 90,831,335 issued Shares (excluding 4,183,170 treasury shares) as at the Latest Practicable Date and the NAV of approximately S$256.2 million as at 31

December 2025, the NAV per Share is approximately S$2.82. The Cash Consideration represents a discount of approximately S$0.12 or 4.3% to the latest reported NAV per Share of the Group as at 31 December 2025 and values the Group at an implied P/NAV ratio of approximately 0.96 times.

**7.3.7 NTA per Share**

The NTA as presented below excludes intangible assets, which may be considered to provide more substantive support than NAV for the value of Shareholders' equity in the event of a hypothetical sale of all of the Group's assets over a reasonable period of time.

| NTA per Share | As at 31 December 2025 |
|---|---|
| **Audited NAV attributable to equity holders of the Company (S$'000)** | **256,207** |
| (-) Intangible assets (S$'000) | (19,993) |
| **NTA attributable to owners of parent (S$'000)** | **236,214** |
| Number of issued Shares as at the Latest Practicable Date (excluding treasury shares) | 90,831,335 |
| **NTA per Share (S$)** | **2.60** |
| **Cash Consideration (S$)** | **2.70** |
| **P/NTA ratio as implied by the Cash Consideration** | **1.04** |
| **Premium/(Discount) of Cash Consideration over the NTA per Share** | **3.8%** |

Based on the total number of 90,831,335 issued Shares (excluding 4,183,170 treasury shares) as at the Latest Practicable Date and the NTA of approximately S$236.2 million, the NTA per Share is approximately S$2.60. The Cash Consideration represents a premium of approximately S$0.10 or 3.8% to the latest reported NTA per Share of the Group as at 31 December 2025 and values the Group at a P/NTA ratio of approximately 1.04 times.

**7.3.8 Re-valued NTA ("RNTA") and adjusted RNTA ("Adjusted RNTA") per Share**

In our evaluation of Scheme Consideration, we have also considered (i) the carrying values of the assets of the Group as at 31 December 2025 to assess if any material assets should be revalued or adjusted for the purpose of our assessment of the Scheme as compared to the NAV/NTA of the Group; (ii) whether there are any events in the announcements made by the Company after the release of the audited financial statement for FY2025 that are likely to impact the NAV/NTA of the Group as at 31 December 2025; and (iii) whether there are any factors which have not been otherwise disclosed in the financial statements of the Group that are likely to impact the NAV/NTA of the Group as at 31 December 2025.

The Group has recorded a substantial amount of intangible assets as at 31 December 2025 as described in paragraph 7.3.5 of this letter which primarily relates to the goodwill arising from the acquisition of Taiga and EW in 2017 and 2018 respectively. Based on the assessment conducted by the Management for FY2025, the estimated recoverable amounts of the CGUs were lower than the carrying value and accordingly the Impairment Loss was recognised. Accordingly, we have assessed that the NTA per Share which reflects the residual value attributable to the Shareholders will be a more appropriate multiple to better reflect the economic substance and tangible realisable value of the Group as compared to the NAV per Share.

We have assessed the Adjusted RNTA of the Group by adjusting for (i) potential revaluation surplus of the Group's properties and its potential tax liabilities that may arise from the disposal of these properties which may affect the Adjusted RNTA, as assessed by the Management, for the purpose of evaluating the Scheme Consideration ("**Potential Tax Liabilities**"); (ii) the reversal of the restatement made to the Group's balance sheet as at 31 December 2024; and (iii) adjustment in relation to Taiga 1Q2026 Unaudited FS as a post balance sheet event after 31 December 2025.

We wish to highlight that the Adjusted RNTA per Share computation set out below in this paragraph assumes certain hypothetical values without taking into consideration factors, including but not limited to, realisable value of the assets, time value of money, taxes, legal and professional fees, liquidation costs, regulatory requirements, all of which would potentially reduce the Adjusted RNTA distributable to Shareholders.

Potential revaluation surplus of the Group's properties

We noted that the Taiga Group owns two (2) freehold properties in the United States ("**Taiga Properties**") with a carrying value of approximately S$8.8 million as at 31 December 2025, representing approximately 1.7% of the Group's total assets as at 31 December 2025.

The Group had previously commissioned independent valuations of the Taiga Properties in July 2024 as part of its review of the potential disposal of assets. Based on the aggregate market values of approximately S$28.5 million derived from the independent valuations ("**2024 Market Values**") and the carrying value of the Taiga Properties of approximately S$8.8 million as at 31 December 2025, the potential revaluation surplus of the Taiga Properties to be approximately S$19.6 million, of which approximately S$14.6 million is attributable to the Company ("**Potential Properties Revaluation Surplus**").

The Management and Directors are of the view that there is no basis to conclude any significant upward movement in the 2024 Market Values as at the Latest Practicable Date having considered (i) the independent valuations already reflect prevailing owner-occupier demand, a degree of embedded potential upside, comparable land and building transactions at the time; and (ii) the absence of any material change in market conditions, significant developments, property-specific fundamentals, or value-accretive events directly affecting the Taiga Properties since the valuation date.

Restatement of bonus accrual to Taiga's employees

We noted that there were restatement adjustments to the Group's balance sheet as at 1 January 2024 and 31 December 2024 in relation to the reversal of bonus accruals, with a net impact of approximately S$12.7 million recorded as part of the Group's liabilities since 31 December 2020, which affected the Group's balance sheet as at 1 January 2024, 31 December 2024 and 1 January 2025 ("**Restatement Amount**"). The Restatement Amount arose from bonus accruals in a prior period where the employees of Taiga Group ("**Taiga Employees**") agreed to defer the payment of their bonus entitlement in 2021 to a future period to be mutually agreed between the management of Taiga and the Taiga Employees ("**Bonus Accrual**"). However, Taiga's auditors assessed that the Bonus Accrual does not meet either of the recognition criteria under *International Accounting Standards 19 - Employee Benefits*: (i) the entity has a present legal or constructive obligation to make such payments as a result of past events; and (ii) a reliable estimate of the obligation can be made.

The management and directors of the Company and Taiga represented that the Bonus Accrual was agreed to be set aside for future payment to Taiga Employees notwithstanding the accounting recognition and measurement of Bonus Accrual under the accounting standards. On this basis, the management has assessed that an equivalent amount of cash will continue to be set aside specifically reserved for the future payment of the Bonus Accrual to Taiga Employees and would not be made available for any forms of distributions to the shareholders of Taiga and/or the Company. While we understand that no formal legal or contractual obligation exists, the Group has consistently set aside these amounts since FY2021 with the consensus that the Bonus Accruals shall be used solely for this purpose. Accordingly, we have considered and included the relevant adjustment in the computation of the Adjusted RNTA.

Adjustment in relation to Taiga 1Q2026 Unaudited FS as a post balance sheet event after 31 December 2025

As set out in paragraph 7.3.4 of this letter, we noted that the release of Taiga 1Q2026 Unaudited FS where the shareholders' equity of Taiga attributable to Company increased by approximately CAD8.6 million (equivalent to approximately S$7.9 million[2]) as at 31 March 2026, representing an increase of approximately S$0.0873 per Share ("**Adjustment of Taiga 1Q2026**

**NAV**"). Accordingly, we have considered and included the Adjustments of Taiga 1Q2026 NAV in the computation of the Adjusted RNTA.

We set out below the summary of the adjustments which are made to the audited NTA as at 31 December 2025 to determine the RNTA and Adjusted RNTA as at 31 December 2025:

| RNTA and Adjusted RNTA per Share | As at 31 December 2025 |
|---|---|
| **Audited NTA attributable to equity holders of the Company (S$'000)** | **236,214** |
| + Potential Properties Revaluation Surplus (S$'000) | 14,577 |
| (-) Potential Tax Liabilities[(1)] (S$'000) | (6,888) |
| **RNTA attributable to equity holders of the Company (S$'000)** | **243,904** |
| + Adjustment of Taiga 1Q2026 NAV | 7,930 |
| (-) Restatement Amount (S$'000) | (12,656) |
| **Adjusted RNTA[(2)] attributable to equity holders of the Company (S$'000)** | **239,177** |
| Number of issued Shares as at the Latest Practicable Date (excluding treasury shares) | 90,831,335 |
| **RNTA per Share (S$)** | **2.69** |
| **Adjusted RNTA per Share (S$)** | **2.63** |
| **Cash Consideration (S$)** | **2.70** |
| **P/RNTA ratio as implied by the Cash Consideration** | **1.01** |
| **P/Adjusted RNTA ratio as implied by the Cash Consideration** | **1.03** |
| **Premium/(Discount) of Cash Consideration over the RNTA per Share** | **0.5%** |
| **Premium/(Discount) of Cash Consideration over the Adjusted RNTA per Share** | **2.5%** |

**Notes:**

(1) Potential tax liabilities for the Taiga Properties are calculated based on (i) an aggregate 28% tax rate comprising United States federal and California corporate income taxes on the gains; (ii) a 5% withholding tax on gains remitted from the United States to Canada; and (iii) a 15% withholding tax on gains remitted from Canada to Singapore.

(2) Including the adjustments in relation to Potential Properties Revaluation Surplus, Potential Tax Liabilities, Adjustment of Taiga 1Q2026 NAV and the Restatement Amount representing the cash and cash equivalents to be set aside for the future payment of the Bonus Accrual.

Based on the total number of 90,831,335 issued Shares (excluding 4,183,170 treasury shares) as at the Latest Practicable Date and the RNTA of approximately S$243.9 million, the RNTA per Share is approximately S$2.69. The Cash Consideration represents a premium of approximately S$0.01 or 0.5% to the RNTA per Share of the Group as at 31 December 2025 and values the Group at a P/RNTA ratio of approximately 1.01 times.

Based on the total number of 90,831,335 issued Shares (excluding 4,183,170 treasury shares) as at the Latest Practicable Date and the Adjusted RNTA of approximately S$239.2 million, the Adjusted RNTA per Share is approximately S$2.63. The Cash Consideration represents a premium of approximately S$0.07 or 2.5% to the Adjusted RNTA per Share of the Group as at 31 December 2025 and values the Group at a P/Adjusted RNTA ratio of approximately 1.03 times.

In respect of the foregoing, we have sought the following confirmation from the Directors and the Management, and they have confirmed to us that save as disclosed above and the announcements released by the Company on the SGXNET, to the best of their knowledge and based on information made available to them, as at the Latest Practicable Date:

(1) Save as disclosed in this letter and in the ordinary course of the Group's business, there are no material acquisitions and disposals of assets by the Group between 31 December 2025 and the Latest Practicable Date, and the Group does not have any

plans for such impending material acquisition or disposal of assets, conversion of the use of its material assets or material changes in the nature of the Group's business;

(2) Save as disclosed in this letter, there are no material contingent liabilities, bad or doubtful debts or impairment losses, material events, unrecorded earnings or expenses or assets or liabilities that may have a material impact on the audited NAV/NTA of the Group as at 31 December 2025;

(3) There is no litigation, claim or proceeding pending or threatened against the Company or any of its subsidiaries or of any fact likely to give rise to any proceeding which might materially and adversely affect the financial position of the Group;

(4) There is no material change to the accounting policies and methods of computation which may materially affect the NAV/NTA of the Group as at 31 December 2025;

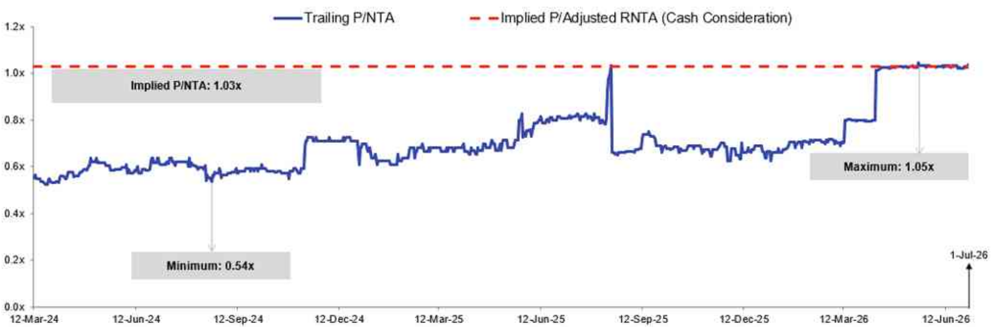
(5) There are no other intangible assets as at the Latest Practicable Date and which ought to be disclosed in the statement of financial position of the Group in accordance with the Singapore Financial Reporting Standards (International) and which have not been so disclosed and where such intangible assets would have had a material impact on the overall financial position of the Group as at 31 December 2025; and

(6) There is no material difference in the market values as reported in valuation reports on the Taiga Properties undertaken which would likely to have a material impact.

<u>Historical Trailing P/NTA Ratio of the Shares</u>

We have compared the P/Adjusted RNTA of the Shares as implied by the Cash Consideration of 1.03 times against the historical trailing P/NTA of the Shares (based on the daily closing prices of the Shares and the Group's trailing announced NTA per Share) for the 2-year Lookback Period up to the Last Trading Day and including the Latest Practicable Date.

**Historical Trailing P/NTA Ratio[1]**




*Sources: Bloomberg L.P. and PPCF calculations*

**Note:**

(1) P/Adjusted RNTA ratio of the Shares implied by the Cash Consideration (as disclosed in paragraph 7.3.8 of this letter) against the trailing P/NTA of the Shares computed based on the corresponding NTA as reported by the Company in its interim and full-year financial results announcements.

The average, minimum and maximum of the historical trailing P/NTA of the Shares from 12 March 2024 (being the beginning of the 2-year Lookback Period) up to the Last Trading Day and including the Latest Practicable Date are set out below:

| Historical Trailing P/NTA Ratios of the Shares | | | |
|---|---|---|---|
| | Historical Trailing P/NTA (times) | | |
| | Average | Maximum | Minimum |
| **2-year period prior to the Last Trading Day** | | | |
| 2-year | 0.66 | 1.04 | 0.52 |
| 1-year | 0.71 | 1.04 | 0.63 |
| 6-month | 0.69 | 0.75 | 0.63 |
| 3-month | 0.69 | 0.72 | 0.63 |
| 1-month | 0.71 | 0.72 | 0.69 |
| **Period after the Last Trading Day up to the Latest Practicable Date** | | | |
| Period after the Last Trading Day up to the Latest Practicable Date | 0.97 | 1.05 | 0.71 |

*Sources: Bloomberg L.P., the Company's financial results announcements and PPCF calculations*

Based on the above, we note that:

(a) For the 1-month, 3-month, 6-month, 1-year and 2-year periods prior to and including the Last Trading Day, the implied P/Adjusted RNTA based on the Cash Consideration of 1.03 times is above the average historical trailing P/NTA of the Shares of 0.71 times, 0.69 times, 0.69 times, 0.71 times and 0.66 times respectively; and

(b) For the period after the Last Trading Day and up to the Latest Practicable Date, the implied P/Adjusted RNTA based on the Cash Consideration of 1.03 times is above the average historical trailing P/NTA of the Shares of 0.97 times.

**7.4 Valuation Ratios of Selected Listed Companies Broadly Comparable to the Group**

Due to the limited availability of comparable companies listed on the SGX-ST, for the purpose of evaluating the financial terms of the Scheme, we have made reference to the valuation ratios of listed companies on other stock exchanges which we consider to be broadly comparable to the Group, to get an indication of the current market expectations with regard to the perceived valuation of the Group.

As the Group currently derived its revenue mainly from the Building Products Division which is attributable to Taiga Group, we have made reference to selected listed companies which we consider to be broadly comparable to the principal business of the Taiga Group, that is, listed companies that are engaged primarily in the wholesale distribution of building products, which have recorded a profit after tax for the last financial year and with a market capitalisation of less than S$1.0 billion as at the Latest Practicable Date ("**Comparable Companies**") that is listed on developed stock exchanges in North America and United Kingdom, in our selection of the Comparable Companies. We have had discussions with the Management about the suitability and reasonableness in selecting the Comparable Companies for comparison with the Group.

The Non-Conflicted Directors should note that the prices at which shares trade include factors other than historical financial performance, and some of these include, amongst others, the relative sentiments of the market for the shares, historical share price performance, prospects of the financial performance, the demand/supply conditions of the shares, the relative liquidity of the shares, as well as the market capitalisation.

Relevant information has been extracted from S&P Capital IQ, publicly available annual reports and/or public announcements of the Comparable Companies. We make no representations or warranties, expressed or implied, as to the accuracy or completeness of such information. The accounting policies of the Comparable Companies with respect to the values for which the assets, premiums, cost or claims are provided for or recorded may differ from that of the Group.

Brief descriptions of the Comparable Companies are set out below:

| Summary of Comparable Companies | | |
|---|---|---|
| **Name** | **Stock exchange** | **Business description** |
| Doman Building Materials Group Ltd. ("**Doman Building Materials**") | Toronto Stock Exchange ("**TSX**") | Doman Building Materials Group engages in the wholesale distribution of building materials and home renovation products in Canada and the United States. It distributes treated wood, lumber and plywood, engineered wood products, roofing, decking and related building materials through an extensive distribution and wood network. |
| ADENTRA Inc ("**ADENTRA**") | TSX | ADENTRA engages in wholesale distribution of architectural and speciality building products in Canada and the United States. It distributes hardwood lumber, plywood, composite panels, doors, mouldings, and outdoor living products to residential, and also provides repairs and remodel. |
| BlueLinx Holdings Inc ("**BlueLinx**") | New York Stock Exchange ("**NYSE**") | BlueLinx engages in the distribution of residential and commercial building products in the United States. It distributes (i) specialty products, such as engineered wood, siding, millwork, outdoor living, specialty lumber and panels; (ii) structural products, such as lumber, plywood, oriented strand boards, rebars and remesh; and (iii) other wood products that are used for structural support in construction projects. |
| James Latham plc ("**James Latham**") | Alternative Investment Market ("**AIM**") | James Latham distributes hardwoods, softwoods, engineered timbered products, decking and timber cladding products, modified timbers and panels as well as architectural molding in the United Kingdom. |
| Taiga | TSX | Taiga engages in the wholesale distribution of building products, such as dimension lumber, panel products, and other building products in Canada and the United States. As at the Latest Practicable Date, Taiga is an approximately 74.2% owned indirect subsidiary of the Company. |
| Goodfellow Inc ("**Goodfellow**") | TSX | Goodfellow engages in the wholesale distribution and processing of lumber and wood-based building products across Canada, the United States and the United Kingdom. The company distributes a broad range of lumber, panel products, flooring, decking, insulation, roofing, siding, and related building materials, supported by value-added remanufacturing and custom fabrication capabilities. |

*Source: S&P Capital IQ*

**We wish to highlight that the Comparable Companies are not exhaustive and we recognise that there may not be any listed company which we may consider to be identical to the Group in terms of, *inter alia*, geographical spread, composition of business activities, customer base, size and scale of business operations, risk profile, asset base, market capitalisation, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, political risk, competitive and regulatory environment, tax factors, financial positions and other relevant criteria and that such businesses may have fundamentally different annual profitability objectives. The Non-Conflicted Directors should note that any comparison made with respect to the Comparable Companies herein is strictly limited in scope and merely serves to provide an illustrative perceived market valuation of the Group as at the Latest Practicable Date.**

We set out below the valuation statistics for the Comparable Companies based on their last transacted share prices as at the Latest Practicable Date.

**Valuation Ratios of Comparable Companies**

| Comparable Company | Listed Exchange | Market Capitalisation(1) (S$'mil) | LTM(2) EV/EBITDA (times) | LTM(2) P/E (times)(3) | P/NAV (times)(4) | P/NTA (times)(5) |
|---|---|---|---|---|---|---|
| Doman Building Materials | TSX | 912.5 | 8.53 | 12.41 | 1.50 | N.M.(2) |
| ADENTRA | TSX | 853.9 | 8.23 | 14.12 | 1.40 | 4.73(6) |
| BlueLinx | NYSE | 610.6 | 11.48 | N.M.(2) | 0.77 | 1.01 |
| James Latham | AIM | 353.7 | 5.95 | 11.65 | 0.91 | 0.92 |
| Taiga | TSX | 363.0 | 8.83 | 14.38 | 1.25 | 1.25 |
| Goodfellow | TSX | 85.1 | 6.32 | 14.88 | 0.46 | 0.46 |
| | | **High** | 11.48 | 14.88 | 1.50 | 4.73 |
| | | **Low** | 5.95 | 11.65 | 0.46 | 0.46 |
| | | **Mean** | 8.22 | 13.49 | 1.05 | 0.91 |
| | | **Median** | 8.38 | 14.12 | 1.08 | 1.01 |
| **Company (as implied by the Cash Consideration)** | **SGX-ST** | **245.2** | **6.76(7)** | **15.46(7)** | **0.96(8)** | **1.04(9)**<br>**1.03(10)** |

*Sources: S&P Capital IQ and the relevant annual reports and financial results announcements by the Comparable Companies*

**Notes:**

(1) Market capitalisation of the Comparable Companies is based on their respective last transacted prices as at the Latest Practicable Date as extracted from S&P Capital IQ. The implied market capitalisation of the Company is approximately S$245.2 million based on the Cash Consideration and the total outstanding Shares of 90,831,335 (excluding 4,183,170 treasury shares) as at the Latest Practicable Date.

(2) LTM means the latest twelve months and N.M. means not meaningful.

(3) Net profit attributable to shareholders of the Comparable Companies and the Company is computed on a trailing 12-month basis from the latest available audited and/or unaudited financial results and the Company's audited financial statements for FY2025.

(4) P/NAV ratio is the ratio of the Comparable Companies' respective share price as at the Latest Practicable Date divided by its consolidated net asset value attributed to the respective Comparable Companies on a per share basis as at the latest available financial results.

(5) P/NTA ratio is the ratio of the Comparable Companies' respective share price as at the Latest Practicable Date divided by its consolidated net tangible assets attributed to the respective Comparable Companies on a per share basis as at the latest available financial results.

(6) Considered as an outlier and excluded for the purpose of calculating the mean P/NTA ratio of the Comparable Companies.

(7) Based on the Adjusted EV/EBITDA Ratio and Adjusted P/E Ratio as implied by the Cash Consideration as set out in paragraph 7.3.1 of this letter.

(8) Based on the NAV of the Group as at 31 December 2025 as set out in paragraph 7.3.6 of this letter.

(9) Based on the NTA of the Group as at 31 December 2025 as set out in paragraph 7.3.7 of this letter.

(10) Based on the Adjusted RNTA of the Group as at 31 December 2025 as set out in paragraph 7.3.8 of this letter.

Based on the information above, we note that based on the Cash Consideration:

(a) The implied Adjusted EV/EBITDA Ratio based on the Cash Consideration of the Company of 6.76 times is within the range of the LTM EV/EBITDA ratios of the Comparable Companies of between 5.95 times and 11.48 times, but is lower than both the mean and median LTM EV/EBITDA ratios of 8.22 times and 8.38 times respectively;

(b) The implied Adjusted P/E Ratio based on the Cash Consideration of the Company of 15.46 times is above the range of the LTM P/E ratios of the Comparable Companies;

(c) The implied P/NAV ratio based on the Cash Consideration of the Company of 0.96 times is within the range of the P/NAV ratios of the Comparable Companies of between 0.46 times and 1.50 times, but is lower than both the mean and median P/NAV ratios of 1.05 times and 1.08 times respectively;

(d) The implied P/NTA ratio based on the Cash Consideration of the Company of 1.04 times is within the range of the P/NTA ratios of the Comparable Companies of between 0.46 times and 4.73 times, and is higher than both the mean and median P/NTA ratios of 0.91 times and 1.01 times respectively; and

(e) The implied Adjusted P/RNTA ratio based on the Cash Consideration of the Company of 1.03 times is within the range of the P/NTA ratios of the Comparable Companies of between 0.46 times and 4.73 times, and is higher than both the mean and median P/NTA ratios of 0.91 times and 1.01 times respectively.

**7.5 Selected Precedent Privatisation Transactions on SGX-ST**

For the purpose of our evaluation of the financial terms of the Scheme, we have compared the valuation statistics implied by the Cash Consideration *vis-à-vis* recent successful privatisations and delisting of companies listed on the SGX-ST where the offeror has indicated similar intentions where it does not intend to preserve the listing status of the company.

We set out below the statistics on (i) privatisation transactions of companies listed on the SGX-ST, whether by way of a scheme of arrangement under Section 210 of the Companies Act ("**SOA**"), voluntary general offers ("**VGO**") or mandatory general offers ("**MGO**") under the Code; and (ii) delisting offers under Rule 1307 of the Listing Manual ("**VD**"), and the offer resulted in successful privatisation and delisting of the target company ("**Precedent Privatisation Transactions**").

As some of the Precedent Privatisation Transactions had undertaken revaluations and/or adjustments to their assets which may have a material impact on their last announced book values, we have also, where relevant, compared the financial terms of such offer transactions with the revalued NAV (or revalued NTA where applicable) and/or adjusted NAV (or adjusted NTA where applicable) of the Precedent Privatisation Transactions where available. The details on the Precedent Privatisation Transactions announced from 1 January 2023 up to the Latest Practicable Date are set out as follows:

**Precedent Privatisation Transactions in Singapore**

| Announcement date | Target companies | Type | Offer price per share (S$) | Premium/(Discount) of offer price over/to: Last transacted price | 1-month VWAP | 3-month VWAP | 6-month VWAP | 1-year VWAP | Offer price/Scheme consideration[1] to NTA/NAV/RNAV (times) |
|---|---|---|---|---|---|---|---|---|---|
| 10-Feb-23 | Global Dragon Limited | VGO | 0.12 | 15.4% | 15.4% | 22.4% | 17.6% | 17.6% | 0.73[2] |
| 28-Feb-23 | G. K. Goh Holdings Limited | VGO | 1.26 | 38.5% | 38.8% | 39.2% | 37.6% | 34.8% | 0.97[3] |
| 29-Mar-23 | Global Palm Resources Holdings Limited | VGO | 0.25 | 92.3% | 86.6% | 70.1% | 70.1% | 30.2% | 0.78[4] |
| 11-Apr-23 | Lian Beng Group Ltd | VGO | 0.68 | 21.4% | 27.0% | 28.5% | 29.9% | 30.4% | 0.43[5] |
| 30-May-23 | Challenger Technologies Limited | VGO | 0.60 | 9.1% | 10.5% | 11.9% | 14.3% | 13.4% | 1.46[6] |
| 1-Jun-23 | Sysma Holdings Limited | VGO | 0.168 | 44.7% | 39.8% | 34.2% | 30.5% | 28.5% | 0.72[7] |
| 4-Jun-23 | LHN Logistics Limited | VGO | 0.2266 | 34.9% | 35.7% | 39.0% | 44.3% | 39.0% | 2.01[8] |
| 3-Jul-23 | Healthway Medical Corporation Ltd | VD | 0.048 | 45.5% | 45.0% | 44.1% | 39.9% | 37.1% | 1.07[9] |
| 1-Apr-24 | Isetan (Singapore) Limited | SOA | 7.20 | 153.5% | 173.5% | 171.1% | 168.9% | 152.5% | 0.70[10] |
| 3-Apr-24 | Best World International Limited | Voluntary Delisting | 2.560 | 46.3% | 47.1% | 46.3% | 48.8% | 36.9% | 1.88[11] |
| 19-May-24 | RE&S Holdings Limited | SOA | 0.36 | 56.5% | 65.1% | 50.0% | 45.2% | 38.5% | 1.93[12] |
| 10-Jul-24 | Second Chance Properties Ltd | VGO | 0.30 | 39.5% | 40.9% | 37.0% | 33.3% | 28.2% | 1.01[13] |
| 26-Aug-24 | Silverlake Axis Ltd | VGO | 0.36 | 20.0% | 27.7% | 25.0% | 31.9% | 31.9% | 2.77[14] |
| 11-Sep-24 | Dyna-Mac Holdings Ltd | VGO | 0.67 | 21.2% | 6.2% | 14.1% | 29.3% | 50.0% | 5.98[15] |
| 25-Oct-24 | 5E Resources Ltd | SOA | 0.380 | 22.6% | 22.2% | 21.8% | 26.2% | 31.9% | 1.60[16] |
| 23-Dec-24 | Talkmed Group Limited | SOA | 0.456 | 20.0% | 22.6% | 22.9% | 21.6% | 16.3% | 7.30[17] |
| 24-Jan-25 | Japfa Ltd | SOA | 0.620 | 34.8% | 39.0% | 51.2% | 70.3% | 93.1% | 1.10[18] |
| 24-Jan-25 | SLB Development Ltd | SOA | 0.23 | 36.1% | 54.4% | 62.0% | 69.1% | 88.5% | 1.13[19] |
| 11-Feb-25 | Paragon Real Estate Investment Trust | SOA | 0.98 | 10.1% | 10.9% | 11.6% | 11.2% | 12.8% | 1.07[20] |
| 14-Feb-25 | Econ Healthcare (Asia) Limited | SOA | 0.330 | 29.1% | 43.7% | 53.7% | 59.9% | 63.6% | 2.09[21] |
| 17-Feb-25 | PEC Ltd | SOA | 0.84 | 12.8% | 23.5% | 28.6% | 30.6% | 33.3% | 0.89[22] |
| 27-Mar-25 | Sinarmas Land Limited | VGO | 0.375 | 36.4% | 41.6% | 27.7% | 21.6% | 38.6% | 0.44[23] |
| 19-Apr-25 | ICP Ltd | VD | 0.009 | 28.6% | 16.9% | 20.0% | 23.3% | 23.3% | 1.10[24] |
| 28-Apr-25 | Procurri Corporation Limited | SOA | $.32 | 77.8% | 77.8% | 74.4% | 75.8% | 74.6% | 2.12[25] |
| 28-Apr-25 | Amara Holdings Limited | VGO | 0.895 | 27.0% | 42.1% | 44.8% | 46.7% | 48.9% | 0.63[26] |
| 30-Apr-25 | Ban Leong Technologies Limited | VGO | 0.6029 | 60.8% | 63.9% | 69.3% | 73.4% | 75.5% | 1.37[27] |
| 14-May-25 | Frasers Hospitality Trust | SOA | 0.71 | 18.3% | 23.4% | 25.4% | 29.7% | 36.3% | 1.11[28] |
| 15-May-25 | Cosmosteel Holdings Limited | VGO | 0.25 | 48.1% | 57.5% | 61.3% | 70.9% | 75.4% | 0.66[29] |
| 10-Jul-25 | Grand Venture Technology Limited | SOA | 0.94 | 11.9% | 17.4% | 25.5% | 20.7% | 27.9% | 2.04[30] |
| 3-Sep-25 | Alpina Holdings | SOA | 0.31 | 24.0% | 24.0% | 44.9% | 48.3% | 55.8% | 1.93[31] |
| 11-Sep-25 | Niks Professional Ltd | VD | 0.23 | 19.8% | 19.8% | 22.3% | 31.4% | 51.3% | 1.40[32] |
| 26-Sep-25 | Spindex Industries Limited | SOA | 1.43 | 27.7% | 26.4% | 33.1% | 43.6% | 45.9% | 0.99[33] |
| 8-Oct-25 | AF Global Limited | SOA | 0.11 | 23.6% | 37.5% | 41.0% | 50.7% | 52.8% | 0.90[34] |

**Precedent Privatisation Transactions in Singapore**

| Announcement date | Target companies | Type | Offer price per share (S$) | Premium/(Discount) of offer price over/to: Last transacted price | 1-month VWAP | 3-month VWAP | 6-month VWAP | 1-year VWAP | Offer price/Scheme consideration[(1)] to NTA/NAV/RNAV (times) |
|---|---|---|---|---|---|---|---|---|---|
| 28-Nov-25 | Low Keng Huat (Singapore) Limited | VGO | 0.72 | 17.1% | 8.9% | 16.5% | 27.7% | 36.1% | 0.57[(35)] |
| 5-Dec-25 | Broadway Industrial Group Limited | VD | 0.262 | 43.4% | 37.9% | 37.2% | 42.4% | 69.0% | 1.23[(36)] |
| 12-Dec-25 | Plato Capital Limited | VD | 3.05 | 111.8% | 107.5% | 58.0% | 55.6% | 56.4% | 0.70[(37)] |
| 12-Feb-26 | Sen Yue Holdings Limited[(38)] | VGO | 0.008 | (63.6)% | (63.6)% | (69.2)% | (73.3)% | (75.0)% | 0.80[(39)] |
| | | | **High** | 153.5% | 173.5% | 171.1% | 168.9% | 152.5% | 7.30 |
| | | | **Low** | 9.1% | 6.2% | 11.6% | 11.2% | 12.8% | 0.43 |
| | | | **Mean** | 39.0% | 41.7% | 42.1% | 45.0% | 47.4% | 1.50 |
| | | | **Median** | 32.0% | 38.3% | 37.1% | 38.8% | 37.8% | 1.10 |
| | **Company (as implied by the Cash Consideration)** | **SOA** | **2.70** | **14.9%** | **16.6%** | **18.6%** | **18.0%** | **2.7%** | **0.96[(40)]**<br>**1.04[(41)]**<br>**1.03[(42)]** |

*Sources: Respective target companies' shareholders' circulars and announcements*

**Notes:**

(1) Scheme consideration comprises cash consideration per share and any cash dividend payable pursuant to the scheme of arrangement.

(2) Based on the RNAV per share of Global Dragon Limited as at 31 December 2022.

(3) Based on the NAV per share of G.K. Goh Holdings Limited as at 31 December 2022.

(4) Based on the RNAV per share of Global Palm Resources Holdings Limited as at 31 December 2022.

(5) Based on the RNAV per share of Lian Beng Group Limited as at 30 November 2022.

(6) Based on the RNAV per share of Challenger Technologies Limited as at 31 December 2022.

(7) Based on the RNAV per share of Sysma Holdings Limited as at 31 January 2023.

(8) Based on the RNAV per share of LHN Logistics Limited as at 31 March 2023.

(9) Based on the RNAV per share of Healthway Medical Corporation Ltd as at 30 June 2023.

(10) Based on the RNAV per share of Isetan (Singapore) Limited as at 31 December 2023.

(11) Based on the adjusted NAV per share of Best World international Limited as at 31 December 2023.

(12) Based on the RNAV per share of RE&S Holdings Limited as at 31 December 2023.

(13) Based on the adjusted NAV per share of Second Chance Properties Limited as at 29 February 2024.

(14) Based on the cash consideration of the scheme and the NAV per share of Silverlake Axis Limited as at 30 June 2024.

(15) Based on the adjusted NAV per share of Dyna-Mac Holdings Ltd as at 30 June 2024.

(16) Based on the NAV per share of 5E Resources Limited as at 30 June 2024.

(17) Based on the NAV per share of TalkMed Group Limited as at 31 December 2024.

(18) Based on the NAV per share of Japfa Limited as at 31 December 2024.

(19) Based on the RNAV per share of SLB Development Ltd as at 30 November 2024.

(20) Based on the adjusted NAV per share of Paragon Real Estate Investment Trust as at 31 December 2024.

(21) Based on the RNAV per share of Econ Healthcare (Asia) Limited as at 30 September 2024.

(22) Based on the RNAV per share of PEC Ltd as at 31 December 2024.

(23) Based on the NAV per share of Sinarmas Land Limited as at 31 December 2024.

(24) Based on the RNAV per share of ICP Ltd as at 31 December 2024.

(25) Based on the NAV per share of Procurri Corporation Limited as at 31 December 2024.

(26) Based on the RNAV per share of Amara Holdings Limited as at 31 December 2024.

(27) Based on the NAV per share of Ban Leong Technologies Limited as at 31 March 2025.

(28) Based on the adjusted NAV per share of Frasers Hospitality Trust as at 30 April 2025.

(29) Based on the RNAV per share of Cosmosteel holdings Limited as at 31 March 2025.

(30) Based on the RNAV per share of Grand Venture Technology Limited as at 30 June 2025

(31) Based on the RNAV per share of Alpina holdings Limited as at 30 June 2025.

(32) Based on the RNAV per share of Niks Professional Ltd as at 30 June 2025.

(33) Based on the NAV per share of Spindex Industries Limited as at 30 June 2025.

(34) Based on the RNAV per share of AF Global Limited as at 30 June 2025 of a conservative scenario.

(35) Based on the RNAV per share of Low Keng Huat (Singapore) Limited as at 31 December 2025.

(36) Based on the RNAV per share of Broadway Industrial Group Limited as at 31 December 2025.

(37) Based on the RNAV per share of Plato Capital Limited as at 30 June 2025.

(38) Considered as an outlier and excluded for the purpose of calculating the premium/(discount) of offer price over/to last transacted price, 1-month VWAP, 3-month VWAP, 6-month VWAP and 12-month VWAP as the comparison between cash consideration against historical share price performance since the suspension of trading in the shares on 4 May 2020 may not be reflective of the subsequent significant announcements and developments of Sen Yue Holdings Limited.

(39) Based on the RNAV per share of Sen Yue Holdings Limited as at 30 September 2025.

(40) Based on the NAV of the Group as at 31 December 2025 as set out in paragraph 7.3.6 in this letter.

(41) Based on the NTA of the Group as at 31 December 2025 as set out in paragraph 7.3.7 in this letter.

(42) Based on the Adjusted RNTA of the Group as at 31 December 2025 as set out in paragraph 7.3.8 in this letter.

Based on the above analysis, we note the following:

(a) The premium of approximately 14.9% implied by the Cash Consideration over the last transacted price of the Shares on the Last Trading Day is within the range but is lower than the mean and median premia of 39.0% and 32.0% respectively as implied by the respective offer prices paid over the last transacted market prices of the shares on their respective last trading day with respect to the Precedent Privatisation Transactions;

(b) The premium of approximately 16.6% implied by the Cash Consideration over the 1-month VWAP of the Shares up to and including the Last Trading Day is within the range but is lower than the mean and median premia of 41.7% and 38.3% respectively as implied by the respective offer prices over the 1-month VWAP of the shares with respect to the Precedent Privatisation Transactions;

(c) The premium of approximately 18.6% implied by the Cash Consideration over the 3-month VWAP of the Shares up to and including the Last Trading Day is within the range but is lower than the mean and the median premia of 42.1% and 37.1% respectively as implied by the respective offer prices over the 3-month VWAP of the shares with respect to the Precedent Privatisation Transactions;

(d) The premium of approximately 18.0% implied by the Cash Consideration over the 6-month VWAP of the Shares up to and including the Last Trading Day is within the range but is lower than the mean and median premia of 45.0% and 38.8% respectively as implied by the respective offer prices over the 6-month VWAP of the shares with respect to the Precedent Privatisation Transactions;

(e) The premium of approximately 2.7% implied by the Cash Consideration over the 1-year VWAP of the Shares up to and including the Last Trading Day is below the range of premia over the 1-year VWAP of the Precedent Privatisation Transactions, primarily due to the declaration of interim dividend by the Company which resulted the Shares traded at significantly higher price between 11 August 2025 to 14 August 2025 following; and

(f) The implied P/NAV, implied P/NTA and implied Adjusted P/RNTA ratios based on the Cash Consideration of the Company of 0.96 times, 1.04 times and 1.03 times respectively are within the range of P/NAV or P/NTA ratios of the Precedent Privatisation Transactions of between 0.43 times and 7.30 times, but are lower than the mean and median P/NAV or P/NTA ratios of the Precedent Privatisation Transactions of 1.50 times and 1.10 times respectively.

The Non-Conflicted Directors should note that the level of premium (if any) an acquirer would normally pay for acquiring and/or privatising a listed company (as the case may be) varies in different circumstances depending on, *inter alia*, the attractiveness of the underlying business to be acquired, the synergies to be gained by the acquirer from integrating the target company's businesses with its existing business, the possibility of a significant revaluation of the assets to be acquired, 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, the extent of control the acquirer already has in the target company and prevailing market expectations. Consequently, each Precedent Privatisation Transaction should be judged on its own merits (or otherwise).

The list of Precedent Privatisation Transactions indicated herein has been compiled based on publicly available information as at the Latest Practicable Date. The above table captures only the premia/discounts implied by the offer price or scheme consideration in respect of the Precedent Privatisation Transactions over the aforesaid periods and does not highlight bases other than the aforesaid in determining an appropriate premium/discount for the recent Precedent Privatisation Transactions. It should be noted that the comparison is made without taking into account the total amount of the offer value of each respective Precedent Privatisation Transaction or the relative efficiency of information or the underlying liquidity of the shares of the relevant companies or the performance of the shares of the companies or the quality of earnings prior to the relevant announcement and the market conditions or sentiments when the announcements were made or the desire or the relative need for control leading to Compulsory Acquisition.

**We wish to highlight that the Group is not in the same industry and does not conduct the same businesses as the other companies in the list of Precedent Privatisation Transactions and would not, therefore, be directly comparable to the list of companies in terms of, *inter alia*, geographical markets, composition of business activities, scale of business operations, risk profile, asset base, valuation methodologies adopted, accounting policies, track record, future prospects, market/industry size, political risk, competitive and regulatory environment, financial positions and other relevant criteria. Accordingly, the Non-Conflicted Directors should note that the above comparison merely serves as a general guide to provide an indication of the premium or discount in connection with the Precedent Privatisation Transactions. The list of the Precedent Privatisation Transactions is by no means exhaustive, and any comparison of the Scheme with the Precedent Privatisation Transactions is for illustration purposes only. Conclusions drawn from the comparisons made may not necessarily reflect any perceived market valuation for the Group.**

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**7.6 Combination Consideration as an Election**

**7.6.1** As mentioned in paragraph 3.3 in this letter, Scheme Shareholders will have options to elect to receive either of the following as their Scheme Consideration:

(a) Cash Consideration, being S$2.70 in cash; **OR**

(b) Combination Consideration comprising a combination of S$2.00 in cash and one (1) RPS for each Scheme Share. The Redemption Amount for each RPS pursuant to the Combination Consideration is S$1.20.

Key Terms of the RPS

The RPS to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental authorities or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

The RPS (i) are not and will not be listed on any securities exchange; (ii) will not carry any voting or dividend rights; (iii) will be mandatorily redeemed by the Offeror on the expiry of five (5) calendar years from the date of its issuance; and (iv) will have liquidation preference rights such that in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Offeror, the holders of RPS shall preferentially be entitled to be paid an amount equal to the Redemption Amount, prior to and in preference to any payments to holders of ordinary shares in the capital of the Offeror.

**7.6.2 Analysis of the RPS**

Valuation of the RPS

The RPS will be mandatorily redeemed by the Offeror on the expiry of five (5) calendar years from the date of issuance at the Redemption Amount of S$1.20 per RPS. This is similar to a deferred payment of the Redemption Amount at the end of a 5-year period. As such, we have adopted the discounted cash flow (DCF) method to derive the present value of the RPS by applying a discount to the fixed Redemption Amount of S$1.20 per RPS using the following formula ("**PV Formula**"):

$$\textit{Present Value} = \frac{\textit{Redemption Amount}}{(1 + \textit{Final Discount Rate})^{n}}$$

*Where (as defined below):*
*Present Value = Value today*
*Redemption Amount = S$1.20 per RPS*
*n = 5 years (i.e. the mandatory redemption period)*
*Final Discount Rate = Base Discount Rate + Final Risk Premium*

Discount Rate

Given that RPS holders will not be entitled to voting or dividend rights, save for liquidation preference rights such that in the event of any voluntary or or involuntary liquidation, dissolution or winding up of the Offeror, our valuation of the RPS has taken into consideration solely the Redemption Amount. The discount rate applied is a critical factor to reflect the time value of money and the potential risks of the RPS which would be closely associated with the Offeror.

As the terms of the RPS are debt-like in nature, being a non-voting, non-dividend paying instrument with a fixed Redemption Amount, we have considered the average cost of debt of the Group as the initial base discount rate ("**Base Discount Rate**"). The Group's average cost of debt for FY2025 is 4.5% and given that in the event the Offeror successfully acquires Shares of the Company immediately upon the completion of the Scheme, the Offeror is likely to comprise mainly or even solely the Group's operations. Accordingly, we have adopted the Base

Discount Rate of 4.5%.

In addition to the Base Discount Rate, having considered the extensive risk factors as set out in paragraph 3.4 of the Scheme Document in relation to the Offeror and the RPS, it would be appropriate to incorporate a risk premium ("**Risk Premium**") as a prudent approach. We have considered the probability of default based on the average non-performing loan ratio for corporates in Singapore and Canada[5] of approximately 1.1% ("**Base Risk Premium**"). We deem this to be a suitable base proxy for estimating the Risk Premium when valuing the RPS.

<u>Present Value of the Redemption Amount</u>

In arriving at our final discount rate, we have adopted:

(a) the Base Discount Rate of 4.5% as described above; and

(b) based on the Base Risk Premium and our analysis of various probabilistic scenarios with different payouts at redemption with their respective probabilities assigned, we have determined the final risk premium of approximately 4.2% ("**Final Risk Premium**")

Based on the foregoing, we have adopted a final discount rate of approximately 8.7% ("**Final Discount Rate**"). By applying the PV Formula, we arrived at the estimated present value of the RPS of approximately S$0.79 ("**Expected PV of RPS**"). This reflects an estimate of the present value of the RPS that considers both the time value of money and potential risks associated with holding the RPS as set out above. Accordingly, the Expected PV of RPS represents a discount of approximately 34.2% to the Redemption Amount.

<u>Scenario Analysis</u>

For illustration purposes, we have set out below a scenario analysis based on the level of risk perception on the RPS to derive a range of present value of the RPS:

- De-risk Scenario: Using the Base Risk Premium of 1.1%
- Probabilistic Scenario: Using the Final Risk Premium of 4.2%
- Elevated-risk Scenario: Using a higher risk premium of 4.8% determined using a back-solved approach based on a elevated risk scenario in our probabilistic scenarios analysis

| Scenario | Redemption Amount | Base Discount Rate (A) | Risk Premium (B) | Final Discount Rate (A) + (B) | PV of the RPS (S$) (C) | Cash portion under the Combination Consideration (S$) (D) | PV of Combination Consideration (S$) (C) + (D) |
|---|---|---|---|---|---|---|---|
| De-risk Scenario | | | 1.1% | 5.6% | 0.91 | | 2.91 |
| **Probabilistic Scenario – Expected PV of RPS** | 1.20 | 4.5% | 4.2%[(1)] | 8.7% | 0.79[(1)] | 2.00 | 2.79 |
| Elevated-risk Scenario | | | 4.8% | 9.3% | 0.77 | | 2.77 |

**Note**:

(1) We have derived the Final Risk Premium and Expected PV of RPS based on our analysis of various probabilistic scenarios assigning different probabilities to different payouts at redemption where the present value of the RPS ranges from approximately S$0.768 to S$0.825 under different probabilistic scenarios.

