

SCHEME DOCUMENT DATED 3 DECEMBER 2025

THIS SCHEME DOCUMENT IS ISSUED BY SPINDEX INDUSTRIES LIMITED (THE “COMPANY”). THIS SCHEME DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

IF YOU ARE IN ANY DOUBT ABOUT THIS SCHEME DOCUMENT OR THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.

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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 <https://sgx.com/securities/company-announcements>. A printed copy of this Scheme Document, the Notice of Court Meeting and the Proxy Form will be despatched to Entitled Shareholders.

If you have sold or transferred all or any of your issued and fully paid-up ordinary shares in the Company, you should immediately inform the purchaser or transferee or the bank, stockbroker or agent through whom the sale or transfer was effected 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 at SGXNET at <https://sgx.com/securities/company-announcements>.

The Singapore Exchange Securities Trading Limited (the “SGX-ST”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Scheme Document.



PROPOSED ACQUISITION BY SKYLINE II PTE. LTD. OF ALL THE SHARES IN THE ISSUED SHARE CAPITAL OF SPINDEX INDUSTRIES LIMITED BY WAY OF A SCHEME OF ARRANGEMENT

Financial Adviser to the Offeror



CGS International Securities Singapore Pte. Ltd.

(Company Registration No.: 198701621D)
(Incorporated in the Republic of Singapore)

Independent Financial Adviser to the Independent Directors



Evolve Capital Advisory Private Limited

(Company Registration No.: 201718400R)
(Incorporated in the Republic of Singapore)

IMPORTANT DATES AND TIMES

Last date and time for submission of questions in advance of Court Meeting	: 10 December 2025 at 10.30am
Last date and time for lodgement of Proxy Form for the Court Meeting	: 16 December 2025 at 10.30am
Date and time of Court Meeting	: 18 December 2025 at 10.30am
Place of the Court Meeting	: The Chevrons, Rose Room Level 3, 48 Boon Lay Way, Singapore 609961
Expected date of the Court hearing of the application to approve the Scheme	: 19 January 2026
Expected last day of trading of the Shares on the SGX-ST	: 20 January 2026
Expected Books Closure Date	: 29 January 2026
Expected Effective Date	: 2 February 2026
Expected date for payment of the Scheme Consideration	: 11 February 2026
Expected date for the delisting of the Shares	: 13 February 2026

Important Notice

The action to be taken by you is set out on page 37 of this Scheme Document.

The expected timetable which sets out the important dates, times and place relating to the Court Meeting is set out on page 11 of this Scheme Document. Your attention is also drawn to the notes under the expected timetable.

The information in this section is qualified by, and should be read in conjunction with, the full information contained in the rest of this Scheme Document. In the event of any inconsistency or conflict between this section and the rest of this Scheme Document, the terms set out in this Scheme Document shall prevail. Nothing in this section is intended to be, or shall be taken as, advice, a recommendation or a solicitation to the Entitled Shareholders or any other part.

Entitled Shareholders are advised to exercise caution when dealing in their Shares and refrain from taking any action in relation to their Shares which may be prejudicial to their interests.

All capitalised terms shall, if not otherwise defined, have the same meanings as ascribed to them in this Scheme Document.

CONTENTS

	Page
DEFINITIONS	3
FORWARD-LOOKING STATEMENTS	10
EXPECTED TIMETABLE	11
CORPORATE INFORMATION	12
LETTER TO SHAREHOLDERS	13
1. INTRODUCTION	13
2. RATIONALE FOR THE ACQUISITION	15
3. THE ACQUISITION AND THE SCHEME	17
4. IRREVOCABLE UNDERTAKING	18
5. ABSTENTION FROM VOTING	19
6. NO CASH OUTLAY	19
7. WAIVER OF RIGHTS TO A GENERAL OFFER	19
8. APPROVALS REQUIRED	19
9. DELISTING	20
10. CONFIRMATION OF FINANCIAL RESOURCES	21
11. INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS	21
12. INDEPENDENT DIRECTORS' RECOMMENDATION	22
13. DIRECTORS' INTENTIONS WITH RESPECT TO THEIR SHARES	23
14. OVERSEAS SHAREHOLDERS	24
15. DIRECTORS' RESPONSIBILITY STATEMENT	25
16. GENERAL INFORMATION	25
EXPLANATORY STATEMENT (in compliance with Section 211 of the Companies Act)	26
1. INTRODUCTION	26
2. RATIONALE FOR THE ACQUISITION	26
3. THE SCHEME	26
4. IRREVOCABLE UNDERTAKING	27
5. INFORMATION ON THE OFFEROR	28
6. COURT MEETING	28
7. CONDITIONS OF THE SCHEME	28
8. SCHEME CONDITIONS AND REGULATORY APPROVALS	31
9. EFFECT OF THE SCHEME AND DELISTING	32
10. IMPLEMENTATION OF THE SCHEME	32
11. BOOKS CLOSURE DATE	34
12. SETTLEMENT AND REGISTRATION PROCEDURES	35
13. DIRECTORS' INTERESTS	36
14. OVERSEAS SHAREHOLDERS	36
15. ACTIONS TO BE TAKEN BY SHAREHOLDERS	37
16. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS	37
17. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER	37
18. INDEPENDENT DIRECTORS' RECOMMENDATION	37
19. GENERAL INFORMATION	38