[5] November 2025 Financial Stability Review Report published by MAS and CEIC data.

**Scheme Shareholders should note that the Expected PV of RPS and the present values set out in the scenario analysis above are purely for illustrative purposes and reference only and we wish to highlight that the discount rate to be applied in relation to the Redemption Amount would vary based on the level of risk perception. Scheme Shareholders should also carefully consider the risks and restrictions of the Offeror and the RPS set out in paragraph 3.4 of the Scheme Document should they wish to elect to receive the Combination Consideration.**

### 7.6.3 Consideration Components for Selected Precedent Singapore Takeovers

For each Scheme Share, the Combination Consideration comprises:

(a) S$2.00 in cash (equivalent to 62.5% of the Combination Consideration); and

(b) one (1) RPS with a Redemption Amount of S$1.20 (equivalent to 37.5% of the Combination Consideration).

Accordingly, the cash component and the deferred-cash component are equivalent to 62.5% and 37.5% of the Combination Consideration respectively. In addition, we note that the Scheme Consideration also allows Scheme Shareholders to elect for Cash Consideration with 100% cash component.

We set out below selected precedent Singapore takeovers ("**Selected Precedent Singapore Takeovers**") which include a non-cash component as part of the consideration.

| Consideration Components for Selected Precedent Singapore Takeovers | | | | |
|---|---|---|---|---|
| **Announcement Date** | **Target Companies** | **Offeror** | **Cash Component** | **Non/Deferred-Cash Component** |
| 8 Jan 18 | TIH Limited | Lippo Group and Argyle Street Management | 21.9% | 78.1% |
| 18 May 18 | Viva Industrial Trust | ESR REIT | 10.0% | 90.0% |
| 8 Apr 19 | OUE Hospitality Trust | OUE Commercial Trust | 5.5% | 94.5% |
| 3 Jul 19 | Ascendas Hospitality Trust | Ascott Residence Trust | 5.0% | 95.0% |
| 2 Dec 19 | Frasers Commercial Trust | Frasers Logistics Trust | 9.0% | 91.0% |
| 22 Jan 20 | CapitaLand Commercial Trust | CapitaLand Mall Trust | 12.2% | 87.8% |
| 11 Jan 21 | CEI Limited | AEM Holdings Ltd. | 100% / 85% / 70%(1)(2) | 0% / 15% / 30%(1)(2) |
| 22 Mar 21 | CapitaLand Limited | CLA Real Estate Holdings Pte. Ltd. | 23.2% | 76.8% |
| 15 Nov 21 | Singapore Press Holdings Limited | Cuscaden Peak Pte. Ltd. | 100% / 67.8%(3) | 0% / 32.2%(3) |
| 19 May 24 | RE&S Holdings Limited | Relish Investments | 100% / 91.7%(4) | 0% / 8.3%(4) |
| 26 Aug 24 | Silverlake Axis Ltd. | E2I Pte. Ltd. | 100% / 62.5%(5) | 0% / 37.5%(5) |
| 14 Aug 25 | Econ Healthcare (Asia) Limited | Enabler Bidco | 100% / 67.9%(6)(7) | 0% / 32.1%(6)(7) |
| **13 Mar 26** | **Avarga Limited** | **TKO Pte. Ltd.** | **100% / 62.5%** | **0% / 37.5%** |

*Sources: Relevant SGX-ST filings, company's announcements, scheme documents, circulars, presentations and offer documents of the Target Companies*

**Notes:**

(1) The issue price of each new AEM Holdings share pursuant to the combination consideration options is S$3.55.

(2) In the event the offer consideration is reduced by an amount which is equal to the Distribution, the proportion of cash and new AEM Holdings Shares under the various cash consideration options will be adjusted based on 85.0% in the form of cash and 15.0% in the form of new AEM Holdings shares and 70.0% in the form of cash and 30% in the form of new AEM Holdings Shares (based on the issue price of S$3.55 per new AEM Holdings share).

(3) The all cash consideration option comprised 100% and 0% cash component and non-cash component respectively. The cash and units consideration option comprised 67.8% and 32.2% cash component and non-cash component respectively.

(4) The all cash consideration option comprised 100% and 0% cash component and non-cash component respectively. The cash and units consideration option comprised 91.7% and 8.3% cash component and non-cash component respectively.

(5) The all cash consideration option comprised 100% and 0% cash component and non-cash component respectively. The cash and units consideration option comprised 62.5% and 37.5% cash component and non-cash component respectively.

(6) The all cash consideration option comprised 100% and 0% cash component and non-cash component respectively. The cash and units consideration option comprised 67.9% and 32.1% cash component and non-cash component respectively.

(7) The issue price of each 0.321148 share of Enabler Holdco, the indirect sole shareholder of Enabler Bidco, pursuant to the combination consideration options is S$0.33.

**We note that the Selected Precedent Singapore Takeovers set out in this section may not be directly comparable to the Scheme Consideration, in particular the non-cash components are not identical or similar to the Combination Consideration. In addition, the target companies in relation to the Selected Precedent Singapore Takeovers may not be identical to the Company in terms of, *inter alia*, business activities, scale of operations, geographical markets, track record, future prospects, asset base, risk profile, customer base and other relevant criteria and that there may have been specific commercial and financial merits to each precedent transaction. As a result, any comparison drawn can serve only as an illustrative guide**.

### 7.7 Assessment of the Scheme Consideration

Our assessment of the Scheme Consideration is as follows:

**Cash Consideration** – Scheme Shareholders who wish to realise their entire investment in the Company with the certainty of value fully in cash should either sell their Shares in the open market if they are able to obtain a price higher than the Cash Consideration of S$2.70 per Share after deducting brokerage costs or transaction costs in connection with open market transactions; **OR** vote in favour of the Scheme and elect to receive the Cash Consideration of S$2.70 per Share in respect of all their Shares.

**Combination Consideration** – Scheme Shareholders who wish to (i) realise part of their investment in cash at S$2.00 per Share; and (ii) are prepared to accept the higher risk of holding the RPS for a potentially higher return based on the Redemption Amount of S$1.20 per RPS in an unlisted company (i.e. the Offeror) which shall be mandatorily redeemed by the Offeror on the expiry of five (5) calendar years from the issuance and are prepared to comply with and provide particulars and supporting documents as may be prescribed by know-your-client and ACRA regulations, should vote in favour of the Scheme and elect to receive the Combination Consideration. Scheme Shareholders should be aware of the risk associated with holding the RPS as set out in paragraph 3.4 of the Scheme Document and the outlook of the industry the Group operates in as elaborated in paragraph 8.1 of this letter.

### 7.8 Estimated Valuation of the Shares

As set out in paragraphs 7.1 to 7.7 of this letter above, we have taken into consideration various factors and evaluated the financial terms of the Scheme, being the Cash Consideration of S$2.70 per Share. We have also evaluated the Combination Consideration, in particular, to arrive at an expected present value of the RPS under paragraph 7.6.2 of this letter.

Earnings Approach using P/E and EV/EBITDA Multiples

The Group had recorded a net loss attributable to the equity holders of the Company in FY2025 of approximately S$3.2 million from Continuing Operations mainly due to the withholding tax payable to the Canadian tax authority on dividends declared and paid by Taiga Group to Avarga Canada Limited and subsequently to the Company's Singapore subsidiary. In addition, we noted fluctuations in the profitability of the Group's continuing business over the last three (3) financial years. On the contrary, the Group's discontinued operations, which was mainly attributable to its Paper Mill Division, recorded a net profit attributable to equity holders of the Company of approximately S$16.2 million. Given that the Paper Mill Division has fully ceased operations, such profit is not expected to sustain or recur which we have excluded in deriving the P/E and EV/EBITDA multiples.

We noted that the Group has recorded the Impairment Loss of approximately S$19.1 million in FY2025 as described under paragraph 7.3.1 of this letter and which we have adjusted to derive the Adjusted EV/EBITDA Ratio and Adjusted P/E Ratio of the Company as implied by the Scheme Consideration of 6.76 times and 15.46 times respectively. The implied Adjusted EV/EBITDA Ratio of the Company is lower than the mean and median of the Comparable Companies, while the implied Adjusted P/E Ratio of the Company is higher than the mean and median of the Comparable Companies. We wish to highlight that the adjustments made for Impairment Loss in deriving the Company's Adjusted EV/EBITDA Ratio and Adjusted P/E Ratio are hypothetical in nature, are subject to inherent limitations, and may not be representative of the Group's actual valuation multiples.

Taking into consideration the foregoing, the earnings multiples of the Company using EV/EBITDA and P/E may not reliably reflect the Group's earning potential and/or market value based on its profitability for FY2025.

Asset-backed Approach using the P/NAV and P/NTA Multiples

As set out in paragraph 7.3.2 of this letter, the Group's asset base consists largely of tangible assets, namely property, plant and equipment, financial assets, inventories, trade receivables, and cash and cash equivalents, accounting for approximately 92.2% of the Group's total assets. Given the presence of intangible assets as at 31 December 2025, the NTA of the Group, as disclosed in paragraph 7.3.7 of this letter, is considered to be a more appropriate measure of the Group's realisable value in the event of liquidation.

The P/NTA ratio of the Company as implied by the Scheme Consideration is generally in line with the mean and median of the Comparable Companies.

*Realisable values of the business segments of the Group ("**Realisable Values of Segmental Business**")*

The Group's business segments currently comprise (i) the Building Products Division, which contributes substantially through Taiga Group; and (ii) Others Division, which comprises investments in certain publicly listed companies and non-listed securities.

| Segments of the Group | Segmental NAV as at 31 December 2025 (S$'000) | Realisable value (S$'000) |
|---|---|---|
| Building Products Division(1) | 308,392 | 218,523(2)(3) |
| Others Division(4) | 22,716 | 22,716 |
| **Realisable value** | | **241,240** |
| **Realisable value per Share (S$)** | | **2.66** |

**Notes:**

(1) The segmental NAV of the Building Products Division after deducting the non-controlling interest as extracted from the Company audited financial statements for FY2025.

(2) The realisable value of Building Products Division is computed based on Taiga VWAP (as defined below) multiplied by 80,106,014 shares of Taiga held by the Company as at the Latest Practicable Date after the following adjustments (i) total corporate income tax rate comprising federal and provincial corporate income tax rate of 27% on the potential capital gain that Avarga Canada Limited may recognise upon the disposal of all its Taiga Shares; (ii) a 66.7% of the potential capital gain on the disposal of Taiga Shares is taxable; (iii) assuming that Avarga Canada Limited would realise a capital gain of approximately CAD207.9 million if it disposes of its Taiga Shares at CAD3.93, derived based on a control premium of 10.0% to the Taiga VWAP (as defined below) of CAD3.57; (iv) a 15% withholding tax imposed by the Canadian government on the amount paid by a Canadian company to its overseas shareholders; and (v) the closing exchange rate of

CAD1: S$0.9120 as at the Latest Practicable Date as extracted from S&P Capital IQ.

(3) We have reference the Taiga VWAP of CAD3.57 ("**Taiga VWAP**") for the 12-month period prior to the Last Trading Day and up to the Latest Practicable Date excluding the period from 27 May 2025 to 23 June 2025 as Taiga Shares was traded significantly higher primarily due to the declaration of a special dividend of CAD1.6675 per Taiga Share. Following which, we noted that the trading pricing of Taiga Share has corrected on 24 June 2025, being the ex-date for the special dividend.

(4) The segmental NAV of Others Division after deducting the adjustments and elimination as extracted from the Company's audited financial statements for FY2025.

Based on the total number of 90,831,335 issued Shares (excluding 4,183,170 treasury shares) as at the Latest Practicable Date, the realisable value per Share is approximately S$2.66. The Cash Consideration is slightly higher to the realisable value per Share as at Latest Practicable Date.

For illustrative and reference purposes, we set out below the daily closing price and daily trading volume of the Shares from 12 March 2025 prior to the Last Trading Day and up to the Latest Practicable Date.

**Daily Closing Price and Daily Trading Volume of the Shares for the 12-month lookback period prior to the Last Trading Day and up to the Latest Practicable Date**


**Note:**

(1) We have reference to the Taiga VWAP of CAD3.57 for the 12-month period prior to the Last Trading Day and up to the Latest Practicable Date excluding the period from 27 May 2025 to 23 June 2025 as Taiga Shares was traded significantly higher due to the declaration of a special dividend of CAD1.6675 per Taiga Share. Following which, we noted that the trading pricing of Taiga Share has corrected on 24 June 2025, being the ex-date for the special dividend.

Our Valuation Approach – Asset-backed Approach

Accordingly, in assessing the estimated valuation of the Shares, we have considered the asset-backed approach as our valuation methodology, given the substantial tangible assets base of the Group and that the Taiga Group is publicly traded on the TSX.

We have considered the following to derive the estimated valuation of the Shares.

| Valuation Methodology | Implied Valuation Range (S$'million) |
|---|---|
| Adjusted RNTA | 239.2 |
| Realisable Values of Segmental Business | 241.2 |
| Median P/NTA of Comparable Companies | 239.7 |

| | |
|---|---|
| Lower Bound – Adjusted RNTA | 239.2 |
| Upper Bound – Realisable Values of Segmental Business | 241.2 |

| | Lower Bound | Upper Bound |
|---|---|---|
| Implied Share Price (S$) | 2.63 | 2.66 |

Based on the above, our estimated valuation range of the Shares is between **S$2.63 and S$2.66** (“**Estimated Valuation Range**”).

Evaluation of the Scheme Consideration

*Cash Consideration against the Estimated Valuation Range*

Based on the foregoing, we are of the opinion that overall, on balance, the Cash Consideration of S$2.70 is fair and reasonable, as the Cash Consideration is above our estimated valuation range of the Shares.

*Combination Consideration against the Estimated Valuation Range*

The Combination Consideration consists of two components: (i) S$2.00 in cash (equivalent to 62.5% of the Combination Consideration) (“**Cash Component**”); and (ii) one (1) RPS with a Redemption Amount of S$1.20 (equivalent to 37.5% of the Combination Consideration). In aggregate, the gross face value of the Combination Consideration amounts to S$3.20 (“**Combination Consideration Amount**”).

As set out in paragraph 7.7 of this letter, we have determined the Expected PV of RPS of approximately S$0.79 which has factored in the time value of money and potential risk associated with the Offeror and the RPS. Accordingly, to derive the estimated present value of the Combination Consideration, we have added the Cash Component of S$2.00 and the Expected PV RPS of approximately S$0.79, which amounts to approximately S$2.79 (“**PV of the Combination Consideration**”). The PV of the Combination Consideration is approximately 12.8% lower than the Combination Consideration Amount of S$3.20.

Based on the above, the PV of the Combination Consideration of approximately S$2.79 is above our Estimated Valuation Range of the Shares of **S$2.63 to S$2.66**.

### 7.9 Distribution Track Record of the Company

For the purpose of assessing the Scheme, we have considered the historical distribution track record of the Shares for the last five (5) financial years prior to the Joint Announcement Date. We note that the Company had declared interim dividend of S$0.0084 per Share and S$1.20 per Share in FY2021 and FY2025 respectively, and that no dividends were declared from FY2022 to FY2024. The Company has not adopted a fixed dividend policy since the cancellation of its dividend policy as announced on 26 February 2022.

Following the cessation of the Paper Mill Division and the completion of Proposed Disposal of UPP Greentech, the Company’s main revenue is generated from Building Products Division operated by the Taiga Group. We also note that approximately 80.6% of the Group’s cash and cash equivalents of as at 31 December 2025 are held under the Taiga Group. Accordingly, any future dividends of the Company will be dependent on the dividends declared and paid by Taiga, and the future financial performance of Taiga Group.

We note that Taiga had declared special cash dividend of CAD0.2764, CAD0.2316, CAD1.6675 per Taiga Share in FY2021, FY2023 and FY2025 respectively, and that no dividends were declared in FY2022 and FY2024. Taiga does not have a fixed dividend policy and there can be no assurance that in any given year a dividend will be proposed or declared. The payment of dividends, if any, and the amounts and timing thereof, will depend on a number of factors, including profit growth, cash position, projected capital requirements for business growth and other factors as the board of Taiga may deem appropriate, as well as other legal and regulatory requirements. The observation above only serves as an illustrative guide and is not an indication of the future dividend policy of Taiga.

For the purpose of assessing the Cash Consideration, we have considered the Scheme Shareholders who vote in favour of the Scheme and elect to receive Cash Consideration may re-invest the proceeds from the Cash Consideration in selected alternative equity investments including the equity of the Comparable Companies and/or a broad Singapore market index instrument such as the STI Exchange Traded Fund ("**STI ETF**").

For illustration purposes, we have also set out below the dividend yields of the Comparable Companies in their respective most recently completed financial year end, and the distribution yield of STI ETF based on its distributions declared over the calendar year of 2025:

| **Dividend Yields of Comparable Companies** | | |
|---|---|---|
| **Comparable Companies** | **Latest completed financial year end** | **Net dividend yield[1] (%)** |
| Doman Building Materials | 31 December 2025[2] | 4.9 |
| ADENTRA | 31 December 2025[2] | 1.6 |
| Bluelinx | 31 December 2025 | -[3] |
| James Latham | 31 March 2025[4] | 3.5 |
| Taiga | 31 December 2025[2] | 45.2 |
| Goodfellow | 30 November 2025[5] | 4.5 |
| **Mean** | | 11.9 |
| **Median** | | 4.5 |
| **STI ETF** | | 3.3 |
| **The Company** | 31 December 2025 | 44.9[6]<br>44.4[7] |

*Sources: Bloomberg L.P., financial results and dividend announcements of the Company and PPCF calculations*

**Notes:**

(1) Net dividend yield of each selected alternative investment is computed as the dividends declared over the most recently completed financial year as reported in the annual reports, results announcements and company filings, divided by the closing market price as at the final cum dividend date (or where there was no trading on such date, the last available closing market price on the Latest Practicable Date). The aforementioned 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.

(2) The dividend yields for Doman Building Materials, ADENTRA, and Taiga are computed based on the dividends declared by the respective companies for the financial year ended 31 December 2025 as at the Latest Practicable Date, assuming that these companies will not declare further dividends relating to the latest completed financial year end. The share price is the last available closing market price on the Latest Practicable Date.

(3) As at the Latest Practicable Date, BlueLinx did not declare any dividends for the financial year ended 31 December 2025.

(4) The dividend yield for James Latham is computed based on the dividends declared for the financial year ended 31 March 2025 as at the Latest Practicable Date, assuming that this company will not declare further dividends relating to the latest completed financial year end. The share price is the last available closing market price on the Latest Practicable Date.

(5) The dividend yieldsfor Goodfellow is computed based on the dividends declared for the financial year ended 30 November 2025 as at the Latest Practicable Date, assuming that this company will not declare further dividends relating to the latest completed financial year end. The share price is the last available closing market price on the Latest Practicable Date.

(6) Based on the total dividends declared by the Company for FY2025 of S$1.20 per Share divided by the closing price as at the Latest Practicable Date of S$2.67.

(7) Based on the total dividends declared by the Company for FY2025 of S$1.20 per Share divided by the Cash Consideration of S$2.70.

Based on the above analysis, we note that the dividend yield (based on the dividends declared for FY2025) of the Company based on the closing price as the Latest Practicable Date and Cash Consideration are approximately 44.9% and 44.4% respectively, which is higher than the dividend yields of STI ETF, and mean and median of the Comparable Companies at approximately 3.3%, 11.9% and 4.5% respectively. However, we note that the Company's interim dividend declared in FY2025 arose from a back-to-back special dividend declared by Taiga, and accordingly, the total dividend yield of the Company is comparable to Taiga's total dividend yield in FY2025. Scheme Shareholders who wish to maintain a similar exposure, subject to their own assessment and investment considerations, may consider reinvesting the proceeds from the Scheme Consideration directly into Taiga following the completion of the Scheme. While we note that most of the Comparable Companies have declared dividends on an annual basis, Taiga did not consistently declare dividends annually as we observed. In addition, any remittance of cash by Taiga to its overseas shareholder, i.e. the Company, may be subject to a 15% withholding tax imposed by the Canadian government and there is no certainty that Taiga will declare special dividends in the future.

We wish to highlight the above dividend analysis serves only as an illustrative guide and is not an indication of the Company's future dividend policy or that of any of the Comparable Companies. There is no assurance that the Comparable Companies will continue to pay dividends in the future and/or maintain their respective level of dividends paid in the past periods.

Notwithstanding the above, it is uncertain whether the Company and the Comparable Companies can maintain its historical dividend yields at the levels set out above, hence it is uncertain whether the Shareholders will be able to increase their investment income by liquidating their investment in the Company and reinvesting their proceeds in the Comparable Companies.

**The Non-Conflicted Directors should note that an investment in STI ETF and equity of the Comparable Companies provides a different risk-return profile as compared to an investment in the Shares, and therefore the above comparison serves purely as a guide only. Furthermore, it should also be noted that the above analysis ignores the effect of any potential capital gain or capital loss that may accrue to the Scheme Shareholders arising from their investment in the Shares due to market fluctuations in the price of the Shares during the relevant corresponding periods in respect of which the above dividend yields were analysed.**

**In addition, there can be no assurance that in any given year a distribution will be proposed or declared. The payment of distributions, if any, and the amounts and timing thereof, will depend on a number of factors, including future profits, financial conditions, general economic and business conditions, and future prospects and such other factors as the Board may deem relevant, as well as other legal and regulatory requirements.**

*[The rest of this page is intentionally left blank]*

## 8 OTHER CONSIDERATIONS

### 8.1 Outlook of the Industry and Market that the Group is Operating in

We note that the Company had made a commentary in its financial results announcement for FY2025 on the significant trends and competitive conditions of the industry that may affect the Group in the next reporting period and the next 12 months. The commentary has been reproduced below in italics and should be read in the context of the entire FY2025 results announcement:

*"Taiga's financial performance is primarily dependent on the residential construction, renovation and repairs markets in North America. These markets are affected by the strength or weakness in the general economy and as such are influenced by interest rates and other general market indicators. Taiga caters to both the primary housing and renovation markets. Taiga's primary and secondary markets are Canada and the United States respectively. In Canada, according to the Canada Mortgage and Housing Corporation ("CMHC") in its 2026 Housing Market Outlook, housing starts in Canada are projected to decline from 259,000 units in 2025 to 247,000 units in 2026. In the United States, the National Association of Home Builders reported in February 2026 that housing starts are forecasted to total 1,333,000 units in the 2026 calendar year compared to 1,347,000 units in calendar year 2025."*

The above historical commentary by the Company was not made in connection with the Scheme.

In addition, we also note that the Group's key market is in North America, and we have set out in below a summary of the outlook of the general economy as well as the wholesale distribution of building products industry, based on publicly available information:

**Summary of Outlook for Canada and United States**

**Growth Outlook for Canada and United States**

**Report by CBRE Limited - Canada Real Estate Market Outlook 2026 dated February 2026**

- *"Annual GDP growth is forecast to slow to 1.3% in 2026 amid persistent market uncertainty, but partly also due to a temporary decrease in total population as a result of the recent shift in immigration policy."*

- *"Tariffs and global trade policies will continue to weigh on Canada's economic growth outlook, especially with CUSMA negotiations set to begin this year. While the base case scenario is for the agreement to remain broadly the same, it still represents a significant downside risk to the Canadian economy."*

- *"The Bank of Canada is unlikely to make any further interest rate cuts and is expected to hold the policy rate at 2.25% throughout the year. Similarly, the Canada 10-year bond yield is also projected to end 2026 roughly flat year-over-year, provided global bond markets also remain stable."*

**Report by CBRE Limited – 2026 U.S. Real Estate Market Outlook dated January 2026**

- *"CBRE forecasts that annual U.S. GDP growth will slow to 2.0% in 2026 with softening labor market conditions and marginally lower inflation averaging 2.5%."*

- *"The combination of persistent inflation and higher unemployment will complicate the Federal Reserve's decision making. Because price pressures are expected to fade later* *in the year, CBRE believes the Fed will focus on downside risks facing the labor market and cut the federal funds rate only twice in 2026 to a target range of 3.0% to 3.25%."*

## Summary of Outlook for the Wholesale Distribution of Building Products

### Market Overview for the Wholesale Distribution of Building Products

We have set out the following excerpts from selected media articles and reports in relation to the wholesale distribution of building products in Canada and United States:

Canada

**Article by Canada Mortgage and Housing Corporation – Housing Market Outlook 2026 dated February 2026**

- *"New construction activity is projected to decline throughout 2026 to 2028, falling well below the historical 10-year average as developers face high construction costs, weaker demand and rising inventories of unsold units."*

- *"Purpose-built rental construction will remain the main driver of housing starts, although the pace of new rental construction will moderate as rental markets become more balanced."*

**Report by National Bank of Canada – Building Materials Distributors dated October 2025**

- *"The Build Canada Homes initiative was launched on September 14, 2025, with the aim to combine public land, flexible financing, and modern construction methods (e.g., modular, factory-built, mass timber) to deliver affordable housing at scale. The initiative was backed by $13 billion in capital, with an initial focus on delivering 4,000 factory-built homes across major urban centers, and scaling up to a potential capacity of 45,000 units. On October 17th, the first six initial sites were chosen for development and will break ground in mid-to-late 2026 while another $283 million investment was disclosed to expand Toronto's Black Creek sewer infrastructure, reportedly paving the way for a potential 63,000 new homes in the area. Furthermore, embedded within the initiative is the adoption of a Buy Canadian policy to prioritize projects using Canadian materials spanning lumber, steel, aluminum, and timber."*

United States

**Report by National Bank of Canada – Building Materials Distributors dated October 2025**

- *"The U.S. housing market heading into 2026 continues to be shaped by monetary policy and its transmission to mortgage rates and the general economy. On September 17, the U.S. Fed cut the federal funds rate (FFR) by 25 bps to 4.00-4.25%, with the market additionally pricing in an incremental 25 bps this week (see our Economics and Strategy Team's Weekly Watch) and further cuts toward 3.00-3.25% by mid-2026."*

**Article by J.P. Morgan Global Research – The Outlook for the US Housing Market in 2026 dated January 2026**

- *"After nearly doubling in the last decade, J.P. Morgan Global Research sees U.S. house prices stalling at 0% in 2026, with a slight improvement in demand likely offsetting any increased supply."*

- *"In response to the affordability crisis, the Trump administration recently announced two new housing reforms. The first is a ban on institutional investors purchasing single-family homes, which is aimed at easing competition for first-time buyers. 'However,* *institutional investors make up only about 1–3% of the market, so the policy is unlikely to be a game-changer,'..."*

- *"Under the second reform, the Trump administration has instructed the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (FannieMae) to buy up to $200 billion in mortgage-backed securities (MBS) in order to drive down mortgage rates and reduce borrowing costs. However, this policy might once again have limited impact on the housing market. According to J.P. Morgan Global Research, the $200 billion purchase accounts for just ~1.4% of the approximately $14.5 trillion mortgage market, and will likely reduce 30-year mortgage yields by only 10–15 bp at most."*

We observe from the above reports and articles that:

(a) North America's annual gross domestic product (GDP) growth is expected to slow in 2026 mainly driven by the weaker labour employment market conditions, persistent inflation, and ongoing trade and geopolitical uncertainties. In Canada, the slowdown in annual GDP growth reflects reduced population growth, risk relating to tariffs and Canada-United States-Mexico Agreement (CUSMA), while in the United States, weaker labour employment market conditions and elevated inflation are expected to temper growth despite limited monetary easing; and

(b) North America's housing market is expected to face a softer outlook in 2026. In Canada, a decline in new construction activity reflects high costs, weaker demand, and rising unsold inventory and was partially offset by steady but moderating growth in purpose-built rental developments supported by government-backed housing initiatives. In the United States, the market remains constrained by the increasing mortgage rates and affordability challenges, with house price growth expected to stall as modest demand improvements are offset by increased supply, while policy measures to support housing and reduce borrowing costs are likely to have only limited impact on overall market conditions.

**8.2 Likelihood of Competing Schemes**

The Management and Non-Conflicted Directors have confirmed that, as at the Latest Practicable Date, apart from the Scheme being proposed by the Offeror, no alternative offer or binding proposal similar to or in competition with the Scheme has been received by the Company.

The Offeror and its concert parties are the largest group of Shareholders representing more than 50% shareholding interest in the Company as at the Latest Practicable Date and the likelihood of a competing Scheme from a third party is remote. No other competing offer will be capable of turning unconditional or succeeding without the Offeror's support.

**8.3 Offeror's Future Intentions for the Listing Status of the Company**

Upon completion of the Scheme, the Company will be wholly-owned by the Offeror and will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST. The Offeror and the Company will continue to review, from time to time, the operations of the Company as well as its strategic options. The Offeror retains and reserves the right and flexibility at any time and from time to time to further consider any options or opportunities in relation to the Company which may present themselves or which the Offeror may regard to be in the interests of the Company. Save as disclosed above, there is presently no intention by the Offeror to (i) introduce any major changes to the business of the Company; (ii) re-deploy the fixed assets of the Company; or (iii) discontinue the employment of the employees of the Company, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Company which may be implemented after the Effective Date.

## 9 OPINION

In arriving at our opinion in respect of the Scheme, we have considered the following key considerations (which should be read in conjunction with, and in the context of, the full text of this letter):

**Factors in favour of the Scheme:**

(a) The Cash Consideration of S$2.70 is above our Estimated Valuation Range for the Shares of between S$2.63 and S$2.66;

(b) The PV of the Combination Consideration of S$2.79 is above our Estimated Valuation Range for the Shares of between S$2.63 and S$2.66;

(c) Based on the Company's NTA per Share, the Cash Consideration represents a premium of 3.8% over the NTA per Share and the P/NTA ratio of the Company as implied by the Cash Consideration of 1.04 times;

(d) Based on the Company's RNTA per Share, the Cash Consideration represents a premium of 0.5% over the RNTA per Share and the P/RNTA ratio of the Company as implied by the Cash Consideration of 1.01 times;

(e) Based on the Company's Adjusted RNTA per Share, the Cash Consideration represents a premium of 2.5% over the Adjusted RNTA per Share and the P/Adjusted RNTA ratio of the Company as implied by the Cash Consideration of 1.03 times;

(f) In respect of the historical trailing P/NTA ratio of the Shares:

- For the 1-month, 3-month, 6-month, 1-year and 2-year periods prior to and including the Last Trading Day, the implied P/Adjusted RNTA based on the Cash Consideration of 1.03 times is above the average historical trailing P/NAV of the Shares of 0.71 times, 0.69 times, 0.69 times, 0.71 times and 0.66 times respectively; and

- For the period after the Last Trading Day up to the Latest Practicable Date, the implied P/Adjusted RNTA based on the Cash Consideration of 1.03 times is above the average historical trailing P/NAV of the Shares of 0.97 times;

(g) In respect of the Comparable Companies:

- the implied Adjusted P/E Ratio based on the Cash Consideration of the Company of 15.46 times is above the range of the LTM P/E ratios of the Comparable Companies;

- the implied P/NTA ratio based on the Cash Consideration of the Company of 1.04 times is within the range of the P/NTA ratios of the Comparable Companies of between 0.46 times and 4.73 times, and is higher than both the mean and median P/NTA ratios of 0.91 times and 1.01 times respectively; and

- the implied Adjusted P/RNTA ratio based on the Cash Consideration of the Company of 1.03 times is within the range of the P/NTA ratios of the Comparable Companies of between 0.46 times and 4.73 times, and is higher than both the mean and median P/NTA ratios of 0.91 times and 1.01 times respectively;

**Factors against the Scheme:**

(a) In respect of the Comparable Companies:

- The implied Adjusted EV/EBITDA Ratio based on the Cash Consideration of the Company of 6.76 times is within the range of the LTM EV/EBITDA ratios of the Comparable Companies of between 5.95 times and 11.48 times, but is lower than both the mean and median LTM EV/EBITDA ratios of 8.22 times and 8.38 times respectively; and

- The implied P/NAV ratio based on the Cash Consideration of the Company of 0.96 times is within the range of the P/NAV ratios of the Comparable Companies of between 0.46 times and 1.50 times, but is lower than both the mean and median P/NAV ratios of 1.05 times and 1.08 times respectively;

(b) In respect of the Precedent Privatisation Transactions:

- The premium implied by the Cash Consideration of 14.9% over the last transacted prices is within the range but is lower than the mean and median premia of 39.0% and 32.0% respectively;

- The premium implied by the Cash Consideration of 16.6% over the 1-month VWAP is within the range but is lower than the mean and median premia of 41.7% and 38.3% respectively;

- The premium implied by the Cash Consideration of 18.6% over the 3-month VWAP is within the range but is lower than the mean and median premia of 42.1% and 37.1% respectively;

- The premium implied by the Cash Consideration of 18.0% over the 6-month VWAP is within the range but is lower than the mean and median premia of 45.0% and 38.8% respectively;

- The premium implied by the Cash Consideration of 2.7% over the 1-year VWAP is below the range of Precedent Privatisation Transactions, primarily due to the declaration of interim dividend by the Company which resulted the Shares traded at significantly higher price between 11 August 2025 to 14 August 2025 following; and

- The implied P/NAV, implied P/NTA and implied Adjusted P/RNTA ratios based on the Cash Consideration of the Company of 0.96 times, 1.04 times and 1.03 times are within the range of P/NAV or P/NTA ratios between 0.43 times and 7.30 times, but are lower than the mean and median P/NAV or P/NTA ratios of 1.50 times and 1.10 times respectively.

While the premium implied by the Cash Consideration over the 1-year, 6-month, 3-month and 1-month VWAPs as well as the last transacted price is within the range but is below the mean and median, we wish to highlight that the Precedent Privatisation Transactions are not directly comparable in terms of, *inter alia*, geographical markets, business activities, scale of operations, risk profile, asset base, valuation methodologies, accounting policies, track record, future prospects, market and industry size, political risk, competitive and regulatory environment, financial position and other relevant criteria. Accordingly, the above comparison merely serves as a general guide to provide an indication of the premium or discount in connection with the Precedent Privatisation Transactions. Conclusions drawn from the comparisons made may not necessarily reflect any perceived market valuation for the Group.

After careful consideration of the above factors, we are of the view that the financial terms of the Scheme are **FAIR**.

**Assessment of reasonableness of the Scheme**

In determining the reasonableness of the Scheme, we have considered the following:

(a) In respect of the trading prices of the Shares, the Cash Consideration of S$2.70 represents premia of 15.9%, 2.7%, 18.0%, 18.6% and 16.6% over the VWAP of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods, prior to the Joint Announcement Date respectively. The Cash Consideration also represents a premium of approximately 14.9% over the last transacted price on the Last Trading Day;

(b) The Cash Consideration also represents a premium of approximately 1.1% over the last transacted price on the Latest Practicable Date;

(c) During the 2-year Lookback Period prior to the Last Trading Day, the ADTV of the Shares for the 2-year, 1-year, 6-month, 3-month and 1-month periods prior to and including the Last Trading Day, was low, representing 0.41%, 0.09%, 0.05%, 0.06% and 0.06% of the free float of the Shares respectively. The ADTV of the Shares on the Last Trading Day, was low, representing 0.24% of the free float of the Shares;

(d) Save for certain periods between (i) 11 November 2024 and 6 January 2025; and (ii) 3 April 2025 and 14 August 2025, the Shares had generally underperformed or on par with the rebased FSSTI during the 2-year Lookback Period up to and including the Last Trading Day;

(e) Although the dividend yield (based on the dividend declared for FY2025) of the Company based on the closing price as at the Latest Practicable Date and Cash Consideration of approximately 44.9% and 44.4% respectively are higher than the dividend yields of STI ETF, and mean and median of the Comparable Companies of approximately 3.3%, 11.9% and 4.5% respectively, the Company's dividend declaration arose from a back-to-back dividend declared by Taiga, and Taiga did not consistently declared dividends annually as we observed. In addition, any remittance of cash by Taiga to its overseas shareholder, i.e. the Company, may be subject to a 15% withholding tax imposed by the Canadian government and there is no certainty that Taiga will declare dividends in the future;

(f) As at the Latest Practicable Date, apart from the Scheme being proposed by the Offeror, no alternative offer or proposal has been received by the Company; and

(g) The Company's controlling shareholder, Phileo Capital, has provided the Irrevocable Undertaking in favour of the Offeror to, *inter alia*, vote in favour of the Scheme at the Scheme Meeting in respect of all their Shares and not withdraw such undertaking once it has been given. Phileo Capital holds 22,480,000 Shares, representing 24.75% of the total Shares in the Company as at the Latest Practicable Date.

After careful consideration of the above factors, we are of the view that the financial terms of the Scheme are **REASONABLE**.

**Having considered as at the Latest Practicable Date the aforementioned factors set out in this letter and summarised in this section, we are of the opinion that the financial terms of the Scheme are fair and reasonable. Based on our opinion, we advise the Non-Conflicted Directors to recommend that Scheme Shareholders vote in favour of the Scheme, unless Scheme Shareholders are able to obtain a price higher than the Scheme Consideration, taking into account all the brokerage commissions of transactions costs in connection with open market transactions.**

In respect of the Scheme Consideration, our assessment is as follows:

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| **Cash Consideration:** | Scheme Shareholders who wish to realise their entire investment in the Company with the certainty of value fully in cash should either sell their Shares in the open market if they are able to obtain a price higher than the Cash Consideration of S$2.70 per Share after deducting brokerage costs or transaction costs in connection with open market transactions; **OR** vote in favour of the Scheme and elect to receive the Cash Consideration of S$2.70 per Share in respect of all their Shares. |
| **Combination Consideration**: | Scheme Shareholders who wish to (i) realise part of their investment in cash at S$2.00 per Share upon acceptance; and (ii) are prepared to accept the higher risk of holding the RPS for a potentially higher return based on the Redemption Amount of S$1.20 per RPS in an unlisted company (i.e. the Offeror) which shall be mandatorily redeemed on the expiry of five (5) calendar years from the issuance should vote in favour of the Scheme and elect for the Combination Consideration. Shareholders should be aware of the risk associated with holding the RPS as set out in paragraph 3.4 of the Scheme Document and the outlook of the industry the Group operates in as elaborated in paragraph 8 of this letter. |

We note that Scheme Shareholders may elect to receive the Cash Consideration or the Combination Consideration. We make no recommendation as to whether Scheme Shareholders should elect to receive the Cash Consideration or the Combination Consideration. Any Scheme Shareholder who does not make an election or fails to make a valid election will be deemed to have elected to receive the Cash Consideration in respect of all of their Scheme Shares registered under such Scheme Shareholder's name.

The Non-Conflicted Directors should also note that any trades or transactions of the Shares after the Latest Practicable Date are subject to possible market fluctuations and accordingly, our opinion on the Scheme does not and cannot take into account the future transactions or price levels that may be established for the Shares since these are governed by factors beyond the ambit of our review.

In rendering our opinion, we have not had regard to the specific investment objectives, financial situation, tax position, risk profiles or unique needs and constraints of any individual Scheme Shareholder. As each Scheme Shareholder would have different investment objectives and profiles, we would advise the Non-Conflicted Directors to recommend that any individual Scheme Shareholder who may require specific advice in relation to his investment objectives or portfolio should consult his stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately. As such, our opinion should not be the sole basis for deciding whether or not to vote in favour of the Scheme.

This letter is issued pursuant to Rule 1309(2) of the Listing Manual as well as under the Code and the rulings and confirmations of the SIC in respect of the Scheme to advise the Non-Conflicted Directors for the purposes of making a recommendation to the Scheme Shareholders in connection with the Scheme, and should not be relied on by any other party. The recommendation made by Non-Conflicted Directors to the Scheme Shareholders in relation to the Scheme shall remain the sole responsibility of the Non-Conflicted Directors.

Whilst a copy of this letter may be reproduced in the Scheme Document, neither the Company nor the Directors may reproduce, disseminate or quote this letter (or any part thereof) for any other purpose at any time and in any manner without the prior written consent of PPCF 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 stated herein and does not apply by implication to any other matter.

Yours faithfully,
For and on behalf of
**PrimePartners Corporate Finance Pte. Ltd.**

| | |
|---|---|
| Mark Liew | Pang Xu Xian |
| Chief Executive Officer and Executive Director | Director, Corporate Finance |

**TKO PTE. LTD.**
(Company Registration No. 202438305G)
(Incorporated in Singapore)

10 July 2026

**To: The Shareholders of Avarga Limited**

Dear Sir/Madam

**PROPOSED ACQUISITION BY TKO PTE. LTD. OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF AVARGA LIMITED (OTHER THAN TREASURY SHARES AND SHARES OWNED OR CONTROLLED BY THE EXCLUDED SHAREHOLDERS) BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT 1967 OF SINGAPORE**

## 1. INTRODUCTION

1.1 **Joint Announcement.** On 13 March 2026 (the "**Joint Announcement Date**"), TKO Pte. Ltd. (the "**Offeror**") and Avarga Limited (the "**Company**") made a joint announcement (the "**Joint Announcement**") in relation to the proposed acquisition (the "**Acquisition**") by the Offeror of all the issued and paid-up ordinary shares in the capital of the Company (the "**Shares**") other than Shares held in treasury and Shares owned or controlled by the Excluded Shareholders (as defined below) (the "**Scheme Shares**"). The Acquisition will be effected by the Company by way of a scheme of arrangement (the "**Scheme**") in accordance with Section 210 of the Companies Act 1967 of Singapore (the "**Companies Act**"), the Singapore Code on Take-overs and Mergers (the "**Code**") and the terms and conditions of the Implementation Agreement (as defined below).

1.2 **Implementation Agreement.** In connection with the Scheme, the Company and the Offeror (each, a "**Party**" and collectively, the "**Parties**") have on the Joint Announcement Date entered into an implementation agreement (the "**Implementation Agreement**") setting out the terms and conditions on which the Offeror and the Company will implement the Scheme.

1.3 **Scheme Document.** This letter from the Offeror (the "**Offeror's Letter**") to the shareholders of the Company ("**Shareholders**") should be read and construed together with, and in the context of, the scheme document dated 10 July 2026 (the "**Scheme Document**") issued by the Company to the Shareholders containing details of the Scheme.

1.4 **Terms and References.** Unless otherwise stated, terms and references used but not defined in this Offeror's Letter shall have the same meaning and construction as defined in the Scheme Document.

**If you are in doubt about this Offeror's Letter, the Scheme or the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.**

## 2. THE ACQUISITION AND THE SCHEME

2.1 **Terms of the Scheme.** As stated in the Scheme Document, the Acquisition will be effected by way of the Scheme and in accordance with the Code and the terms and conditions of the Implementation Agreement. The Scheme will involve, *inter alia*, the transfer of all the Scheme Shares held by the Shareholders other than the Excluded Shareholders (as defined below) (the "**Scheme Shareholders**") as at a date and time to be announced by the Company on which the transfer books and the register of members of the Company will be closed in order to determine the entitlements of the Scheme Shareholders in respect of the Scheme ("**Record Date**"), to the Offeror:

(a) fully paid up;

(b) free from all claims, charges, mortgages, liens, hypothecations, hire purchases, judgments, encumbrances, easements, security, title retentions, preferential rights, trust arrangements or any other security interests or any other agreements or arrangements having a commercial effect analogous to the conferring of security or similar right in favour of any person ("**Encumbrances**"); and

(c) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.

2.2 **Excluded Shares.** The Shares which will **not** be transferred pursuant to the Scheme, and which will not be subject to the Scheme, comprise:

(a) the 48,837,165 Shares directly held by the Offeror; and

(b) the 7,343,900 Shares directly held by Genghis S.à.r.l. ("**Genghis**"),

(collectively, the "**Excluded Shares**", and the Shareholders holding such Shares, the "**Excluded Shareholders**").

The Scheme will not be extended to the Excluded Shareholders, while Phileo Capital Limited ("**Phileo Capital**") will be entitled to participate in the Scheme. Pursuant to the Irrevocable Undertaking (as defined in paragraph 5.1), Phileo Capital has undertaken to elect the Cash Consideration (as defined below) in the event of the Scheme becoming effective, with the Cash Consideration being treated, in lieu of actual payment, as a debt owing to it by the Offeror.

Genghis and Phileo Capital are both parties acting in concert with the Offeror within the meaning of the Code.

2.3 **Scheme Consideration.** In consideration of the Acquisition, each Scheme Shareholder as at the Record Date shall be entitled to receive from the Offeror for each Scheme Share held as at the Record Date (the "**Scheme Consideration**"), at their election (the "**Election**"):

2.3.1 S$2.70 in cash ("**Cash Consideration**"); or

2.3.2 in lieu of the Cash Consideration, S$2.00 in cash and one (1) new redeemable preference share in the capital of Offeror ("**RPS**") for each Scheme Share (the "**Combination Consideration**"). The RPS shall be mandatorily redeemed five (5) years from the date of their issuance at the price of S$1.20 for each RPS ("**Redemption Amount**").

The RPS to be issued pursuant to the Scheme will, when issued, be validly authorised, validly issued and outstanding, fully paid and free from Encumbrances (other than restrictions arising out of applicable securities laws) and all consents, authorisations, approvals or waivers from any governmental authorities or third parties necessary for such issuance have been or will, prior to such issuance, be obtained.

The RPS:

(a) are not and will not be listed on any securities exchange;

(b) will not carry any voting or dividend rights;

(c) will be mandatorily redeemed by the Offeror on the expiry of five (5) years from the date of its issuance; and

(d) will have liquidation preference rights such that in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Offeror, the holders of the RPS shall preferentially be entitled to be paid an amount equal to the Redemption Amount, prior to and in preference to any payments to holders of ordinary shares in the capital of the Offeror.

The full terms and conditions of the RPS are set out in the constitution of the Offeror (the "**Offeror Constitution**"), a copy of which is available for inspection during the normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the Joint Announcement Date and up to the Effective Date (as defined below). The salient provisions of the Offeror Constitution and additional information on the rights and privileges attached to the RPS are set out in Schedule B to this Offeror's Letter.

For the avoidance of doubt, each Scheme Shareholder will only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration, in respect of all his or her Scheme Shares, and not a mixture of both. Any Scheme Shareholder who does not make any election or fails to make a valid election will be deemed to have elected to receive the Cash Consideration in respect of all Scheme Shares registered under such Scheme Shareholder's name.

**A Scheme Shareholder who wishes to elect to receive the Cash Consideration does not need to complete and return the Election Form.**

If any dividend, right or other distribution is declared, paid or made by the Company to any of the Shareholders on or after the Joint Announcement Date and before the Effective Date (as defined below), the Offeror reserves the right to reduce the Scheme Consideration by the amount of such dividends, rights or other distributions.

2.4 **The RPS will not be listed on any securities exchange following completion of the Acquisition and the Scheme in accordance with the Implementation Agreement.**

There are risks involved with investing in the RPS. Some of these risks are set out in Schedule C to this Offeror's Letter.

The RPS will be issued to and registered in the name of the person or entity recorded in the Register of Members of the Company or the Depository Register as at the close of business on the Record Date, regardless of whether such Shareholder holds the Shares as custodian or nominee or otherwise.

2.5 **Scheme Conditions.** The Scheme is conditional upon the satisfaction (or, where applicable, the waiver) of a number of conditions precedent (the "**Scheme Conditions**"). Additional information on the Scheme Conditions is set out in paragraph 7 of the Explanatory Statement set out in Appendix A to the Scheme Document. The Scheme Conditions are reproduced in Appendix F to the Scheme Document.

Subject to the fulfilment or waiver of all Scheme Conditions, the Scheme will become effective on the date on which a copy of the order of the Court pursuant to Section 210 of the Companies Act sanctioning the Scheme (the "**Court Order**") has been lodged by the Company with the Accounting and Corporate Regulatory Authority of Singapore ("**ACRA**") to give effect to the Scheme pursuant to Section 210(5) of the Companies Act (the "**Effective Date**"), which shall be a date to be mutually agreed between the Parties.

Scheme Shareholders should note that if for any reason the Scheme Conditions are not satisfied (or, if applicable, waived) or if the Scheme has not become effective on or before 5.00 p.m. on the date falling six (6) months from the date of the Implementation Agreement or such other date as the Company and the Offeror may agree in writing (the "**Conditions Long-Stop Date**"), either the Offeror or the Company may immediately terminate the Implementation Agreement by notice in writing to the other Party, and as such the Scheme will not become effective.

2.6 **Effect of Termination.** In the event of termination of the Implementation Agreement by either Party pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall terminate (except for certain surviving provisions such as those relating to confidentiality, costs and expenses and governing law (the "**Surviving Provisions**")) and there shall be no other liability on any Party (save for the Surviving Provisions). Please refer to paragraph 7.5 of the Explanatory Statement set out in Appendix A to the Scheme Document for details on the termination rights under the Implementation Agreement.

2.7 **Effect of Scheme.** In the event the Scheme becomes effective, it will be binding on all Scheme Shareholders, whether or not they were present in person or by proxy or voted to approve the Scheme at the Court Meeting. Scheme Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

## 3. DELISTING

Upon the Scheme becoming effective and binding in accordance with its terms, the Offeror will hold all the Scheme Shares held by the Scheme Shareholders prior to such date, comprising approximately 38.15 per cent.[1] of the Shares, and the Offeror will directly hold 91.91 per cent. of the Shares. The remaining 8.09 per cent. of the Shares are held by Genghis, a party acting in concert with the Offeror within the meaning of the Code. Accordingly, the Company will become fully controlled by the Offeror and its concert party, and will be delisted from the Official List of the SGX-ST.

An application will be made to seek approval-in-principle from the SGX-ST for the proposed delisting of the Company from the Official List of the SGX-ST upon the Scheme becoming effective and binding in accordance with its terms. The delisting will be conditional upon the receipt of the SGX-ST's approval advising that it has no objection to the Company's application for the delisting.

Please note that SGX-ST's decision is not to be taken as an indication of the merits of the Scheme, the delisting of the Company from the Official List of the SGX-ST, the Company, its subsidiaries and/or their securities.

**SCHEME SHAREHOLDERS SHOULD NOTE THAT BY VOTING IN FAVOUR OF THE SCHEME, THE SHARES WILL, SUBJECT TO THE SGX-ST DELISTING APPROVAL BEING OBTAINED, BE DELISTED FROM THE OFFICIAL LIST OF THE SGX-ST IF THE SCHEME BECOMES EFFECTIVE AND BINDING IN ACCORDANCE WITH ITS TERMS.**

## 4. RATIONALE FOR THE ACQUISITION AND THE SCHEME AND FUTURE INTENTIONS FOR THE COMPANY

4.1 **Rationale for the Acquisition.** The Acquisition is expected to allow the Offeror to achieve the following objectives:

(a) <u>Opportunity for Scheme Shareholders who may find it difficult to exit their investment in the Company due to low trading liquidity</u>

The primary reason for taking the Company private is its consistently low trading volumes on the SGX-ST, meaning the Shares have been thinly traded and difficult for Shareholders to buy or sell. Trading volume has averaged under 7,000 Shares per day (approximately less than 0.1% of the issued Shares) over the three (3)-month period up to and including the Last Trading Day (as defined below), leaving many investors with low liquidity. Because of this, the Acquisition provides a clear exit opportunity at a premium price relative to recent trading prices – something not easily available on the open market.

[1] In this Offeror's Letter, all shareholding percentages in the Company are calculated based on a total of 90,831,335 Shares in issue (excluding 4,183,170 Shares held in treasury) as at the Latest Practicable Date.

(b) Opportunity to Realise their Investment in the Scheme Shares at a Premium to Market Price Without Incurring Brokerage Cost

The proposed offer price of S$2.70 per Share under the Cash Consideration represents a premium to the prevailing market prices and a valuation multiple that the Offeror believes better reflected the Company's intrinsic value than the depressed Share price does.

As set out in paragraph 7 below, the Cash Consideration represents a premium of approximately 16.4%, 18.7%, 18.0% and 33.5% 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 12 March 2026, being the last full day of trading of the Shares prior to the Joint Announcement Date ("**Last Trading Day**"). The Cash Consideration also represents a premium of 14.9% over the last transacted price per Share on the Last Trading Day.

The implied price to net tangible asset value ratio ("**P/NTA**") based on the Cash Consideration and the unaudited consolidated net tangible asset value per Share of S$2.60(1) of the Company as at 31 December 2025 is approximately 1.04 times.

The Cash Consideration under the Scheme 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.

*Note (1): Net tangible asset per Share is calculated based on the capital and reserves attributable to equity holders of the Company of S$256.2 million less (i) goodwill on consolidation of S$19.8 million and (ii) intangible assets of S$0.1 million, as at 31 December 2025, divided by the issued and paid-up capital (excluding treasury shares) of 90,831,335 ordinary shares.*

(c) Scheme Shareholders have an option to elect to accept the Combination Consideration

Scheme Shareholders will have an option to elect for the Combination Consideration in the form of a combination of S$2.00 in cash and one (1) new RPS for each Scheme Share. The Redemption Amount for each RPS pursuant to the Combination Consideration is S$1.20.

The RPS are in a private unlisted company, and Scheme Shareholders should carefully consider the restrictions set out in Schedule B of this Offeror's Letter and the risk factors set out in Schedule C of this Offeror's Letter should they wish to elect to receive the Combination Consideration.

(d) Greater Management Control and Flexibility

The Offeror believes that the Acquisition and subsequent privatisation of the Company will provide the Offeror and the Company with greater control over strategic decisions. Without being subject to the SGX-ST's continuing listing rules, the management can focus more on long-term plans and have more flexibility in utilising and reallocating those resources toward its core business.

(e) Reduced Regulatory Burden

Delisting would allow the Company to avoid ongoing regulatory and reporting requirements imposed on SGX-listed companies, such as disclosure obligations, investor communications, and continued listing maintenance costs, including compliance costs, which can be materially costly, especially for a company with low free float and limited public trading.

(f) Underlying Investment Proposition

Following the sale or closure of the Company's other operating businesses, the remaining operating business within the Company is Taiga Building Products Ltd. ("**Taiga**"), of which the Company has an approximately 74 per cent. interest. As Taiga is separately listed on the Toronto Stock Exchange, interested investors can invest directly, rather than through the Company and incur additional costs.

4.2 **Offeror's Future Intentions for the Company.**

(a) The Offeror intends to retain the current management team of the AL Group to ensure continuity of management and minimal interruption of the AL Group's business.

(b) Save as disclosed in this Offeror's Letter, there is presently no intention by the Offeror to (i) introduce any major changes to the business of the Company, (ii) re-deploy the fixed assets of the Company, or (iii) discontinue the employment of the employees of the Company, save in the ordinary course of business or as a result of any internal reorganisation or restructuring within the Company which may be implemented after the Effective Date.

(c) However, the Offeror retains and reserves the right and flexibility at any time and from time to time to further consider any options or opportunities in relation to the Company which may present themselves, or which the Offeror may regard to be in the interest of the Company.

## 5. IRREVOCABLE UNDERTAKING

5.1 **Irrevocable Undertaking.** Phileo Capital, which holds 22,480,800 Shares, representing approximately 24.75 per cent. of the Shares, has given an irrevocable undertaking to the Offeror (the "**Irrevocable Undertaking**") to, *inter alia*:

(a) elect to accept, in respect of the Shares held directly or indirectly by it, the Cash Consideration; and

(b) not receive the Cash Consideration in respect of the Shares held directly or indirectly by it, and instead treat such consideration payable as a non-interest bearing debt owed by the Offeror, with the repayment of such debt on an agreed date after the Effective Date, and after the date on which the RPS are mandatorily redeemed (which will be five (5) years from the date of their issuance).

5.2 **Termination of Irrevocable Undertaking.** The Irrevocable Undertaking shall terminate, lapse and cease to have any effect upon the Acquisition pursuant to the Scheme lapsing or being withdrawn for any reason other than a breach of any of Phileo Capital's obligations under the Irrevocable Undertaking.

5.3 **No Other Irrevocable Undertakings.** Save for the Irrevocable Undertaking, as at the Latest Practicable Date, none of (i) the Offeror and its director, (ii) Tong Ian, Phileo Capital, Genghis, ZICO Trust (S) Ltd ("**ZICO**"), and the directors of Phileo Capital, Genghis, ZICO, and (iii) the Offeror Financial Adviser (as defined below) has received any irrevocable undertaking from any party to vote in favour of the Scheme at the Court Meeting.

5.4 **SIC Confirmation.** Pursuant to an application made to the SIC to seek certain rulings in relation to the Acquisition, the SIC has confirmed that the arrangements relating to the Irrevocable Undertaking do not constitute a prohibited special deal for the purposes of Rule 10 of the Code.

**6. SIC CONFIRMATIONS**

6.1 **SIC Confirmations.** Pursuant to the application made by the Offeror to the SIC to seek certain rulings and confirmations in relation to the Acquisition and the Scheme, the SIC had, on 3 March 2026, confirmed, *inter alia*, that:

(a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code, subject to the following conditions:

(i) the Offeror and its concert parties, as well as the common substantial shareholders of the Offeror and its concert parties on the one hand, and the Company on the other hand, abstain from voting on the Scheme;

(ii) the directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in sub-paragraph (i) above abstain from making a recommendation on the Scheme to the Scheme Shareholders;

(iii) the Scheme Document contains advice to the effect that by voting for the Scheme, the Scheme Shareholders are agreeing to the Offeror and its concert parties acquiring or consolidating effective control of the Company without having to make a general offer for the Company;

(iv) the Scheme Document discloses the names of the Offeror and its concert parties, their current voting rights in the Company as of the Latest Practicable Date and their voting rights in the Offeror and the Company after the Scheme;

(v) the Company appoints an independent financial adviser to advise Scheme Shareholders on the financial terms of the Scheme; and

(vi) the Scheme being completed within six (6) months (unless extended with the SIC's consent) from the Joint Announcement Date;

(b) it has no objections to the Scheme Conditions;

(c) Dr Tong Kooi Ong ("**Dr Tong**") and Tong Ian are exempted from the requirement to make a recommendation on the Scheme to the Scheme Shareholders of the Company. Dr Tong and Tong Ian, however, must still assume responsibility for the accuracy of facts stated and opinions expressed in documents or advertisements issued by, or on behalf of, the Company in connection with the Scheme;

(d) the arrangements relating to the Irrevocable Undertaking do not constitute a prohibited special deal for the purposes of Rule 10 of the Code; and

(e) the non-participation of Genghis in the Scheme does not constitute a special deal prohibited under Rule 10 of the Code.

## 7. FINANCIAL EVALUATION OF THE SCHEME CONSIDERATION

7.1 The Scheme Consideration for each Scheme Share is either:

(a) S$2.70 in cash under the Cash Consideration; or

(b) a combination of S$2.00 in cash and one (1) RPS under the Combination Consideration.

7.2 The figures set out in this paragraph are based on data extracted from Bloomberg L.P. as at 12 March 2026, being the Last Trading Day.

7.3 The implied premium of the Cash Consideration over the relevant closing prices and VWAP of the Company is as follows:

| Description | Benchmark price of the Shares (S$) | Premium of Cash Consideration to the benchmark price of the Shares (%) |
|---|---|---|
| **Last transacted price on the Last Trading Day** | **2.350** | **14.9%** |
| VWAP for the 1-month period prior to and including the Last Trading Day | 2.319 | 16.4% |
| VWAP for the 3-month period prior to and including the Last Trading Day | 2.274 | 18.7% |
| VWAP for the 6-month period prior to and including the Last Trading Day | 2.288 | 18.0% |
| VWAP for the 12-month period prior to and including the Last Trading Day | 2.023 | 33.5% |

The implied P/NTA based on the Cash Consideration and the unaudited consolidated net tangible asset value per Share of S$2.60[1] of the Company as at 31 December 2025 is approximately 1.04 times.

*Note (1): Net tangible asset per Share is calculated based on the capital and reserves attributable to equity holders of the Company of S$256.2 million less (i) goodwill on consolidation of S$19.8 million and (ii) intangible assets of S$0.1 million, as at 31 December 2025, divided by the issued and paid-up capital (excluding treasury shares) of 90,831,335 ordinary shares.*

**8. INFORMATION ON THE COMPANY**

8.1 **Material Changes in the Financial Position.** Save for the information of the Company which is publicly available (including, without limitation, the announcements which are released by the Company on SGXNET) and save as disclosed in the Scheme Document (including this Offeror's Letter), and save for the costs and expenses incurred or to be incurred in connection with the Scheme, as at the Latest Practicable Date, to the knowledge of the Offeror, after making reasonable enquiries, there has not been any material change in the financial position or prospects of the AL Group since 31 December 2025, being the date of the last audited balance sheet laid before the Shareholders in a general meeting.

8.2 **Transfer Restrictions.** The constitution of the Company does not contain any restrictions on the right to transfer the Shares in connection with the Acquisition or the Scheme.

8.3 **Additional Information.** Additional information relating to the Company is set out in Appendix D to the Scheme Document.

**9. INFORMATION RELATING TO THE OFFEROR**

9.1 **Information on the Offeror.** The Offeror is a special purpose vehicle incorporated in Singapore on 18 September 2024 for the purpose of being a holding company and providing management consultancy services.

As at the Latest Practicable Date:

9.1.1 the Offeror has an issued and paid-up capital of S$1.00 comprising one (1) ordinary share. ZICO holds 100 per cent. of the shares in the Offeror in its capacity as trustee of Phileo Trust. Phileo Trust is a family trust constituted under a trust deed, under which Dr Tong is the sole beneficiary; and

9.1.2 Dr Tong is the sole director of the Offeror, and hence is a director on the boards of both the Offeror and the Company.

9.2 **Further Details.** Schedule A of this Offeror's Letter sets out certain additional information relating to the Offeror.

**10. NO SPECIAL ARRANGEMENTS**

10.1 **No Agreement having any Connection with or Dependence on the Scheme.** As at the Latest Practicable Date, save for the Implementation Agreement, and save as disclosed in the Scheme Document (including this Offeror's Letter), there is no agreement, arrangement or understanding between (a) the Offeror or any party acting in concert with it, and (b) any of the current or recent directors of the Company or any of the current or recent Shareholders or any other person that has any connection with, or is dependent on or is conditional upon, the Scheme or its outcome.

10.2 **Transfer of Shares.** As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), there is no agreement, arrangement or understanding whereby any of the Shares acquired by the Offeror pursuant to the Scheme will be transferred to any other person. However, the Offeror reserves the right to direct or transfer any of the Shares to any of its related corporations.

10.3 **No Payment or Benefit to Directors of the Company or its Related Corporations.** As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or of any of its related corporations (within the meaning of Section 6 of the Companies Act) as compensation for loss of office or otherwise in connection with the Scheme.

10.4 **Directors' and Managers' Service Contracts.** As at the Latest Practicable Date, save as disclosed in the Scheme Document (including this Offeror's Letter), the emoluments of the director of the Offeror will not be varied or affected by the implementation of the Scheme or any other associated relevant transaction.

**11. DISCLOSURE OF INTERESTS**

11.1 **Holdings and Dealings of Company Securities.** As at the Latest Practicable Date, based on the latest information available to the Offeror, save as set out in the Joint Announcement and the Scheme Document:

11.1.1 none of the Offeror, its director, or parties acting in concert with the Offeror, save as disclosed in Schedule D to this Offeror's Letter, owns, controls, or has agreed (other than pursuant to the Implementation Agreement) to acquire any (A) Shares, (B) securities which carry voting rights in the Company, or (C) convertible securities, warrants, options or derivatives in respect of such Shares or securities which carry voting rights in the Company (collectively, the "**Company Securities**").

11.1.2 none of Offeror, its director, or parties acting in concert with the Offeror has dealt in the Company Securities for the three (3)-month period prior to the Joint Announcement Date and ending on the Latest Practicable Date.

11.2 **Holdings and Dealings in Offeror Securities.** As at the Latest Practicable Date, based on the latest information available to the Offeror, save as set out in the Joint Announcement and the Scheme Document:

11.2.1 none of the director of the Offeror or parties acting in concert with the Offeror owns, controls, or has agreed to acquire any (A) ordinary shares in the capital of the Offeror (the "**Offeror Shares**"), (B) securities which carry voting rights in the Offeror, and (C) convertible securities, warrants, options or derivatives in respect of such Offeror Shares or securities which carry voting rights in the Offeror (collectively, the "**Offeror Securities**"); and

11.2.2 none of the director of the Offeror or parties acting in concert with the Offeror has dealt for value in the Offeror Securities for the three (3)-month period prior to the Joint Announcement Date and ending on the Latest Practicable Date.

11.3 **Security Arrangements.** Pursuant to the Offeror's financing arrangements for the Scheme, all of the Scheme Shares acquired by the Offeror pursuant to the Scheme may be charged in favour of the Offeror's financing bank as security for the Offeror's obligations under such financing arrangements. Save as disclosed in the Joint Announcement and the Scheme Document, none of the Offeror or parties acting in concert with it, as at the Joint Announcement Date, has:

11.3.1 entered into any arrangement (by way of option, indemnity or otherwise) in relation to the Offeror Shares or the Shares which might be material to the Scheme;

11.3.2 granted any security interest over any Company Securities to another person, whether through a charge, pledge or otherwise;

11.3.3 borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or

11.3.4 lent any Company Securities to another person.

11.4 **Other Arrangements.** As at the Latest Practicable Date, based on the latest information available to the Offeror, and save as disclosed in the Joint Announcement and the Scheme Document:

11.4.1 none of the Offeror or parties acting in concert with it, in respect of the Company Securities which they own or control, has received any irrevocable commitment or undertakings from any party to vote and/or procure votes in favour of the Scheme; and

11.4.2 there are no Company Securities or Offeror Securities held by any persons with whom the Offeror or any party acting in concert with it which are subject to any arrangement of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to the Company Securities or Offeror Securities which may be an inducement to deal or refrain from dealing in the Company Securities or Offeror Securities.

## 12. OVERSEAS SHAREHOLDERS

12.1 **Overseas Shareholders.** The applicability of the Scheme to Overseas Shareholders may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements in their own jurisdictions.

Where there are potential restrictions on sending the Scheme Document and any related documents to any overseas jurisdiction, the Offeror reserves the right not to send such documents to Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Scheme Shareholders (including Overseas Shareholders), including those to whom the Scheme Document and any related documents will not be, or may not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

**Overseas Shareholders who are in doubt as to their positions should consult their own professional advisers in the relevant jurisdictions.**

12.2 **Copies of Scheme Document.** There may be potential restrictions on sending the Scheme Document, the Notice of Court Meeting and the Proxy Form to Overseas Shareholders due to the laws of the relevant overseas jurisdictions. Accordingly, the Offeror and the Company reserve the right not to send the Notice of Court Meeting and the Proxy Form to any Overseas Shareholder, including where there are potential restrictions on sending the Notice of Court Meeting and the Proxy Form to the relevant overseas jurisdiction. Hence, the Scheme Document and any related documents have not been and will not be sent to any Overseas Shareholder.

Overseas Shareholders may request for printed copies of the Scheme Document and related documents to be sent to an address in Singapore by ordinary post no later than three (3) Market Days prior to the date of the Court Meeting. Such a request may be made by post to the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 or via email to admin@avarga.com.sg. Printed copies of the Scheme Document will be sent to the address in Singapore specified by the Overseas Company Shareholder at his/her/its own risk.

Electronic copies of the Scheme Document (together with the Notice of Court Meeting and the Proxy Form) will also be available on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's corporate website at the URL https://www.avarga.com.sg/. A Scheme Shareholder will need an internet browser and PDF reader to view these documents on the SGXNet announcement page of the Company and the corporate website of the Company.

For the avoidance of doubt, the Scheme is being proposed to all Scheme Shareholders (including the Overseas Shareholders), including those to whom the Scheme Document have not been, or will not be, sent, provided that the Scheme Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Scheme is not being proposed in any jurisdiction in which the introduction or implementation of the Scheme would not be in compliance with the laws of such jurisdiction.

It is the responsibility of any Overseas Shareholder who wishes to request for the Scheme Document and any related documents to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In requesting for the Scheme Document and any related documents or participating in the Scheme, the Overseas Shareholder represents and warrants to the Offeror and the Company that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection, and that he/she/it is in full compliance with all necessary formalities or legal requirements.

**If any Overseas Shareholder is in any doubt about his/her/its position, he/she/it should consult his/her/its professional adviser in the relevant jurisdiction.**

12.3 **Payment and Delivery of Redeemable Preference Share Certificates to Overseas Shareholders.** Overseas Shareholders who wish to elect to receive the Combination Consideration are required to provide the Company, the Receiving Agent or CDP (as the case may be), by the Record Date, with an address within Singapore for the purposes of service of notices and delivery by the Offeror of the RPS Certificates.

**Entitled Shareholders whose addresses recorded in the Register of Members, Depository Register or in the records of an Entitled Depository Agent (as the case may be) are not within Singapore and who do not provide the Company, the Receiving Agent or CDP (as the case may be) with an address in Singapore by the Record Date will be deemed to have elected for the Cash Consideration in respect of their Shares.**

12.4 **Notice.** The Offeror and the Company each reserves the right to notify any matter, including the fact that the Scheme has been proposed, to any or all Scheme Shareholders (including Overseas Shareholders) by announcement to 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 Scheme Shareholder (including any Overseas Shareholder) to receive or see such announcement or advertisement. For the avoidance of doubt, for as long as the Company remains listed on the SGX-ST, the Company will continue to notify all Scheme Shareholders (including Overseas Shareholders) of any matter relating to the Scheme by announcement via SGXNet.

**Notwithstanding that any Overseas Shareholder may not receive the Notice of Court Meeting, they shall be bound by the Scheme if the Scheme becomes effective in accordance with its terms.**

12.5 **Foreign Jurisdiction.** It is the responsibility of any Overseas Shareholder who wishes to participate in the Scheme to satisfy himself/herself/itself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements. In participating in the Scheme, the Overseas Shareholder represents and warrants to the Offeror and the Company that he/she/it is in full observance of the laws of the relevant jurisdiction in that connection, and that he/she/it is in full compliance with all necessary formalities or legal requirements.

**If any Overseas Shareholder is in any doubt about his/her/its position, he/she/it should consult his/her/its professional adviser in the relevant jurisdiction.**

## 13. ELECTION

13.1 **Election Process.** Each Entitled Shareholder:

13.1.1 who holds Directly-Held Shares, shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration for all of his/her/its Directly-Held Shares, but not a mixture of both; and

13.1.2 who holds Indirectly-Held Shares, shall in respect of each sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration for all the Indirectly-Held Shares held on behalf of such sub-account holder, but not a mixture of both,

(each Entitled Shareholder under paragraph 13.1.1 and Depository Agent (for and on behalf of each sub-account holder paragraph 13.1.2) shall be referred to as an "**Electing Party**").

**If an Entitled Shareholder holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s), such Entitled Shareholder shall elect to receive either the Cash Consideration OR the Combination Consideration (and not a mixture of both) in respect of all of his/her/its Directly-Held Shares, and shall direct his/her/its Depository Agent(s) to elect to receive the same form of Scheme Consideration in respect of all of his/her/its Indirectly-Held Shares.**

13.2 **Election Forms.** Each Entitled Shareholder (other than Entitled Depository Agents) may elect to receive the Cash Consideration, or, in lieu thereof, the Combination Consideration, in respect of all of his/her/its Shares, but not a mixture of both.

The Election Forms will be despatched by the Offeror (or on its behalf) on the Election Forms Despatch Date to all Entitled Shareholders (including the Entitled Depository Agents), at their respective addresses shown in the records of CDP (in respect of Entitled Shareholders being Depositors) or the Register of Members (in respect of Entitled Shareholders not being Depositors), as the case may be, at their own risk. The Election Forms will be despatched to Singapore addresses only.

The duration of the Election will be a period of 10 Business Days or such other period as may be agreed by the Parties in writing, commencing from the Election Forms Despatch Date. The Company will announce the Election Forms Despatch Date and the Election Period in due course.

The Election Forms can also be collected at the Receiving Agent's office situated at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 during the Election Period.

Entitled Shareholders (including the Entitled Depository Agents) should complete, sign and return the Election Form in accordance with the procedures set out below and the provisions and instructions printed on the Election Form during the Election Period:

13.2.1 **Entitled Shareholders whose Shares are not deposited with CDP**

An Entitled Shareholder (not being a Depositor) who wishes to elect to receive the Combination Consideration should deliver the completed and signed Election Form together with the KYC form and certified supporting documents to the Receiving Agent in the following manner:

(i) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to the Receiving Agent at main@zicoholdings.com; or

(ii) if submitted by post, be sent, using the pre-addressed envelope at his/her/its own risk to the office of the Receiving Agent at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

13.2.2 **Entitled Shareholders whose Shares are deposited with CDP (other than Entitled Depository Agents)**

An Entitled Shareholder (being a Depositor who is not a Depository Agent) who wishes to elect to receive the Combination Consideration should deliver the completed and signed Election Form together with the KYC form and certified supporting documents to the Receiving Agent in the following manner:

(i) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to the Receiving Agent at main@zicoholdings.com; or

(ii) if submitted by post, be sent using the pre-addressed envelope at his/her/its own risk to the office of the Receiving Agent at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**If an Entitled Shareholder wishes to receive the Cash Consideration in respect of all of his/her/its Shares, he/she/it does not need to complete and return the Election Form.**

**Entitled Depository Agents.** If an Entitled Depository Agent wishes to elect to receive the Combination Consideration in respect of any of its sub-account holder's Shares, such Entitled Depository Agent must, submit the completed Election Form, the KYC form, certified supporting documents and the Sub-Account Holders Form by post, to be sent to the office of the Receiving Agent at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**Entitled Depository Agents do not have to complete or return the Election Form and Sub-Account Holders Form if they wish to elect to receive the Cash Consideration in respect of all of their sub-account holders' Shares.**

13.3 **Information Pertaining to CPFIS Investors and SRS Investors.** CPFIS Investors and SRS Investors are advised to consult their respective CPF Agent Banks or SRS Agent Banks for further information and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice.

13.4 **Receipt.** The Election Forms, the KYC form, certified supporting documents and Sub-Account Holders Forms must be received no later than 5.30 p.m. on the Election Closing Date. No acknowledgement of receipt of any Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form will be given by the Offeror, the Company, CDP or the Receiving Agent. Each Entitled Shareholder (who is not an Entitled Depository Agent) is permitted to submit only one (1) Election Form and any subsequent submission of any Election Forms will be disregarded and deemed invalid. Each Entitled Depository Agent is permitted to submit only one (1) Sub-Account Holders Form and any subsequent submission of any Sub-Account Holders Forms will be disregarded and deemed invalid.

13.5 **Deemed Election.** In the event that any Electing Party:

13.5.1 fails to elect to receive the Combination Consideration within the Election Period, whether due to the Receiving Agent or CDP (as the case may be) (i) failing to receive from the Entitled Shareholder an Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) by the end of the Election Period; or (ii) receiving an Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in the Scheme Document, or which is not complete or is invalid in any other respect;

13.5.2 elects to receive the Cash Consideration or the Combination Consideration in respect of only some and not all of his/her/its Shares;

13.5.3 holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of his/her/its Directly-Held Shares and Indirectly-Held Shares respectively, and the Offeror is notified of such occurrence; and/or

13.5.4 maintains an address recorded in the Register of Members, the Depository Register or in the records of an Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company and the Receiving Agent or CDP (as the case may be) with an address in Singapore by the Record Date,

such Electing Party shall be deemed to have elected to receive the Cash Consideration for all of his/her/its Shares, and shall be entitled only to receive the Cash Consideration for all of his/her/its Shares as at the Record Date.

In addition, if the Receiving Agent or CDP (as the case may be) fails to receive, from any Electing Party, an Election Form, the KYC form, certified supporting documents and Sub-Account Holders Form (as the case may be) by 5.30 p.m. on the Election Closing Date or receives an Election Form or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in the Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected to receive the Cash Consideration for all of his/her/its Shares as at the Record Date.

13.6 **Discretion.** Each of the Offeror and the Company reserves the right to treat Election Forms and Sub-Account Holders Forms as valid if received by or on behalf of it at any place or places determined by it otherwise than as stated in the Scheme Document, the Election Form or the Sub-Account Holders Form (as the case may be) or if made otherwise than in accordance with the provisions of the Scheme Document, the Election Form or the Sub-Account Holders Form (as the case may be). CDP and the Receiving Agent take no responsibility for any such decision made by the Offeror and/or the Company.

13.7 **Disclaimer.** The Offeror, the Company, CDP and the Receiving Agent will each be authorised and entitled, in its absolute discretion, to accept or reject any Election Form or Sub-Account Holders Form which is not entirely in order or does not comply with the Scheme Document or the provisions and instructions contained in the Election Form or the Sub-Account Holders Form (as the case may be), or which is otherwise incomplete, incorrect, unsigned or invalid in any respect. The Offeror shall not be required to notify any Entitled Shareholder or Entitled Depository Agent if his/her/its Election Form or Sub-Account Holders Form (as the case may be) is not received or is not in compliance with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or is otherwise incomplete or invalid in any other respect.

If an Entitled Shareholder wishes to receive the Combination Consideration, it is such Entitled Shareholder's responsibility to ensure that the Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) is properly completed in all respects, signed and all required supporting documents, where applicable, are provided. Any decision to reject any Election Form or Sub-Account Holders Form will be final and binding and none of the Offeror, the Company, CDP or the Receiving Agent accepts any responsibility or liability in relation to such rejection, including the consequences thereof.

13.8 **Correspondences.** All communication, certificates, notices, documents and remittances to be delivered or sent to an Entitled Shareholder (or such Entitled Shareholder's designated agent or, in the case of joint Entitled Shareholders who have not designated any agent, to the one first named in the Depository Register or the Register of Members (as the case may be)) will be sent by ordinary post to such Entitled Shareholder's mailing address as maintained with the CDP or as it appears in the Register of Members, as the case may be, at the risk of the person entitled thereto.

The attention of Overseas Shareholders is also drawn to paragraph 12 above and paragraph 15 of the Letter to Shareholders set out in the Scheme Document.

**14. SETTLEMENT AND REGISTRATION**

14.1 **Entitled Shareholders whose Shares are not deposited with CDP.** Entitlements of Entitled Shareholders (not being Depositors) under the Scheme will be determined on the basis of their holdings of Shares appearing in the Register of Members as at 5.00 p.m. on the Record Date.

Entitled Shareholders (not being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are registered in their names with the Receiving Agent by 5.00 p.m. on the Record Date.

From the Effective Date, all existing share certificates relating to the Shares held by Entitled Shareholders (not being Depositors) will cease to be evidence of title to the Shares represented thereby.

Within seven (7) Business Days of the Effective Date, the Offeror shall satisfy the Scheme Consideration to each Entitled Shareholder (not being a Depositor) based on his/her/its holding of the Shares as at 5.00 p.m. on the Record Date.

14.2 **Entitled Shareholders whose Shares are deposited with CDP.** Entitlements of Entitled Shareholders (being Depositors) under the Scheme will be determined on the basis of the number of Shares standing to the credit of their Securities Accounts at 5.00 p.m. on the Record Date.

Entitled Shareholders (being Depositors) who have not already done so are requested to take the necessary action to ensure that the Shares owned by them are credited to their Securities Accounts by 5.00 p.m. on the Record Date.

Following the Effective Date, CDP will debit all the Shares standing to the credit of each relevant Securities Account of each Entitled Shareholder (being a Depositor) and credit all of such Shares to the Securities Account(s) of the Offeror or such Securities Account(s) as directed by the Offeror, within seven (7) Business Days of the Effective Date and prior to delisting of Company.

Within seven (7) Business Days of the Effective Date, CDP shall, based on the number of Shares standing to the credit of the Securities Account of Entitled Shareholders (being Depositors) as at 5.00 p.m. on the Record Date satisfy the Scheme Consideration to each Entitled Shareholder (being a Depositor).

14.3 **Procedure for Implementation.** If the Court sanctions the Scheme, the Offeror and the Company will (subject to the Scheme Conditions having been satisfied (or, where applicable, waived) in accordance with the Implementation Agreement on or before 5.00 p.m. on the Conditions Long-Stop Date) take the necessary steps to render the Scheme effective and binding in accordance with its terms, and the following will be implemented:

14.3.1 the Shares held by Entitled Shareholders will be transferred to the Offeror for either (I) the Cash Consideration to be paid by the Offeror, or (II) the Combination Consideration to be paid and issued by the Offeror, as the case may be, to Entitled Shareholders for each Share, in the following manner:

(i) in the case of Entitled Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Shareholders an instrument or instruction of transfer of all the Shares held by such Entitled Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Shareholder as transferor; and

(ii) in the case of Entitled Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Shareholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Shares standing to the credit of the Securities Account of such Entitled Shareholders and credit all of such Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror;

14.3.2 from the Effective Date, all existing share certificates relating to the Shares held by Entitled Shareholders (not being Depositors) will cease to be evidence of title of the Shares represented thereby; and

14.3.3 the Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 14.3.1 above, satisfy the Scheme Consideration in the manner set out in paragraph 14.4 below.

14.4 **The Scheme Consideration**.

14.4.1 **The Cash Consideration**

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 14.3.1 above, make payment of the aggregate Cash Consideration to Entitled Shareholders who elect (or are deemed to have elected) to receive the Cash Consideration and are entitled to receive the Scheme Consideration in the form of the Cash Consideration for their Scheme Shares as follows:

**(i) Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall pay each Entitled Shareholder (not being a Depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, a cheque for the Cash Consideration payable to and made out in favour of the first-named Entitled Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Shareholders.

**(ii) Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall pay each Entitled Shareholder (being a Depositor) by making payment of the aggregate Cash Consideration payable to such Entitled Shareholder to CDP. CDP shall:

(a) in the case of an Entitled Shareholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Shareholder, to the designated bank account of such Entitled Shareholder; and

(b) in the case of an Entitled Shareholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Cash Consideration to such Entitled Shareholder's cash ledger with CDP and such Cash Consideration shall be subject to the same terms and conditions applicable to "Cash Distributions" under "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which are available from CDP.

Assuming that the Scheme becomes effective and binding in accordance with its terms on 29 October 2026, the crediting by CDP of the Cash Consideration into the designated bank accounts of Entitled Shareholders (in the case of Entitled Shareholders being Depositors and who have registered with CDP for its direct crediting service) or, as the case may be, the Entitled Shareholder's cash ledger with CDP (in the case of Entitled Shareholders being Depositors and who have not registered with CDP for its direct crediting service) in the manner set out in paragraph 14.4.1 above is expected to take place on or before 6 November 2026.

The despatch of payment by the Offeror to each Entitled Shareholder's address and/or CDP (as the case may be) in accordance with the above shall discharge the Offeror from any liability in respect of those payments.

14.4.2 **The Combination Consideration**

In respect of the cash component of the Combination Consideration, the procedure for settlement shall be as described above in respect of the Cash Consideration.

In respect of the RPS component of the Combination Consideration, the Offeror shall allot and issue RPS, credited as fully-paid, on the basis of one (1) RPS for every one (1) Scheme Share held by such Entitled Shareholder who elects to and is entitled to receive the Scheme Consideration in the form of the Combination Consideration for all of his/her/its Shares, and the RPS Certificates shall be delivered to the relevant person/entity recorded in the Register of Members or the Depository Register (as the case may be) as at the close of business on the Record Date, regardless of whether such Entitled Shareholder holds the Shares as custodian or nominee or otherwise.

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in paragraph 14.3.1 above, do the following:

**(i) Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall send the RPS Certificates representing the relevant number of RPS to each Entitled Shareholder (not being a Depositor) by ordinary post to his/her/its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder, by ordinary post to his/her/its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no RPS Certificates will be despatched in or into any overseas jurisdiction (please refer to paragraph 12 above for more information on the arrangements for Overseas Shareholders).

**(ii) Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall send the RPS Certificates representing the relevant number of RPS to each Entitled Shareholder (being a Depositor) by ordinary post to his/her/its Singapore address as appearing in the Depository Register at the close of business on the Record Date at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder by ordinary post to his/her/its Singapore address as appearing in the Depository Register at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no RPS Certificates will be despatched in or into any overseas jurisdiction (please refer to paragraph 12 above for more information on the arrangements for Overseas Shareholders).

Assuming that the Scheme becomes effective and binding in accordance with its terms on 29 October 2026, the posting of the RPS Certificates representing the RPS to be allotted and issued pursuant to the Scheme in the manner set out in paragraphs 14.4.2(i) and 14.4.2(ii) above, is expected to take place on or before 6 November 2026.

The despatch of the RPS Certificates to each Entitled Shareholder's Singapore address in accordance with the above shall discharge the Offeror from any liability in respect of the delivery of such RPS Certificates.

The RPS to be allotted and issued pursuant to the Scheme will, on issue, be duly authorised, fully paid up and validly allotted and issued, and free from all Encumbrances and rank *pari passu* in all respects with one another.

The rights, privileges and restrictions attaching to the RPS shall be set out in the Offeror Constitution, which shall take effect on and from the Effective Date. Extracts of the Offeror Constitution relating to (A) certain transfer restrictions in respect of shares in the Offeror, and (B) the rights of holders of shares in the Offeror in respect of capital, dividends and voting are set out in Schedule B of this Offeror's Letter.

14.5 **Settlement.** The procedures for settlement are more particularly described in paragraph 11 of the Explanatory Statement set out in Appendix A to the Scheme Document.

**15. CONSENT**

The Offeror Financial Adviser (as defined below) has given and has not withdrawn its written consent to the issue of this Offeror's Letter with the inclusion herein of its name and all references to its name in the form and context in which it appears in this Offeror's Letter.

**16. MARKET QUOTATIONS FOR COMPANY SECURITIES**

16.1 **Transacted prices.** The highest, lowest (on the daily closing prices for the monthly market data) and last closing prices and transacted volume of the Company Securities on the SGX-ST on a monthly basis from September 2025 (being six (6) calendar months preceding the Joint Announcement Date) to the Latest Practicable Date, as reported by Bloomberg L.P., are set out below:

| Monthly Trades | Highest Closing Price (S$) | Lowest Closing Price (S$) | Last Closing Price (S$) | Transacted Volume of the shares |
|---|---|---|---|---|
| 1 July 2026, the Latest Practicable Date | 2.67 | 2.67 | 2.67 | 5,000 |
| June 2026 | 2.69 | 2.66 | 2.67 | 170,000 |
| May 2026 | 2.73 | 2.67 | 2.68 | 392,700 |
| April 2026 | 2.68 | 2.64 | 2.68 | 362,800 |
| March 2026 | 2.67 | 2.30 | 2.64 | 871,000 |
| February 2026 | 2.39 | 2.27 | 2.39 | 53,700 |
| January 2026 | 2.35 | 2.08 | 2.35 | 245,200 |
| December 2025 | 2.33 | 2.10 | 2.12 | 29,800 |
| November 2025 | 2.34 | 2.08 | 2.08 | 56,200 |
| October 2025 | 2.30 | 2.20 | 2.30 | 70,200 |
| September 2025 | 2.49 | 2.20 | 2.25 | 213,200 |

16.2 **Highest and lowest prices.** During the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date, as extracted from Bloomberg, the highest closing price was S$2.73 per Share, transacted on 18 May 2025, and the lowest closing price was S$2.08 per Share, transacted on 27 November 2025 and 5 January 2026.

16.3 **Closing price.** The closing price on:

(a) 12 March 2026, being the Last Trading Day on which the Company Securities were traded immediately prior to the Joint Announcement Date, was S$2.35 per Share; and

(b) 1 July 2026, being the Latest Practicable Date, was S$2.67 per Share.

## 17. DOCUMENTS FOR INSPECTION

A copy of the following documents will be made available for inspection during normal business hours at the registered office of the Company, 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994, during normal business hours from the date of the issuance of the Scheme Document up to the Effective Date:

(a) the Implementation Agreement;

(b) the Irrevocable Undertaking;

(c) the Offeror Constitution;

(d) the letter of consent referred to in paragraph 15 above; and

(e) the audited financial statements of the Offeror for FP2025.

**18. FINANCIAL ADVISERS AND CONFIRMATION OF FINANCIAL RESOURCES**

18.1 **Financial Adviser to the Offeror**. Maybank Securities Pte. Ltd. is the financial adviser to the Offeror in respect of the Acquisition and the Scheme (the "**Offeror Financial Adviser**").

18.2 **Independent Financial Adviser**. PrimePartners Corporate Finance Pte. Ltd. has been appointed as the independent financial adviser (the "**IFA**") to advise the directors of the Company who are considered to be independent for the purposes of the Scheme for the purposes of making a recommendation to the Scheme Shareholders in connection with the Scheme.

18.3 **Confirmation of Financial Resources**. Maybank Securities Pte. Ltd., being the financial adviser to the Offeror in connection with the Acquisition and the Scheme, confirms that sufficient financial resources are available to the Offeror to satisfy in full the aggregate Scheme Consideration payable by the Offeror for all the Scheme Shares to be acquired by the Offeror pursuant to the Scheme (on the basis that all Scheme Shareholders only elect to receive the Cash Consideration, excluding the RPS component of the Combination Consideration and excluding the aggregate Cash Consideration amount payable to Phileo Capital).

**19. RESPONSIBILITY STATEMENT**

The director of the Offeror has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Offeror's Letter (excluding information relating to the Company or any opinion expressed by the Company) are fair and accurate and that, where appropriate, no material facts in relation thereto have been omitted from this Offeror's Letter, the omission of which would make any statement in this Offeror's Letter misleading, and the director of the Offeror accepts responsibility accordingly.

Where any information in this Offeror's Letter has been extracted from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the director of the Offeror has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offeror's Letter in its proper form and context. The director of the Offeror does not accept any responsibility for any information relating to the Company, or any opinions expressed by the Company.

Yours faithfully

For and on behalf of
**TKO PTE. LTD.**
(Company Registration No.: 202438305G)

**Dr Tong Kooi Ong**
Director

## SCHEDULE A
## INFORMATION RELATING TO THE OFFEROR

### (A) INFORMATION RELATING TO THE OFFEROR

### 1. DIRECTOR OF THE OFFEROR.

The name, address and description of the sole director of the Offeror as at the Latest Practicable Date are as follows:

| Name | Address | Description |
|---|---|---|
| Dr Tong Kooi Ong | 8 Nassim Hill, #05-04, Singapore 258484 | Director |

### 2. PRINCIPAL ACTIVITIES.

The Offeror is a special purpose vehicle incorporated in Singapore on 18 September 2024 for the purpose of being a holding company and providing management consultancy services.

The Offeror has very limited business track record since its incorporation.

### 3. SHARE CAPITAL AND SHAREHOLDER.

3.1 **Share Capital and Shareholder.** As at the Latest Practicable Date:

(a) the Offeror has an issued and paid-up capital of S$1.00 comprising one (1) ordinary share; and

(b) ZICO holds 100% of the shares in the Offeror in its capacity as trustee of Phileo Trust.

3.2 **Changes to Share Capital.** There have been no changes to the share capital of the Offeror during the period commencing on the date of incorporation of the Offeror and ending on the Latest Practicable Date.

3.3 **Convertible Instruments.** As at the Latest Practicable Date, there are no outstanding instruments convertible into, rights to subscribe for, and options or derivatives in respect of any Offeror Securities.

### 4. FINANCIAL INFORMATION ON THE OFFEROR.

The Offeror's consolidated financial statements are mainly attributable to its investment in the Company. A summary of the financial information relating to the Offeror for the financial period from 18 September 2024 (being the date of incorporation of the Offeror) to 31 December 2025 ("**FP2025**") is set out below. The summary of the financial information should be read together with the audited financial statements of the Offeror for FP2025, which are available for inspection at the registered office of the Company during normal business hours while the Scheme remains open for acceptance.

4.1 **Consolidated Statement of Profit or Loss and Other Comprehensive Income for FP2025 of the Offeror.** A summary of the audited consolidated statements of profit or loss and other comprehensive income of the Offeror for FP2025 is set out below:

| | **FP2025 (Audited) (S$'000)** |
|---|---|
| Revenue | 1,523,785 |
| Profit before income tax from continuing operations | 79,006 |
| Total net profit from continuing and discontinued operations | 85,348 |
| Attributable to: | |
| Equity holders of the company | 72,599 |
| Non-controlling interests | 12,749 |
| Net earnings per share (1) | 72,599 |
| Net dividends per ordinary share | – |

**Note:**

(1) The Offeror has only one (1) ordinary share.

4.2 **Consolidated Statement of Financial Position of the Offeror.** The audited consolidated statement of financial position of the Offeror as at 31 December 2025 is summarised below:

| | **As at 31 December 2025 (Audited) (S$'000)** |
|---|---|
| *Cash and cash equivalents* | 85,985 |
| *Non-current assets* | 153,876 |
| *Current assets* | 384,887 |
| ***Total assets*** | **538,763** |
| *Non-current liabilities* | 86,778 |
| *Current liabilities* | 190,888 |
| ***Total liabilities*** | **277,666** |
| ***Net assets*** | **261,097** |
| *Equity attributable to owners of the company* | 67,755 |
| *Non-controlling interests* | 193,342 |
| ***Total equity*** | **261,097** |

4.3 **Material Changes in Financial Position.** As at the Latest Practicable Date, save for (a) the Scheme, and (b) the making and financing of the Acquisition, there has been no known material change in the financial position of the Offeror subsequent to 31 December 2025, being the date of its last published audited accounts.

4.4 **Significant Accounting Policies**. The material accounting policies of the Offeror are disclosed in Note 2 of the audited financial statements of the Offeror for FP2025, a copy of which is available for inspection as set out in paragraph 17 of this Offeror's Letter.

**5. DIRECTORS' AND MANAGERS' SERVICE CONTRACTS.**

The emoluments of the director of the Offeror will not be varied or affected by the implementation of the Scheme or any other associated relevant transaction.

**(B) GENERAL**

**6. SHARE PRICE.**

There have been no sales or transfers of any Offeror Securities during the period commencing six (6)-months preceding the Joint Announcement Date and up to the Latest Practicable Date.

**7. INDEBTEDNESS.**

The Offeror (as borrower) has entered into a facility agreement (the "**Acquisition Facility Agreement**") with Malayan Banking Berhad, Singapore Branch (the "**Bank**"), under which, inter alia, the Bank has agreed to make available a term loan facility (the "**Acquisition Facility**") in an aggregate amount up to S$33.0 million which may be utilised towards financing the Acquisition and related transaction expenses.

The Acquisition Facility is secured by Accounts Charge, the Borrower Share Charge, Debenture, Deed of Subordination, Guarantee, Target Share Charge as severally defined in the Acquisition Facility Agreement.

As at the Latest Practicable Date, the Offeror does not have any outstanding bank overdrafts or loans, or other similar indebtedness, mortgages, charges, guarantees or other material contingent liabilities save in respect of costs and expenses incurred in the ordinary course of implementing the Acquisition and the Scheme.

**8. MATERIAL LITIGATION.**

As at the Latest Practicable Date:

8.1 the Offeror is not engaged in any material litigation, either as plaintiff or defendant, which might materially or adversely affect the financial position of the Offeror; and

8.2 the director of the Offeror is not aware of any litigation, claims or proceedings pending or threatened against the Offeror, or of any facts likely to give rise to any litigation, claims or proceedings which might materially or adversely affect the financial position of the Offeror.

**9. MATERIAL CONTRACTS WITH INTERESTED PERSONS.**

As at the Latest Practicable Date and save as disclosed in this Offeror's Letter and the Scheme Document, there are no material contracts entered into between the Offeror and an interested person (within the meaning of Note 1 on Rule 23.12 of the Code).

## SCHEDULE B
## TERMS AND CONDITIONS OF RPS

The rights of the shareholders of the Offeror in respect of capital, dividends and voting are set out in the Offeror Constitution, a copy of which is available for inspection during the inspection during the normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the date of the issuance of the Scheme Document and up to the Effective Date.

For ease of reference, extracts of the Offeror Constitution have been reproduced, without amendment, below. The capitalised terms in this paragraph which are not otherwise defined shall bear the same meanings as ascribed to them in the Offeror Constitution. The following provisions of the Offeror Constitution relate to:

**Rights attaching to the RPS**

12A(1) In Regulation 12A, the following expressions shall, unless the context otherwise requires, have the following meanings:

Redeemable Preference Shares

"Issue Date" means the date on which the Preference Shares are first issued;

"Preference Shareholders" means the registered holders of Preference Shares and "Preference Shareholder" means any of the Preference Shareholders;

"Preference Shares" means the redeemable non-convertible non-voting preference shares in the capital of the Company;

"Redemption Amount" means, in relation to a Preference Share, means the amount to be paid by the Company upon redemption of such Preference Share, as determined by the Company prior to its issuance;

"Redemption Date" means the date falling on the fifth (5th) anniversary of the Issue Date, provided that if such date would otherwise fall on a Business Day, then such date will be postponed to the next day that is a Business Day.

12A(2) The Company may allot and issue the Preference Shares, at such issue price and on such terms and conditions as the Directors may determine, which shall carry the following rights, benefits and privileges and be subject to the following restrictions:

**(a) DIVIDEND & DISTRIBUTION**

No Preference Shareholder shall be entitled to receive any dividend or distribution (including any capital repayment) from the Company.

**(b) LIQUIDATION PREFERENCE**

On liquidation of the Company or otherwise (but not on redemption of the Preference Shares), the assets of the Company available for distribution among the Members shall be applied as follows:

(i) firstly, in paying to the Preference Shareholders, an amount equal to the Redemption Amounts for their Preference Shares; and

(ii) secondly, the balance of such assets and profits shall belong to and be distributed among the holders of Ordinary Shares.

**(c) MANDATORY REDEMPTION**

(i) The Company shall, on the Redemption Date, mandatorily redeem, pay the Redemption Amount and cancel all the Preference Shares which are issued and outstanding held by Preference Shareholder.

(ii) The redemption of the Preference Shares under this Regulation 12A(c) shall be at the Redemption Amount.

(iii) Upon redemption, the Share certificates in respect of Preference Shares shall be cancelled and cease to have any effect whatsoever.

**(d) VOTING**

Subject to the provisions of Section 64(4) of the Act, the Preference Shares do not carry any voting rights and the Preference Shareholders shall have no rights to receive notice of, and to attend and speak at, General Meetings of the Company.

**(e) NO CONVERSION RIGHTS**

Each Preference Shareholder shall not have any right to convert any of his/her/its Preference Shares into Ordinary Shares.

**Restrictions attaching to the transfer of Offeror Shares and RPS**

**25 TRANSFER OF SHARES** Form of transfer.

Subject to the restrictions of these Constitution, any Member may transfer all or any of his shares, but every transfer must be in writing and in the usual common form, or in any other form which the Directors may approve. The instrument of transfer of a share shall be signed both by the transferor and by the transferee, and by the witness or witnesses thereto and must be left at the Office, accompanied by the certificate of the shares to be transferred and such evidence (if any) as the Directors may require to prove the title of the intending transferor.

**26** The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the electronic register of members in respect thereof.

**27** Shares of different classes shall not be comprised in the same instrument of transfer. Shares of different classes

**28** All instruments of transfer which shall be 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. Retention of transfers

**29** No share shall in any circumstances be transferred to any infant or bankrupt or person of unsound mind. Infant, bankrupt or unsound mind

**30** Notwithstanding the provisions of these Constitution the Directors may decline to register any transfer of shares where the Company has a lien on such shares. Directors may decline to register

**31** The Directors may decline to register any instrument of transfer unless: Instrument of transfer

(a) such fee not exceeding $2.00 or such other sum as the Directors may from time to time require under the provisions of these Constitution, is paid to the Company in respect thereof;

(b) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do; and

(c) The lodging of any notice of transfer of shares with the Registrar for the purpose of updating the electronic register of members may be suspended at any time and for any period as the directors may from time to time determine, but not for more than a total of 30 days in any year.

**32** The Company shall provide a book to be called "Register of Transfers" which shall be kept under the control of the Directors, and in which shall be entered the particulars of every transfer of shares. Register of Transfers

**Rights of the holders of Offeror Shares and RPS in respect of capital**

### ALTERATION OF CAPITAL

**53** The Company in General Meeting may from time to time by Ordinary Resolution, grant authority to the Directors to issue shares. Power to increase capital

**54** Subject to any special rights for the time being attached to any existing class of shares, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof may direct and if no direction be given as the Directors shall determine subject to the provisions of these Constitution and in particular (but without prejudice to the generality of the foregoing) such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company or otherwise. Rights and privileges of new shares

**55** Unless otherwise determined by the Company in General Meeting any new shares from time to time to be issued shall be offered in the first instance to all the then holders of any class of shares in proportion as nearly as may be to the amount of capital held by them. In offering such shares in the first instance to all the then holders of any class of shares the offer shall be made by notice specifying the number of shares offered and limiting the 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 and the Directors may dispose of or not issue any such shares which by reason of the proportion borne by them to the number of holders entitled to any such offer or by reason of any other difficulty in apportioning the same cannot, in the opinion of the Directors, be conveniently offered under this Constitution. Issue of new shares to Members

**56** Except so far as otherwise provided by the conditions of issue or by these Constitution all new shares shall be subject to the provisions of these Constitution with reference to allotments, payment of calls, lien, transfer, transmission, forfeiture and otherwise. New shares otherwise subject to provisions of Constitution

**57** The Company may by Ordinary Resolution: Power to consolidate, cancel and subdivide shares

(a) consolidate and divide all or any of its share capital;

(b) cancel the number of shares which, at the date of the passing of the Resolution, have not been taken or agreed to be taken by any person or which have been forfeited and diminished the amount of its share capital by the number of the shares so cancelled;

(c) subdivide its shares or any of them provided always that in such sub-division the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

(d) subject to the provisions of these Constitution and the Act, convert any class of shares into any other classes of shares.

**58** Subject to the provisions of the Act, the Company may by special Resolution reduce its share capital. Power to reduce capital

**59** Subject to and in accordance with the provisions of the Act,, the Company may authorise the Directors in General Meeting to purchase or otherwise acquire ordinary shares issued by it on such terms as the Company may think fit and in the manner prescribed by the Act. Acquisition of own shares

**60** Shares which are so purchased or acquired are called “Treasury Shares” and the provisions in the Act relating to such “Treasury Shares” shall apply. Treasury Shares

**Rights of the holders of Offeror Shares in respect of meetings and voting**

## GENERAL MEETINGS

**65** Subject to the provisions of the Act, the Directors may, whenever they think fit, convene an Extraordinary General Meeting to dispense with the holding of Annual General Meetings PROVIDED ALWAYS that a resolution for the dispensation of an Annual General Meeting shall only be treated as passed if it has been passed by all the Members. Such resolution shall have effect for the year in which it is made and subsequent years. Dispensation of Annual General Meeting

**66** Subject to these Constitution and to the provisions of the Act the Company shall in each year hold an Annual General Meeting in addition to any other meetings in that year and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. Provided that so long as the Company holds its First Annual General Meeting within eighteen months of its incorporation, it need not hold it in the year of its incorporation or in the following year. Annual General Meeting

**67** All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. Extraordinary General Meetings

**68** The time and place of any General Meeting shall be determined by the Directors. Time and Place

**69** The Directors may, whenever they think fit, convene an Extraordinary General Meeting and Extraordinary General Meetings shall also be convened on such requisition or, in default, may be convened by such requisitionists, as provided by the Act. If at any time there are not within Singapore sufficient Directors capable of acting to form a quorum at a meeting of Directors, any Director may convene an Extraordinary General Meeting in the same manner as nearly as possible as that in which meetings may be convened by the Directors. Calling of Extraordinary General Meeting

## NOTICE OF GENERAL MEETINGS

**70** Subject to the provisions of the Act as to Special Resolutions and special notice, at least fourteen days' notice in writing (exclusive both of the day on which the notice is served or deemed to be served and of the day for which the notice is given) of every General Meeting shall be given in the manner hereinafter mentioned to such persons (including the Auditors) as are under the provisions herein contained entitled to receive notice from the Company. Provided that a meeting of the Company shall, notwithstanding that it has been called by a shorter notice than that specified above, be deemed to have been duly called if it is so agreed: *Notice of Meetings*

(a) in the case of an Annual General Meeting by all the Members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority in number of the Members having a right to attend and vote thereat, being a majority which together holding not less than 95 percent of the shares giving that right.

Provided also that the accidental omission to give notice to, or the non-receipt by any person entitled thereto shall not invalidate the proceedings at any General Meeting.

**71** Every notice calling a General Meeting shall specify the place and the day and hour of the Meeting and there shall appear with reasonable prominence in every such notice a statement that a Member entitled to attend and vote is entitled to appoint a proxy to attend and to vote instead of him and that a proxy need not be a Member of the Company. *Contents of Notice*

**72** In the case of an Annual General Meeting, the notice shall also specify the Meeting as such. *Annual General Meeting*

**73** In the case of any General Meeting at which business other than routine business is to be transacted, the notice shall specify the general nature of the business; and if any resolution is to be proposed as a Special Resolution or as requiring special notice, the notice shall contain a statement to that effect. *Notice to specify nature of business*

**74** Routine business shall mean and include only business transacted at an Annual General Meeting of the following classes, that is to say: *Routine business*

(c) declaring dividends;

(d) reading, considering and adopting the balance sheet, the reports of the Directors and Auditors, and other accounts and documents required to be annexed to the balance sheet;

(e) appointing Auditor and fixing the remuneration of Auditors or determining the manner in which such remuneration is to be fixed; and

(f) fixing the remuneration of the directors.

## PROCEEDINGS AT GENERAL MEETINGS

**75** No business shall be transacted at any General Meeting unless a quorum is present. Save as herein otherwise provided, two Members shall form a quorum but in the event of a corporation being beneficially entitled to the whole of the issued capital of the Company one person representing such corporation shall be a quorum and shall be deemed to constitute a Meeting and, if applicable, the provisions of the Act shall apply. For the purpose of this Constitution, "Member" includes a person attending by proxy or by attorney or as representing a corporation which is a Member. Quorum

**76** If the Company shall have a sole Member, the Constitution relating to quorum at a General Meeting shall not apply but such sole Member may pass a resolution by recording the resolution and signing the record. Resolution of the Sole Member

**77** If within half an hour from the time appointed for the Meeting a quorum is not present, the Meeting if convened on the requisition of Members shall be dissolved. In any other case it shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Directors may determine, and if at such adjourned Meeting a quorum is not present within fifteen minutes from the time appointed for holding the Meeting, the Member or Members present (including a person attending as a proxy or attorney or as representing a corporation which is a Member) shall be a quorum. Adjournment if quorum not present

**78** Subject to the provisions of the Act, a resolution in writing signed or assented to by letter, telegram, cable, telegraphic printers, facsimile or any other method of transmitting legibly recorded messages, by every Member of the Company entitled to vote or being a corporation by its duly authorised representative shall have the same effect and validity as an Ordinary Resolution of the Company passed at a General Meeting duly convened, held and constituted, and may consist of several documents in the like form, each signed by one or more of such Members. Members' resolutions in writing

**79** The Chairman of the Board of Directors shall preside as Chairman of every General Meeting. If there be no such Chairman or if at any Meeting he be not present within fifteen minutes after the time appointed for holding the Meeting or be unwilling to act, the Members present shall choose one of the Directors to be Chairman of the Meeting or, if no Director be present or if all the Directors present decline to take the Chair, one of their member present, to be Chairman. Chairman

**80** 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 and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place. When a Meeting is adjourned for thirty days or more, notice of the 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. Adjournment

**81** At any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands unless a poll be (before or on the declaration of the result of the show of hands) demanded: Method of voting

(a) by the Chairman (being a person entitled to vote thereat); or

(b) by not less than 5 Members present in person or by proxy or by attorney or in the case of a corporation by a representative and entitled to vote thereat; or

(c) by any Member or Members present in person or by proxy or by attorney or in the case of a corporation by a representative and representing not less than one-tenth of the total voting rights of all the Members having the right to vote at the Meeting; or

(d) by a Member or Members present in person or by proxy or by attorney or in the case of a corporation by a representative, holding shares in the Company conferring a right to vote at the Meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Provided always that no poll shall be demanded on the election of a Chairman or on a question of adjournment. Unless a poll be so demanded (and the demand be not withdrawn) a declaration by the Chairman that a resolution has been carried or carried unanimously or by a particular majority or lost and an entry to that effect in the minute book shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. A demand for a poll may be withdrawn.

**82** If a poll be duly demanded (and the demand be not withdrawn) it shall be taken in such manner (including the use of ballot or voting papers or tickets) as the Chairman may direct and the result of a poll shall be deemed to be the resolution of the Meeting at which the poll was demanded. The Chairman may, and if so requested shall, appoint scrutineers and may adjourn the Meeting to some place and time fixed by him for the purpose of declaring the result of the poll. Taking a poll

**83** If any votes 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 not in any case unless it shall in the opinion of the Chairman be of sufficient magnitude. Votes counted in error

**84** In the case of 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 shall be entitled to a casting vote. Chairman's casting vote

**85** A poll demanded on any question shall be taken either immediately or at such subsequent time (not being more than thirty days from the date of the Meeting) and place as the Chairman may direct. No notice need be given of a poll not taken immediately. Time for taking a poll

**86** The demand for a poll shall not prevent the continuance of a Meeting for the transaction of any business, other than the question on which the poll has been demanded. Continuance of business after demand for a poll

**VOTES OF MEMBERS**

**87** Subject to these Constitution and to any special rights or restrictions as to voting attached to any class of shares hereinafter issued on a show of hands every Member who is present in person or by proxy or attorney or in the case of a corporation by a representative shall have one vote and on a poll every such Member shall have one vote for every share of which he is the holder. Voting rights of Members

**88** Where there are joint registered holders of any share any one of such persons may vote and be reckoned in a quorum at any Meeting either personally or by proxy or by attorney or in the case of a corporation by a representative as if he were solely entitled thereto and if more than one of such joint holders be so present at any Meeting that one of such persons so present whose name stands first in the electronic register of members in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this Constitution be deemed joint holders thereof. Voting rights of joint holders

**89** A Member of unsound mind or whose person or estate is liable to be dealt with in any way under the law relating to mental disorders may vote whether on a show of hands or on a poll by his committee, curator bonis or such other person as properly has the management of his estate and any such committee, curator bonis or other person may vote by proxy or attorney, 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. Voting rights of Members with unsound mind

**90** Subject to the provisions of these Constitution every Member shall be entitled to be present and to vote at any General Meeting either personally or by proxy or by attorney or in the case of a corporation by a representative and to be reckoned in a quorum in respect of shares fully paid and in respect of partly paid shares where calls are not due and unpaid. Right to vote

**91** No objection shall be raised to the qualification of any voter except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered and every vote not disallowed at such Meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting whose decision shall be final and conclusive. Objections

**92** On a poll votes may be given either personally or by proxy or by attorney or in the case of a corporation by its representative and a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way. Votes on a poll

**93** An instrument appointing a proxy shall be in writing and: Appointment of Proxies

(a) in the case of an individual shall be signed by the appointor or by his attorney; and

(b) in the case of a corporation shall be either under the common seal or signed by its attorney or by an officer on behalf of the corporation. The Directors may, but shall not be bound to, require evidence of the authority of any such attorney or officer.

**94** A proxy need not be a Member of the Company. Proxy need not be a Member

**95** An instrument appointing a proxy or the power of attorney or other authority, if any, must be left at the Office or such other place (if any) as is specified for the purpose in the notice convening the Meeting not less than forty eight hours before the time appointed for the holding of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) to which it is to be used and in default shall not be treated as valid. Deposit of proxies

**96** An instrument appointing a proxy shall be in the following form with such variations if any as circumstances may require or in such other form as the Directors may accept and shall be deemed to include the right to demand or join in demanding a poll: Form of proxies

**TKO PTE. LTD.**

"I/We,
of
a Member/Members of the abovenamed company hereby
appoint
of
or failing whom
of
to vote for me/us and on my/our behalf
at the (Annual, Extraordinary or Adjourned,
as the case may be) General Meeting of
the company to be held on the day
of and at every adjournment
thereof.
As Witness my hand this day of."

An instrument appointing a proxy 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 and need not be witnessed.

**97** A vote given in accordance with the terms of an instrument of proxy (which for the purposes of these Constitution shall also include a power of attorney) shall be valid notwithstanding the previous death or insanity of the principal as revocation of the proxy, or of the authority under which the proxy was executed or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at the Office (or such other place as may be specified for the deposit of instruments appointing proxies) before the commencement of the Meeting or adjourned Meeting (or in the case of a poll before the time appointed for the taking of the poll) at which the proxy is used.

Intervening death or insanity of principal not to revoke proxy

**98** Any corporation which is a Member of the Company may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representatives at any Meeting of the Company or of any class of members of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation as the corporation could exercise if it were an individual Member of the Company.

Corporations acting by representatives

**Rights of the holders of Offeror Shares in respect of dividends**

**DIVIDENDS**

**150** The Company may by Ordinary Resolution declare dividends but (without prejudice to the powers of the Company to pay interest on share capital as hereinbefore provided) no dividend shall be payable except out of the profits of the Company, or in excess of the amount recommended by the Directors.

Payment of dividends

**151** Subject to the rights of holders of shares with special rights as to dividend (if any), all dividends shall be declared and paid according to the amounts paid on the shares in respect whereof the dividend is paid, but (for the purposes of this Constitution only) no amount paid on a share in advance of calls shall be treated as paid on the share. All dividends shall be apportioned and paid pro rata according to the amount paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Apportionment of dividends

**152** If and so far as in the opinion of the Directors the profits of the Company justify such payments, the Directors may pay the fixed preferential dividends on any express class of shares carrying a fixed preferential dividend expressed to be payable on a fixed date on the half-yearly or other dates (if any) prescribed for the payment thereof by the terms of issue of the shares, the subject thereto may also from time to time pay to the holders of any other class of shares interim dividends thereon of such amounts and on such dates as they may think fit.

Payment of preference and interim dividends

**153** No dividend or other moneys payable on or in respect of a share shall bear interest against the Company.

Dividends not to bear interest

**154** The Directors may deduct from any dividend or other moneys payable to any Member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or in connection therewith.

Deduction of debts due to Company

**155** The Directors may retain any dividend or other moneys payable on or in respect of a share on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. Retention of dividends on shares subject to lien

**156** The Directors may retain the dividends payable on shares in respect of which any person is under the provisions as to the transmission of shares hereinbefore contained entitled to become a Member or which any person 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. Retention of dividends on shares pending transmission

**157** The payment by the Directors of any unclaimed dividend or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends unclaimed after being declared may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend unclaimed after a period of six years from the date of declaration of such dividend may be forfeited and if 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 dividend so forfeited to the person entitled thereto prior to the forfeiture. Unclaimed Dividends

**158** The Company may, upon the recommendation of the Directors, by Ordinary Resolution direct payment of a dividend in whole or in part by the distribution of specific assets and in particular of paid up shares or debentures of any other company 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 such distribution, the Directors may settle the same as they think expedient and in particular may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such specific assets in trustees as may seem expedient to the Directors. Payment of dividend in specie

**159** Any dividend or other moneys payable in cash on or in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or person entitled thereto, or, if several persons are registered as joint holders of the share or are entitled thereto in consequence of the death or bankruptcy of the holder to any one of such persons or to such persons and such address as such persons may by writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders or person or persons entitled to the share in consequence of the death or bankruptcy of the holder may direct and payment of the cheque if purporting to be endorsed or the receipt of any such person shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the person entitled to the money represented thereby. Dividend payable by cheque

**160** A transfer of shares shall not pass the right to any dividend declared on such shares before the registration of the transfer. Effect of transfer

## SCHEDULE C
## RISK FACTORS

**Scheme Shareholders should carefully consider and evaluate the following considerations, together with all the other information contained in this Scheme Document, before deciding to elect to receive the Combination Consideration, and consequently, the RPS. Some of the following risk factors relate principally to the business of the Offeror in general and to ownership of the RPS.**

**If any of the following considerations and uncertainties develops into actual events, the Offeror's business, financial condition and/or the value of the RPS could be materially and adversely affected, and Scheme Shareholders who elect to receive the Combination Consideration, and consequently, the RPS, should note that they may face a deterioration in the value of their investment in the RPS.**

**The following risk factors do not purport to be a comprehensive analysis of all consequences, whether legal, tax or otherwise, relating to the ownership of the RPS.**

### RISKS RELATING TO THE BUSINESS OF THE OFFEROR

### 1. THE OFFEROR HAS NO TRACK RECORD AND MAY NOT PERFORM IN THE SAME MANNER AS THE COMPANY

As the Offeror is a special purpose vehicle incorporated in 2024, it has very limited business track record, financial or otherwise, prior to the Scheme. As such, Scheme Shareholders who elect to receive the Combination Consideration, and consequently, the RPS, will not be able to evaluate the prospects for the Offeror's future business and performance. Additionally, the Offeror has to bear the financing costs of the Scheme Consideration.

The Offeror's shareholding in the Company represents almost the entire assets of the Offeror. As such, the Offeror will be subject to the inherent business and investment risks that the Company and the AL Group is currently exposed to. However, Scheme Shareholders should not assume that as an investment holding company holding the majority of the Shares in the Company, the Offeror would perform in the same manner as the Company or the AL Group.

Other than its investment in the Company, the Offeror may invest in other companies and businesses and the risks associated with investing in such companies or businesses are uncertain. Furthermore, Scheme Shareholders should note that there are no restrictions or controls as to the investments that the Offeror may take part in. It is therefore possible for the Offeror to invest in companies and businesses that potentially carry more inherent risks than the Company and the AL Group, and in regions where uncertainties with the legal system or adverse changes in political and economic policies could have a material adverse effect on the companies or businesses. Future acquisitions and any difficulties encountered in the acquisition and integration process may have an adverse effect on the ability of the Offeror to manage the businesses. Therefore, Scheme Shareholders who elect to receive the Combination Consideration, and consequently, the RPS, will have to bear all risks associated with holding shares in an investment holding company that has unrestricted investment capabilities.

**2. The Offeror is subject to risks associated with debt financing**

The Offeror is obtaining a loan from Malayan Banking Berhad for the purposes of financing the Scheme Consideration. As a result, Scheme Shareholders who elect to receive the Combination Consideration, and consequently, the RPS, should note that the Offeror will be subject to the risks associated with debt financing, which include (but are not limited to) fluctuating interest rates and the risk of insufficient cash flows generated by operations to meet the payments of principal and interest under such financing.

**3. The Offeror may require additional funding for its future growth**

The Offeror may require additional funding due to changing business conditions or other future developments, including any investments or acquisitions which the Offeror may decide to pursue. It is not possible to predict at this juncture the amount of funds required by the Offeror in the near future. However, if the future investments or acquisitions are carried out on a large scale basis, the Offeror may seek additional funding either by way of issuance of additional equity and/or obtaining additional debt financing. The issuance of additional equity with a liquidation preference that is senior to the rights of the holders of the RPS may cause the holders of the RPS, on liquidation of the Offeror or otherwise (but not on a redemption of the RPS), to only be entitled to be paid an amount less than the Redemption Amount, after any payments to holders of such new classes of shares in the capital of the Offeror are made. Additional debt financing will result in increased debt service obligations and may contain restrictive covenants with respect to dividends, future fund-raising exercises and other financial and operational matters. There is also no assurance that the Offeror will be able to obtain such additional funding or on terms acceptable to the Offeror.

**RISKS RELATING TO THE RPS**

**1. The RPS have never been publicly traded and will not be publicly traded upon the completion of the Scheme**

The RPS are not listed on any securities exchange and as such, there will not be an easily determinable market value, if any, for the RPS. No assurance can be given to the Scheme Shareholders that the Offeror will, in future, apply to be listed on a securities exchange. Accordingly, no assurance can be given to Shareholders that there will be a market for the RPS. Shares of unlisted companies are generally valued at a discount to the shares of comparable listed companies as a result of a lack of marketability.

As such, holders of RPS may face difficulties liquidating their investments in the RPS prior to its 5-year mandatory redemption date. This may result in the Scheme Shareholders not being able to realise their investments in the RPS should they wish to do so during the 5-year term.

**2. The RPS confer no dividend rights**

The RPS do not carry any rights to receive dividends. Scheme Shareholders who elect to receive the Combination Consideration, and consequently, the RPS will on the expiry of five (5) years from the date of issuance be paid the Redemption Amount and will not receive any returns in the form of dividends during the five (5) year term.

**3. The RPS are not freely transferable and the potential returns on the RPS may be limited**

There are restrictions in the Offeror Constitution on the right to transfer shares in the Offeror including the RPS. Scheme Shareholders should therefore note that should they elect to receive the Combination Consideration, and consequently, the RPS, given the restrictions in the Offeror Constitution on the right to transfer the RPS, the value of the RPS after the completion of the Scheme will be uncertain and the Scheme Shareholders may face a deterioration in the value of their investment in the RPS.

**4. The RPS confer no voting rights**

The RPS do not carry any voting rights, save as required by the Companies Act. Holders of the RPS will have a limited ability to influence or participate in the management of the Offeror or decisions relating to its operations.

ZICO, being the sole holder of the entire issued and paid-up ordinary share capital in the Offeror, will be able to exercise significant influence over all matters requiring the Offeror's shareholders' approval, including the election of directors and the approval of significant corporate transactions. ZICO alone will have power with respect to any shareholders' action or approval requiring approval of the shareholders. The interests of ZICO differ from that of the holders of the RPS.

**5. There are limitations to the liquidation preference rights attached to the RPS**

While the RPS will have liquidation preference rights such that on liquidation of the Offeror, the holders of RPS shall preferentially be entitled to be paid an amount equal to the Redemption Amount, prior to and in preference to any payments to holders of ordinary shares in the capital of the Offeror. The Offeror may, in the future, issue new classes of shares or other securities that rank senior to the RPS, diluting the liquidation preference rights attached to the RPS and potentially reducing the amount recoverable by the holders of the RPS on liquidation of the Offeror.

**6. There is no guarantee that the Offeror will have sufficient funds to redeem the RPS at the Redemption Amount when they become due**

The ability of the Offeror to pay the Redemption Amount upon redemption of the RPS is contingent upon the Offeror's financial condition at the time of redemption and there is no guarantee that the Offeror will have sufficient funds to redeem the RPS at the Redemption Amount when they become due.

If the Offeror lacks sufficient funds or faces financial distress, its ability to fulfill its redemption obligations may be adversely affected, potentially resulting in financial losses for the holders of the RPS.

**7. The Offeror is not subject to the same corporate disclosure and corporate governance requirements that the Company has been subjected to as a listed company**

As the Offeror is not listed on the SGX-ST or any other securities exchange, it is not subject to the disclosure and corporate governance requirements of the Listing Manual or that of any other securities exchange. In addition, the Offeror, being an unlisted company, will not be obliged or required to have independent directors, to make half-yearly financial reporting or disclosures of any material information (financial or otherwise) or to seek shareholders' approval for certain corporate actions and other continuing listing obligations prescribed by the Listing Manual. As such, the Offeror does not have any obligations to keep holders of the RPS fully informed of material information concerning the Offeror in the manner and to the extent that the Company has, and the Scheme Shareholders may not receive information on the Offeror that they may consider relevant to their investment in the RPS in the manner and to the extent that they are accustomed to expect from the Company. As shareholders of the Offeror may have limited access, if any, to information concerning the Offeror, the Scheme Shareholders who elect to receive the RPS should know that they are electing to hold or own securities in a company in respect of which they may have limited information.

**8. Future transfers of the RPS will be subject to stamp duties**

Scheme Shareholders should note that as the RPS are not quoted on any securities exchange, such shares are not capable of being deposited with any depository or depository agent. As such, Scheme Shareholders who elect to accept the RPS will have to hold such shares in scrip form and any future transfer of the RPS will be subject to the relevant stamp duties and other applicable charges for such transfers.

## SCHEDULE D
## HOLDINGS IN COMPANY SECURITIES AS AT THE LATEST PRACTICABLE DATE

| Relevant persons | Direct Interest | | Deemed Interest[(2)] | |
|---|---|---|---|---|
| | No. of Shares | %[(1)] | No. of Shares | %[(1)] |
| **The Offeror** | | | | |
| **TKO Pte. Ltd.** | 48,837,165 | 53.77 | – | – |
| **Director of the Offeror** | | | | |
| **Dr Tong**[(3)] | – | – | 78,661,865[(4)] | 86.60 |
| **Other relevant persons** | | | | |
| **ZICO Trust (S) Ltd.**[(5)] | – | – | 78,661,865[(6)] | 86.60 |
| **Genghis S.á.r.l.** | 7,343,900 | 8.09 | – | – |
| **Phileo Capital Limited** | 22,480,800 | 24.75 | – | – |
| **Maybank Securities Pte. Ltd.** | – | – | – | – |

**Notes:**

(1) All references to percentage shareholding of the issued share capital of the Company in this Schedule D are based on the total issued Shares (excluding the Shares held in treasury) of 90,831,335 Shares as at the date of this Joint Announcement.

(2) Deemed interest refers to interests determined pursuant to Section 4 of the SFA.

(3) By virtue of Phileo Trust, a family trust constituted under a trust deed where Dr Tong is the sole beneficiary, and with ZICO Trust (S) Ltd. as its appointed trustee, Dr Tong has a deemed interest in the following Shares pursuant to Section 4 of the SFA: (a) the 48,837,165 Shares held by the Offeror, (b) the 22,480,800 Shares held by Phileo Capital, and (c) the 7,343,900 Shares held by Genghis.

(4) The 78,661,865 Shares are held in the name of the registered holders, the Offeror, Phileo Capital and Genghis.

(5) ZICO is deemed interested in the following Shares pursuant to Section 4 of the SFA: (a) the 48,837,165 Shares held by the Offeror, which is wholly-owned by ZICO; (b) the 22,480,800 Shares held by Phileo Capital Limited, which is wholly-owned by ZICO; and (c) the 7,343,900 Shares held by Genghis, which is wholly-owned by 3Cs, which is in turn wholly-owned by ZICO.

(6) The Shares are held in the name of the registered holders, the Offeror, Phileo Capital and Genghis.

## APPENDIX D – GENERAL INFORMATION RELATING TO 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 |
|---|---|---|
| Dr Tong Kooi Ong | c/o 1 Kim Seng Promenade #13-10<br>Great World City<br>Singapore 237994 | Executive Chairman |
| Mr. Tong Ian | c/o 1 Kim Seng Promenade #13-10<br>Great World City<br>Singapore 237994 | Chief Executive Officer and Executive Director |
| Ms. Lai Ven Li | c/o 1 Kim Seng Promenade #13-10<br>Great World City<br>Singapore 237994 | Lead Independent Director |
| Mr. Moey Weng Foong | c/o 1 Kim Seng Promenade #13-10<br>Great World City<br>Singapore 237994 | Independent Director |
| Mr. Andrew Lim Cheong Seng | c/o 1 Kim Seng Promenade #13-10<br>Great World City<br>Singapore 237994 | Independent Director |
| Mr. Kevin Kang Kah Wee | c/o 1 Kim Seng Promenade #13-10<br>Great World City<br>Singapore 237994 | Independent Director |

### 2. PRINCIPAL ACTIVITIES

The Company was incorporated in Singapore 7 October 1967 and was listed on the Main Board of the SGX-ST on 15 October 1980.

The Company is an investment holding company. The principal activity of the AL Group is in the business of distribution of building materials and portfolio investment.

### 3. SHARES

#### 3.1 Shares

As at the Latest Practicable Date, the Company has 90,831,335 Shares in issue (excluding 4,183,170 Shares held in treasury).

The Company has not issued any Shares since the end of FY2025.

#### 3.2 Rights of the Shareholders in respect of Capital, Dividends and Voting

Selected texts of the Constitution relating to the rights of the Shareholders in respect of capital, dividends and voting have been extracted and reproduced in **Appendix E** to this Scheme Document.

3.3 **Convertible Instruments and Share Plans**

As at the Latest Practicable Date, there are no options or convertible securities of the Company outstanding and there are no other (a) securities which carry voting rights and/or (b) convertible securities, warrants, options or derivatives in respect of such Shares or securities which carry voting rights.

## 4. FINANCIAL INFORMATION

4.1 **Financial Information of the AL Group**

Set out below is certain financial information extracted from the audited consolidated financial statements of the AL Group for FY2023, FY2024 and FY2025.

The financial information for FY2023, FY2024 and FY2025 should be read in conjunction with the audited consolidated financial statements of the AL Group and the accompanying notes as set out in the annual reports of the AL Group for FY2023, FY2024 and FY2025 respectively.

| | **AL Group** | | |
|---|---|---|---|
| | **Audited FY2023[(1)] (S$'000) Restated** | **Audited FY2024[(2)] (S$'000) Restated** | **Audited FY2025[(2)] (S$'000)** |
| Revenue | 1,691,626 | 1,592,861 | 1,523,785 |
| Profit before tax from continuing operations | 49,150 | 60,636 | 13,426 |
| Profit after tax from continuing and discontinued operations | 27,180 | 36,332 | 19,768 |
| Profit attributable to equity holders of the Company | 10,927 | 23,559 | 13,054 |
| Earnings per Share (cents)* | 1.20 | 25.93 | 14.38 |

**Notes:**

* The calculation of earnings per share was based on weighted average number of Shares of 908,313,642 for FY2023 and 90,831,335 for each of FY2024 and FY2025.

(1) Source: Avarga Limited Annual Report 2024

(2) Source: Avarga Limited Annual Report 2025

Set out below is also a summary of the dividend per Share declared in respect of each of FY2023, FY2024 and FY2025.

| | **FY2023** | **FY2024** | **FY2025** |
|---|---|---|---|
| Dividend per Share (S$) | – | – | 1.20 |

4.2 **Consolidated Statement of Financial Position**

The audited consolidated statement of financial position of the AL Group as at 31 December 2025, being the latest published audited consolidated statement of financial position of the AL Group prior to the Latest Practicable Date is set out below.

The audited consolidated statement of financial position of the AL Group as at 31 December 2025 should be read in conjunction with the audited consolidated financial statements of the AL Group and the accompanying notes as set out in the annual report of the AL Group for FY2025.

| | **Audited As at 31 December 2025 (S$'000)** |
|---|---|
| **ASSETS** | |
| **Current assets** | |
| Cash and cash equivalents | 82,134 |
| Trade and other receivables | 118,362 |
| Inventories | 177,494 |
| Income tax recoverable | 3,043 |
| **Total current assets** | 381,033 |
| **Non-current assets** | |
| Property, plant and equipment | 109,456 |
| Financial assets, at fair value through profit or loss | 10,587 |
| Financial assets, at fair value through other comprehensive income | 7,595 |
| Long term inventories | 4,487 |
| Intangible assets | 19,993 |
| Deferred tax assets | 1,758 |
| **Total non-current assets** | 153,876 |
| **Total assets** | 534,909 |
| **LIABILITIES** | |
| **Current liabilities** | |
| Trade and other payables | 99,797 |
| Derivative financial instruments | 245 |
| Revolving credit facility | 10,626 |
| Lease liabilities | 6,355 |
| **Total current liabilities** | 117,023 |

| | **Audited As at 31 December 2025 (S$'000)** |
|---|---|
| **Non-current liabilities** | |
| Lease liabilities | 80,593 |
| Deferred gain | 1,768 |
| Deferred tax liabilities | 4,417 |
| **Total non-current liabilities** | 86,778 |
| **Total liabilities** | 203,801 |
| **NET ASSETS** | 331,108 |
| **EQUITY** | |
| **Capital and reserves attributable to equity holders of the Company** | |
| Share capital | 169,597 |
| Treasury shares | (12,130) |
| Retained profits/(accumulated losses) | 154,366 |
| Other reserves | (55,626) |
| | 256,207 |
| **Non-controlling interests** | 74,901 |
| **Total equity** | 331,108 |

4.3 **Material Changes in Financial Position**

Save as disclosed in the audited consolidated financial statements of the AL Group for FY2025 and any other information on the AL Group which is publicly available (including without limitation, the announcements released by the Company on SGXNet), there have been no material changes in the financial position of Company since 31 December 2025, being the date of the last published audited consolidated financial statements of the AL Group.

4.4 **Significant Accounting Policies**

The significant accounting policies of the AL Group are set out in the notes to the audited consolidated financial statements of the AL Group for FY2025. Save as disclosed in the notes to the audited consolidated financial statements of the AL Group for FY2025, there are no significant accounting policies or any matter from the notes of the financial statements of the AL Group which are of any major relevance for the interpretation of the financial statements of the AL Group.

4.5 **Changes in Accounting Policies**

As at the Latest Practicable Date, there are no changes in the accounting policies of the AL Group which will cause the figures disclosed in paragraph 4 of this **Appendix D** not to be comparable to a material extent.

## 5. DISCLOSURE OF INTERESTS

5.1 **Holdings of Offeror Securities by the AL Group**

As at the Latest Practicable Date, none of the AL Group Companies owns, controls or has agreed to acquire any Offeror Securities.

5.2 **Interests of Directors of the Company in Offeror Securities**

As at the Latest Practicable Date, and save as disclosed in this Scheme Document, none of the directors of the Company has any direct or indirect interests in the Offeror Securities.

5.3 **Interests of Directors of the Company in Company Securities**

As at the Latest Practicable Date, based on the Register of Directors' Shareholdings maintained by the Company, the interests in Shares held by the directors of the Company are set out below:

| | **Direct Interest** | | **Deemed Interest**[(1)] | | **Total Interest** | |
|---|---|---|---|---|---|---|
| **Directors** | **No. of Shares** | **%**[(2)] | **No. of Shares** | **%**[(2)] | **No. of Shares** | **%**[(2)] |
| Dr Tong Kooi Ong | – | – | 78,661,865[(3)] | 86.60 | 78,661,865 | 86.60 |
| Tong Ian | – | – | – | – | – | – |
| Lai Ven Li | – | – | – | – | – | – |
| Moey Weng Foong | – | – | – | – | – | – |
| Andrew Lim Cheong Seng | – | – | – | – | – | – |
| Kevin Kang Kah Wee | – | – | – | – | – | – |

**Notes:**

(1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.

(2) All references to percentage shareholding of the issued share capital of the Company are based on a total of 90,831,335 Shares in issue (excluding 4,183,170 Shares held in treasury) as at the Latest Practicable Date and rounded to the nearest two (2) decimal places.

(3) The Shares are beneficially owned by TKO Pte. Ltd., Phileo Capital Limited and Genghis S.à.r.l..

As at the Latest Practicable Date, and save as disclosed in this paragraph 5.3 of this Scheme Document, none of the directors of the Company has any direct or indirect interests in the Company Securities.

### 5.4 Interests of Substantial Shareholders in Shares

As at the Latest Practicable Date, based on the Register of Substantial Shareholders maintained by the Company, the interests in the Shares held by the substantial Shareholders of the Company are set out below:

| | Direct Interest | | Deemed Interest[1] | | Total Interest | |
|---|---|---|---|---|---|---|
| Substantial Shareholders | No. of Shares | %[2] | No. of Shares | %[2] | No. of Shares | %[2] |
| TKO Pte. Ltd. | 48,837,165 | 53.77 | – | – | 48,837,165 | 53.77 |
| Dr Tong Kooi Ong[3] | – | – | 78,661,865[4] | 86.60 | 78,661,865[4] | 86.60 |
| ZICO Trust (S) Ltd.[5] (“**ZICO**”) | – | – | 78,661,865[4] | 86.60 | 78,661,865[4] | 86.60 |
| 3Cs Investments Limited[6] | – | – | 7,343,900[7] | 8.09 | 7,343,900 | 8.09 |
| Phileo Capital Limited (“**Phileo Capital**”) | 22,480,800 | 24.75 | – | – | 22,480,800 | 24.75 |
| Genghis S.à.r.l. (“**Genghis**”) | 7,343,900 | 8.09 | – | – | 7,343,900 | 8.09 |

**Notes:**

(1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.

(2) All references to percentage shareholding of the issued share capital of the Company are based on a total of 90,831,335 Shares in issue (excluding 4,183,170 Shares held in treasury) as at the Latest Practicable Date and rounded to the nearest two (2) decimal places.

(3) By virtue of Phileo Trust, a family trust constituted under a trust deed where Dr Tong Kooi Ong is the sole beneficiary, and with ZICO. as its appointed trustee, Dr Tong Kooi Ong has a deemed interest in the following Shares pursuant to Section 4 of the SFA: (a) the 48,837,165 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO; (b) the 22,480,800 Shares held by Phileo Capital, which is wholly-owned by ZICO; and (c) the 7,343,900 Shares held by Genghis, which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO.

(4) The Shares are beneficially owned by TKO Pte. Ltd., Phileo Capital and Genghis.

(5) Pursuant to Section 4 of the SFA, ZICO is deemed interested in the following Shares: (a) the 48,837,165 Shares held by TKO Pte. Ltd., which is wholly-owned by ZICO; (b) the 22,480,800 Shares held by Phileo Capital, which is wholly-owned by ZICO; and (c) the 7,343,900 Shares held by Genghis., which is wholly-owned by 3Cs Investments Limited, which is in turn wholly-owned by ZICO.

(6) As Genghis is wholly-owned by 3Cs Investments Limited, pursuant to Section 4 of the SFA, 3Cs Investments Limited is deemed interested in the 7,343,900 Shares held by Genghis.

(7) The Shares are beneficially owned by Genghis.

## 6. DEALINGS DISCLOSURE

### 6.1 Dealings in Offeror Securities by the AL Group

None of the AL Group Companies has dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.2 **Dealings in Offeror Securities by the Directors of the Company**

None of the directors of the Company has dealt for value in any Offeror Securities during the period commencing three months (3) prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.3 **Dealings in Company Securities by the Directors of the Company**

None of the directors of the Company has dealt for value in any Company Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

## 7. INTERESTS OF THE INDEPENDENT FINANCIAL ADVISER

7.1 **Interests of the IFA in Company Securities**

As at the Latest Practicable Date, none of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis, owns or controls any Company Securities.

7.2 **Dealings in Company Securities by the IFA**

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis has dealt for value in any Company Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

7.3 **Interests of the IFA in Offeror Securities**

As at the Latest Practicable Date, none of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis, owns or controls any Offeror Securities.

7.4 **Dealings in Offeror Securities by the IFA**

None of the IFA, its related corporations or funds whose investments are managed by the IFA or its related corporations on a discretionary basis has dealt for value in any Offeror Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

## 8. ARRANGEMENTS AFFECTING DIRECTORS OF THE COMPANY

8.1 **No Payment or Benefit to Directors of the Company**

As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or to any director of any other corporation which, by virtue of Section 6 of the Companies Act, is deemed to be related to the Company as compensation for loss of office or otherwise in connection with the Scheme.

8.2 **No Agreement Conditional upon Outcome of the Scheme**

As at the Latest Practicable Date, save as disclosed in this Scheme Document (including the Irrevocable Undertaking), there is no agreement, arrangement or understanding made between any of the directors of the Company and any other person in connection with or conditional upon the outcome of the Scheme.

8.3 **No Material Personal Interest in Material Contracts**

As at the Latest Practicable Date, save as disclosed in this Scheme Document (including paragraph 10.3 of this **Appendix D** and the Offeror's Letter), there is no material contract entered into by the Offeror in which any director of the Company has a material personal interest, whether direct or indirect.

**9. MATERIAL LITIGATION**

As at the Latest Practicable Date, save as disclosed in the annual reports of the AL Group for FY2023, FY2024 and FY2025 and any other information on the AL Group which is publicly available (including without limitation, the announcements released by the Company on SGXNet):

(a) none of the AL Group Companies is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially or adversely affect the financial position of the AL Group taken as a whole; and

(b) the directors of the Company are not aware of any proceedings pending or threatened against any of the AL Group Companies or of any facts likely to give rise to any proceedings which might materially or adversely affect the financial position of the AL Group taken as a whole.

**10. GENERAL DISCLOSURE**

10.1 **Financial Statements for FY2023, FY2024 and FY2025**

The audited consolidated financial statements of the AL Group for FY2023, FY2024 and FY2025 are set out in the annual reports of the AL Group for FY2023, FY2024 and FY2025 respectively. Copies of the annual reports of the AL Group for FY2023, FY2024 and FY2025 are available on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the corporate website of the Company at the URL https://www.avarga.com.sg/investor-relations/sgx-announcements/ or available for inspection at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 during normal business hours from the date of this Scheme Document up to the Effective Date.

10.2 **Directors' Service Contracts**

As at the Latest Practicable Date:

(a) there are no service contracts between any of the directors of the Company or proposed directors with any AL Group Company which have more than 12 months to run and which are not terminable by the employing company within the next 12 months without paying any compensation; and

(b) there are no such contracts entered into or amended during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

10.3 **Material Contracts with Interested Persons**

As at the Latest Practicable Date, save as disclosed in the annual reports of the AL Group for FY2023, FY2024 and FY2025 and any other information on the AL Group which is publicly available (including without limitation, the announcements released by the Company on SGXNet), none of the AL Group Companies has entered into any material contracts (not being contracts which are in the ordinary course of business) with interested persons (within the meaning of Note 1 on Rule 23.12 of the Code) during the period beginning three (3) years before the Joint Announcement Date and ending on the Latest Practicable Date.

10.4 **Costs and Expenses**

In the event that the Scheme does not become effective and binding for any reason, the expenses and costs incurred by the Company in connection with the Scheme will be borne by the Company.

10.5 **Directors' Intentions with respect to their Shares**

As at the Latest Practicable Date, other than Dr Tong Kooi Ong, who has a deemed interest in 78,661,865 Shares (which are beneficially owned by the Offeror, Phileo Capital and Genghis), none of the Directors hold any Shares.

As stated in paragraph 9 of the Letter to Shareholders, the Offeror and its concert parties will abstain from voting on the Scheme.

As stated in paragraph 4 of the Letter to Shareholders, Phileo Capital, which holds 22,480,800 Shares, representing approximately 24.75 per cent. of the Shares, has given the Irrevocable Undertaking to the Offeror to, *inter alia*:

(a) elect to accept, in respect of the Shares held directly or indirectly by it, the Cash Consideration; and

(b) not receive the Cash Consideration in respect of the Shares held directly or indirectly by it, and instead treat such consideration payable as a non-interest bearing debt owed by the Offeror, with the repayment of such debt on an agreed date after the Effective Date, and after the date on which the RPS are mandatorily redeemed (which will be five (5) years from the date of their issuance).

## 11. CONSENTS

11.1 **General**

Chang See Hiang & Partners, Rev Law LLC, the Share Registrar and the Receiving Agent have each given and have not withdrawn their respective written consents to the issue of this Scheme Document with the inclusion herein of their names and all the references to their names in the form and context in which they respectively appear in this Scheme Document.

11.2 **IFA**

The IFA has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, the IFA Letter set out in **Appendix B** to this Scheme Document, the IFA's Review Letter set out in **Appendix N** to this Scheme Document and all references thereto in the form and context in which they respectively appear in this Scheme Document.

11.3 **Company Auditor**

The Company Auditor has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name, the Company Auditor's Review Report set out in **Appendix N** to this Scheme Document and all references thereto in the form and context in which they respectively appear in this Scheme Document.

**12. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994, during normal business hours from the date of this Scheme Document up to the Effective Date:

(a) the Constitution;

(b) the annual reports of the AL Group for FY2023, FY2024 and FY2025;

(c) the Implementation Agreement;

(d) the IFA Letter;

(e) the Irrevocable Undertaking;

(f) the Offeror Constitution;

(g) 1Q2026 Financial Results of the Taiga Group, the Company Auditor's Review Report and the IFA's Review Letter; and

(h) the letters of consents referred to in paragraph 11 of this **Appendix D**.

*All capitalised terms used and not defined in the following extracts shall have the same meanings given to them in the Constitution, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994, from the date of this Scheme Document up to the Effective Date.*

1. **Rights in respect of capital**

SHARE CAPITAL

6. Subject to the Act and these Articles relating to new shares and to any special rights 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 or grant options over the same to such persons on such terms and conditions, for such consideration and at such times as the Directors may determine. Provided that the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same.

Shares under control of general meeting.

7. The Company in general meeting may authorise the Directors to exercise any power of the Company to issue shares and convertible securities, such authority being confined to a particular exercise of that power or generally. Any such authority may be unconditional or subject to conditions and shall continue in force until the conclusion of the annual general meeting commencing next after the date on which the approval was given or the expiration of the period within which the next annual general meeting after that date is required by law to be held (whichever is earlier) but may be previously revoked or varied by the Company in general meeting.

Authority to Directors to issue shares and convertible securities.

8. Any expenses (including brokerage or commission) incurred directly by the Company in the issue of new shares may be paid out of the proceeds of the issue or the Company's share capital. Such payment shall not be taken as reducing the amount of share capital of the Company.

Payment of expenses in issue of shares.

9. (1) The shares in the Company may be divided into several classes and issued with such preferred, deferred, qualified or other special rights, privileges, conditions or such restrictions, whether in regard to dividend, capital, voting or otherwise, as the Company may from time to time by ordinary resolution determine, and subject to the provisions of the Act (and these Articles) 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, the total number of issued preference shares shall not at any time exceed the total number of issued ordinary shares of the Company.

Company may issue shares with preferred, deferred or other special rights.

(2) The Company may issue shares for which no consideration is payable to the Company.

10. In the event of the Company at any time issuing preference capital, the Company shall, subject (but not limited) to the Act, have power to issue further preference capital ranking equally with or in priority to the preference shares already issued and the rights conferred upon the holders of preference shares shall not unless otherwise expressly provided by the conditions of issue of such shares be deemed to be altered by the creation or issue of such further preference capital ranking equally with or in priority thereto. Issue of further preference shares.

11. Subject to the provisions of the Act, all or any of the special rights or privileges for the time being attached to any preference shares for the time being issued may from time to time (whether or not the Company is being wound up) be modified, affected, altered or abrogated and preference capital other than redeemable preference shares may be repaid if authorised by special resolution passed by preference shareholders concerned at a special meeting called for the purpose. To any such special meeting all the provisions of this Constitution as to general meetings of the Company shall *mutatis mutandis* apply but so that the necessary quorum shall be two persons at least being or representing by proxy Members in respect of not less than one-third of the preference shares issued and that every such Member shall be entitled on a poll to one vote for every preference share held by him, and that any such Member present either in person or by proxy may demand a poll. Alteration of rights of preference shareholders.

Provided that where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing if obtained from the Members in respect of three-fourths of the preference shares concerned within two months of the meeting shall be as valid and effectual as a special resolution carried at the meeting.

12. Preference shareholders shall have the same rights as ordinary shareholders as regards the receiving of notices, reports and financial statements 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 a sale of the undertaking of the Company or where the proposal to be submitted to the meeting directly affects their rights and privileges or where the dividend on the preference shares is more than six months in arrears. Rights of preference shareholders.

13. If by the conditions of allotment of any shares, 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 persons who for the time being, and from time to time, shall be Members in respect of the shares, or their legal personal representatives. Instalments of shares.

14. The Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit. Such commissions or brokerage may be satisfied by the payment in cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may, in addition to, or in lieu of, such commission, in consideration of any person so subscribing or agreeing to subscribe, or of his procuring or agreeing to procure subscriptions, for any shares in the Company, confer on any such person an option call within a specified time for a specified number of shares in the Company at a specified price or on such other terms and conditions as the Directors may deem fit. Power to pay commission and brokerage.

15. (1) The Company and the CDP shall not be bound to register more than three persons as the joint holders of any share except in the case of trustees or executors or administrators of the estate of a deceased Member.

(2) Subject to Article 15(1), any two or more persons may be registered as joint holders of any share or named in the Depository Register as joint Depositors. In the case of the death of any one or more of the joint registered holders or joint Depositors of any share, the survivors shall be the only persons recognised by the Company as having any title to or interest in such share but the Company may require such evidence of death as it may deem fit.

(3) Any one of the joint holders of any share or joint Depositors may give effectual receipts for any dividends, bonuses or other moneys payable to such joint holders or joint Depositors. The first named on the Register or the Depository Register shall, however, as regards voting, proxy, service of notices and delivery of certificates and dividend warrants, be deemed to be the sole owner of such share and any notice given to such person shall be deemed notice to all the joint holders or joint Depositors, as the case maybe.

(4) The joint holders of any share or the joint Depositors in respect of any share shall be liable jointly and severally in respect of all payments and liabilities in respect of such share.

16. Save as herein otherwise provided the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and a Depositor as the absolute owner of the number of shares which are entered against his name in the Depository Register and accordingly, shall not be bound (except as ordered by a court of competent jurisdiction or as by law required) to recognise even when having notice of any equitable, contingent future or partial interest or other claim to or interest in any such share on the part of any other person. No trusts recognised.

17. The Company shall not give any financial assistance for the purpose of or in connection with the acquisition or proposed acquisition of any shares in the Company or its holding company (if any) unless the same is permitted by law. Company not to give financial assistance for acquisition of shares.

## SHARE CERTIFICATE

18. Every certificate for shares shall be under the Seal or the Share Seal as provided in Article 131. Share certificates.

19. The Company shall allot securities and despatch certificates issued under the seal in such form as the Directors may approve to every registered holder or CDP for the account of every Depositor who are Members, within ten Market Days (or such other period as may be approved by the Exchange) of the closing date for the subscription of securities or within such period as the conditions of issue shall provide or, where applicable, within ten Market Days (or such other period as may be approved by the Exchange) after the day of lodgement of a registered transfer (as defined in Article 42) (other than such transfer as the Company is for any reason entitled to refuse to register and does not register). Every person whose name is entered as a Member in the Register or in the name of the Depository, as the case may be, shall be entitled to, one certificate in respect of each class of shares held by him or registered in the name of CDP, as the case may be, for all his shares or shares registered in the name of CDP, as the case may be, of that class or several certificates in such denominations as the Company shall, in its absolute discretion, consider reasonable for his shares or shares registered in the name of CDP, as the case may be, of that class, in the case of the registered holder, upon payment of two dollars per certificate (or such lesser sum as the Directors shall from time to time determine) and in the case of a Depositor, the Directors shall waive all payments for every certificate after the first Provided That (i) the Company shall not be bound to issue more than one certificate in respect of a share held jointly by several persons (including Depositors) and delivery thereof to one or several joint holders or, in the case of shares registered in the name of CDP, to CDP, shall be sufficient delivery to all such holders (including Depositors) and (ii) where a registered holder or CDP has transferred part of his shares or shares registered in the name of CDP, as the case may be, comprised in a share certificate the Company shall without charge and within ten Market Days (or such other period as may be approved by the Exchange) after the lodgement of the registered transfer despatch to the registered holder or CDP as the case may be a certificate in respect of the shares not transferred. Registered holder's right to certificate.

20. Every certificate of shares shall specify in words and figures the distinctive number of shares in respect of which it is issued, and the amount paid up thereon. Certificates shall specify number of shares.

21. Subject to the provisions of the Act, if any share certificate shall be defaced, worn out, destroyed, stolen or lost, it may be replaced on such evidence being produced and on such indemnity or undertaking (if required) being given by the Member, shareholder, transferee, person entitled thereto, purchaser, member company of the Exchange or on behalf of its client(s) as the Directors shall require and in the case of defacement or wearing out, on delivery of the old certificate and (in any case) on payment of such sum not exceeding two dollars per replacement certificate as the Directors may from time to time require. In the case of theft, destruction or loss the shareholder Issue of replacing certificates.

or person entitled to such replacement certificate 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 and to such indemnity or undertaking.

22. The certificates of shares, or options in respect of shares, registered in the names of two or more persons may, without prejudice to the provisions of Article 19, be delivered to the person first named on the Register or, in the case of shares or option registered in the name of CDP, to CDP. Delivery of Share certificates.

LIEN ON SHARES

23. The Company shall have a lien on every share not being a fully-paid share which shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such monies are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the Member or deceased Member. The Company's lien, if any, on a share shall extend to all dividends payable thereon. Company's lien on shares.

24. 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, but no sale shall be made until such time as the moneys in respect of which such lien exists or some part thereof 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 such Member 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. Right to enforce lien by sale.

25. The net proceeds of sale whether of a share forfeited by the Company or of a share over which the Company has a lien, shall be applied in or towards satisfaction of the amount due to the Company and the residue (if any) after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the Member or his executors, administrators or assignees or as such Member shall direct. Application of proceeds of sale.

26. To give effect to any such sale the Directors may authorise some person to transfer the shares sold to the purchaser and the Directors may enter the purchaser's name in the Register as holder of the shares or may request the CDP to enter the purchaser's name in the Depository Register as the Depositor thereof, and the purchaser shall not be bound to see to the regularity or validity of, or be affected by any irregularity or invalidity in the proceedings or be bound to see to the application of the purchase money, and after his name has been entered in the Register or the Depository Register the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only. How sale to be effected.

27. No person shall exercise any rights or privileges as a Member until his name shall have been entered in the Register or the Depository Register and he shall have paid all calls and other moneys for the time being due and payable on any share in respect of which he is a Member alone or jointly with any other person, whether in his own name or in a Securities Account, together with interest and expenses (if any). Member not entitled to privileges of membership until all calls paid.

CALLS ON SHARES

28. The Directors may from time to time make calls upon the Members in respect of any moneys unpaid on their shares or on any class of their shares and not by the conditions of allotment thereof made payable at fixed times, and each Member shall (subject to his having been given at least fourteen days' notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on his shares. A call may be made payable by instalments. A call may be revoked or postponed as the Directors may determine. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed. Powers of Directors to make calls.

29. The joint holders of a share or the joint Depositors in respect of a share shall be jointly and severally liable to pay all calls or instalments and interest or costs, charges and expenses in respect thereof. Joint and several liability of joint holders and Depositors.

30. If before or on the day appointed for payment thereof a call or instalment thereof payable in respect of a share is not paid, the person from whom the amount of the call or instalment is due shall pay interest on such amount at such rate as the Directors shall decide from time to time from the day appointed for payment thereof to the time of actual payment, and shall also pay all costs, charges and expenses which the Company may have incurred or become liable for in order to recover payment of or in consequence of non-payment of such call or instalment, but the Directors may waive payment of such interest, costs, charges and expenses wholly or in part. Interest on unpaid calls.

31. Any sum which by the terms of allotment of a share is made payable upon issue or at any fixed date shall for all purposes of these Articles be deemed to be a call duly made and payable on the date fixed for payment, and in case of non-payment the provisions of this Constitution as to payment of interest, costs, charges and expenses, forfeiture and the like, and all the other relevant provisions of the Act or of this Constitution shall apply as if such sum were a call duly made and notified as hereby provided. Sums payable under terms of allotment to be deemed calls.

32. The Directors may from time to time make arrangements on the issue of shares for a difference between the Members in respect of such shares in the amount of calls to be paid and in the time of payment of such calls. Difference in calls.

33. The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the moneys uncalled and unpaid upon any or in respect of shares, and upon all or any part of the moneys so advanced may (until the same would, but for the advance, become payable) pay interest at such rate not exceeding (unless the Company in general meeting shall otherwise direct) eight per cent. (8%) per annum as may be agreed upon between the Directors and the Member paying the sum in advance. Capital paid on shares in advance of calls whilst carrying interest shall not confer a right to participate in profits. Payment of call in advance.

FORFEITURE OF SHARES

34. If any Member fails to pay the whole or any part of any call or instalment or interest, costs, charges or expenses referred to in Article 30, on or before the day appointed for the payment of the same, the Directors may at any time thereafter during such time as the call or instalment or interest, costs, charges or expenses remain 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. Notice to be given of intended forfeiture.

35. 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 or interest, costs, charges or 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 is payable shall be liable to be forfeited. Form of notice.

36. If the Member shall fail to comply with the requirements of any notice as aforesaid, any share in respect of which the notice has been given, may at any time thereafter, before payment of all such calls or instalments or interest, costs, charges 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. If notice not complied with shares may be forfeited.

37. Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot, or otherwise dispose of the same upon such terms and 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 effect a transfer of the share in favour of the person to whom the share is sold or disposed and his name shall thereupon be entered in either the Register or the Depository Register, as may be appropriate, in respect of the share and shall not be bound to see 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 in reference to the forfeiture, sale, re-allotment or disposal of the share. Forfeited shares property of Company.

38. When any share shall have been so forfeited notice of the forfeiture shall be given to the Member in respect of such share or to the person entitled to the share by transmission prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the Register and the Company shall request CDP to make a corresponding entry in the Depository Register. The provisions of this Article are directory only and no forfeiture shall be in any manner invalidated by any omission to give such notice or to make such entry as aforesaid.

Notice of forfeiture to be given to Members.

39. The Directors may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit.

Power to annul forfeiture.

40. Any Member whose or in respect of whom shares shall have been forfeited shall cease to be a Member in respect of the forfeited shares but shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all calls or instalments or interest, costs, charges and expenses owing upon or in respect of such shares at the time of forfeiture, as if the shares had not been forfeited and to satisfy all (if any) the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture without any deduction or allowance for the value of the shares at the time of forfeiture together with any interest thereon from the time of forfeiture until payment, at the rate of eight per cent. (8%) 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, costs, charges and expenses shall be paid to such Member, his executor, administrator or assignee or as he directs.

Liability on forfeited share.

41. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that shares in the Company have been duly forfeited 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 shares.

Declaration by Director conclusive of fact of forfeiture.

### TRANSFER OF SHARES

42. Subject to the restrictions of these Articles and any restrictions imposed by law or the Exchange or CDP, any Member may transfer all or any of his shares, but every transfer by any Member must either be by means of: –

Member may transfer shares.

(a) an instrument in the form approved by the Exchange, which must be left at the Office or such other place or places as the Directors may appoint from time to time for registration, duly stamped and accompanied by the certificates of the shares to be transferred, and such other evidence (if any) as the Directors may require to prove the title of the intending transferor or his right to transfer the shares ("a registered transfer"); or

(b) book-entry in the Depository Register in accordance with the Act.

43. There shall be no restriction on the transfer of fully paid up shares (except where required by law or, where the Company is listed on the Exchange, the rules, bye-laws or listing rules of the Exchange) but the Directors may in their discretion refuse to register a transfer to a transferee of whom they do not approve, in the case of shares not fully paid up; Provided That in the event of the Directors refusing to register a transfer of shares, they shall within thirty days, or in the event of the Company being listed on the Exchange, within ten Market Days beginning with the day on which the application for such transfer of shares was made, serve a notice in writing to the applicant stating the facts which are considered to justify the refusal as required by the Act. Transfer of shares.

44. The instrument of transfer of a share which is the subject of a registered transfer shall be signed by or on behalf of both the transferor and the transferee and be witnessed and the transferor shall be deemed to remain the holder of the share concerned until the name of the transferee is entered in the Register in respect thereof, provided always that CDP shall not be required as transferee to sign any form of transfer for the transfer of shares to it. The Directors may dispense with the execution of the instrument of transfer by the transferee and the requirement that the instrument of transfer be witnessed in any case in which they think fit in their discretion so to do. Shares of different classes shall not be comprised in the same instrument of transfer. This Article 44 shall not apply to any transfer of shares by way of book-entry. Instrument of transfer to be executed.

45. No share shall in any circumstances be transferred to any infant, bankrupt or person who is mentally disordered and incapable of managing himself or his affairs but nothing herein contained shall be construed as imposing on the Company any liability in respect of the registration of such transfer if the Company has no actual knowledge of the same. Restriction on transfer.

Nothing in this Article shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

46. In the case of registered transfers, all instruments of transfers submitted which shall be 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. Instrument of transfer to be retained.

47. The Company shall be entitled to charge a fee not exceeding two dollars for each instrument of transfer or in the event of the Company being listed on the Exchange, such other sum as may from time to time be prescribed by the Exchange on the registration of every transfer. Transfer fee.

48. The Company shall provide a book to be called "Register of Transfers", which shall be kept under the control of the Directors, and in which shall be entered the particulars of every transfer or transmission of shares (other than a transfer or transmission of shares by means of book-entry in the Depository Register). Register of Transfers.

49. The Register of Transfers may be closed at such times and for such period as the Directors may from time to time determine, provided always that it shall not be closed for more than thirty days in any calendar year, and during such periods the Directors may suspend the registration of transfers. At least five Market Days' notice (or such notice as the Exchange may agree) of such closure, excluding the date of announcement and the closure date, shall be advised to any stock exchange upon which the Company is listed, stating the period and purpose or purposes for which the closure is being made. Closure of Register of Transfers.

TRANSMISSION OF SHARES

50. In the case of the death of a Member, the survivor where the deceased was a joint registered holder or a joint Depositor, and the executors or administrators of the deceased where he was a sole or only surviving registered holder or joint Depositor, save as otherwise provided herein or required or provided by law, shall be the only person recognised by the Company as having any title to or interest in respect of his shares, but nothing herein contained shall release the estate of a deceased holder or Depositor from any liability in respect of any share in respect of which he was a Member solely or jointly. Transmission of shares.

51. Any person becoming entitled to a share in consequence of the death or bankruptcy of a registered holder of a share shall 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 or to make such transfer thereof as the deceased or bankrupt holder 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 a transfer of the share by the deceased or bankrupt holder before the death or bankruptcy. Title on death or bankruptcy.

If the person so becoming entitled shall elect to be registered himself, he shall deliver or send to the Company a notice in writing signed by him and stating that he so elects. For the purposes of these Articles relating to the registration of transfers of shares, such notice shall be deemed to be a transfer and the Directors shall have the same power of refusing to give effect thereto by registration as if the event upon which the transmission took place had not occurred and the notice were a transfer executed by the person from whom the title by transmission is derived.

In the case of any person becoming entitled to the interest of a Depositor in respect of a share in consequence of the death of the Depositor, Section 81SQ of the Securities and Futures Act shall apply.

52. A person becoming entitled to a share or an interest in respect of a share in consequence of the death or bankruptcy of any Member 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 of or to attend or vote at meetings of the Company, or (save as aforesaid) to any of the rights or privileges of a Member in respect of the share, unless and until he shall be registered as the holder or named in the Depository Register as the Depositor in respect thereof provided always that the Directors may at Persons entitled to dividends on transmission.

any time give notice requiring any such person to elect either to be registered or named in the Depository Register himself or to transfer the share, and if the notice is not complied with in accordance with these Articles within ninety days, 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.

53. The Company shall be entitled to charge a fee not exceeding ten dollars or such other sum as may be determined from time to time on the registration in the Register of every probate, letter of administration, death or marriage certificate, power of attorney, notice in lieu of distringas or other instruments. Fee on registration of probate, etc.

CONVERSION OF SHARES INTO STOCK

54. 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 of any denomination. Conversion of shares to stock.

55. When any shares have been converted into stock the several holders of and Depositors in respect of such stock may transfer their respective interests therein or any part of such interests in such manner as the Company in general meeting shall direct, but in default of any direction then, in the same manner and subject to the same regulations as and subject to which the shares from which the stock arose might prior to conversion have been transferred or as near thereto as circumstances will admit. The Directors may if they think fit from time to time fix the minimum amount of stock transferable. Stockholders entitled to transfer interest.

56. The several holders of and Depositors in respect of stock shall be entitled to participate in the dividends and profits of the Company according to the amount of their respective interests in such stock and such interests shall, in proportion to the amount thereof, confer on the holders thereof respectively the same rights, privileges and advantages for the purposes of voting at meetings of the Company and for other purposes as if they held or were Depositors in respect of the shares from which the stock arose, but so that none of such rights, privileges or advantages (except the participation in the dividends, profits and assets of the Company) shall be conferred by any such part of consolidated stock as would not, if existing in shares, have conferred such rights, privileges or advantages. Rights of stockholders.

57. All such provisions of this Constitution as are applicable to paid-up shares shall apply to stock and in all such provisions the words "shares" and "shareholder" shall include "stock" and "stockholder". Definitions.

ALTERATION OF CAPITAL

58. The Company in general meeting may from time to time by ordinary resolution, increase its capital by the creation and issue of new shares, such aggregate increase to be of such amount as the Company by the resolution authorising such increase shall direct. Power to increase capital.

59. The 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 creation thereof shall direct and, in particular, 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.

On what conditions new shares may be issued.

60. Unless otherwise determined and subject to such other terms and conditions as may be determined by the Members in general meeting, or unless permitted under the listing rules of the Exchange as may be in force from time to time, all new shares shall, before issue, be offered to such Members 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 amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may subject to these Articles dispose of those shares in such manner as they think most beneficial to the Company provided always that the Directors shall have the absolute discretion to determine whether or not such offer shall be made to any Member in any country or jurisdiction outside the Republic of Singapore. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to the shares of the persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered in the manner hereinbefore provided or which are not offered to Members outside the Republic of Singapore.

Shareholders' rights of pre-emption.

61. Subject to any directions that may be given in accordance with the powers contained in this Constitution, any capital raised by creation of new shares shall be considered as part of the original capital and as consisting of ordinary shares and shall be subject to the same provisions with reference to the payment of calls, transfer, transmission, forfeiture, lien and otherwise as if it had been part of the original capital.

New capital considered part of original capital.

62. The Company may –

Alteration of capital.

(1) consolidate and divide all or any of its share capital;

(2) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled;

(3) by subdivision of its existing shares or any of them divide its capital or any part thereof and so that as between the holders or Depositors of the resulting shares one or more of such shares may by the resolution by which the subdivision is effected be given any preference or advantage as regards dividend, capital, voting or otherwise over the others or any other of such shares;

(4) reduce its share capital in any manner and with and subject to any matter or consent required by law; or

(5) subject to the provisions of this Constitution and the Statutes, convert its share capital or any class of shares from one currency to another currency.

63. Subject to and in accordance with the provisions of the Act, the listing rules of the Exchange, and other written law, the Company may purchase or otherwise acquire shares (whether ordinary or preference or otherwise), options, stocks, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt and financial instruments issued by it on such terms as the Company may think fit and to the extent permitted and in the manner prescribed by law. Company may acquire its own shares.

Where ordinary shares or stocks are purchased or acquired by the Company in accordance with the provisions of the Act, the Company may hold the shares or stocks (or any of them) or deal with any of them, at any time.

Any ordinary share which is so purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition by the Company unless held in treasury; preference shares that are purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition. On the cancellation of any share as aforesaid, the rights and privileges attached to that share shall expire. In any other instance, the Company may deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with the Act.

64. If the Company has only one class of shares, the aggregate number of shares held as Treasury Shares shall not at any time exceed 10% of the total number of shares of the Company at that time. Treasury shares

Where the share capital of the Company is divided into shares of different classes, the aggregate number of shares of any class held as Treasury Shares shall not at any time exceed 10% of the total number of the shares in that class at that time.

In the event of contravention of the above, the Company shall dispose of or cancel the excess shares in the manner provided by the Act.

The Company shall not exercise any rights in respect of the Treasury Shares, including any right to attend or vote at meetings, the Company shall be treated as having no right to vote and the Treasury Shares shall be treated as having no voting rights. Any purported exercise of such a right is void.

No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up) may be made to the Company in respect of the Treasury Shares save as specifically provided for in the Act.

MODIFICATION OF CLASS RIGHTS

65. Subject to the provisions of the Act, all or any of the special rights or privileges attached to any class of shares in the capital of the Company for the time being may, at any time, as well before as during liquidation, be modified, affected, altered or abrogated, either with the consent in writing of the Members in respect of not less than three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the Members in respect of shares of that class, and all the provisions contained in this Constitution relating to general meeting shall *mutatis mutandis* apply to every such meeting, but so that the quorum thereof shall be not less than two persons personally present and being or representing by proxy of one-third of the issued shares of that class, and that any Member in respect of shares of the class, present in person or by proxy, shall on a poll be entitled to one vote for each share of that class in respect of which he is a Member, and if at any adjourned meeting of such Members such quorum as aforesaid is not present, any two Members in respect of shares of that class who are personally present shall be a quorum. The Directors shall comply with the provisions of the Act as to forwarding a copy of any such consent or resolution to the Registrar of Companies. Modification of class rights.

CAPITALISATION OF PROFITS AND RESERVES

147. (1) Subject to the approval of the Company in general meeting (whether such approval is pursuant to an authorisation to the Directors to exercise the power of the Company to issue shares generally pursuant to Article 7 or otherwise), the Directors may resolve that it is desirable to capitalise any part of the amount for the time being standing to the credit of (i) any of the Company's reserve funds (whether of a capital or income nature) or (ii) the profit and loss account or otherwise available for distribution; and accordingly that in either case such sum be set free for distribution amongst the Members entitled to receive distributions by way of dividends and in the same proportions on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares of such Members respectively, or paying up in full unissued shares or debentures of the Company to be allotted and distributed credited as fully-paid up to and amongst such Members or their nominees in the proportion aforesaid or partly in the one way and partly in the other. Capitalisation of profits and reserves.

(2) Whenever such resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the amounts resolved to be capitalised thereby and all allotments and issues of fully or partly paid shares or debentures, if any, and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provision for the satisfaction of the right of any Member under such resolution to a fractional part of a share by payment in cash or otherwise as they think fit and also to authorise any person to enter on behalf of the Members entitled thereto or their nominees into an agreement with the Company providing for the

allotment to them respectively credited as fully or partly paid-up of any further shares to which they may be entitled upon such capitalisation or, as the case may be, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the amounts to be capitalised, of the amounts or any part of the amounts remaining unpaid on these existing shares or debentures. Any agreement made under such authority shall be effective and binding on all such Members and their nominees.

WINDING UP

166. If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares in respect which they are Members respectively. If in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up paid up or which ought to have been paid up on the shares in respect which they are Members respectively. This Article is to be without prejudice to the rights of the holders or Depositors of shares issued upon special terms and conditions.

Distribution of assets in winding up.

167. If the Company shall be wound up, the liquidators of the Company may, with the sanction of a special resolution, divide among the Members in specie any part of the assets of the Company and any such division may be otherwise than in accordance with the existing rights of the Members, but so that if any division is resolved or otherwise than in accordance with such rights, the Members shall have the same right of dissent and consequential rights as if such resolution were a special resolution passed pursuant to Section 306 of the Act. A special resolution sanctioning a transfer or sale to another company duly passed pursuant to the said Section may in like manner authorise the distribution of any share or other consideration receivable by the liquidators amongst the Members otherwise than in accordance with their existing rights. Any such determination shall be binding upon all the Members subject to the right of dissent and consequential rights conferred by the said Section.

Distribution of assets in specie.

**2. Rights in respect of dividends**

DIVIDENDS

132. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles as to the reserve fund shall be divisible among the Members in proportion to the amount of capital paid up on their shares respectively.

Appropriation of profits.

133. The Company in general meeting may declare a dividend to the Members according to their rights and interests in the profits and may fix the time for payment. No larger dividend shall be declared than is recommended by the Directors, but the Company in general meeting may declare a smaller dividend. Declaration of Dividend.

134. No dividend shall be payable except out of the profits of the Company. No dividend shall carry interest. Dividend payable out of profits.

135. The declaration of the Directors as to the net profits of the Company shall be conclusive. Declaration conclusive.

136. The Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies Provided That no such dividends shall be declared more than once in three months. Interim dividend.

137. The Directors may retain any dividends 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. Debts may be deducted.

138. Any general meeting declaring a dividend may direct payment of such 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 debentures 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 any Members upon the footing of the value so fixed, in order to adjust the rights of all parties, and may vest any such specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Directors. Where requisite, a proper contract shall be filed in accordance with Section 63B 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. Any shares allotted as fully paid bonus shares in respect of the Treasury Shares shall be treated for the purposes of the Act as if they were purchased by the Company at the Company they were allotted. Dividend in specie.

139. (1) Whenever the Directors in general meeting have resolved or proposed that a dividend (including an interim, final, special or other dividend) be paid or declared on the ordinary share capital of the Company, the Directors may further resolve that Members entitled to such dividend be entitled to elect to receive an allotment of ordinary shares credited as fully paid *in lieu* of cash in respect of the whole or such part of the dividend as the Directors may think fit. In such case, the following provisions shall apply: Scrip dividends.

(a) the basis of any such allotment shall be determined by the Directors;

(b) the Directors shall determine the manner in which Members shall be entitled to elect to receive an allotment of ordinary shares credited as fully paid *in lieu* of cash in respect of the whole or such part of any dividend in respect of which the Directors shall have passed such a resolution as aforesaid, and the Directors may make such arrangements as to the giving of notice to Members, providing for forms of election for completion by Members (whether in respect of a particular dividend or dividends or generally), determining the procedure for making such elections or revoking the same and the place at which and the latest date and time by which any forms of election or other documents by which elections are made or revoked must be lodged, and otherwise make all such arrangements and do all such things, as the Directors consider necessary or expedient in connection with the provisions of this Article;

(c) the right of election may be exercised in respect of the whole of that portion of the dividend in respect of which the right of election has been accorded Provided That the Directors may determine, either generally or in specific case, that such right shall be exercisable in respect of the whole or any part of that portion; and

(d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on ordinary shares in respect of which the share election has been duly exercised (the "**elected ordinary shares**") and *in lieu* and in satisfaction thereof ordinary shares shall be allotted and credited as fully paid to the holders of the elected ordinary shares on the basis of allotment determined as aforesaid and for such purpose and notwithstanding any provision of this Constitution to the contrary, the Directors shall be empowered to do all things necessary and convenient for the purpose of implementing the aforesaid, including, without limitation, the making of each necessary allotment of shares and of each necessary appropriation, capitalisation, application, payment and distribution of funds which may be lawfully appropriated, capitalised, applied, paid or distributed for the purpose of the allotment and without prejudice to the generality of the foregoing the Directors may (i) capitalise and apply the amount standing to the credit of any of the Company's reserve accounts or any sum standing to the credit of the profit and loss account or otherwise available for distribution as the Directors may determine, such sums as may be required to pay up in full the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis, or (ii) apply the sum which would otherwise have been payable in cash to the holders of the elected ordinary shares towards payment of the appropriate number of ordinary shares for allotment and distribution to and among the holders of the elected ordinary shares on such basis.

**Ranking of shares and other actions**

(2) (a) The ordinary shares allotted pursuant to the provisions of paragraph (1) of this Article shall rank *pari passu* in all respects with the ordinary shares then in issue save only as regards participation in the dividend which is the subject of the election referred to above (including the right to make the election referred to above) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the dividend which is the subject of the election referred to above, unless the Directors shall otherwise specify.

(b) The Directors may do all acts and things considered necessary or expedient to give effect to any appropriation, capitalisation, application, payment and distribution of funds pursuant to the provisions of paragraph (1) of this Article, with full power to make such provisions as they may think fit in the case of fractional entitlements to shares (including, notwithstanding any provision to the contrary in this Constitution, provisions whereby, in whole or in part, fractional entitlements are disregarded or rounded up or down, or whereby the benefit of fractional entitlements accrues to the Company rather than the Members) and to authorise any person to enter on behalf of the Members interested into agreement(s) with the Company providing for any such appropriation, capitalisation, application, payment and distribution of funds and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

**Record date**

(3) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article, determine the rights of election under that paragraph shall not be made available to the persons who are registered as holders of ordinary shares in the Register (or as the case may be) in the Depository Register, or in respect of ordinary shares the transfer of which is registered, after such date as the Directors may fix subject to such exceptions as the Directors think fit and, in such event, the provisions of this Article shall be read and construed subject to such determination.

**Cash *in lieu* of shares**

(4) The Directors may, on any occasion when they resolve as provided in paragraph (1) of this Article, further determine that no allotment of shares or rights of election for shares under that paragraph shall be made available or made to Members whose registered addresses entered in the Register (or as the case may be) the Depository Register is outside Singapore or to such other Members or class of Members as the Directors may in their sole discretion decide and in such event the only entitlements of the Members aforesaid shall be to receive in cash the relevant dividend resolved or proposed to be paid or declared.

**Cancellation**

(5) Notwithstanding the foregoing provisions of this Article, if at any time after the Directors' resolution to apply the provisions of paragraph (1) of this Article in relation to any dividend but prior to the allotment of ordinary shares pursuant thereto, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such resolution) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement that proposal, the Directors may at their absolute discretion and without assigning any reason therefore, as they deem fit, cancel the proposed application of paragraph (1) of this Article.

140. The Company may retain the dividends payable upon shares or any part thereof in respect of which any person is, under the provisions as to the transfer and transmission of shares hereinbefore contained entitled to become entered in the Register or the Depository Register, as the case may be, as a Member, or which any person under that Article is entitled to transfer until such person shall become a Member in respect of such shares or shall duly transfer the same. Power to retain dividends.

141. In case several persons are jointly Members in respect of any shares, any one of such persons may give effectual receipts for dividends and payment on account of dividends in respect of such shares. Any joint Member may give receipt.

142. Notice of declaration of any dividend, whether interim or otherwise, may be given by advertisement. Notice of dividend.

143. Unless otherwise directed, any dividend may be paid by cheque, warrant or Post Office Order, sent through the post to the address of the Member entitled appearing in the Register or the Depository Register, as the case may be, or in the case of a joint Member to that one whose name shall stand first on the Register or the Depository Register, as the case may be, in respect of the joint shareholding, and every cheque, warrant or Post Office Order so sent shall be made payable to the order of the person to whom it is sent. 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 the Member for whom it is intended. The payment by the Company to CDP of any dividend payable or distribution due to a Depositor shall, to the extent of the payment or distribution made, discharge the Company from any liability in respect of that payment or distribution. Payment by post.

144. All dividends unclaimed for one year after having been declared, may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. Unclaimed dividends.

145. The Directors may, before declaring any dividend in respect of any class of shares out of or in respect of the profits of the Company for any yearly or other period, cause to be reserved or retained and set aside out of such sum 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 as the Directors shall, in their absolute discretion, think conducive to the interest of the Company. Formation and object of Reserve Fund.

146. So long as shares in the capital of the Company are listed for quotation on the Exchange, the Directors shall have power generally to take such steps (not inconsistent with these Articles) as they may deem necessary, advisable or appropriate to achieve or facilitate the trading of the Company's shares, debentures or other securities through the Central Depository System. Central Depository System.

**3. <u>Rights in respect of voting</u>**

GENERAL MEETINGS

66. Save as otherwise permitted under the Act and/or the Exchange (or the rules thereof), an annual general meeting shall be held once at least in every calendar year, at such time and place in Singapore 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, and not more than four months or such other period as may be prescribed by the Act, shall be allowed to elapse between the close of each financial year and such annual general meeting. Annual general meetings.

67. The general meetings referred to in Article 66 shall be called annual general meetings. All other general meetings shall be called extraordinary general meetings. Annual general meetings.

68. The Directors may call an extraordinary general meeting of the Company whenever they think fit. Directors may call extraordinary general meetings.

69. The Directors shall, on the requisition of the Members in respect of no less than one-tenth of the issued capital of the Company 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:– Extraordinary general meetings to be called on requisition of Members.

(1) 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.

(2) If the Directors 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.

(3) In the case of a meeting at which a resolution is to be proposed as a special resolution, the meeting shall be deemed not to be duly convened by the Directors if they do not give such notice as is required by the provisions of the Act.

(4) 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.

70. Subject to the provisions of the Act relating to the convening of meetings to pass special resolutions and agreements for shorter notice, fourteen clear days' (excluding the date of notice and the date of meeting) notice at the least specifying the place (which shall be in Singapore), day, and hour of the meeting, and in case of special business, the general nature of such business, shall be given to all Members. Where notices contain special resolutions, they shall be given to Members at least twenty-one clear days (excluding the date of notice and the date of meeting) before the meeting. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolutions in respect of such special businesses. At least fourteen days' notice of every such meeting shall be given by advertisement in the daily press and in writing to the Exchange. *Notice of Meeting.*

71. 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 seven nor more than fourteen intervening days. *Members may submit resolution to meeting on giving notice to Company.*

72. 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. *Secretary to give notice to Members.*

73. The omission to give any notice to or non-receipt of any such notice by any Member shall not invalidate the meeting or any resolution passed or proceedings at any such meeting. *Omission to give notice.*

PROCEEDINGS AT GENERAL MEETINGS

74. 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 financial statements, the statement of the Directors and reports (if any) of the Auditors, the fixing of the fees 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. Special business.

75. Except at any time when a corporation is the sole Member, three Members present in person or by proxy shall be a quorum for a general meeting and no business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business. For the purposes of this Article, "Member" includes a person attending as a proxy. Quorum.

76. If within half an hour from the time appointed for the meeting 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, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Members present shall be a quorum. If quorum not present.

77. The Chairman (if any) shall preside as chairman at every general meeting, but if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding the same, or shall be unwilling to act as chairman, the Members present shall choose some Director, or, if no Director be present, or if all the Directors present decline to take the chair, one of themselves to be chairman of the meeting. Chairman.

78. 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 and from place to place, provided always that the place of the adjourned meeting shall be in Singapore and no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Whenever any meeting is adjourned for fourteen days or more, at least three 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. Power to adjourn.

79. (1) If required by the listing rules of the Exchange, all resolutions at general meetings shall be voted by poll. How matters to be decided.

(2) Subject to Article 79(1), 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 or by proxy and entitled to vote, unless before or upon the declaration of the result of the show of hands a poll be demanded (i) by the chairman of the meeting or (ii) by not less than three Members present in person or by proxy, and entitled to vote at the meeting or (iii) by a Member or Members present in person or by proxy

representing not less than 5% of the total voting rights of all Members having the right to vote at the meeting or (iv) by a Member in respect of shares in the Company conferring a right to vote at the meeting, being shares on which the aggregate sum paid up is not less than 5% of the total sum paid up on all the shares conferring that right. A demand for a poll made pursuant to this Article 79(2) may be withdrawn. Unless a poll be so demanded, a declaration by the chairman of the meeting that a resolution has been carried, or has been carried unanimously or by a particular majority, or lost, or not carried by a particular majority, shall be conclusive, and an entry to that effect in the book of proceedings 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.

80. A poll on the election of a chairman of a meeting or on a question of adjournment shall be taken immediately. Subject to Article 79(1), a poll demanded on any other question shall be taken at such time as the chairman of the meeting directs. A poll shall be taken in such manner 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 taken. The chairman may (and if required by the listing rules of the Exchange or if so directed by the meeting shall) appoint scrutineer(s) and may adjourn the meeting to some place in Singapore and time fixed by him for the purpose of declaring the results of the poll. Any business other than that upon which a poll has been taken may be proceeded with at a meeting pending the taking of the poll.

How poll to be taken.

81. 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.

In the event of equality of votes.

82. 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.

Error in the counting of votes.

83. Subject to the Statutes, a resolution in writing signed by all the Members or their agents authorised in writing shall be as valid and effectual as if it had been passed at a meeting of the Members duly convened and held, and any such resolution may consist of several documents in like form, each signed by or on behalf of one or more Members. For the purposes of this Article, "in writing" and "signed" shall include approval by telex, facsimile, cable or telegram or such other Electronic Communication by any such Member. In the case of a corporate body which is a Member such resolution may be signed on its behalf by any two of its directors or by any person (whether identified by name or by reference to the holding of any particular office) duly authorised by such corporate body by resolution of its directors or other governing body or by power of attorney to sign resolutions on its behalf.

Written Resolution.

VOTES OF MEMBERS

84. Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a meeting of Members or classes of Members, each Member shall be entitled to be present and to vote either in person or by proxy in respect of any fully paid-up shares and of any shares upon which calls due and payable to the Company shall have been paid. On a show of hands, every Member present in person and each proxy shall have one vote and on a poll, every Member present in person or by proxy shall have one vote for each share in respect of which he is a Member or represents and upon which all calls or other sums due thereon to the Company have been paid provided always that:– Voting rights.

(a) 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; and

(b) if the Member is a Depositor the Company shall be entitled on a poll to accept as validly cast by a Depositor votes in respect of such number of shares as is equal to the number of shares appearing against his name in the Depository Register 72 hours prior to the commencement of the relevant general meeting as certified by CDP to the Company.

85. In the case of joint Members, any one of such persons may vote, but if more than one of such persons be present at a general meeting, 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 Members; 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. Right of joint Members.

86. Save as herein expressly provided, no person other than a Member who is duly registered or who is certified by CDP as named in the Depository Register 72 hours before the general meeting and 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. Members only entitled to vote if transfer effected.

87. A Member who is mentally disordered and incapable of managing himself or his affairs, 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 committee or curator bonis appointed by that Court, and any such committee, curator bonis, or other person may, on a show of hands or on a poll, vote by proxy. Votes of Members who are mentally disordered.

88. Any corporation which is a Member may, by resolution of its directors, authorise any person to act as its representative at any meetings 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 shareholder, save that such person shall not be otherwise entitled to attend the meeting as a Member or proxy or corporate representative of another Member. Corporation may attend by representative.

89. Votes whether by a show of hands or on a poll may be given either personally or by proxy, attorney or representative. A proxy need not be a Member of the Company. Votes to be given by proxy or personally.

90. The instrument appointing a proxy shall be in such form approved by the Directors and in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal, or under the hand of an official or attorney duly authorised. An instrument of proxy shall not, unless the Directors in their absolute discretion determine otherwise, be required to be witnessed. Instrument of proxy to be in writing.

91. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of the power or authority shall, if required by law, be duly stamped and deposited at the Office (or such other place, if any, as is specified for the purpose in the notice convening the meeting), not less than 72 hours before the time for holding the meeting, or adjourned meeting, at which the person named in the instrument proposes to vote, and in default the instrument of proxy or attorney shall not be treated as valid. The deposit of an instrument appointing a proxy does not preclude a member concerned from attending and voting in person at the meeting, as well as for any adjournment of the meeting to which it relates. In such an event, the appointment of the proxy or proxies is deemed to be revoked by the member concerned at the point when the member attends the meeting. Authority to sign instrument of proxy to be deposited with Company.

92. A Member may appoint not more than two proxies to attend and vote at the same general meeting, Provided That no limit shall be imposed on the number of proxies for Relevant Intermediaries. A Member appointing more than one proxy shall specify the percentage of shares to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. (100%) of the shareholding and the second named proxy shall be deemed to be an alternate to the first named. Each proxy appointed by a Relevant Intermediary must be appointed to exercise the rights attached to a different share or shares held by such Relevant Intermediary (which number and class of shares shall be specified). Shareholders holding shares through Relevant Intermediaries may attend any general meeting as proxies. An instrument appointing a proxy shall be in such form as the Directors may from time to time approve. The Company shall be entitled to reject any instrument of proxy executed by a Depositor if the Depositor's name does not appear in the Depository Register 72 hours prior to the commencement of the relevant general meeting as certified by CDP to the Company. Appointment of proxies.

93. A vote given in accordance with the terms of an instrument of proxy or attorney 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 That no notice in writing of the death or revocation or transfer shall have been received at the Office at least 72 hours before the time fixed for holding the meeting.

When vote by proxy valid though authority revoked.

94. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.

Instrument deemed to confer authority to demand for poll.

NOTICES

157. A notice or other document may be served by the Company upon a Member, either personally, or by sending it through the post in a prepaid letter or by telex or facsimile transmission addressed to such Member at his address as appearing in the Register or the Depository Register, as the case may be. Subject to the requirements of the Act, the listing rules of the Exchange and/or any other applicable regulations, law or procedures, and without prejudice to these Articles, a notice of a meeting or other document required or permitted to be given, sent or served under the Act or this Constitution to any person (including but not limited to a Member, an officer or the Auditors of the Company) may also be given, sent or served by the Company by way of electronic mail, posting of the notice or document on a specified website, sending of data storage devices including, without limitation, CD-ROMS and USB flash drives to the current address of that person, or such other forms of Electronic Communications as the Directors deem fit in accordance with the Act and/or any other applicable regulations, law or procedures provided always that, the Member (i) expressly consents to the service of such notice or document on him by way of such Electronic Communications; (ii) agrees to receive such notice or document by way of such Electronic Communications and shall not have a right to elect to receive a physical copy of such notice or document; or (iii) is given an opportunity to elect within a specified period of time whether to receive such notice or document by way of Electronic Communications or as a physical copy and the Member, having been given an opportunity to elect whether to receive such notice or document by way of such Electronic Communications or as a physical copy, failed to make an election within the specified time. The signature to any such notice or document (if any) may be written or printed or in electronic form which includes electronic and/or digital signatures.

How notices documents to be served.

158. All notices directed to be given to the Members shall, with respect to any share to which persons are jointly entitled, be given to whichever of such persons is named first in the Register or the Depository Register, as the case may be, and notice so given shall be sufficient notice to all the holders of such share.

Notice to joint Members.

159. Any Member described in the Register or the Depository Register, as the case may be, by an address not within the Republic of Singapore who shall from time to time give the Company or CDP, as the case may be, an address within the Republic of Singapore at which notices may be served upon him

Address for service.

shall be entitled to have served upon him at such address any notice to which he would be entitled under these Articles.

160. As regards Members who have no address appearing in the Register or the Depository Register, as the case may be, or who have not provided to the Company or CDP, as the case may be, an address within the Republic of Singapore at which notices may be served, a notice shall be deemed to be duly served on them when such notice is duly posted up in the Office or advertised in a newspaper circulating in Singapore. Where no address.

161. Any document other than a notice required to be served on a Member, may be served in like manner as a notice may be given to him under these Articles. The signature to any such notice or document (if any) may be written or printed. Service of documents.

162. Any notice or other document required to be sent or served upon the Company or upon any officer of the Company may be sent or served by leaving the same or sending it through the post in a prepaid letter, envelope or wrapper or by telex or facsimile transmission addressed to the Company or to such officer at the Company. Service on Company.

163. Any notice or other document, if served personally or sent by post, shall be deemed to have been served at the time the same is left at the address of the Member in the Register or the Depository Register, as the case may be, if served personally and at the time when the letter containing the same is put into the post if sent by post, and in proving such service or sending it shall be sufficient to prove that the letter containing the notice or document was properly addressed and put into the post office. Any notice or other document if served or sent by Electronic Communication shall be deemed to have been duly given, sent, served or delivered upon transmission of the Electronic Communication to the current address of such person or as otherwise provided under the Act and/or any other applicable regulations, law or procedures. When service effected.

164. Every person who, by operation of law, transfer or any other means whatsoever, becomes entitled to any share shall be bound by every notice in respect of such share which prior to his name and address being entered on the Register or the Depository Register, as the case may be, shall be duly given to the person from whom he derives his title in respect of such share. Transferees bound by prior notice.

165. Any notice or document served upon or sent to, or left at the address in the Register or the Depository Register, as the case may be, of any Member in pursuance of these Articles, shall, notwithstanding that such Member be then deceased or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any share in respect of which he is a Member, whether solely or jointly with other persons, until some other person be registered or named in the Depository Register in his stead as a Member or joint Member in respect of such share, and such service shall, for all purposes of these Articles, be deemed a sufficient service of such notice or document on his executors, administrators or assigns, and all persons (if any) jointly interested with him in such share. Notice valid though Member deceased or bankrupt.

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# APPENDIX F – SCHEME CONDITIONS

*All capitalised terms used and not defined in this Appendix F shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the date of this Scheme Document up to the Effective Date.*

As at the Latest Practicable Date, save for the Scheme Conditions set out in paragraphs (a)(A), (B) and (C) (to the extent of the approval-in-principle of the SGX-ST of the Scheme Document) of this **Appendix F** which have been satisfied (or, where applicable, waived), the Scheme is conditional upon the satisfaction (or, where applicable, waiver) of the remaining Scheme Conditions in accordance with the terms provided in the Implementation Agreement and as set out in this **Appendix F** by the Conditions Long-Stop Date.

The completion of the Acquisition shall be conditional upon the satisfaction (or, where applicable, the waiver) of the following Scheme Conditions:

(a) **Regulatory Approvals**: prior to the first application to the Court by the Company for the order to convene the Court Meeting, the receipt of the following Regulatory Approvals and such approvals not being revoked or withdrawn (if applicable), and where such Regulatory Approvals are subject to conditions, such conditions being satisfied, on or before the Relevant Date:

(A) confirmation from the SIC that Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) to Rule 19 of the Code do not apply to the Scheme, subject to any conditions that the SIC may deem fit to impose;

(B) confirmation from the SIC that it has no objections to the Scheme Conditions set out in this Appendix F; and

(C) approval-in-principle of the SGX-ST of the Scheme Document and for the proposed delisting of AL from the SGX-ST;

(b) **Authorisations**: in addition to the approvals aforementioned in paragraph (a) above:

(A) in relation to AL (and in addition to the approvals and steps referred to in paragraphs (c), (d) and (e) below) all other authorisations, consents, clearances, permissions and approvals as are necessary or required by AL under any and all applicable laws from all relevant Governmental Agencies, for or in respect of the Acquisition and the implementation of the Scheme being obtained; and

(B) in relation to Acquiror, all authorisations, consents, clearances, permissions and approvals as are necessary or required by Acquiror under any and all applicable laws from all Governmental Agencies, for or in respect of the Acquisition or implementation of the Scheme being obtained,

and if any such authorisations, consents, clearances, permissions and approvals is subject to any conditions or requires any actions or obligations to be taken or performed, all such actions having been duly taken or performed (by AL or Acquiror, solely bearing the respective costs and expenses, as the case may be) on or prior to the Relevant Date, or such earlier date as may be required under applicable law or by the relevant Governmental Agency, provided that to the extent any such authorisations, consents, clearances, permissions or approvals are required to be obtained, or any related actions are required to be taken, prior to the first application to the Court for the order to convene the Court Meeting, such requirements shall be complied with by that time;

(c) **Shareholder Approval**: the approval of the Scheme by a majority in number representing three-fourths in value of the Scheme Shareholders at the Court Meeting in compliance with Section 210(3AB) of the Companies Act;

(d) **Court Order**: the grant of the Court Order by the Court and such Court Order having become final;

(e) **Lodgement of the Court Order**: the lodgement of the Court Order with ACRA pursuant to Section 210(5) of the Companies Act;

(f) **No Legal or Regulatory Restraint**: from the date of the Implementation Agreement and up to the Relevant Date, no injunction or other order being issued by any Governmental Agency or by any court of competent jurisdiction or other legal or regulatory restraint, prohibition or condition preventing the consummation of the Acquisition or the implementation of the Scheme or proposed transactions relating to the Scheme, being in effect;

(g) **No Prescribed Occurrence**: between the date of the Implementation Agreement and up to the Relevant Date, no Prescribed Occurrence (as set out in Appendix G) in relation to AL (or, where applicable, any other AL Group Company) or Acquiror, as the case may be, occurring other than as required or contemplated by the Implementation Agreement;

(h) **Acquiror's Representations, Warranties and Covenants**:

(A) the representations and warranties of Acquiror set out in Schedule 2 of the Implementation Agreement that:

(1) are qualified as to materiality and the Fundamental Acquiror Warranties shall be true and accurate in all respects; and

(2) are not qualified as to materiality (other than the Fundamental Acquiror Warranties) shall be true and accurate in all material respects,

in each case as of the date of the Implementation Agreement and as of the Relevant Date (as if they have been given again on and as of that date) except to the extent any such representation or warranty expressly relates to an earlier date (in which case, as of such earlier date); and

(B) Acquiror shall have, as of the Relevant Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the Relevant Date;

(i) **AL's Representations, Warranties and Covenants**:

(A) the representations and warranties of AL set out in Schedule 3 of the Implementation Agreement that:

(1) are qualified as to materiality and the Fundamental AL Warranties shall be true and accurate in all respects; and

(2) are not qualified as to materiality (other than the Fundamental AL Warranties) shall be true and accurate in all material respects,

in each case as of the date of the Implementation Agreement and as of the Relevant Date (as if they have been given again on and as of that date) except to the extent any such representation or warranty expressly relates to an earlier date (in which case as of such earlier date); and

(B) AL shall have, as of the Relevant Date, performed and complied in all material respects with all covenants and agreements contained in the Implementation Agreement which are required to be performed by or complied with by it, on or prior to the Relevant Date; and

(j) **No Material Adverse Event**: between the date of the Implementation Agreement and up to the Relevant Date, there being no event occurring which has or have the effect of causing a diminution in the net asset value ("**NAV**") of the AL Group by more than 10% as compared to the NAV of the AL Group set out in the AL 2025 Unaudited Accounts, where such NAV is determined by reference to the latest consolidated financial statements of the AL Group that have been publicly released before the Relevant Date, provided that any diminution or increase in the value of any asset or liability arising from currency translation shall not be taken into account.

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# APPENDIX G – PRESCRIBED OCCURRENCES

*All capitalised terms used and not defined in this Appendix G shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the date of this Scheme Document up to the Effective Date.*

For the purpose of the Implementation Agreement, "**Prescribed Occurrences**" in relation to Acquiror, AL and/or any other AL Group Company, as the case may be, means any of the following:

(1) **Conversion of Shares**: AL converting all or any of its shares into a larger or smaller number of shares;

(2) **Share Buy-back**: AL entering into a share buy-back agreement or resolving to approve the terms of a share buy-back agreement under the Companies Act or the equivalent companies or securities legislation and, for the purposes of the foregoing, AL shall not be regarded as entering into or resolving to approve any share buy-back agreement by reason only of the adoption or renewal of a share buy-back mandate having been proposed or of such adoption or renewal having been approved;

(3) **Reduction of Share Capital**: AL resolving to reduce its share capital in any way;

(4) **Allotment of Shares**: AL making an allotment of, or granting an option to subscribe for, any shares or securities convertible into shares or agreeing to make such an allotment or to grant such an option or convertible security, or any other AL Group Company doing any of the foregoing with respect to its own securities;

(5) **Issuance of Debt Securities**: AL (or any other AL Group Company) issuing, or agreeing to issue, convertible notes or other debt securities;

(6) **Dividends**: AL declaring, making or paying any dividends or any other form of distribution to its shareholders;

(7) **Injunctions**: an injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Scheme or the Acquisition or any part thereof by either Acquiror or AL;

(8) **Resolution for Winding Up**: AL (or any other AL Group Company) or Acquiror resolving that it be wound up;

(9) **Appointment of Liquidator and Judicial Manager**: the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or other similar officer of AL (or of any other AL Group Company) or Acquiror;

(10) **Order of Court for Winding Up**: the making of an order by a court of competent jurisdiction for the winding up of AL (or of any other AL Group Company) or Acquiror;

(11) **Composition**: AL (or any other AL Group Company) or the Acquiror entering into any arrangement or general assignment or composition for the benefit of its creditors generally;

(12) **Appointment of Receiver**: the appointment of a receiver or a receiver and manager, in relation to the property or assets of AL (or of any other AL Group Company) or Acquiror;

(13) **Insolvency**: AL (or any other AL Group Company) or Acquiror becoming or being deemed by law or a court to be insolvent or stops or suspends or threatens to stop or suspend payment of its debts;

(14) **Cessation of Business**: AL (or any other AL Group Company) or Acquiror ceases or threatens to cease for any reason to carry on business in the usual course;

(15) **Breach of the Implementation Agreement**: AL or Acquiror being in material breach of any of the provisions of the Implementation Agreement;

(16) **Investigations and Proceedings**: if AL (or any other AL Group Company) or Acquiror or any of their respective directors is or will be the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or

(17) **Analogous Event**: any event occurs which, under the laws of any jurisdiction, has an analogous or equivalent effect to any of the foregoing event(s).

# APPENDIX H – OFFEROR'S REPRESENTATIONS AND WARRANTIES

*All capitalised terms used and not defined in this Appendix H shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the date of this Scheme Document up to the Effective Date.*

Acquiror represents and warrants to AL that:

1. **Incorporation**

   Acquiror is a company duly incorporated in Singapore and validly existing under the laws of Singapore.

2. **Power**

   Acquiror has the corporate power to enter into and perform its obligations under the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement.

3. **Authority**

   Acquiror has taken all necessary corporate action to authorise its entry into the Implementation Agreement and has taken all necessary corporate action to authorise its performance of the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement.

4. **Consents**

   All actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from third parties) in order to:

   (a) enable Acquiror lawfully to enter into, exercise its rights and perform and comply with its obligations under the Implementation Agreement; and

   (b) ensure that those obligations are valid, legally binding and enforceable,

   have been taken, fulfilled and done.

5. **Binding Obligation**

   Acquiror's obligations under the Implementation Agreement are valid, legally binding and enforceable in accordance with its terms.

6. **No Breach**

   Neither the execution nor performance by Acquiror of the Implementation Agreement nor any transaction contemplated under the Implementation Agreement will violate the obligations of it under any provision of its constitutive documents, any order, writ, injunction or decree of any Governmental Agency applicable to Acquiror or its assets, or any agreement or instrument to which Acquiror is a party or by which Acquiror or its assets are bound.

7. **Financial Resources**

Acquiror has sufficient financial resources to undertake and complete the Acquisition for the purpose of acquiring all the Scheme Shares as of the Record Date pursuant to the Scheme.

8. **New Acquiror RPS**

As at the date hereof and up to the time immediately prior to the issue of the New Acquiror RPS, Acquiror has only one class of ordinary shares. The New Acquiror RPS to be allotted and issued pursuant to the Combination Consideration shall, on issue, be credited as fully paid up and free from Encumbrances. The New Acquiror RPS shall be mandatorily redeemed by Acquiror on the expiry of five (5) years from the date of their issuance at the Redemption Amount per New Acquiror RPS. The New Acquiror RPS will have liquidation preference rights such that in the event of any voluntary or involuntary liquidation, dissolution or winding up of Acquiror, the holders of New Acquiror RPS shall be preferentially entitled to be paid an amount equal to the Redemption Amount, prior to and in preference to any payments to holders of ordinary shares in the capital of Acquiror.

*All capitalised terms used and not defined in this Appendix I shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the date of this Scheme Document up to the Effective Date.*

AL represents and warrants to Acquiror that:

**1. GENERAL**

1.1 **AL Group Companies**

Each of the AL Group Companies is a company duly incorporated and validly existing under its law of incorporation. AL is the legal and beneficial owner of 100 per cent. of the equity interests or (as the case may be) registered capital of all the other AL Group Companies (other than as Disclosed in the AL 2024 Audited Accounts and any other public announcements made after 31 December 2024) and there are no Encumbrances on the shares or (as the case may be) registered capital of any AL Group Company (other than AL) which are held directly or indirectly by AL.

1.2 **The Shares**

(a) All the Shares have been duly authorised and validly allotted and issued, are fully paid-up and rank *pari passu* in all respects with each other. AL does not have any outstanding warrants, convertible securities or options in issue and is not subject to any actual or contingent obligation to issue or convert securities except as required or contemplated by the Implementation Agreement, and it will not declare or pay any dividend or make any distribution (in cash or in kind) to the Shareholders.

(b) As at the date of the Implementation Agreement there are 90,831,335 Shares in issue (excluding Shares held in treasury).

**2. Power and Authority**

(a) AL has all the necessary corporate power and authority to enter into and perform its obligations under the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement.

(b) AL has taken all necessary corporate action to authorise its entry into the Implementation Agreement and has taken all necessary corporate action to authorise its performance of the Implementation Agreement and to carry out the transactions contemplated by the Implementation Agreement.

**3. Consents**

All actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents from third parties) in order to:

(a) enable AL lawfully to enter into, exercise its rights and perform and comply with its obligations under the Implementation Agreement; and

(b) ensure that those obligations are valid, legally binding and enforceable,

have been taken, fulfilled and done.

**4. Binding Obligations**

AL's obligations under the Implementation Agreement are valid, legally binding and enforceable in accordance with its terms.

**5. No Breach**

Neither the execution nor performance by AL of the Implementation Agreement nor any transaction contemplated under the Implementation Agreement will violate the obligations of it under any provision of its constitutive documents, any order, writ, injunction or decree of any Governmental Agency applicable to AL or its assets, or any agreement or instrument to which AL is a party or by which AL or its assets are bound.

*All capitalised terms used and not defined in this Appendix J shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the date of this Scheme Document up to the Effective Date.*

Acquiror undertakes to AL that it shall execute all documents and do all acts and things necessary, as expeditiously as practicable, for the completion of the Acquisition or the implementation of the Scheme, including the following:

(a) **Announcement**: it will release the Announcement jointly with AL on the Announcement Date;

(b) **Provision of Information**: Acquiror will furnish to AL and its advisers such information relating to Acquiror as AL and its advisers may reasonably request for the purpose of the preparation of the Scheme Document in accordance with the Implementation Agreement;

(c) **Acquiror's Letter to Shareholders**: it will prepare Acquiror's letter to the Shareholders in compliance with (i) all applicable laws and regulations, and (ii) the Code, for inclusion as part of the Scheme Document;

(d) **Election Form**: it will prepare and furnish to AL and its advisers the Election Form in compliance with all (i) applicable laws and regulations, (ii) and the Code, and despatch the same on the Election Forms Despatch Date;

(e) **Representation**: (if necessary) it will ensure that it, through its legal counsel, is represented at Court Hearings convened for the purpose of Section 210 of the Companies Act at which, if requested by the Court, it will do all things and take all steps as are reasonably possible to ensure the fulfilment of its obligations under the Implementation Agreement and the Scheme;

(f) **Financial Resources**: take all steps required to be taken by it to ensure that it has and will have sufficient financial resources to undertake and complete the Acquisition and implement the Scheme in compliance with the Implementation Agreement, the Scheme Document, and the Code, and procure that an unconditional confirmation of the Acquiror's financial resources is furnished by an appropriate financial institution in compliance with the Code;

(g) **Satisfaction of Scheme Consideration**: subject to the fulfilment or waiver of the Scheme Conditions, and the Scheme becoming effective, it will be bound by the Scheme and pay the Cash Consideration, and where a Scheme Shareholder elects the Combination Consideration, pay the cash component of the Combination Consideration, and, allot and issue the New Acquiror RPS in satisfaction of the RPS component of the Combination Consideration, on the terms and conditions set out in the Implementation Agreement and the Scheme Document, and in each case, in accordance with Rule 30 of the Code;

(h) **Directors' Responsibility**: it shall, and shall ensure that its directors shall, take responsibility for the information relating to Acquiror or its concert parties provided by or on behalf of Acquiror to AL for inclusion in the Scheme Document and in all ancillary documents in such manner as required by all applicable laws and regulations; and

(i) **No Action**: except for the exercise of any of its rights under the Implementation Agreement and subject to Acquiror's legal obligations or restrictions and Acquiror's directors' fiduciary duties, it will not, and will procure that parties acting in concert with it in connection with the Scheme who are directors or shareholders of AL will not, take any action which may be prejudicial to the successful completion of the Acquisition or the implementation of the Scheme.

# APPENDIX K – COMPANY'S OBLIGATIONS

*All capitalised terms used and not defined in this Appendix K shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection during normal business hours at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994 from the date of this Scheme Document up to the Effective Date.*

AL undertakes to Acquiror that it shall execute all documents and do all acts and things necessary, as expeditiously as practicable, for the completion of the Acquisition or the implementation of the Scheme, including the following:

(a) **Announcement**: it will release the Announcement jointly with Acquiror on the Announcement Date;

(b) **Preparation of Scheme Document**: it shall prepare and circulate the Scheme Document and all other documents which are required to be prepared and circulated by it in connection with the Scheme and to carry into effect the Implementation Agreement (with reasonably sufficient time for review), in each case, in compliance with (i) all applicable laws and regulations, and (ii) the Code;

(c) **SGX-ST Approval**: it shall submit the draft Scheme Document including the draft IFA opinion on the Scheme to the SGX-ST (in each case in such form and substance as shall have been approved by Acquiror) for clearance as soon as reasonably practicable after the date of the Implementation Agreement and diligently pursue the SGX-ST's clearance for the Scheme Document and seek such clearance promptly;

(d) **IFA**: appoint an IFA to (i) advise the Independent Directors; and (ii) publicly state in its opinion whether the terms of the Scheme are fair and reasonable;

(e) **Court Meeting**: subject to obtaining the approval of the SGX-ST for the draft Scheme Document, it will make the application to the Court for order(s) convening the Court Meeting and for any ancillary orders relating thereto (all such applications and orders, including the originating summons for the Scheme, to be in such form and substance as shall have been approved by Acquiror) and diligently pursue such application so as to obtain the Court's order to convene the Court Meeting and other necessary ancillary orders;

(f) **Despatch of Documents**: it will instruct its share registrar to despatch to the Scheme Shareholders the Scheme Document and the appropriate forms of proxy (in each case in such form and substance as shall have been approved by Acquiror, such approval not to be unreasonably withheld, conditioned or delayed) for use at the Court Meeting following approval thereof by the SGX-ST and the Court, respectively;

(g) **Relevant Facilities**: (where applicable) it will prepare all necessary documents to obtain the consent of the counterparties to the Relevant Facilities for the waiver of the non-compliance and/or breach of the requirements, covenants and terms in the Relevant Facilities which will or may occur as a result of the Acquisition and/or the Scheme;

(h) **Court Order**: if the Scheme is approved by the requisite majority of the Shareholders at the Court Meeting, it will apply to the Court within such time frames as shall be agreed between the Parties in writing for the Court Order and seek its sanction and confirmation of the Scheme;

(i) **ACRA Lodgement**: following the grant of the Court Order, it will deliver the same to ACRA for lodgement pursuant to Section 210(5) of the Companies Act within such time frames as shall be agreed between the Parties in writing;

(j) **Conduct of Business by the AL Group**: during the period from the date of the Implementation Agreement to the Relevant Date, save insofar as agreed in writing by Acquiror, it will, and will procure that the other AL Group Companies will, carry on its respective businesses only in the ordinary and usual course of business;

(k) **Provision of Information**: subject and without prejudice to AL's legal or regulatory obligations, from the date of the Implementation Agreement until (and including) the Relevant Date, AL will, and will procure that each other AL Group Company will, authorise and direct its officers, employees, auditors, legal advisers and other advisers to assist and to co-operate fully with Acquiror for the completion of the Acquisition and the implementation of the Scheme;

(l) **No Action**: subject and without prejudice to any legal or regulatory obligations of AL, or the legal or fiduciary duties of its directors, it will take no action which may be prejudicial to the successful completion of the Acquisition or the implementation of the Scheme;

(m) **Consultation with Acquiror**: subject and without prejudice to AL's legal or regulatory obligations, it will consult in good faith with Acquiror with a view to establishing appropriate procedures to provide Acquiror with access to information which it requires for the purposes of the Acquisition and to facilitate the timely notification of material matters affecting the respective businesses of each AL Group Company to Acquiror (only to the extent required for the Scheme);

(n) **Recommendation**: subject to the receipt by the Independent Directors of an opinion from an IFA advising that the Independent Directors should recommend that Scheme Shareholders vote in favour of the Scheme, it will use its best endeavours to procure that the Independent Directors will recommend to the Scheme Shareholders to vote in favour of the Scheme at the Court Meeting, subject to the fiduciary obligations of the Independent Directors;

(o) **No Dividend or Distribution**: it will not, during the period from the date of the Implementation Agreement up to (and including) the Effective Date:

  (i) declare or pay any dividend or make any distribution (in cash or in kind) to the Shareholders; or

  (ii) (and will procure that no AL Group Company will) create, allot or issue any shares or other securities convertible into equity securities, or create, issue or grant any option or right to subscribe in respect of any of its share capital, or agree to do any of the foregoing;

(p) **Normal Dealing**: it will carry on the business of the AL Group Company as a going concern in the ordinary and usual course consistent with past practices, and not:

  (i) alter the general nature or scope of its business;

  (ii) effect any material change in strategy, or enter into any new joint ventures if and to the extent that doing so would represent a material deviation from the current business strategy of the AL Group or enter into a new geographic market;

(iii) take any action which would be prejudicial to, or could reasonably be expected to materially delay the successful outcome of the Scheme; and

it will not, and will procure that each AL Group Company will not, without the prior written consent of Acquiror:

(iv) dispose of any assets, including shares or other interests in any AL Group Company or in any other entity in which it has an interest, or voluntarily assume, acquire or incur any liabilities (including contingent liabilities), in each case, otherwise than the trading of commodities and the consequential assumption of liabilities in connection with such trading activities in the ordinary and usual course of business of the AL Group;

(v) create, or agree to create, any Encumbrance over any of the AL Group Company's assets or undertakings otherwise than in the ordinary and usual course of business of the AL Group;

(vi) enter into any guarantee, indemnity or other agreement to secure any obligation of a third party that is not an AL Group Company otherwise than in the ordinary and usual course of business of the AL Group;

(vii) enter into any transaction with any shareholder and/or director of any AL Group Company otherwise than in the ordinary and usual course of business of the AL Group;

(viii) amend, or agree to amend, any terms of any agreement or arrangement to which any AL Group Company is a party or is bound by which would have a material adverse effect on the financial position of the AL Group as a whole;

(ix) sell, transfer or otherwise dispose of any treasury shares of AL to any person (other than Acquiror);

(x) obtain or collect payment of any amounts owing to AL, and pay and discharge any debts owed by AL, otherwise than in accordance with the past practice of AL;

(xi) enter into any new facilities or incur any further drawdown on the Relevant Facilities other than trading and/or letters of credit/trust receipts facilities required for the trading activities undertaken in the ordinary and usual course of business of the AL Group; or

(xii) alter its share capital in any way, including (A) issuing, or granting a right or option to subscribe for, any new shares or new class of shares, (B) repurchasing, cancelling or redeeming its share capital or any reduction, consolidation, subdivision or reclassification or other alteration of its capital structure.

(q) **No Solicitation**: during the Restricted Period, it will:

(i) ensure that it and the other AL Group Companies and their respective employees, consultants, advisers and representatives shall deal exclusively with Acquiror to complete the Scheme and do not directly or indirectly solicit, invite, induce, initiate, encourage or entertain approaches or participate in or enter into any negotiations or discussions, or communicate any intention to do any of these things (including allowing any third party to perform due diligence investigations on any AL Group Company), with a view to obtaining or with respect to any expression of interest, offer or proposal by any person other than Acquiror in relation to:

(A) any proposal or offer to (whether directly or indirectly) acquire or become the holder (whether by share purchase, asset purchase, scheme, capital reconstruction, tender offer or otherwise) of, or otherwise have an economic interest in:

(I) any part of the businesses, assets (other than in the ordinary and usual course of business of the AL Group) or undertakings of AL and/or any other AL Group Company; or

(II) any shares in AL and/or any other AL Group Company; or

(B) any proposal or offer to otherwise acquire or merge with AL or any other AL Group Company (whether by way of joint venture, reverse takeover bid, dual listed company structure or otherwise); or

(C) any other arrangement having an effect similar to any of paragraphs (q)(i)(A) or (q)(i)(B) above, including a merger or amalgamation proposal; or

(D) any other transaction which would preclude, interfere with or prejudice the Acquisition and/or the Scheme; and

(ii) notify Acquiror of the details of any approach or solicitations by any third party made in writing either to AL or any AL Group Company with a view to the making of any such offer, merger or sale upon becoming aware of the relevant matter,

save that the restrictions in this paragraph (q) shall not apply to (Y) the making of normal presentations, by and on behalf of any AL Group Company, to brokers, portfolio investors and analysts in the ordinary and usual course in relation to its business generally, and (Z) the provision of information by or on behalf of AL to the SGX-ST or any other Governmental Agency.

For the avoidance of doubt, nothing in this paragraph (q) shall prohibit or restrict AL from receiving any unsolicited or uninitiated expression of interest, offer or proposal of a kind referred to in this paragraph (q). In the event that any AL Group Company receives any such expression of interest, offer or proposal, AL shall be entitled:

(1) if required pursuant to the Listing Rules and/or the Code, to announce such expression of interest, offer or proposal;

(2) to enter into discussions or negotiations or otherwise entertain such expressions of interest, offer or proposal;

(3) to make any recommendation or to refrain from making any recommendation to the Shareholders as the directors of AL may deem fit in respect of such expression of interest, offer or proposal; and

(4) generally to perform all such acts as may be necessary for the directors of AL to comply with and discharge their fiduciary duties, statutory, regulatory and/or legal obligations that they may be subject to under all applicable laws and regulations (including but not limited to their obligations under the Code),

provided that, in each instance, the Board has determined in good faith and acting reasonably (after having obtained written advice from its legal advisers) that a failure to do any of the foregoing would constitute a breach of the Listing Rules, the requirements of the SGX-ST, the Code or any applicable laws or regulations (including the fiduciary obligations of the directors of AL). The Parties agree that nothing in the Implementation Agreement will derogate from, or otherwise affect, AL's obligations under paragraph (n) above; and

(r) **Appeal Process**: if the Court refuses to make any orders convening the Court Meeting or approving the Scheme, AL must appeal the Court's decision to the fullest extent possible under Singapore law (except to the extent that the Parties agree in writing otherwise) and the Parties shall consult with each other in relation to such an appeal. If an appeal of the Court's decision is made by AL, Acquiror shall furnish to AL and its advisers such information relating to Acquiror as required by them for the purposes only of the appeal. For the avoidance of doubt, AL shall bear its own legal costs and other costs and expenses incurred by it in connection with obtaining the orders of the Court and (if applicable) the appeal.

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## APPENDIX L – MANNER OF CONVENING COURT MEETING

The manner of convening the Court Meeting is set out below:

**Convening, holding and/or conducting the Court Meeting**

1. The Company shall be at liberty to convene the Court Meeting at a date, time and/or location to be determined by the Company.

2. The minutes of the Court Meeting shall be published on SGXNet and the corporate website of the Company within one (1) month after the date of the Court Meeting.

**Right or entitlement to speak on a resolution at the Court Meeting**

3. The Company may require that a Shareholder shall, before the Court Meeting, send to the Company, by post to the registered office of the Share Registrar of the Company, B.A.C.S. Private Limited, electronic mail ("**e-mail**") and/or such other electronic means as the Company considers appropriate, the matters which the Shareholder wishes to raise at the Court Meeting, and each such matter, if substantial and relevant and sent within a reasonable time before the Court Meeting, is to be responded to at or before the Court Meeting in any manner the Company determines appropriate.

**Quorum at the Court Meeting**

4. A quorum may be formed by three (3) Shareholders attending in person or by proxy.

**Voting at the Court Meeting**

5. Each Shareholder entitled to attend and vote at the Court Meeting may attend in person or shall be entitled to appoint a proxy(ies). The proxy need not be a Shareholder and may be the Chairman of the Court Meeting.

6. Each Shareholder who wishes to appoint a proxy(ies) must complete the Proxy Form and lodge it with the Share Registrar of the Company, B.A.C.S. Private Limited, in accordance with the instructions printed thereon not less than 72 hours before the time fixed for the Court Meeting.

7. A Shareholder which is not a relevant intermediary who is entitled to attend, speak and vote at the Court Meeting may only appoint one (1) proxy to attend, speak and vote in his/her/its stead and may only cast all the voting rights attached to his/her/its Shares at the Court Meeting (whether in person or by proxy) in one (1) way. Where a Shareholder which is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid.

8. In relation to any Shareholder which is a relevant intermediary:

   (a) subject to paragraph 8(b) below, a Shareholder which is a relevant intermediary need not cast all the voting rights attached to the Shares held on behalf of its sub-account holders in the same way provided that (i) each vote is exercised in relation to a different Share; and (ii) the voting rights attached to all or any of the Shares in each sub-account may only be cast at the Court Meeting in one (1) way but, for the avoidance of doubt, the voting rights of such Shares need not be cast in the same way as the Shares in another sub-account; and

(b) a Shareholder which is a relevant intermediary may appoint more than two (2) proxies in relation to the Court Meeting to exercise all or any of such Shareholder's rights to attend and to speak and vote at the Court Meeting, but each proxy must be appointed to exercise the voting rights attached to a different Share or Shares held by the Shareholder on behalf of its sub-account holders (which number and class of Shares must be specified), provided that no more than one (1) proxy may be given in respect of each sub-account which holds Shares. Where a proxy is appointed in accordance with this paragraph 8(b) in respect of Shares held on behalf of only one (1) sub-account holder, such proxy may only cast all the voting rights attached to all or any of the Shares in such sub-account at the Court Meeting in one (1) way.

9. For the purposes of determining whether the Headcount Condition and the Value Condition are satisfied:

(a) each proxy appointed in accordance with paragraph 7 above and which casts a vote in respect of its Shares for or against the Scheme shall be treated as:

(i) casting one (1) vote in number for the purposes of the Headcount Condition; and

(ii) the value represented by the proxy for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights are being exercised by the proxy.

Where a person has been appointed in accordance with paragraph 7 above as the proxy of more than one (1) Shareholder to vote at the Court Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing Shareholder for the purposes of the Headcount Condition and the Value Condition; provided that the proxy is exercising the voting rights attached to a different Share or Shares (which number and class of Shares must be specified);

(b) each proxy appointed in accordance with paragraph 8(b) above and which casts a vote in respect of its Shares for or against the Scheme shall be treated as:

(i) casting one (1) vote in number for the purposes of the Headcount Condition; and

(ii) the value represented by the proxy for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights are being exercised by the proxy.

Where a person has been appointed in accordance with paragraph 8(b) as the proxy of more than one (1) sub-account holder to vote at the Court Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing sub-account holder for the purposes of the Headcount Condition and the Value Condition; provided that such proxy is exercising the voting rights attached to a different Share or Shares (which number and class of Shares must be specified);

(c) where a Shareholder which is a relevant intermediary casts the voting rights attached to the Shares held on behalf of its sub-account holder(s) for and/or against the Scheme:

(i) such relevant intermediary shall be treated as casting one (1) vote in number for the purposes of the Headcount Condition in respect of each sub-account holder on whose behalf the Shareholder which is a relevant intermediary casts the voting rights attached to the Shares; and

(ii) the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights "for" and/or "against" the Scheme are being exercised by the relevant intermediary,

provided that the Shareholder which is a relevant intermediary shall submit to the Company's Share Registrar, B.A.C.S. Private Limited, either by e-mail or by post, the list of these sub-account holder(s) (which sets out the name of each sub-account holder, the number of Shares attributed to each sub-account holder, and whether the sub-account holder has voted in favour of or against the Scheme in respect of such Shares). Each sub-account holder may only vote one (1) way in respect of all or any part of the Shares in such sub-account; and

(d) where a Shareholder which is a relevant intermediary casts the voting rights attached to the Shares held on behalf of its sub-account holder(s) both for and against the Scheme without submitting to the Company's Share Registrar the information required under paragraph 9(c) above then, without prejudice to the treatment of any proxies appointed in accordance with paragraph 8(b) above:

(i) such relevant intermediary shall be treated as casting one (1) vote in favour of the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes for the Scheme than against the Scheme;

(ii) such relevant intermediary shall be treated as casting one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes against the Scheme than for the Scheme;

(iii) such relevant intermediary shall be treated as casting one (1) vote for and one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts equal votes for and against the Scheme; and

(iv) with respect to each of the scenarios set out in paragraphs 9(d)(i), 9(d)(ii) and 9(d)(iii) above, the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights "for" and "against" the Scheme are being exercised by the relevant intermediary.

10. If any Shareholder fails to submit a Proxy Form (if applicable) in the manner and within the period stated therein or if the Proxy Form (if applicable) is incomplete, improperly completed, illegible or where the true intentions of the Shareholder are not ascertainable from the instructions of the Shareholder specified in the Proxy Form (if applicable), the Shareholder and the proxy of such Shareholder (if applicable) may only be admitted to the Court Meeting at the discretion of the Chairman of the Court Meeting. Any such Shareholder shall, nonetheless, be bound by the terms of the Scheme in the event that it becomes effective.

11. For purposes of voting at the Court Meeting, the Company shall be entitled to reject any Proxy Form lodged by a Shareholder if the Shareholder is not shown to be a shareholder of the Company in the Register of Members or the Depository Register (collectively, the "**Registers**") as at 72 hours before the time of the Court Meeting.

**Laying and production of documents at the Court Meeting**

12. This Scheme Document and any other document to be laid or produced before the Court Meeting may be so laid or produced by being sent or published in the manner provided in paragraph 17 below.

13. Printed copies of this Scheme Document will be sent to the address in Singapore specified by the Shareholder by ordinary post at its own risk, up to five (5) Market Days prior to the date of the Court Meeting.

**Giving of Notice of the Court Meeting**

14. The Court Meeting (including any adjourned or postponed meeting) shall be called by notice in writing of not less than 14 clear days (i.e. not inclusive of the day on which the Notice of Court Meeting is served, and the day of the Court Meeting) in all of the following manners:

    (a) as may be determined by the Company, either: (i) by ordinary post to or left at the Shareholder's last known Singapore address as appearing in the Registers, or in the case of joint Shareholders, the joint Shareholder named first in the Registers at such person's address as appearing in the Registers; or (ii) by e-mail to the Shareholder's last known e-mail address as appearing in the Company's records, or in the case of joint Shareholders, the joint Shareholder named first in the Registers at such person's e-mail address as appearing in the Company's records;

    (b) by way of advertisement in the Straits Times;

    (c) by way of announcement on SGXNet; and

    (d) by way of publication on the Company's corporate website,

    subject to any potential restrictions on sending this Scheme Document to any overseas jurisdiction. The Company shall not be liable for any mistake with respect to each Shareholder's address or e-mail as how it is recorded in the Registers or the Company's records, including but not limited to the said address or e-mail address being outdated or that the Shareholder no longer resides at said address or utilises said e-mail address.

15. The Notice of Court Meeting:

    (a) shall set out the date, time and venue of the Court Meeting;

    (b) shall provide instructions on how the Shareholders can locate this Scheme Document electronically;

    (c) shall set out how a Shareholder may vote (either in person or by proxy) at the Court Meeting;

(d) shall state how a Shareholder may submit questions in advance of the Court Meeting or during the Court Meeting; and

(e) may be accompanied by any other documents relevant to the Court Meeting.

**Other matters**

16. Ms. Lai Ven Li, or failing her, any other Non-Conflicted Director, shall be appointed Chairman of the Court Meeting (the "**Chairman**") and the Chairman shall report the results of the Court Meeting to the Court as soon as practicable after the conclusion of the Court Meeting.

17. Not less than 14 clear days before the day appointed for the Court Meeting, this Scheme Document consisting of, *inter alia*, the following:

    (a) a Letter to Shareholders from the Company to the Shareholders containing details of, *inter alia*, the purpose of the Scheme Document and information relating to the purpose of the Scheme Document, as well as a copy of the Scheme;

    (b) an Explanatory Statement which contains, *inter alia*, the information required to be disclosed under Section 211 of the Companies Act;

    (c) a letter from PrimePartners Corporate Finance Pte. Ltd., as the IFA to the Non-Conflicted Directors, in respect of the Scheme;

    (d) the Offeror's Letter to the Shareholders;

    (e) the Notice of Court Meeting;

    (f) the Proxy Form; and

    (g) any other ancillary documents,

    shall be published or sent in accordance with paragraphs 14(a), 14(c) and 14(d) above.

18. Any inadvertent omission to give any Shareholder the Notice of Court Meeting or the non-receipt of the Notice of Court Meeting by any Shareholder shall not invalidate the proceedings at the Court Meeting, unless otherwise ordered by the Court.

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# APPENDIX M – THE SCHEME

**IN THE GENERAL DIVISION OF THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

HC/OA 551/2026

In the Matter of Section 210 of the Companies Act 1967

And

In the Matter of
Avarga Limited
(Company Registration No.: 196700346M)

… Applicant

**SCHEME OF ARRANGEMENT**

Under Section 210 of the Companies Act 1967

Among

Avarga Limited

And

The Shareholders (as defined herein)

And

TKO Pte. Ltd.

# APPENDIX M – THE SCHEME

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## PRELIMINARY

In this Scheme of Arrangement, except to the extent that the context requires otherwise, the following expressions shall bear the following respective meanings:

| | | |
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| "**Acquisition**" | : | The proposed acquisition by the Offeror of all the Shares |
| "**ACRA**" | : | The Accounting and Corporate Regulatory Authority of Singapore |
| "**Business Day**" | : | A day (other than a Saturday, Sunday or public holiday) on which banks in Singapore are generally open for business |
| "**Cash Consideration**" | : | S$2.70 in cash per Scheme Share |
| "**CDP**" | : | The Central Depository (Pte) Limited |
| "**Code**" | : | The Singapore Code on Take-overs and Mergers |
| "**Combination Consideration**" | : | A combination of S$2.00 in cash and one (1) new RPS for each Scheme Share |
| "**Companies Act**" | : | The Companies Act 1967 of Singapore |
| "**Company**" or "**AL**" | : | Avarga Limited |
| "**Conditions Long-Stop Date**" | : | The date falling six (6) months from the date of the Implementation Agreement, that is 13 September 2026, or such other date as the Company and the Offeror may agree in writing |
| "**Court**" | : | The General Division of the High Court of the Republic of Singapore, or where applicable on appeal, the Appellate Division of the High Court of the Republic of Singapore and/or the Court of Appeal of the Republic of Singapore |
| "**Court Meeting**" | : | The meeting of the Shareholders to be convened at the direction of the Court for the purpose of considering and, if thought fit, approving this Scheme (and shall include any adjournment of the meeting), notice of which is set out in **Appendix O** to the Scheme Document |
| "**CPF**" | : | The Central Provident Fund |
| "**CPF Agent Bank**" | : | Agent banks included under the CPFIS |
| "**CPFIS**" | : | CPF Investment Scheme |

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| **"CPFIS Investors"** | : | Investors who have purchased Shares using their CPF contributions pursuant to the CPFIS |
| **"Directly-Held Shares"** | : | Shares held by an Entitled Shareholder as a Depositor or in scrip form registered in his/her/its name |
| **"Effective Date"** | : | The date on which the Scheme, if approved and sanctioned by the Court, becomes effective in accordance with its terms |
| **"Electing Party"** | : | Each Entitled Shareholder who holds Directly-Held Shares and each Entitled Depository Agent (for and on behalf of each sub-account holder who holds Indirectly-Held Shares), as more particularly described in Clause 3.2 of this Scheme |
| **"Election"** | : | An Entitled Shareholder making an election or electing to receive, for each Share, either the Cash Consideration or the Combination Consideration |
| **"Election Closing Date"** | : | The last day of the Election Period |
| **"Election Forms"** | : | The election forms (to be despatched by the Offeror (or on its behalf)) on the Election Forms Despatch Date to the Entitled Shareholders by which the Entitled Shareholders shall elect to receive either the Cash Consideration or the Combination Consideration |
| **"Election Forms Despatch Date"** | : | A date after the Record Date, being no later than three (3) Business Days after the Record Date or such other date as may be agreed between the Parties |
| **"Election Period"** | : | A period of 10 Business Days or such other period as may be agreed by the Parties in writing, commencing from the Election Forms Despatch Date, during which the duly completed Election Forms or Sub-Account Holders Forms (as the case may be) shall be received by the Share Registrar or CDP (as the case may be) |
| **"Encumbrances"** | : | All claims, charges, mortgages, liens, hypothecations, hire purchases, judgments, encumbrances, easements, security, title retentions, preferential rights, trust arrangements or any other security interests or any other agreements or arrangements having a commercial effect analogous to the conferring of security or similar right in favour of any person |
| **"Entitled Depository Agent"** | : | An Entitled Shareholder who is a Depository Agent |

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| "**Entitled Shareholders**" | : | All the Scheme Shareholders as at 5.00 p.m. on the Record Date |
| "**Excluded Shareholders**" | : | Has the meaning ascribed to that term in Clause 2.2 of this **Appendix M** |
| "**Excluded Shares**" | : | Has the meaning ascribed to that term in Clause 2.2 of this **Appendix M** |
| "**Genghis**" | : | Genghis S.à.r.l. |
| "**Implementation Agreement**" | : | The implementation agreement dated 13 March 2026 entered into between the Company and the Offeror setting out the terms and conditions on which the Acquisition and the Scheme will be implemented |
| "**Indirectly-Held Shares**" | : | Shares held by an Entitled Shareholder in its capacity as a Depository Agent on behalf of sub-account holder(s) |
| "**Irrevocable Undertaking**" | : | The irrevocable undertaking in favour of the Offeror given by Phileo Capital, as set out in paragraph 4 of the Letter to Shareholders |
| "**Joint Announcement**" | : | The joint announcement by the Company and the Offeror dated 13 March 2026 in relation to, *inter alia*, the Acquisition and the Scheme |
| "**Joint Announcement Date**" | : | 13 March 2026, being the date of the Joint Announcement |
| "**KYC form**" | : | The "know-your-client" particulars form to be submitted by an Entitled Shareholder who wishes to elect to receive the Combination Consideration in accordance with the procedures set out in the Scheme Document and the Election Form |
| "**Latest Practicable Date**" | : | 1 July 2026, being the latest practicable date prior to the printing of the Scheme Document |
| "**Listing Manual**" | : | The listing manual of the SGX-ST, as amended, modified or supplemented from time to time |
| "**Offeror**" or "**Acquiror**" | : | TKO Pte. Ltd. (Company Registration No. 202438305G) a company incorporated in the Republic of Singapore |
| "**Parties**" | : | The parties to the Implementation Agreement, being the Offeror and the Company, and a "**Party**" means either of them |

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| "**Phileo Capital**" | : | Phileo Capital Limited |
| "**Receiving Agent**" | : | B.A.C.S. Private Limited, the receiving agent appointed by the Offeror in respect of the Election |
| "**Record Date**" | : | The date and time to be announced (before the Effective Date) by the Company on which the transfer books and the Register of Members will be closed in order to determine the entitlements of the Shareholders in respect of this Scheme |
| "**Redemption Amount**" | : | The price of S$1.20 for each RPS |
| "**Register of Members**" | : | The register of members of the Company |
| "**RPS**" | : | Redeemable preference share(s) in the capital of the Offeror |
| "**RPS Certificates**" | : | The share certificates in respect of the RPS |
| "**Scheme**" | : | This scheme of arrangement under Section 210 of the Companies Act dated 10 July 2026, in its present form or with or subject to any modification thereof or amendment or addition thereto in accordance with its terms or condition(s) approved or imposed by the Court |
| "**Scheme Conditions**" | : | The conditions precedent in the Implementation Agreement which must be satisfied (or, where applicable, waived) by the Conditions Long-Stop Date for this Scheme to be implemented and which are reproduced in **Appendix F** to the Scheme Document |
| "**Scheme Consideration**" | : | For each Share, at the Election of each Entitled Shareholder, either:<br><br>(a) the Cash Consideration; or<br><br>(b) the Combination Consideration |
| "**Scheme Document**" | : | The document dated 10 July 2026 (and any other document(s) which may be issued by or on behalf of the Company to the Shareholders to amend, revise, supplement or update the document(s) from time to time) containing, *inter alia*, this Scheme, the Explanatory Statement, the Notice of Court Meeting and the Proxy Form |
| "**Scheme Shareholders**" | : | Shareholders other than the Excluded Shareholders |

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| "**Scheme Shares**" | : | All the Shares other than Shares held in treasury and Shares owned or controlled by the Excluded Shareholders |
| "**Securities Account**" | : | The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account |
| "**SFA**" | : | Securities and Futures Act 2001 of Singapore |
| "**SGX-ST**" | : | Singapore Exchange Securities Trading Limited |
| "**Share Registrar**" | : | B.A.C.S. Private Limited, the share registrar of the Company |
| "**Shareholder**" | : | Any person who is registered:<br>(a) in the Register of Members (other than CDP) as the holder of a Share; and/or<br>(b) in the Depository Register of the Company as having a Share credited to his/her/its Securities Account with CDP |
| "**Shares**" | : | The issued and paid-up ordinary shares in the capital of the Company |
| "**SRS**" | : | Supplementary Retirement Scheme |
| "**SRS Agent Banks**" | : | Agent banks included under the SRS |
| "**SRS Investors**" | : | Investors who have purchased Shares using their SRS contributions pursuant to the SRS |
| "**Sub-Account Holders Form**" | : | The List of Sub-Account Holders Who Wish to Accept the Combination Consideration form, which will be provided to Entitled Depository Agents through the SGX-SFG service |
| "**S$**" and "**cents**" | : | Singapore dollars and cents respectively, being the lawful currency of Singapore |

The terms "**Depositor**", "**Depository Agent**", "**Depository Register**" and "**sub-account holder**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The terms "**treasury shares**", "**subsidiary**" and "**related corporation**" shall have the meanings ascribed to them respectively in Sections 4, 5 and 6 of the Companies Act.

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

Any reference to any enactment or statute shall include a reference to any subordinate legislation and any regulation made under the relevant enactment or statute and is a reference to that enactment, statute, subordinate legislation or regulation as from time to time amended, consolidated, modified, re-enacted or replaced, whether before or after the date of this Scheme.

Any reference to a time of day and date shall be a reference to Singapore time and date respectively, unless otherwise specified.

## RECITALS

(A) The Company was incorporated in Singapore on 7 October 1967 and was listed on the Main Board of the SGX-ST on 15 October 1980. As at the Latest Practicable Date, the Company has 90,831,335 Shares in issue (excluding 4,183,170 Shares held in treasury).

(B) The primary purpose of this Scheme is the Acquisition by the Offeror of all the Shares.

(C) The Company and the Offeror have entered into the Implementation Agreement to set out their respective rights and obligations with respect to this Scheme and the implementation thereof.

(D) The Offeror has agreed to appear by legal counsel at the hearing of the Originating Application to sanction this Scheme, if required, and to consent thereto, and to undertake to the Court to be bound thereby and to execute and do and procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to this Scheme.

## 1. CONDITIONS PRECEDENT

This Scheme is conditional upon each of the Scheme Conditions being satisfied (or, subject to the terms of the Implementation Agreement, waived) on or before the Conditions Long-Stop Date.

## 2. TRANSFER OF THE SHARES

2.1 With effect from the Effective Date, all the Shares held by the Entitled Shareholders will be transferred to the Offeror:

(a) fully paid up;

(b) free from Encumbrances; and

(c) together with all rights, benefits and entitlements attaching thereto as at the Joint Announcement Date and thereafter attaching thereto, including the right to receive and retain all dividends, rights and other distributions (if any) declared, paid or made by the Company to the Shareholders on or after the Joint Announcement Date.

2.2 **Excluded Shares**. The Shares which will **not** be transferred pursuant to the Scheme, and which will not be subject to the Scheme, comprise:

(a) the 48,837,165 Shares directly held by the Offeror; and

(b) the 7,343,900 Shares directly held by Genghis,

(collectively, the "**Excluded Shares**", and the Shareholders holding such Shares, the "**Excluded Shareholders**").

The Scheme will not be extended to the Excluded Shareholders, while Phileo Capital will be entitled to participate in the Scheme. Pursuant to the Irrevocable Undertaking, Phileo Capital has undertaken to elect the Cash Consideration in the event of the Scheme becoming effective, with the Cash Consideration being treated, in lieu of actual payment, as a debt owing to it by the Offeror.

Genghis and Phileo Capital are both parties acting in concert with the Offeror within the meaning of the Code, given that Dr Tong indirectly owns all the Shares held under Genghis, Phileo Capital and the Offeror. As Genghis, Phileo Capital and the Offeror are controlled by the same ultimate beneficial owner, Dr Tong, they are treated as concert parties within the meaning of the Code.

2.3 For the purpose of giving effect to the transfer of the Shares provided for in Clause 2.1 of this Scheme:

(a) in the case of Entitled Shareholders (not being Depositors), the Company shall authorise any person to execute or effect on behalf of all such Entitled Shareholders an instrument or instruction of transfer of all the Shares held by such Entitled Shareholders and every such instrument or instruction of transfer so executed shall be effective as if it had been executed by the relevant Entitled Shareholder as transferor; and

(b) in the case of Entitled Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Shareholders, to debit, not later than seven (7) Business Days after the Effective Date, all the Shares standing to the credit of the Securities Account of such Entitled Shareholders and credit all of such Shares to the Securities Account of the Offeror or such Securities Account(s) as directed by the Offeror.

**3. PAYMENT OF SCHEME CONSIDERATION**

3.1 In consideration for the transfer of the Shares to the Offeror under Clause 2 of this Scheme and subject to Clause 1 of this Scheme, the Offeror shall pay or procure that there shall be payment to each Entitled Shareholder the Scheme Consideration for each Share transferred by the Entitled Shareholder, in the form of:

(a) the Cash Consideration, being S$2.70 in cash; or

(b) in lieu of the Cash Consideration, the Combination Consideration, being S$2.00 in cash and one (1) new RPS for each Scheme Share. The RPS shall be mandatorily redeemed five (5) years from the date of their issuance at the Redemption Amount of S$1.20 for each RPS,

as that Entitled Shareholder may elect.

3.2 **Election**

(a) **Election Process**. Each Entitled Shareholder:

(i) who holds Directly-Held Shares, shall only be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration for all of his/her/its Directly-Held Shares, but not a mixture of both; and

(ii) who holds Indirectly-Held Shares, shall in respect of each sub-account holder, be entitled to elect to receive the Cash Consideration or, in lieu thereof, the Combination Consideration for all the Indirectly-Held Shares held on behalf of such sub-account holder, but not a mixture of both.

**If an Entitled Shareholder holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s), such Entitled Shareholder shall elect to receive either the Cash Consideration OR the Combination Consideration (and not a mixture of both) in respect of all of his/her/its Directly-Held Shares, and shall direct his/her/its Depository Agent(s) to elect to receive the same form of Scheme Consideration in respect of all of his/her/its Indirectly-Held Shares.**

(b) **Election Forms**

Entitled Shareholders (including the Entitled Depository Agents) should complete, sign and return the Election Form in accordance with the procedures set out below and the provisions and instructions printed on the Election Form during the Election Period:

(i) **Entitled Shareholders whose Shares are not deposited with CDP**

An Entitled Shareholder (not being a Depositor) who wishes to elect to receive the Combination Consideration should deliver the completed and signed Election Form together with the KYC form and certified supporting documents to the Receiving Agent in the following manner:

(A) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to the Receiving Agent at main@zicoholdings.com; or

(B) if submitted by post, be sent using the pre-addressed envelope at his/her/its own risk to the office of the Receiving Agent at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

(ii) **Entitled Shareholders whose Shares are deposited with CDP (other than Entitled Depository Agents)**

An Entitled Shareholder (being a Depositor who is not a Depository Agent) who wishes to elect to receive the Combination Consideration should deliver the completed and signed Election Form together with the KYC form and certified supporting documents to the Receiving Agent in the following manner:

(i) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to the Receiving Agent at main@zicoholdings.com; or

(ii) if submitted by post, be sent using the pre-addressed envelope at his/her/its own risk to the office of the Receiving Agent at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

in either case, in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**If an Entitled Shareholder wishes to receive the Cash Consideration in respect of all of his/her/its Shares, he/she/it does not need to complete and return the Election Form.**

(c) **Entitled Depository Agents**

If an Entitled Depository Agent wishes to elect to receive the Combination Consideration in respect of any of its sub-account holder's Shares, such Entitled Depository Agent must, submit the completed Election Form, the KYC form, certified supporting documents and the Sub-Account Holders Form by post, to be sent to the office of the Receiving Agent at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 in accordance with the instructions therein, so as to arrive no later than 5.30 p.m. on the Election Closing Date.

**Entitled Depository Agents do not have to complete or return the Election Form and Sub-Account Holders Form if they wish to elect to receive the Cash Consideration in respect of all of their sub-account holders' Shares.**

(d) **Information Pertaining to CPFIS Investors and SRS Investors**

CPFIS Investors and SRS Investors are advised to consult their respective CPF Agent Banks or SRS Agent Banks for further information and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice.

(e) **Receipt**

The Election Forms, the KYC form, certified supporting documents and Sub-Account Holders Forms must be received no later than 5.30 p.m. on the Election Closing Date. No acknowledgement of receipt of any Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form will be given by the Offeror, the Company, CDP or the Receiving Agent. Each Entitled Shareholder (who is not an Entitled Depository Agent) is permitted to submit only one (1) Election Form and any subsequent submission of any Election Forms will be disregarded and deemed invalid. Each Entitled Depository Agent is permitted to submit only one (1) Sub-Account Holders Form and any subsequent submission of any Sub-Account Holders Forms will be disregarded and deemed invalid.

(f) **Deemed Election**

In the event that any Electing Party:

(i) fails to elect to receive the Combination Consideration within the Election Period, whether due to the Receiving Agent or CDP (as the case may be) (A) failing to receive from the Entitled Shareholder an Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) by the end of the Election Period; or (B) receiving an Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in the Scheme Document, or which is not complete or is invalid in any other respect;

(ii) elects to receive the Cash Consideration or the Combination Consideration in respect of only some and not all of his/her/its Shares;

(iii) holds both Directly-Held Shares and Indirectly-Held Shares through securities sub-account(s) with Depository Agent(s) and does not elect to receive and direct his/her/its Depository Agent(s) to elect to receive the same form of the Scheme Consideration in respect of all of his/her/its Directly-Held Shares and Indirectly-Held Shares respectively, and the Offeror is notified of such occurrence; and/or

(iv) maintains an address recorded in the Register of Members, the Depository Register or in the records of an Entitled Depository Agent (as the case may be) that is not within Singapore and does not provide the Company and the Receiving Agent or CDP (as the case may be) with an address in Singapore by the Record Date,

such Electing Party shall be deemed to have elected to receive the Cash Consideration for all of his/her/its Shares, and shall be entitled only to receive the Cash Consideration for all of his/her/its Shares as at the Record Date.

(g) In addition, if the Receiving Agent or CDP (as the case may be) fails to receive, from any Electing Party, an Election Form, the KYC form, certified supporting documents and Sub-Account Holders Form (as the case may be) by 5.30 p.m. on the Election Closing Date or receives an Election Form or Sub-Account Holders Form (as the case may be) which does not comply with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or the terms and conditions contained in the Scheme Document, or which is not complete or is invalid in any other respect, that Electing Party shall be deemed to have elected to receive the Cash Consideration for all of his/her/its Shares as at the Record Date.

(h) **Discretion**

Each of the Offeror and the Company reserves the right to treat Election Forms and Sub-Account Holders Forms as valid if received by or on behalf of it at any place or places determined by it otherwise than as stated in the Scheme Document, the Election Form or the Sub-Account Holders Form (as the case may be), or if made otherwise than in accordance with the provisions of the Scheme Document, the Election Form or the Sub-Account Holders Form (as the case may be). CDP and the Receiving Agent take no responsibility for any such decision made by the Offeror and/or the Company.

(i) **Disclaimer**

The Offeror, the Company, CDP and the Receiving Agent will each be authorised and entitled, in its absolute discretion, to accept or reject any Election Form or Sub-Account Holders Form which is not entirely in order or does not comply with the Scheme Document or the provisions and instructions contained in the Election Form or the Sub-Account Holders Form (as the case may be), or which is otherwise incomplete, incorrect, unsigned or invalid in any respect. The Offeror shall not be required to notify any Entitled Shareholder or Entitled Depository Agent if his/her/its Election Form or Sub-Account Holders Form (as the case may be) is not received or is not in compliance with the instructions contained in the Election Form or Sub-Account Holders Form (as the case may be) or is otherwise incomplete or invalid in any other respect.

If an Entitled Shareholder wishes to elect to receive the Combination Consideration, it is such Entitled Shareholder's responsibility to ensure that the Election Form, the KYC form, certified supporting documents or Sub-Account Holders Form (as the case may be) is properly completed in all respects, signed and all required supporting documents, where applicable, are provided. Any decision to reject any Election Form or Sub-Account Holders Form will be final and binding and none of the Offeror, the Company, CDP or the Receiving Agent accepts any responsibility or liability in relation to such rejection, including the consequences thereof.

(j) **Correspondences**

All communication, certificates, notices, documents and remittances to be delivered or sent to an Entitled Shareholder (or such Entitled Shareholder's designated agent or, in the case of joint Entitled Shareholders who have not designated any agent, to the one first named in the Depository Register or the Register of Members (as the case may be)) will be sent by ordinary post to such Entitled Shareholder's mailing address as maintained with the CDP or as it appears in the Register of Members, as the case may be, at the risk of the person entitled thereto.

The attention of Overseas Shareholders is also drawn to paragraph 15 of the Letter to Shareholders and paragraph 12 of the Offeror's Letter.

3.3 **The Cash Consideration**

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in Clause 2 of this Scheme, make payment of the aggregate Cash Consideration to Entitled Shareholders who elect (or are deemed to have elected) to receive the Cash Consideration and are entitled to receive the Scheme Consideration in the form of the Cash Consideration for their Scheme Shares as follows:

(a) **Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall pay each Entitled Shareholder (not being a Depositor) by sending a cheque for the Cash Consideration payable to and made out in favour of such Entitled Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, a cheque for the Cash Consideration payable to and made out in favour of the first-named Entitled Shareholder by ordinary post to his/her/its address as appearing in the Register of Members at the close of business on the Record Date, at the sole risk of such joint Entitled Shareholders.

(b) **Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall pay each Entitled Shareholder (being a Depositor) by making payment of the aggregate Cash Consideration payable to such Entitled Shareholder to CDP. CDP shall:

(i) in the case of an Entitled Shareholder (being a Depositor) who has registered for CDP's direct crediting service, credit the Cash Consideration payable to such Entitled Shareholder, to the designated bank account of such Entitled Shareholder; and

(ii) in the case of an Entitled Shareholder (being a Depositor) who has not registered for CDP's direct crediting service, credit the Cash Consideration to such Entitled Shareholder's cash ledger with CDP and such Cash Consideration shall be subject to the same terms and conditions applicable to "Cash Distributions" under "*The Central Depository (Pte) Limited Operation of Securities Account with the Depository Terms and Conditions*" as amended, modified or supplemented from time to time, copies of which are available from CDP.

The despatch of payment by the Offeror to each Entitled Shareholder's address and/or CDP (as the case may be) in accordance with the above shall discharge the Offeror from any liability in respect of those payments.

3.4 **The Combination Consideration**

In respect of the cash component of the Combination Consideration, the procedure for settlement shall be as described above in respect of the Cash Consideration.

In respect of the RPS component of the Combination Consideration, the Offeror shall allot and issue RPS, credited as fully-paid, on the basis of one (1) RPS for every one (1) Scheme Share held by such Entitled Shareholder who elects to and is entitled to receive the Scheme Consideration in the form of the Combination Consideration for all of his/her/its Shares, and the RPS Certificates shall be delivered to the relevant person/entity recorded in the Register of Members or the Depository Register (as the case may be) as at the close of business on the Record Date, regardless of whether such Entitled Shareholder holds the Shares as custodian or nominee or otherwise.

The Offeror shall, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in Clause 2 of this Scheme, do the following:

(a) **Entitled Shareholders whose Shares are not deposited with CDP**

The Offeror shall send the RPS Certificates representing the relevant number of RPS to each Entitled Shareholder (not being a Depositor) by ordinary post to his/her/its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder, by ordinary post to his/her/its Singapore address as appearing in the Register of Members at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no RPS Certificates will be despatched in or into any overseas jurisdiction.

(b) **Entitled Shareholders whose Shares are deposited with CDP**

The Offeror shall send the RPS Certificates representing the relevant number of RPS to each Entitled Shareholder (being a Depositor) by ordinary post to his/her/its Singapore address as appearing in the Depository Register at the close of business on the Record Date at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first named Entitled Shareholder by ordinary post to his/her/its Singapore address as appearing in the Depository Register at the close of business on the Record Date at the sole risk of such joint Entitled Shareholders, save that in all cases, no RPS Certificates will be despatched in or into any overseas jurisdiction.

The despatch of the RPS Certificates to each Entitled Shareholder's Singapore address in accordance with the above shall discharge the Offeror from any liability in respect of the delivery of such RPS Certificates.

3.5 **Retention and Release of Proceeds**

(a) In relation to Entitled Shareholders (not being Depositors), on and after the day being six (6) calendar months after the posting of such cheques relating to the Cash Consideration or the cash component of the Combination Consideration, the Offeror shall have the right to cancel or countermand payment of any such cheque which has not been cashed (or has been returned uncashed) and shall place all such moneys in a bank account in the Company's name with a licensed bank in Singapore selected by the Company.

(b) The Company or its successor entity shall hold such moneys until the expiration of six (6) years from the Effective Date and shall prior to such date make payments therefrom of the sums payable pursuant to Clauses 3.3 and 3.4 of this Scheme to persons who satisfy the Company or its successor entity that they are respectively entitled thereto and that the cheques referred to in Clauses 3.3 and 3.4 of this Scheme for which they are payees have not been cashed. Any such determination shall be conclusive and binding upon all persons claiming an interest in the relevant moneys, and any payments made by the Company hereunder shall not include any interest accrued on the sums to which the respective persons are entitled pursuant to Clause 3.1 of this Scheme.

(c) On the expiry of six (6) years from the Effective Date, the Company and the Offeror shall be released from any further obligation to make any payments of the Cash Consideration or the cash component of the Combination Consideration under this Scheme and the Company or its successor entity shall transfer to the Offeror the balance (if any) of the sums then standing to the credit of the bank account referred to in Clause 3.5(a) of this Scheme including accrued interest, subject, if applicable, to the deduction of interest, tax or any withholding tax or any other deduction required by law and subject to the deduction of any expenses.

(d) Clause 3.5(c) of this Scheme shall take effect subject to any prohibition or condition imposed by law.

3.6 From the Effective Date, each existing share certificate representing a former holding of Shares by an Entitled Shareholder (not being a Depositor) will cease to be evidence of title to the Shares represented thereby. Entitled Shareholders (not being Depositors) shall be required to forward their existing share certificates relating to their Shares to the Share Registrar, **B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896** as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation.

## 4. EFFECTIVE DATE

4.1 Subject to the satisfaction of the Scheme Conditions set out in Clause 1 of this Scheme, this Scheme shall become effective and binding upon a copy of the order of the Court sanctioning this Scheme under Section 210 of the Companies Act being duly lodged with ACRA for registration.

4.2 Unless this Scheme becomes effective and binding as aforesaid on or before the Conditions Long-Stop Date (or such other date as the Court on the application of the Company or the Offeror may allow), this Scheme shall lapse.

4.3 The Company and the Offeror may jointly consent, for and on behalf of all concerned, to any modification of, or amendment to, this Scheme or to any condition which the Court may think fit to approve or impose.

4.4 In the event that this Scheme does not become effective and binding for any reason, the costs and expenses incurred by the Company in connection with this Scheme will be borne by the Company.

4.5 This Scheme shall be governed by, and construed in accordance with, the laws of Singapore, and the Company, the Offeror and the Shareholders submit to the non-exclusive jurisdiction of the courts of Singapore. A person who is not a party to this Scheme has no rights under the Contracts (Rights of Third Parties) Act 2001 of Singapore, to enforce any term or provision of this Scheme.

Dated 10 July 2026

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# Taiga Building Products Ltd.

Condensed Interim Consolidated Financial Statements
(Unaudited)

For the three months ended March 31, 2026 and 2025
(in Canadian dollars)

# TAIGA BUILDING PRODUCTS LTD.

## Consolidated Balance Sheets (Unaudited)

| *(in thousands of Canadian dollars)* | March 31, 2026 | March 31, 2025 | December 31, 2025 |
|---|---|---|---|
| **Assets** | | | |
| **Current:** | | | |
| Cash and cash equivalents (Note 4) | $ 67,340 | $ 119,321 | $ 70,574 |
| Accounts receivable | 189,586 | 204,711 | 121,804 |
| Inventories (Note 5) | 191,233 | 206,633 | 189,327 |
| Prepaid expenses | 4,324 | 3,313 | 4,000 |
| Current income tax assets | - | 4,353 | 3,246 |
| | 452,483 | 538,331 | 388,951 |
| Property, plant and equipment | 128,244 | 119,351 | 113,602 |
| Long term inventory (Note 5) | 4,997 | 4,651 | 4,786 |
| Intangible assets | - | 10,997 | - |
| Goodwill | - | 11,243 | - |
| Long term investments (Note 10) | 11,391 | 11,757 | 11,293 |
| Deferred tax assets | 5,725 | 5,614 | 1,875 |
| | $ 602,839 | $ 701,944 | $ 520,507 |
| **Liabilities and Shareholders' Equity** | | | |
| **Current:** | | | |
| Revolving credit facility (Note 4) | $ 68,189 | $ - | $ 11,334 |
| Accounts payable and accrued liabilities | $ 101,648 | $ 131,463 | $ 104,609 |
| Income taxes payable | 596 | - | - |
| Current portion of lease obligations | 7,429 | 6,094 | 6,544 |
| | 177,862 | 137,557 | 122,487 |
| Lease obligations | 97,062 | 90,207 | 85,629 |
| Deferred gain | 1,856 | 1,975 | 1,886 |
| Deferred tax liabilities | 7,751 | 6,346 | 3,771 |
| Provisions | - | 3 | - |
| | 284,531 | 236,088 | 213,773 |
| **Shareholders' Equity:** | | | |
| Share capital (Note 7) | 122,477 | 122,477 | 122,477 |
| Accumulated other comprehensive income | 15,365 | 20,622 | 12,763 |
| Retained earnings | 180,466 | 322,757 | 171,495 |
| | 318,308 | 465,856 | 306,734 |
| | $ 602,839 | $ 701,944 | $ 520,507 |

The accompanying notes are an integral part of these consolidated financial statements.

# TAIGA BUILDING PRODUCTS LTD.

## Consolidated Statements of Earnings and Comprehensive Income (Unaudited)

| *(in thousands of Canadian dollars, except per share amounts)* | Three months ended March 31, 2026 | | Three months ended March 31, 2025 | |
|---|---|---|---|---|
| **Sales** | $ | 349,194 | $ | 399,937 |
| **Cost of sales** | | 311,675 | | 362,450 |
| **Gross margin** | | 37,519 | | 37,487 |
| Expenses: | | | | |
| Distribution | | 8,123 | | 8,442 |
| Selling and administration | | 15,417 | | 15,629 |
| Finance (Note 8) | | 1,114 | | 214 |
| Other expenses (income) | | (35) | | (30) |
| | | 24,618 | | 24,255 |
| **Earnings before income tax** | | 12,901 | | 13,232 |
| Income tax expense (recovery) (Note 6) | | 3,929 | | 3,410 |
| **Net earnings for the year** | $ | 8,972 | $ | 9,822 |
| **Other comprehensive income** | | | | |
| **(Item that may be reclassified to net earnings)** | | | | |
| Exchange differences on translating foreign controlled entities | $ | 2,602 | $ | 1,638 |
| **Total comprehensive income for the year** | $ | 11,573 | $ | 11,460 |
| Basic and diluted net earnings per common share | $ | 0.08 | $ | 0.09 |
| Weighted average number of common shares outstanding | | 107,945 | | 107,945 |

The accompanying notes are an integral part of these consolidated financial statements.

# TAIGA BUILDING PRODUCTS LTD.

## Condensed Consolidated Statements of Changes in Shareholders' Equity (Unaudited)

### For the year ended December 31, 2025

| *(in thousands of Canadian dollars)* | Share Capital | Retained Earnings | Accumulated Other Comprehensive Income | Total |
|---|---|---|---|---|
| **Balance at December 31, 2024** | $ 122,477 | $ 322,935 | $ 18,984 | $ 464,396 |
| Net earnings | - | 28,557 | - | 28,557 |
| Dividend | - | (179,997) | - | (179,997) |
| Other comprehensive income | - | - | (6,221) | (6,221) |
| **Balance at December 31, 2025** | $ 122,477 | $ 171,495 | $ 12,763 | $ 306,734 |

The accompanying notes are an integral part of these consolidated financial statements.

### For the year ended December 31, 2026

| *(in thousands of Canadian dollars)* | Share Capital | Retained Earnings | Accumulated Other Comprehensive Income | Total |
|---|---|---|---|---|
| **Balance at December 31, 2025** | $ 122,477 | $ 171,495 | $ 12,763 | $ 306,734 |
| Net earnings | - | 8,972 | - | 8,972 |
| Other comprehensive income | - | - | 2,602 | 2,602 |
| **Balance at March 31, 2026** | $ 122,477 | $ 180,466 | $ 15,365 | $ 318,308 |

The accompanying notes are an integral part of these consolidated financial statements.

# TAIGA BUILDING PRODUCTS LTD.

## Consolidated Statements of Cash Flows (Unaudited)

| *(in thousands of Canadian dollars)* | Three months ended March 31, 2026 | 2025 |
|---|---|---|
| **Cash provided by (used in):** | | |
| **Operating:** | | |
| Net earnings | $ 8,972 | $ 9,822 |
| Adjustments for non-cash items | | |
| Amortization | 3,047 | 3,284 |
| Income tax expense | 3,929 | 3,410 |
| Mark-to-market adjustment on financial instruments | 97 | 400 |
| Change in provisions | - | (31) |
| Loss (gain) on asset disposal | (5) | - |
| Amortization of deferred gain | (30) | (30) |
| Finance and subordinated debt interest expense | 1,901 | 1,113 |
| Interest paid | (787) | (899) |
| Income tax paid | - | (3,159) |
| Changes in non-cash working capital (Note 11) | (72,093) | (84,576) |
| Cash flows used by operating activities | (54,969) | (70,666) |
| **Investing:** | | |
| Purchase of property, plant and equipment | (3,748) | (779) |
| Proceeds from disposition of property, plant and equipment | 5 | - |
| Cash flows used in investing activities | (3,743) | (779) |
| **Financing:** | | |
| Increase (decrease) in revolving credit facility | 56,855 | - |
| Repayment of lease obligations | (2,148) | (1,643) |
| Cash flows used in financing activities | 54,707 | (1,643) |
| Effect of foreign exchange on cash | 770 | (35) |
| Cash and Cash Equivalents - beginning of year | 70,574 | 192,445 |
| **Cash and Cash Equivalents - end of period** | $ 67,340 | $ 119,321 |

The accompanying notes are an integral part of these consolidated financial statements.

# 1. Nature of Operations

Taiga Building Products Ltd. ("Taiga" or the "Company") is an independent wholesale distributor of building products in Canada and the United States. Taiga operates within two reportable geographic areas, Canada and the United States. The Company's shares are listed for trading on the Toronto Stock Exchange.

Taiga is a Canadian corporation and its registered and records office is located at 20th floor, 250 Howe Street, Vancouver, British Columbia, Canada V6C 3R8.

# 2. Basis of Preparation

(a) Statement of Compliance

These condensed interim consolidated financial statements (the "Financial Statements") are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Therefore, these financial statements comply with International Accounting Standards ("IAS") 34, *Interim Financial Reporting.*

These Financial Statements follow the same accounting policies and methods of application as our most recent annual financial statements. Accordingly, they should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2025, which have been prepared in accordance with IFRS as issued by the IASB.

These Financial Statements were authorized for issue on May 8, 2026 by the board of directors of the Company.

(b) Basis of Consolidation

These consolidated financial statements include the accounts of Taiga Building Products Ltd. and its subsidiaries. Subsidiaries are those entities which the Company controls by having the power to govern the financial and operational policies of the entity. Inter-company transactions and balances have been eliminated.

(c) Basis of Measurement

These consolidated financial statements have been prepared on an accrual basis and are based on historical costs, modified where applicable.

# 3. Significant Accounting Policies

The significant accounting policies that have been used in the preparation of these condensed consolidated interim financial statements are summarized in the Company's annual audited consolidated financial statements for the year ended December 31, 2025.

# 4. Cash and Cash Equivalents and Revolving Credit Facility

| *(in thousands of dollars)* | March 31, 2026 | March 31, 2025 | December 31, 2025 |
|---|---|---|---|
| Cash | 66,918 | 118,658 | 70,574 |
| Financing costs, net of amortization | 422 | 663 | - |
| Total | 67,340 | 119,321 | 70,574 |

On December 21, 2022, the Company entered into a new $250 million senior secured revolving credit facility (the "Facility") with a syndicate of lenders led by the Bank of Montreal and including Scotiabank, Bank of America, TD Bank and CIBC. The Facility bears interest at variable rates plus variable margin, is secured by a first perfected security interest in all real and personal property of the Company and certain of its subsidiaries and matures on December 20, 2027. Taiga's ability to borrow under the Facility is based upon a defined percentage of accounts receivable and inventories. The terms, conditions, and covenants of the Facility have been met as at March 31, 2026. At March 31, 2026, the amount drawn on the Facility was $68,189,165 (2025 - $nil)

Cash and cash equivalents include a short-term investment in GIC of $18.1 million bearing interest of 2.9%, maturing on May 02, 2026.

## 5. Inventories

| *(in thousands of dollars)* | **March 31, 2026** | **March 31, 2025** | **December 31, 2025** |
|---|---|---|---|
| Allied building products | 50,114 | 42,078 | 49,843 |
| Lumber products | 103,695 | 122,615 | 105,327 |
| Panel products | 36,478 | 39,981 | 33,383 |
| Production consumables | 1,119 | 2,772 | 1,023 |
| Inventory provision | (173) | (813) | (249) |
| Total | 191,233 | 206,633 | 189,327 |

The Company's inventories are pledged as security for the revolving credit facility.

Long term inventory of $5 million relates to two properties which are held for development and future sale.

## 6. Income Taxes

Income tax expense is comprised of:

| *(in thousands of dollars)* | **Three months ended March 31, 2026** | **Three months ended March 31, 2025** |
|---|---|---|
| Current | 3,579 | 3,696 |
| Deferred | 350 | (286) |
| Total | 3,929 | 3,410 |

## 7. Shareholders' Equity

(a) Authorized Share Capital

Unlimited common shares without par value, unlimited class A common shares without par value, and unlimited class A and class B preferred shares without par value.

(b) Normal Course Issuer Bid

On September 4, 2025, the Company commenced a Normal Course Issuer Bid ("NCIB") for its common shares. Under the terms of the NCIB, the Company may purchase up to 5,397,226 of its then outstanding 107,944,523 common shares, representing 5% of the outstanding common shares. During the year ended December 31, 2025, the Company did not purchase any of its common shares under the NCIB. During the three months ended March 31, 2026, the Company did not purchase any of its common shares under the NCIB. At March 31, 2026 there were 5,397,226 remaining common shares permitted to be purchased by the Company per the terms of the NCIB with an expiration on September 3, 2026.

(c) Common Shares Issued

| *(in thousands of dollars, except number of shares)* | **Number of Shares** | **Amount** |
|---|---|---|
| Balance, December 31, 2025 | 107,944,523 | 122,477 |
| Shares purchased under NCIB and cancelled | - | - |
| Balance, March 31, 2026 | 107,944,523 | 122,477 |

(d) Accumulated Other Comprehensive Income

Accumulated other comprehensive income consists of exchange differences arising on translation of entities that have a functional currency other than the Canadian dollar.

(e) Stock Options and Warrants

Taiga does not have stock options or warrants outstanding and has not granted or cancelled options or warrants during the current or prior period.

(g) Major Shareholder

Taiga's major shareholder is Avarga Limited ("Avarga"), holding 74.21% or 80,106,014 of the issued and outstanding common shares of the Company. Taiga's current chairman, Ian Tong, is the chief executive officer and a director of Avarga. Another of Taiga's directors, Dr. Kooi Ong Tong is also Avarga's executive chairman and a significant shareholder. Avarga is an investment holding company listed on the Singapore Exchange.

# 8. Finance Expense

The finance expense is comprised of:

| *(in thousands of dollars)* | **Three months ended March 31, 2026** | **Three months ended March 31, 2025** |
|---|---|---|
| Interest incurred/(earned) on cash balances | 133 | (1,124) |
| Interest on leases and long-term debt | 921 | 1,278 |
| Amortization of financing costs | 60 | 60 |
| Total | 1,114 | 214 |

# 9. Commitments and Contingencies

Other Outstanding Legal Matters

The Company is involved in various non-material legal actions and claims arising in the course of its business. The financial impact individually or in aggregate resulting from these actions and claims is not expected to be significant. The individual and aggregate outcomes cannot be determined at this time.

# 10. Financial Instruments

The fair values of lease obligations are as follows:

| *(in thousands of dollars)* | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Carrying amount | 99,454 | 91,419 |
| Fair value | 99,453 | 90,888 |

The fair value of the lease obligations was determined using current borrowing rates for similar debt instruments.

The Company acquired 7,000 units of shares of a private Asian Real Estate fund in March 2023. The investment is stated at fair value at each reporting date. The change in value represents the unrealized gains and losses on the portfolio investment.

| *(in thousands of dollars)* | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Carrying amount | 9,497 | 9,607 |
| Fair value | 8,986 | 9,351 |

In December 2023, the Company invested in a private guaranteed bond bearing interest at 8% per annum, together with a share of revenues. The bond matures on December 29, 2026.

| *(in thousands of dollars)* | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Carrying amount | 2,405 | 2,405 |
| Fair value | 2,405 | 2,405 |

The carrying amount of derivative financial instrument assets and liabilities are equal to their fair values as these instruments are re-measured to their fair values at each reporting date as follows:

| *(in thousands of dollars)* | **March 31, 2026** | **March 31, 2025** |
|---|---|---|
| Lumber futures | 73 | 40 |

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – based on quoted prices in active markets for identical assets or liabilities;

Level 2 – based on inputs other than quoted prices that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); or

Level 3 – applies to assets and liabilities for inputs that are not based on observable market data, which are unobservable inputs.

Cash and cash equivalent are classified as level 1. Derivative financial instrument assets and liabilities are classified as level 1 and investments are classified as level 2 or 3.

The following table summarizes the classification and carrying values of the Company's financial instruments at March 31, 2026 and 2025:

*(in thousands of dollars)*

| At March 31, 2026 | Amortized Cost (Financial assets) | FVTPL | Amortized Cost (Financial liabilities) | Total |
|---|---|---|---|---|
| **Financial assets**: | | | | |
| Accounts receivable | 189,586 | - | - | 189,586 |
| Lumber futures[1] | - | 73 | - | 73 |
| Long term investment | - | 11,391 | - | 11,391 |
| **Total financial assets**: | **189,586** | **11,464** | **-** | **201,050** |
| **Financial liabilities**: | | | | |
| Revolving credit facility | - | - | 68,189 | 68,189 |
| Accounts payable & accrued liabilities | - | - | 101,648 | 101,648 |
| Current portion of lease obligation | - | - | 7,429 | 7,429 |
| Non-current portion of lease obligation | - | - | 97,062 | 97,062 |
| **Total financial liabilities**: | **-** | **-** | **274,328** | **274,328** |

*(in thousands of dollars)*

| At March 31, 2025 | Amortized Cost (Financial assets) | FVTPL | Amortized Cost (Financial liabilities) | Total |
|---|---|---|---|---|
| **Financial assets**: | | | | |
| Accounts receivable | 204,711 | - | - | 204,711 |
| Lumber futures[1] | - | 40 | - | 40 |
| Long term investment | - | 11,757 | - | 11,757 |
| **Total financial assets**: | **204,711** | **11,797** | **-** | **216,508** |
| **Financial liabilities**: | | | | |
| Accounts payable & accrued liabilities | - | - | 131,463 | 131,463 |
| Current portion of lease obligation | - | - | 6,094 | 6,094 |
| Non-current portion of lease obligation | - | - | 90,207 | 90,207 |
| **Total financial liabilities**: | **-** | **-** | **227,764** | **227,764** |

(1)Included with accounts receivable or accounts payable and accrued liabilities on the balance sheet

## 11. Changes in Non-Cash Working Capital

| *(in thousands of dollars)* | Three months ended March 31, 2026 | Three months ended March 31, 2025 |
|---|---|---|
| (Increase) Decrease in accounts receivable | (67,784) | (54,313) |
| (Increase) Decrease in inventories | (2,116) | (30,425) |
| (Increase) Decrease in prepaid expenses and other | (330) | 558 |
| Effect of foreign exchange on working capital | 1,328 | 1,607 |
| (Decrease) Increase in accounts payable and accrued liabilities | (3,191) | (2,003) |
| Total | (72,093) | (84,576) |

## 12. Seasonality

Taiga's sales are subject to seasonal variances that fluctuate in accordance with the normal home building season. Taiga generally experiences higher sales in the quarters ended June 30 and September 30 and reduced sales in the late fall and winter during its quarters ended December 31 and March 31 of each fiscal year.

## 13. Segmented Information

Taiga operates within one business segment and has two reportable geographic areas as follows:

| | **Three months ended March 31, 2026** | | **Three months ended March 31, 2025** | |
|---|---|---|---|---|
| *(in thousands of dollars except %)* | **Sales** | **Percentage** | **Sales** | **Percentage** |
| Canada | 299,901 | 85.9% | 336,783 | 84.2% |
| United States | 49,293 | 14.1% | 63,155 | 15.8% |

During the three months ended March 31, 2026, Taiga's Canadian operations had export sales of $35.7 million (three months ended March 31, 2025 - $35 million). These export sales were primarily to the United States and Asia and are included as part of the Canadian segment in the table above.

taiga building products

# Management's Discussion and Analysis

## For the three months ended March 31, 2026 and 2025

*This Management's Discussion and Analysis ("MD&A") of Taiga Building Products Ltd. ("Taiga" or the "Company") has been prepared based on information available as at May 8, 2026 and should be read in conjunction with the unaudited condensed interim consolidated financial statements and the corresponding notes thereto for the three months ended March 31, 2026 and 2025. This discussion and analysis provides an overview of significant developments that have affected Taiga's performance during the three months ended March 31, 2026.*

*The financial information reported herein has been prepared in accordance with IFRS Accounting Standards, which is the required reporting framework for Canadian publicly accountable enterprises, and is expressed in Canadian dollars.*

*Taiga's consolidated financial statements and the accompanying notes included within this report include the accounts of Taiga and its subsidiaries. Unless otherwise noted, all references in this MD&A to "dollars" or "$" are to Canadian dollars.*

*Unless otherwise noted, there are no material changes to the Company's contractual obligations and risks and uncertainties as described in its management's discussion and analysis for the year ended December 31, 2025.*

*Additional information relating to the Company including the Company's Annual Information Form dated February 26, 2026 can be found on SEDAR+ at www.sedarplus.ca.*

taiga building products

***Forward-Looking Information:***

*This MD&A contains certain forward-looking information relating, but not limited, to future events or performance and strategies and expectations of Taiga. Forward-looking information typically contains statements with words such as "consider", "anticipate", "believe", "expect", "plan", "intend", "likely", "may", "will", "should", "predict", "potential", "continue" or similar words suggesting future outcomes or statements regarding expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Examples of such forward-looking information within this document include statements relating to: the Company's perception of the building products industry and markets in which it participates and anticipated trends in such markets in any of the countries in which the Company does business; the Company's anticipated business operations, inventory levels and ability to meet order demand; the Company's anticipated ability to procure products and its relationship with suppliers; sufficiency of cash flows; and the anticipated outcome of legal and regulatory proceedings. Readers should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking information. Forward-looking information reflects management's current expectations or beliefs and is based on information currently available to Taiga and although Taiga believes it has a reasonable basis for providing the forward-looking information included in this document, readers are cautioned not to place undue reliance on such forward-looking information. By its nature, the forward-looking information of Taiga involves numerous assumptions and inherent risks and uncertainties, both general and specific that contribute to the possibility that the predictions, forecasts and other forward-looking information will not occur. These factors include, but are not limited to: changes in business strategies; the effects of legal or regulatory proceedings, competition and pricing pressures; changes in operational costs; changes in laws and regulations, including tax, environmental, employment, competition, anti-terrorism and trade laws and Taiga's anticipation of and success in managing the risks associated with the foregoing; and other risks detailed in this MD&A and Taiga's filings with the Canadian securities regulatory authorities available at www.sedar.com. Forward-looking information speaks only as of the date of this discussion and analysis. Taiga does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking information, whether as a result of new information, future developments or otherwise, except as required by applicable law.*

***Non-IFRS Financial Measure:***

*In this MD&A, reference is made to EBITDA, which represents earnings before interest, taxes, and amortization. As there is no generally accepted method of calculating EBITDA, the measure as calculated by Taiga might not be comparable to similarly titled measures reported by other issuers. EBITDA is presented as management believes it is a useful indicator of the Company's ability to meet debt service and capital expenditure requirements and because management interprets trends in EBITDA as an indicator of relative operating performance. EBITDA should not be considered by an investor as an alternative to net income or cash flows as determined in accordance with IFRS. Reconciliations of EBITDA to net earnings reported in accordance with IFRS are included in this MD&A.*

***Market and Industry Data:***

*Unless otherwise indicated, the market and industry data contained in this MD&A is based upon information of independent industry and government publications and management's knowledge of, and experience in, the markets in which the Company operates. While management believes this data to be reliable, market and industry data is subject to variation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey. The Company has not independently verified any of the data from third party sources referred to in this MD&A and no representation is given as to the accuracy of any of the data referred to in this MD&A obtained from third party sources.*

taiga building products

# 1. Business Overview

Taiga is the largest independent wholesale distributor of building products in Canada. Taiga distributes building products in Canada, the United States and overseas. As a wholesale distributor, Taiga maintains substantial inventories of building products at fifteen strategically located distribution centres throughout Canada, two distribution centres in California and one in Washington. In addition, Taiga regularly distributes products through the use of third party reload centres. Taiga also owns and operates four wood preservation plants that produce pressure-treated wood products. Factors that affect Taiga's year-over-year profitability include, among others, sales levels, price fluctuations and product mix.

Taiga's primary market is in Canada. In calendar year 2026, Taiga expects the Canadian housing market to decline compared to calendar year 2025. Similarly, in the United States, Taiga's secondary market, the housing market is also expected to decline in 2026 compared to calendar year 2025. See Item 9 "Outlook".

# 2. Results of Operations

## Sales

The Company's consolidated net sales for the quarter ended March 31, 2026 were $349.2 million compared to $399.9 million over the same period last year. The decrease of $50.7 million or 13% was largely due to a lower commodity pricing as well as a decline in sales volume.

Sales by segments are as follows:

| | Revenue by point of sale | | | |
|---|---|---|---|---|
| | Three months ended March 31, | | | |
| | 2026 | | 2025 | |
| | $000's | % | $000's | % |
| Canada | 299,901 | 85.9 | 336,783 | 84.2 |
| United States | 49,293 | 14.1 | 63,155 | 15.8 |

For the quarter ended March 31, 2026, export sales totalled $35.7 million compared to $35.0 million in the same quarter in the previous year. These export sales were primarily to the United States and Asia and are included as part of the Canadian segment in the table above.

The Company's sales of dimension lumber and panel, as a percentage of total sales, were 47.8% for the quarter ended March 31, 2026, compared to 50.3% over the same period last year. Allied, engineered and treated wood product sales, as a percentage of total sales, were 52.2% this quarter, compared to 49.7% over the same period last year.

## Gross Margin

Gross margin for the quarter ended March 31, 2026 remained steady at $37.5 million compared to last year. This consistency was largely driven by the Compay's continued focus on commodity pricing discipline as well as improvements in product mix. Gross margin percentage for the quarter was 10.7% compared to 9.4% in the prior year.

## Expenses

Distribution expense for the quarter ended March 31, 2026 decreased to $8.1 million compared to $8.4 million over the same period last year, primarily due to lower compensation in the period.

Selling and administration expenses for the quarter ended March 31, 2026 decreased slightly to $15.4 million compared to $15.6 million last year. The decline was primarily driven by the unrealized gain on lumber futures, along with lower amortization of intangible assets following the Company's full impairment of goodwill and intangible assets related to its U.S. subsidiary in Washington State in Q4-2025.

Finance expense for the quarter ended March 31, 2026 increased to $1.1 million compared to $0.2 million over the same period last year. The increase was primarily due to the resumption of borrowings under the Company's revolving credit facility resulting from the dividend payment in June 2025.

Other Income for the quarter ended March 31, 2026 was $0.04 million compared to $0.03 million over the same period last year.

### Net Earnings

Net earnings for the quarter ended March 31, 2026 decreased to $9.0 million from $9.8 million over the same period last year, primarily due to higher tax and finance expenses.

### EBITDA

EBITDA for the quarter ended March 31, 2026 was $17.1 million compared to $16.7 million for the same period last year.

Reconciliation of net earnings to EBITDA:

| *(in thousands of dollars)* | **Three months ended March 31, 2026** | **2025** |
|---|---|---|
| Net earnings | 8,972 | 9,822 |
| Income tax expense | 3,929 | 3,410 |
| Finance and subordinated debt interest expense | 1,114 | 214 |
| Amortization | 3,047 | 3,284 |
| EBITDA | 17,062 | 16,730 |

## 3. Cash Flows

### Operating Activities

Cash used in operating activities was $55 million for the quarter ended March 31, 2026 compared to $70.7 million over the same period last year. Changes between the comparative periods were primarily due to the change in non-cash working capital.

### Investing Activities

Cash used from investing activities was $3.7 million for the quarter ended March 31, 2026, compared with a use of cash of $0.8 million over the same period last year. Cash was used this quarter to upgrade the conditioning bay at one of the treating plants and to purchase forklifts for the Washougal plant.

### Financing Activities

Cash flow from financing activities was $54.7 million for the quarter ended March 31, 2026, compared with the use of cash of $1.6 million for the same period last year. Additional funds were drawn from the credit facility this quarter to build up inventory in preparation for the peak season.

# 4. Summary of Quarterly Results

| | Year ending December 31, | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2026 | 2025 | | | | 2024 | | |
| *(in thousands of dollars, except per share amount in dollars)* | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 |
| Sales | 349,194 | 359,588 | 431,276 | 440,971 | 399,937 | 389,042 | 423,886 | 427,824 |
| Net earnings | 8,972 | (9,148) | 12,809 | 15,073 | 9,822 | 6,588 | 14,331 | 13,933 |
| Net earnings per share(1) | 0.08 | (0.08) | 0.12 | 0.14 | 0.09 | 0.06 | 0.13 | 0.13 |
| EBITDA | 17,062 | (5,333) | 21,780 | 23,540 | 16,730 | 15,717 | 21,497 | 22,704 |

Notes:

(1) The amounts are identical on a basic and fully diluted per share basis. Earnings per share is calculated using the weighted-average number of shares.

## Seasonality

Taiga's sales are subject to seasonal variances that fluctuate in accordance with the normal home building season. Taiga generally experiences higher sales in the quarters ended June 30 and September 30 and reduced sales in the late fall and winter during its quarters ended December 31 and March 31 of each fiscal year.

# 5. Liquidity and Capital Resources

## Revolving Credit Facility

On December 21, 2022, the Company entered into a new $250 million senior secured revolving credit facility (the "Facility") with a syndicate of lenders led by the Bank of Montreal and including Scotiabank, Bank of America, TD Bank and CIBC. The Facility bears interest at variable rates plus variable margin, is secured by a first perfected security interest in all real and personal property of the Company and certain of its subsidiaries. The Facility matures on December 20, 2027. Taiga's ability to borrow under the Facility is based upon a defined percentage of accounts receivable and inventories. The terms, conditions, and covenants of the Facility have been met as at March 31, 2026.

Taiga expects to meet its future cash requirements through a combination of cash generated from operations and its credit facilities. However, any severe weakening of the Canadian housing market driving reduced product demand or a significant increase in bad debts in accounts receivable could adversely impact the Company's liquidity in the short term.

## Working Capital

Working capital as at March 31, 2026 decreased to $274.6 million from $400.8 million as at March 31, 2025 mainly due to decreases in cash and cash equivalents and the Company's resumed use of its available Revolving Credit Facility following the payment of the June 2025 dividend. Taiga believes that current levels are adequate to meet its working capital requirements.

## Summary of Financial Position

| *(in thousands of dollars)* | **March 31, 2026** | **March 31, 2025** | **December 31, 2025** |
|---|---|---|---|
| Current Assets | 452,483 | 538,331 | 388,951 |
| Current Liabilities (excluding Revolving Credit Facility) | (109,673) | (137,557) | (111,153) |
| Revolving Credit Facility | (68,189) | - | (11,334) |
| **Working Capital** | 274,621 | 400,774 | 266,464 |
| Long Term Assets | 150,356 | 163,613 | 131,556 |
| Long Term Liabilities | (106,669) | (98,531) | (91,286) |
| **Shareholders' Equity** | 318,308 | 465,856 | 306,734 |

## Assets

Total assets were $602.8 million as at March 31, 2026 compared to $701.9 million as at March 31, 2025. The decrease was primarily due to decreases in cash and cash equivalents.

Cash and cash equivalents decreased to $67.3 million as at March 31, 2026 compared to $119.3 million as at March 31, 2025. This is primarily due to the June 2025 dividend payment made by the Company.

## Liabilities

Total liabilities increased to $284.5 million as at March 31, 2026 from $236.1 million as at March 31, 2025. The increase was primarily due to the increase in use of the revolving credit facility.

## Outstanding Share Data

The Company has only one class of shares outstanding, its common shares without par value. On March 31, 2026, there were 107,944,523 common shares issued and outstanding.

On September 4, 2025, the Company commenced a Normal Course Issuer Bid ("NCIB") for its common shares. Under the terms of the NCIB, the Company may purchase up to 5,397,226 of its then outstanding 107,944,523 common shares, representing 5% of the outstanding common shares. Since the commencement date, no common shares have been purchased and cancelled. At March 31, 2026 there were 5,397,226 remaining common shares permitted to be purchased by the Company per the terms of the NCIB with an expiration on September 3, 2026.

# 6. Critical Accounting Policies and Estimates, and Future Accounting Changes

The significant accounting policies of Taiga are described in Note 3 to the Consolidated Financial Statements for the year ended December 31, 2025.

The preparation of financial statements in conformity with IFRS requires management to make assumptions and estimates that affect the amounts reported in the financial statements and notes thereto. Financial results as determined by actual events could be different from those estimates. These estimates are described in the management's discussion and analysis for the year ended December 31, 2025 and there have been no material changes to such policies and estimates since that time.

# 7. Off-Balance Sheet Arrangements

Taiga does not have off-balance sheet arrangements except for non-material legal actions and claims as discussed under "Commitments and Contingencies", Note 18 of the Company's consolidated financial statements for the year ended December 31, 2025.

For a detailed description of financial instruments and their associated risks, see Note 20 to the Company's audited consolidated financial statements for the year ended December 31, 2025.

# 8. Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Taiga's management is responsible for establishing and maintaining adequate disclosure controls and procedures and internal controls over financial reporting ("ICFR") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with IFRS.

The CEO and CFO of Taiga acknowledge responsibility for the design of ICFR and confirm that there were no changes in these controls that occurred during the quarter ended December 31, 2025 which materially affected or are reasonably likely to materially affect the Company's ICFR.

# 9. Outlook

Taiga's financial performance is primarily dependent on the residential construction, renovation and repairs markets. These markets are affected by the strength or weakness in the general economy and as such are influenced by interest rates and other general market indicators.

According to the Canada Mortgage and Housing Corporation (CMHC) in its 2026 Housing Market Outlook, housing starts in Canada are projected to range between 243,000 and 247,000 in 2026 compared to 259,000 in 2025.

In the United States, the National Association of Home Builders reported in February 2026 that housing starts are forecasted to total 1,333,000 units in the 2026 calendar year compared to 1,347,000 units in calendar year 2025.

CLA Global TS
The Growth Strategist For Asia

**CLA Global TS Public Accounting Corporation**
UEN: 200507237N / Incorporated with limited liability
80 Robinson Road, #25-00
Singapore 068898

t: +65 6534 5700
**cla-ts.com**

**Independent Auditor's Report on Review of Unaudited Condensed Consolidated Interim Financial Information of Taiga Building Products Ltd.**

The Board of Directors of Avarga Limited
1 Kim Seng Promenade
#13-10 Great World City
Singapore 237994

**Introduction**

We have reviewed the accompanying unaudited condensed consolidated balance sheets of Taiga Building Products Ltd. and its subsidiary corporations as of 31 March 2026 and the related condensed consolidated statements of earnings and comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and material accounting policy information and explanatory notes to the condensed consolidated interim financial information (the "Unaudited Condensed Consolidated Interim Financial Information"). Management is responsible for the preparation and fair presentation of this Unaudited Condensed Consolidated Interim Financial Information in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Unaudited Condensed Consolidated Interim Financial Information 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 Unaudited Condensed Consolidated 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 Unaudited Condensed Consolidated Interim Financial Information does not present fairly, in all material respects, the financial position of Taiga Building Products Ltd. and its subsidiary corporations as at 31 March 2026, and of the financial performance and its cash flows for the three-month period then ended, in accordance with SFRS(I) 1-34.

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**Independent Auditor's Report on Review of Unaudited Condensed Consolidated Interim Financial Information of Taiga Building Products Ltd.** (continued)

**Restriction on Distribution and Use**

Our report is provided solely to assist Avarga Limited's compliance with Rule 25 of the Singapore Code on Take-overs and Mergers in connection with a proposed acquisition of all the shares of Avarga Limited by TKO Pte. Ltd. pursuant to a scheme of arrangement under section 210 of the Companies Act 1967 of Singapore and is not to be used for any other purpose. We do not accept or assume liability or responsibility to anyone other than Avarga Limited for our work or this report.

CLA Global TS

**CLA Global TS Public Accounting Corporation**
**Public Accountants and Chartered Accountants**
**Singapore**

**10 July 2026**

*Enclosures:*

*Taiga Building Products Ltd.*

1. Condensed Interim Consolidated Financial Statements (Unaudited) For the three months ended March 31, 2026 and 2025
2. Management's Discussion and Analysis For the three months ended March 31, 2026 and 2025

**PRIMEPARTNERS CORPORATE FINANCE PTE. LTD.**
16 Collyer Quay
#10-00 Collyer Quay Centre
Singapore 049318

10 July 2026

To: The Board of Directors of Avarga Limited (the "**Board**")
1 Kim Seng Promenade
#13-10 Great World City
Singapore 237994

Dear Sirs/Madam

**REPORT FROM THE INDEPENDENT FINANCIAL ADVISER IN RESPECT OF THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION OF TAIGA BUILDING PRODUCTS LTD. ("TAIGA", TOGETHER WITH ITS SUBSIDIARIES, THE "TAIGA GROUP"), THE SUBSIDIARY OF AVARGA LIMITED (THE "COMPANY", TOGETHER WITH ITS SUBSIDIARIES, THE "GROUP"), FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026 ("1Q FY2026") ("TAIGA 1Q FY2026 RESULTS")**

*Unless otherwise defined or the context otherwise required, all terms used herein shall have the same meaning attributed to them in the scheme document issued by the Company dated 10 July 2026 (the "**Scheme Document**").*

By way of background, on 13 March 2026, the respective boards of directors of the Company and TKO Pte. Ltd. ("**TKO**" or the "**Offeror**") jointly announced the proposed privatisation of the Company by the Offeror, through the Offeror's acquisition (the "**Acquisition**") of all the issued and fully paid-up ordinary shares in the capital of the Company (the "**Shares**") held by the shareholders of the Company (the "**Shareholders**"), other than Shares held in treasury and Shares owned or controlled by the Excluded Shareholders (the "**Scheme Shares**") by way of a scheme of arrangement (the "**Scheme**") in accordance with Section 210 of the Companies Act 1967 of Singapore (the "**Companies Act**"), the Singapore Code on Take-overs and Mergers (the "**Code**"), and the terms and conditions of the Implementation Agreement.

On 8 May 2026, the Taiga Group, which is listed on the Toronto Stock Exchange ("**TSX**"), announced the Taiga 1Q FY2026 Results via the System for Electronic Document Analysis and Retrieval+ ("**SEDAR+**"), being the official Canadian securities regulatory filing system. On 6 July 2026, the Taiga Group filed a revised version of the Taiga 1Q FY2026 Results via SEDAR+ to include an omitted line item "income taxes payable" which was not disclosed in the earlier announcement. The announcements relating to the Taiga 1Q FY2026 Results were subsequently released by the Company via SGXNet on 9 May 2026, 15 May 2026 and 7 July 2026 (the "**Announcements**") respectively. The Announcements are deemed as profit forecasts under Rule 25 of the Code ("**Forecast Statements**").

Accordingly, this letter has been prepared pursuant to Rule 25 of the Code and is appended to the Scheme Document in relation to the Taiga 1Q FY2026 Results.

We have given and have not withdrawn our consent to the release of the Scheme Document in relation to the Taiga 1Q FY2026 Results with the inclusion therein of our name and this letter.

For the purpose of this letter, we have examined the Taiga 1Q FY2026 Results and have discussed the same with the directors and management of Taiga who are responsible for its preparation. We have also considered the report dated 10 July 2026 issued to the Company by CLA Global TS Public Accounting Corporation, being the Company's independent auditors, on their review of the Taiga 1Q FY2026 Results. We have relied on and assumed the accuracy and completeness of all information in relation to the Taiga 1Q FY2026 Results provided to and/or discussed with us by the Company and/or Taiga. We have not assumed any responsibility for independently verifying such information or undertaken any independent evaluation or appraisal of any of the assets or liabilities of Taiga Group. The board of directors of Taiga remains solely responsible for the Taiga 1Q FY2026 Results. Save as provided in this letter, we do not express any other opinions or views on the Taiga 1Q FY2026 Results.

Based on the above, we are of the opinion that the Taiga 1Q FY2026 Results have been prepared after due and careful enquiry.

This letter is provided to the Board solely for the purpose of complying with Rule 25 of the Code and not for any other purpose. We do not accept any responsibility to any person(s), other than the Board in respect of, arising out of, or in connection with this letter.

Yours sincerely
For and on behalf of
**PrimePartners Corporate Finance Pte. Ltd.**

Mark Liew
Chief Executive Officer and Executive Director

## IN THE GENERAL DIVISION OF THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OA 551/2026

In the Matter of Section 210 of the Companies Act 1967

And

In the Matter of
Avarga Limited
(Company Registration No.: 196700346M)

… Applicant

**SCHEME OF ARRANGEMENT**

Under Section 210 of the Companies Act 1967

Among

Avarga Limited

And

The Shareholders (as defined herein)

And

TKO Pte. Ltd.

**NOTICE IS HEREBY GIVEN** that by an Order of Court made in the above matter, the High Court of the Republic of Singapore (the "**Court**") has directed a meeting (the "**Court Meeting**") of the shareholders (the "**Shareholders**") of Avarga Limited (the "**Company**") to be convened and such Court Meeting shall be held at YMCA @ One Orchard, Tan Chin Tuan Room Level 4, 1 Orchard Road, Singapore 238824 on 27 July 2026 at 2.30 p.m., for the purpose of considering and, if thought fit, approving (with or without modification) the following resolution:

**THE SCHEME RESOLUTION**

"**THAT** the scheme of arrangement dated 10 July 2026 proposed to be made pursuant to Section 210 of the Companies Act 1967 of Singapore, between (i) the Company, (ii) the Shareholders and (iii) TKO Pte. Ltd., a copy of which has been circulated with this Notice convening this Court Meeting, be and is hereby approved."

*All references to the Scheme Document in this Notice of Court Meeting shall mean the scheme document dated 10 July 2026 issued by the Company to the Shareholders (the "**Scheme Document**"). All capitalised terms used but not otherwise defined herein shall have the same meanings given to them in the Scheme Document.*

*The said scheme of arrangement will be subject to, inter alia, the subsequent sanction of the Court.*

**IMPORTANT NOTICE FROM THE COMPANY:**

The Court Meeting will be convened and held in a wholly physical format at YMCA @ One Orchard, Tan Chin Tuan Room Level 4, 1 Orchard Road, Singapore 238824 on 27 July 2026 at 2.30 p.m.. **There will be no option for Shareholders to participate in the Court Meeting virtually.**

Electronic copies of the Scheme Document (together with this Notice of Court Meeting and the Proxy Form) have been made available via publication on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the corporate website of the Company at the URL https://www.avarga.com.sg/investor-relations/sgx-announcements/. A Shareholder will need an internet browser and PDF reader to view these documents on SGXNet and the corporate website of the Company. A printed copy of this Scheme Document, the Notice of Court Meeting and the Proxy Form will be despatched to Entitled Shareholders.

**Notes:**

1. A copy of the said scheme of arrangement and a copy of the Explanatory Statement required to be furnished pursuant to Section 211 of the Companies Act 1967 ("**Companies Act**") are incorporated in the Scheme Document of which this Notice of Court Meeting forms part.

**Arrangements for Conduct of the Court Meeting**

2. Arrangements relating to the conduct of the Court Meeting, including:

   (a) attending the Court Meeting in person;

   (b) submitting questions related to the Scheme Resolution to be tabled for approval at the Court Meeting, in advance of the Court Meeting or at the Court Meeting itself; and/or

   (c) voting at the Court Meeting by the Shareholder (i) in person or (ii) by his/her/its duly appointed proxy,

   are set out in this Notice of Court Meeting. Any reference to a time of day is made by reference to Singapore time.

   Shareholders, including CPFIS Investors and SRS Investors, or, where applicable, their appointed proxy who will be attending the Court Meeting in person should bring along their NRIC/passport so as to enable the verification of their identity on the day of the Court Meeting.

**Questions & Answers, Minutes of Court Meeting**

3. Shareholders, including CPFIS Investors and SRS Investors, may submit questions related to the Scheme Resolution to be tabled for approval at the Court Meeting, in advance of the Court Meeting. To do so, all questions must be submitted in the following manner by 11.59 p.m. on 17 July 2026:

   (a) if submitted electronically, via e-mail to admin@avarga.com.sg; or

   (b) if submitted by post, be lodged at the registered office of the Company at 1 Kim Seng Promenade, #13-10 Great World City, Singapore 237994.

4. Shareholders, including CPFIS Investors and SRS Investors, who submit questions via e-mail or by post to the Company must provide the following information:

   (a) the Shareholder's full name;

   (b) the Shareholder's full NRIC/FIN/Passport/Company Registration Number;

   (c) the Shareholder's full address, contact number and email address; and

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

5. Shareholders are strongly encouraged to submit their questions electronically via e-mail.

6. The Company will endeavour to address all substantial and relevant questions received by it in the manner set out above by 2.30 p.m. on 22 July 2026 (being at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms) and the Company's responses will be posted on SGXNet and the corporate website of the Company.

   For questions or follow-up questions received after the deadline for the submission of questions of 11.59 p.m. on 17 July 2026, the Company will endeavour to address all substantial and relevant questions submitted by Shareholders at the Court Meeting.

   Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

7. Shareholders (including CPFIS Investors and SRS Investors) or, where applicable, their appointed proxy, may also ask the Chairman of the Court Meeting substantial and relevant questions related to the Scheme Resolution at the Court Meeting.

8. The Company will publish the minutes of the Court Meeting on the corporate website of the Company and on SGXNet within one (1) month from the date of the Court Meeting, and the minutes will include the responses to the substantial and relevant questions received from Shareholders which were addressed during the Court Meeting.

**Voting, or appointing a proxy to vote, at the Court Meeting**

9. A Shareholder who wishes to exercise his/her/its voting rights at the Court Meeting may:

   (a) vote at the Court Meeting in person; or

   (b) appoint a proxy to vote on his/her/its behalf at the Court Meeting.

10. A Shareholder which is not a relevant intermediary (as defined in paragraph 19 below) who is entitled to attend, speak and vote at the Court Meeting may only appoint one (1) proxy to attend, speak and vote in his/her/its stead and may only cast all the voting rights attached to his/her/its Shares at the Court Meeting (whether in person or by proxy) in one (1) way. Where a Shareholder which is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid.

11. A proxy need not be a member of the Company and may be the Chairman of the Court Meeting.

12. A Shareholder who wishes to submit an instrument appointing a proxy must complete the accompanying proxy form (the "**Proxy Form**"), before submitting it in the manner set out below and the instructions set out in the Proxy Form.

13. Printed copies of this Notice of Court Meeting and the Proxy Form will be sent to Shareholders. The Proxy Form may also be accessed on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the corporate website of the Company at the URL https://www.avarga.com.sg/investor-relations/sgx-announcements/.

14. In the case of joint holders of Shares, any one (1) of such persons may vote, but if more than one (1) of such persons be present at the Court Meeting, the person whose name stands first in the Register of Members of the Company or, as the case may be, the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001) shall alone be entitled to vote.

15. The completed and signed Proxy Form for the Court Meeting (together with the power of attorney or such other authority (if any) under which it is signed or a notarially certified copy of such power or authority) must be submitted to the Share Registrar, B.A.C.S. Private Limited in the following manner:

   (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to main@zicoholdings.com; or

   (b) if submitted by post, be lodged at the office of the Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896,

   in either case, by 2.30 p.m. on 24 July 2026, being not less than 72 hours before the time fixed for the Court Meeting.

16. **Shareholders are strongly encouraged to submit their completed Proxy Forms electronically via e-mail.**

17. If any Shareholder fails to submit a Proxy Form (if applicable) in the manner and within the period stated therein or if the Proxy Form (if applicable) is incomplete, improperly completed, illegible or where the true intentions of the Shareholder are not ascertainable from the instructions of the Shareholder specified in the Proxy Form (if applicable), the Shareholder and the proxy of such Shareholder (if applicable) may only be admitted to the Court

Meeting at the discretion of the Chairman of the Court Meeting. Any such Shareholder shall, nonetheless, be bound by the terms of the Scheme in the event that it becomes effective.

18. **Relevant Intermediaries:**

(a) Persons who hold Shares through relevant intermediaries, other than CPFIS Investors and SRS Investors, and who wish to participate in the Court Meeting should contact the relevant intermediary through which they hold such Shares as soon as possible. Persons who hold Shares through relevant intermediaries, other than CPFIS Investors and SRS Investors, may (i) vote at the Court Meeting if they are appointed as proxy by their respective relevant intermediaries; or (ii) specify their voting instructions to and/or arrange for their votes to be submitted with their respective relevant intermediaries, and should contact their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made.

(b) In addition, CPFIS Investors and SRS Investors may (i) vote at the Court Meeting if they are appointed as proxy by their respective CPF Agent Banks or SRS Agent Banks, and should contact their respective CPF Agent Banks or SRS Agent Banks if they have any queries regarding their appointment as proxy; or (ii) specify their voting instructions to and/or arrange for their votes to be submitted with their respective CPF Agent Banks or SRS Agent Banks, and should approach their respective CPF Agent Banks or SRS Agent Banks by 5.00 p.m. on 15 July 2026, being at least seven (7) Business Days before the date of the Court Meeting.

19. In relation to any Shareholder which is a relevant intermediary:

(a) subject to paragraph 19(b) below, a Shareholder which is a relevant intermediary need not cast all the voting rights attached to the Shares held on behalf of its sub-account holders in the same way provided that (i) each vote is exercised in relation to a different Share; and (ii) the voting rights attached to all or any of the Shares in each sub-account may only be cast at the Court Meeting in one (1) way but, for the avoidance of doubt, the voting rights of such Shares need not be cast in the same way as the Shares in another sub-account; and

(b) a Shareholder which is a relevant intermediary may appoint more than two (2) proxies in relation to the Court Meeting to exercise all or any of such Shareholder's rights to attend and to speak and vote at the Court Meeting, but each proxy must be appointed to exercise the voting rights attached to a different Share or Shares held by the Shareholder on behalf of its sub-account holders (which number and class of Shares must be specified), provided that no more than one (1) proxy may be given in respect of each sub-account which holds Shares. Where a proxy is appointed in accordance with this paragraph 19(b) in respect of Shares held on behalf of only one (1) sub-account holder, such proxy may only cast all the voting rights attached to all or any of the Shares in such sub-account at the Court Meeting in one (1) way.

A "**relevant intermediary**" means:

(i) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

(ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds shares in that capacity; or

(iii) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

20. For the purposes of determining whether the conditions under Section 210(3AB)(a) of the Companies Act (which, in relation to the Scheme Resolution, relates to the Scheme Resolution being passed by a majority in number of the Shareholders present and voting either in person or by proxy at the Court Meeting) (the "**Headcount Condition**") and Section 210(3AB)(b) of the Companies Act (which, in relation to the Scheme Resolution, relates to the Scheme Resolution being passed by Shareholders representing at least 75% in value of the Shares held by Shareholders present and voting either in person or by proxy at the Court Meeting) (the "**Value Condition**") are satisfied:

(a) each proxy appointed in accordance with paragraph 10 above and which casts a vote in respect of its Shares for or against the Scheme shall be treated as:

(i) casting one (1) vote in number for the purposes of the Headcount Condition; and

(ii) the value represented by the proxy for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights are being exercised by the proxy.

Where a person has been appointed in accordance with paragraph 10 above as the proxy of more than one (1) Shareholder to vote at the Court Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing Shareholder for the purposes of the Headcount Condition and the Value Condition; provided that the proxy is exercising the voting rights attached to a different Share or Shares (which number and class of Shares must be specified);

(b) each proxy appointed in accordance with paragraph 19(b) above and which casts a vote in respect of its Shares for or against the Scheme shall be treated as:

(i) casting one (1) vote in number for the purposes of the Headcount Condition; and

(ii) the value represented by the proxy for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights are being exercised by the proxy.

Where a person has been appointed in accordance with paragraph 19(b) above as the proxy of more than one (1) sub-account holder to vote at the Court Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing sub-account holder for the purposes of the Headcount Condition and the Value Condition; provided that such proxy is exercising the voting rights attached to a different Share or Shares (which number and class of Shares must be specified);

(c) where a Shareholder which is a relevant intermediary casts the voting rights attached to the Shares held on behalf of its sub-account holder(s) for and/or against the Scheme:

(i) such relevant intermediary shall be treated as casting one (1) vote in number for the purposes of the Headcount Condition in respect of each sub-account holder on whose behalf the Shareholder which is a relevant intermediary casts the voting rights attached to the Shares; and

(ii) the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights "for" and/or "against" the Scheme are being exercised by the relevant intermediary,

provided that the Shareholder which is a relevant intermediary shall submit to the Company's Share Registrar, B.A.C.S. Private Limited., by no later than 2.30 p.m. on 24 July 2026, either:

(A) by e-mail to main@zicoholdings.com; or

(B) by post to the Company's Share Registrar, **B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896**,

the list of these sub-account holder(s) (which sets out the name of each sub-account holder, the number of Shares attributed to each sub-account holder, and whether the sub-account holder has voted in favour of or against the Scheme in respect of such Shares). Each sub-account holder may only vote one (1) way in respect of all or any part of the Shares in such sub-account; and

(d) where a Shareholder which is a relevant intermediary casts the voting rights attached to the Shares held on behalf of its sub-account holder(s) both for and against the Scheme without submitting to the Company's Share Registrar the information required under paragraph 20(c) above then, without prejudice to the treatment of any proxies appointed in accordance with paragraph 19(b) above:

(i) such relevant intermediary shall be treated as casting one (1) vote in favour of the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes for the Scheme than against the Scheme;

(ii) such relevant intermediary shall be treated as casting one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes against the Scheme than for the Scheme;

(iii) such relevant intermediary shall be treated as casting one (1) vote for and one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts equal votes for and against the Scheme; and

(iv) with respect to each of the scenarios set out in paragraphs 20(d)(i), 20(d)(ii) and 20(d)(iii) above, the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights "for" and "against" the Scheme are being exercised by the relevant intermediary.

21. Please see the Scheme Document and the notes to the Proxy Form for more information.

**Personal Data Privacy:**

22. By (i) attending the Court Meeting; (ii) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Court Meeting and/or any adjournment thereof; and/or (iii) submitting any question in advance of, or at, the Court Meeting, a Shareholder:

    (a) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (and/or its agents or service providers) for the following purposes:

        (i) the processing, administration and analysis by the Company (and/or its agents or service providers) of proxy(ies) and representative(s) appointed for the Court Meeting (including any adjournment thereof);

        (ii) the addressing of questions received from Shareholders in advance of or at the Court Meeting and, if necessary, the following up with the relevant Shareholders in relation to such questions;

        (iii) the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Court Meeting (including any adjournment thereof); and

        (iv) in order for the Company (and/or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines,

    (collectively, the "**Purposes**");

    (b) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (and/or its agents or service providers), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (and/or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes;

    (c) agrees to provide the Company (and/or its agents or service providers) with written evidence of such prior consent upon reasonable request;

    (d) agrees that the Shareholder will indemnify the Company (and/or its agents or service providers) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty; and

    (e) agrees and consents to such photographic, sound and/or video recordings of the Court Meeting as may be made by the Company (and/or its agents or service providers) for record keeping and to ensure the accuracy of the minutes prepared of the Court Meeting. Accordingly, the personal data of the Shareholder (such as his/her/its name, his/her/its presence at the Court Meeting and any questions he/she/it may raise or motions he/she/it may propose/second) may be recorded by the Company (and/or its agents or service providers) for such purpose.

Dated this 10 July 2026

Rev Law LLC
1D Duxton Hill
Singapore 089587
Solicitors for
**Avarga Limited**
Instructed Counsel for Court
Applications

# PROXY FORM FOR COURT MEETING

**IN THE GENERAL DIVISION OF THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

HC/OA 551/2026

In the Matter of Section 210 of the Companies Act 1967

And

In the Matter of
Avarga Limited
(Company Registration No.: 196700346M)

... Applicant

**SCHEME OF ARRANGEMENT**

Under Section 210 of the Companies Act 1967

Among

Avarga Limited

And

The Shareholders (as defined herein)

And

TKO Pte. Ltd.

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**AVARGA LIMITED**
(Company Registration Number: 196700346M)
(Incorporated in the Republic of Singapore)

**PROXY FORM**
**COURT MEETING**
*(Please see notes overleaf before completing this Form)*

**IMPORTANT:**
1. A proxy need not be a member of the Company and may be the Chairman of the Court Meeting.
2. A shareholder of the Company ("**Shareholder**") which is not a relevant intermediary and is entitled to attend, speak and vote at the Court Meeting may only appoint one (1) proxy to attend, speak and vote in his/her/its stead. Where a Shareholder which is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid.
3. For CPFIS Investors and SRS Investors who have used their CPF and/or SRS monies to buy Shares in the Company, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or is purported to be used by them. CPFIS Investors and SRS Investors should contact their CPF Agent Banks or SRS Agent Banks to submit their votes by 5.00 p.m. on 15 July 2026, being at least seven (7) Business Days before the date of the Court Meeting.
4. All capitalised terms used in this Proxy Form but not otherwise defined herein shall have the same meanings given to them in the Company's Scheme Document to Shareholders dated 10 July 2026.
5. **Please read the notes overleaf which contains instructions on, *inter alia*, the appointment of a Shareholder's proxy to attend, speak and vote on his/her/its behalf, at the Court Meeting.**

**Personal Data Privacy**
By submitting an instrument appointing a proxy, the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of Court Meeting dated 10 July 2026.

I/We*, ______________________________ (Name), ______________ (NRIC No./Passport No./Company Registration No.*), of ______________________________ (Address), being a member/members* of **AVARGA LIMITED** (the "**Company**"), hereby appoint:

| Name | Address | NRIC/Passport No. |
|---|---|---|
| | | |

or failing him/her*, the Chairman of the Court Meeting, as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the Court Meeting to be held at YMCA @ One Orchard, Tan Chin Tuan Room Level 4, 1 Orchard Road, Singapore 238824 on 27 July 2026 at 2.30 p.m. and at any adjournment thereof, for the purpose of considering and, if thought fit, approving the Scheme referred to in the Notice of Court Meeting, and at such Court Meeting (or at any adjournment thereof) to vote for me/us* and in my/our* name(s) for the said Scheme or against the said Scheme as hereunder indicated.

I/We* direct my/our* proxy to vote for or against, or abstain from voting on, the Scheme as indicated hereunder. If no specific direction as to voting is given, my/our* proxy will vote or abstain from voting at his/her/its* discretion. If no person is named in the above boxes, the Chairman of the Court Meeting shall be my/our* proxy to vote, for or against, or to abstain from voting on, the Scheme to be proposed at the Court Meeting, for me/us* and on my/our* behalf at the Court Meeting and at any adjournment thereof.

Voting will be conducted by poll.

| THE SCHEME RESOLUTION | For | Against | Abstain |
|---|---|---|---|
| To approve the Scheme | | | |

***Notes:***

*If you are a Shareholder which is not a relevant intermediary:*

*You may only appoint **ONE (1) PROXY** to attend, speak and vote in your stead and may only cast all the votes you use in the Court Meeting **IN ONE (1) WAY**. If you wish to vote "**FOR**" the Scheme Resolution, please indicate with a tick (✓) in the box marked "**FOR**" as set out above. If you wish to vote "**AGAINST**" the Scheme Resolution, please indicate with a tick (✓) in the box marked "**AGAINST**" as set out above. If you wish to abstain from voting on the Scheme Resolution, please indicate with a tick (✓) in the box marked "**ABSTAIN**" as set out above. **DO NOT TICK MORE THAN ONE (1) BOX.***

*If you are a Shareholder which is a relevant intermediary:*

*Please indicate (i) the number of votes "**FOR**" or "**AGAINST**" in the "**FOR**" or "**AGAINST**" boxes as set out above in respect of the Scheme Resolution; and (ii) the number of Shares your proxy is directed to abstain from voting in the "**ABSTAIN**" box provided in respect of the Scheme Resolution.*

Dated this ________ day of ______________________ 2026

| Total number of Shares in: | No. of Shares |
|---|---|
| (a) CDP Register | |
| (b) Register of Members | |

______________________________
Signature(s) of Shareholder(s) and/or Common Seal

** Delete where inapplicable*

**IMPORTANT: PLEASE READ THE NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM**

**Notes:**

1. The Court Meeting will be convened and held in a wholly physical format. There will be no option for Shareholders to participate in the Court Meeting virtually. This Proxy Form (along with the Scheme Document and the Notice of Court Meeting) may be accessed on SGXNet at the URL https://www.sgx.com/securities/company-announcements and the corporate website of the Company at the URL https://www.avarga.com.sg/investor-relations/sgx-announcements/.

2. A Shareholder who wishes to exercise his/her/its voting rights at the Court Meeting may: (a) vote at the Court Meeting in person; or (b) appoint a proxy to vote on his/her/its behalf at the Court Meeting.

3. A Shareholder which is not a relevant intermediary (as defined in paragraph 12 below) who is entitled to attend, speak and vote at the Court Meeting may only appoint one (1) proxy to attend, speak and vote in his/her/its stead and may only cast all the voting rights attached to his/her/its Shares at the Court Meeting (whether in person or by proxy) in one (1) way. Where a Shareholder which is not a relevant intermediary appoints more than one (1) proxy, such additional appointments shall be invalid. A proxy need not be a member of the Company and may be the Chairman of the Court Meeting.

4. The completion and lodgement of this Proxy Form shall not preclude a Shareholder from attending, speaking and voting in person at the Court Meeting if he/she/it subsequently wishes to do so. If a Shareholder attends the Court Meeting in person, the appointment of a proxy shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy to the Court Meeting.

5. A Shareholder should insert the total number of Shares held. If the Shareholder has Shares entered against his/her/its name in the Depository Register maintained by CDP, he/she/it should insert that number of Shares. If the Shareholder has Shares registered in his/her/its name in the Register of Members, he/she/it should insert that number of Shares. If the Shareholder has Shares entered against his/her/its name in the said Depository Register and registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of Shares. If no number is inserted, this Proxy Form will be deemed to relate to all the Shares held by the Shareholder.

6. This Proxy Form must be executed under the hand of the appointor or of his/her/its attorney duly authorised in writing. Where this Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

7. Where a Proxy Form is signed on behalf of the appointor by an attorney or a duly authorised officer, the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority must (failing previous registration with the Company) be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.

8. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on and/or attached to this Proxy Form. In addition, the Company is entitled to reject any Proxy Form lodged by a Shareholder if the Shareholder, being the appointor, is not shown to have Shares entered against his/her/its name in the Register of Members or the Depository Register (as the case may be) as at 72 hours before the time appointed for holding the Court Meeting, as certified by the Share Registrar and the CDP to the Company, respectively.

9. This completed and signed Proxy Form (together with the power of attorney or such other authority (if any) under which it is signed or a notarially certified copy of such power or authority) must be submitted to the Share Registrar, B.A.C.S. Private Limited in the following manner:

   (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to main@zicoholdings.com; or

   (b) if submitted by post, be lodged at the office of the Share Registrar, **B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896**,

   in either case, by 2.30 p.m. on 24 July 2026, being not less than 72 hours before the time fixed for the Court Meeting. **Shareholders are strongly encouraged to submit their completed Proxy Forms electronically via e-mail.**

10. If any Shareholder fails to submit a Proxy Form (if applicable) in the manner and within the period stated herein or if this Proxy Form (if applicable) is incomplete, improperly completed, illegible or where the true intentions of the Shareholder are not ascertainable from the instructions of the Shareholder specified in this Proxy Form (if applicable), the Shareholder and the proxy of such Shareholder (if applicable) may only be admitted to the Court Meeting at the discretion of the Chairman of the Court Meeting. Any such Shareholder shall, nonetheless, be bound by the terms of the Scheme in the event that it becomes effective.

11. **Relevant Intermediaries:**

   (a) Persons who hold Shares through relevant intermediaries, other than CPFIS Investors and SRS Investors, and who wish to participate in the Court Meeting should contact the relevant intermediary through which they hold such Shares as soon as possible. Persons who hold Shares through relevant intermediaries, other than CPFIS Investors and SRS Investors, may (i) vote at the Court Meeting if they are appointed as proxy by their respective relevant intermediaries; or (ii) specify their voting instructions to and/or arrange for their votes to be submitted with their respective relevant intermediaries, and should contact their respective relevant intermediaries as soon as possible in order for the necessary arrangements to be made.

   (b) In addition, CPFIS Investors and SRS Investors may (i) vote at the Court Meeting if they are appointed as proxy by their respective CPF Agent Banks or SRS Agent Banks, and should contact their respective CPF Agent Banks or SRS Agent Banks if they have any queries regarding their appointment as proxy; or (ii) specify their voting instructions to and/or arrange for their votes to be submitted with their respective CPF Agent Banks or SRS Agent Banks, and should approach their respective CPF Agent Banks or SRS Agent Banks by 5.00 p.m. on 15 July 2026, being at least seven (7) Business Days before the date of the Court Meeting.

12. In relation to any Shareholder which is a relevant intermediary:

   (a) subject to paragraph 12(b) below, a Shareholder which is a relevant intermediary need not cast all the voting rights attached to the Shares held on behalf of its sub-account holders in the same way provided that (i) each vote is exercised in relation to a different Share; and (ii) the voting rights attached to all or any of the Shares in each sub-account may only be cast at the Court Meeting in one (1) way but, for the avoidance of doubt, the voting rights of such Shares need not be cast in the same way as the Shares in another sub-account; and

   (b) a Shareholder which is a relevant intermediary may appoint more than two (2) proxies in relation to the Court Meeting to exercise all or any of such Shareholder's rights to attend and to speak and vote at the Court Meeting, but each proxy must be appointed to exercise the voting rights attached to a different Share or Shares held by the Shareholder on behalf of its sub-account holders (which number and class of Shares must be specified), provided that no more than one (1) proxy may be given in respect of each sub-account which holds Shares. Where a proxy is appointed in accordance with this paragraph 12(b) in respect of Shares held on behalf of only one (1) sub-account holder, such proxy may only cast all the voting rights attached to all or any of the Shares in such sub-account at the Court Meeting in one (1) way.

   A "**relevant intermediary**" means:

   (i) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds shares in that capacity; or

(iii) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

13. For the purposes of determining whether the conditions under Section 210(3AB)(a) of the Companies Act (which, in relation to the Scheme Resolution, relates to the Scheme Resolution being passed by a majority in number of the Shareholders present and voting either in person or by proxy at the Court Meeting) (the "**Headcount Condition**") and Section 210(3AB)(b) of the Companies Act (which, in relation to the Scheme Resolution, relates to the Scheme Resolution being passed by Shareholders representing at least 75% in value of the Shares held by Shareholders present and voting either in person or by proxy at the Court Meeting) (the "**Value Condition**") are satisfied:

(a) each proxy appointed in accordance with paragraph 3 above and which casts a vote in respect of its Shares for or against the Scheme shall be treated as:

(i) casting one (1) vote in number for the purposes of the Headcount Condition; and

(ii) the value represented by the proxy for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights are being exercised by the proxy.

Where a person has been appointed in accordance with paragraph 3 above as the proxy of more than one (1) Shareholder to vote at the Court Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing Shareholder for the purposes of the Headcount Condition and the Value Condition; provided that the proxy is exercising the voting rights attached to a different Share or Shares (which number and class of Shares must be specified);

(b) each proxy appointed in accordance with paragraph 12(b) above and which casts a vote in respect of its Shares for or against the Scheme shall be treated as:

(i) casting one (1) vote in number for the purposes of the Headcount Condition; and

(ii) the value represented by the proxy for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights are being exercised by the proxy.

Where a person has been appointed in accordance with paragraph 12(b) above as the proxy of more than one (1) sub-account holder to vote at the Court Meeting, the votes of each such proxy shall be counted as separate votes attributable to each appointing sub-account holder for the purposes of the Headcount Condition and the Value Condition; provided that such proxy is exercising the voting rights attached to a different Share or Shares (which number and class of Shares must be specified);

(c) where a Shareholder which is a relevant intermediary casts the voting rights attached to the Shares held on behalf of its sub-account holder(s) for and/or against the Scheme:

(i) such relevant intermediary shall be treated as casting one (1) vote in number for the purposes of the Headcount Condition in respect of each sub-account holder on whose behalf the Shareholder which is a relevant intermediary casts the voting rights attached to the Shares; and

(ii) the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights "for" and/or "against" the Scheme are being exercised by the relevant intermediary,

provided that the Shareholder which is a relevant intermediary shall submit to the Company's Share Registrar, B.A.C.S. Private Limited, by no later than 2.30 p.m. on 24 July 2026, either:

(A) by e-mail to main@zicoholdings.com; or

(B) by post to the Company's Share Registrar, **B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896**,

the list of these sub-account holder(s) (which sets out the name of each sub-account holder, the number of Shares attributed to each sub-account holder, and whether the sub-account holder has voted in favour of or against the Scheme in respect of such Shares). Each sub-account holder may only vote one (1) way in respect of all or any part of the Shares in such sub-account; and

(d) where a Shareholder which is a relevant intermediary casts the voting rights attached to the Shares held on behalf of its sub-account holder(s) both for and against the Scheme without submitting to the Company's Share Registrar the information required under paragraph 13(c) above then, without prejudice to the treatment of any proxies appointed in accordance with paragraph 12(b) above:

(i) such relevant intermediary shall be treated as casting one (1) vote in favour of the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes for the Scheme than against the Scheme;

(ii) such relevant intermediary shall be treated as casting one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts more votes against the Scheme than for the Scheme;

(iii) such relevant intermediary shall be treated as casting one (1) vote for and one (1) vote against the Scheme for the purposes of the Headcount Condition if the relevant intermediary casts equal votes for and against the Scheme; and

(iv) with respect to each of the scenarios set out in paragraphs 13(d)(i), 13(d)(ii) and 13(d)(iii) above, the value represented by the relevant intermediary for the purposes of the Value Condition shall be the number of Shares in relation to which voting rights "for" and "against" the Scheme are being exercised by the relevant intermediary.

14. All references to a time of day is made by reference to Singapore time.

15. All Shareholders will be bound by the outcome of the Court Meeting regardless of whether they have attended or voted at the Court Meeting.

16. All capitalised terms not otherwise defined herein shall have the meanings given to them in the Company's Scheme Document dated 10 July 2026.

**Personal Data Privacy:**

By submitting an instrument appointing a proxy or proxies, the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice of Court Meeting dated 10 July 2026.

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