CONTENTS

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME	39
APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS	76
APPENDIX 3 – GENERAL INFORMATION RELATING TO THE COMPANY	87
APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION.....	94
APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025	120
APPENDIX 6 – MANNER OF CONVENING COURT MEETING	179
APPENDIX 7 – SCHEME CONDITIONS	185
APPENDIX 8 – PRESCRIBED OCCURRENCES	188
APPENDIX 9 – OFFEROR’S WARRANTIES	190
APPENDIX 10 – COMPANY’S WARRANTIES.....	191
APPENDIX 11 – THE SCHEME	199
APPENDIX 12 – NOTICE OF COURT MEETING	206
PROXY FORM FOR COURT MEETING	

DEFINITIONS

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

“Acquisition”	:	Has the meaning ascribed to it in paragraph 1.1 of the Letter to Shareholders
“ACRA”	:	The Accounting and Corporate Regulatory Authority of Singapore
“Application”	:	Has the meaning ascribed to it in paragraph 8.2 of the Letter to Shareholders
“Books Closure Date”	:	A date (before the Effective Date) to be announced by the Company on which the Transfer Books and the Register of Members will be closed in order to determine the entitlements of Entitled Shareholders under the Scheme
“Business Day”	:	A day other than a Saturday, Sunday and gazetted public holiday in Singapore
“CDP”	:	The Central Depository (Pte) Limited
“Claim”	:	Has the meaning ascribed to it in paragraph 5.3 of Appendix 10
“Code”	:	The Singapore Code on Take-overs and Mergers promulgated by the SIC as the same may be modified, amended, supplemented or replaced from time to time
“Companies Act”	:	Companies Act 1967 of Singapore
“Company”	:	Spindex Industries Limited
“Company Convertible Securities”	:	Convertible securities, warrants, options and derivatives in respect of Shares or other securities (if any) which carry voting rights in the Company
“Competing Offer”	:	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 Spindex 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 purpose 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 on Rule 5 of the Code
“Conditions Long-Stop Date”	:	The date falling six (6) months from the date of the Implementation Agreement or such other date as the Parties may agree in writing with the consent of the SIC
“Constitution”	:	The Constitution of the Company

DEFINITIONS

“Court”	:	The General Division of the High Court of Singapore, or where applicable on appeal, the Appellate Division of the High Court of Singapore
“Court Meeting”	:	The meeting of the Shareholders to be convened pursuant to the order of the Court to approve the Scheme, notice of which is set out in Appendix 12 to this Scheme Document, and any adjournment thereof
“Court Order”	:	The order of the Court sanctioning the Scheme under Section 210 of the Companies Act
“CPF”	:	The Central Provident Fund
“CPF Agent Banks”	:	Agent banks included under the CPFIS
“CPFIS”	:	CPF Investment Scheme
“CPFIS Investors”	:	Investors who have purchased Shares using their CPF savings under the CPF Investment Scheme
“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
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“Due Diligence Information”	:	(i) All documents made available in the data room and (ii) such information provided by or on behalf of the Company to the Offeror in writing prior to the date of the Implementation Agreement during the Offeror’s due diligence process
“effective”	:	When used in relation to the Scheme, the coming into effect of the Scheme pursuant to Section 210 of the Companies Act
“Effective Date”	:	The date on which the Scheme becomes effective in accordance with its terms
“Encumbrances”	:	Any charge, mortgage, lien, hypothecation, hire purchase, judgment, encumbrance, easement, security, title retention, preferential right, trust arrangement or any other security interest or any other agreement or arrangement having a commercial effect analogous to the conferring of security or similar right in favour of any person
“Entitled Shareholders”	:	Shareholders as at 5.00 p.m. on the Books Closure Date
“Excluded Amount”	:	Has the meaning ascribed to it in paragraph 4.2(a) of the Letter to Shareholders
“Explanatory Statement”	:	The explanatory statement in compliance with Section 211 of the Companies Act set out in pages 26 to 38 of this Scheme Document
“e-mail”	:	Has the meaning ascribed to it in paragraph 3 of Appendix 6
“FY”	:	Financial year ended or ending 30 June, as the case may be

DEFINITIONS

“Governmental Agency”	:	Any foreign or Singaporean government or governmental, semi-governmental, administrative, regulatory, fiscal or judicial agency, authority, body, commission, department, exchange, tribunal or entity
“Hong Wei”	:	Has the meaning ascribed to it in paragraph 1.5 of the Letter to Shareholders
“HW Irrevocable Undertaking”	:	Has the meaning ascribed to it in paragraph 4.1 of the Letter to Shareholders
“IFA”	:	Evolve Capital Advisory Private Limited, being the independent financial adviser appointed pursuant to Rule 1309(2) of the Listing Manual to advise the Independent Directors on the Scheme
“IFA Letter”	:	Has the meaning ascribed to it in paragraph 11.1 of the Letter to Shareholders
“Implementation Agreement”	:	The implementation agreement dated 26 September 2025 entered into between the Offeror and the Company
“Independent Directors”	:	The Directors who are considered independent for the purposes of making a recommendation to the Shareholders on the Scheme, namely Mr. Chen Chang Rong, Mr. Peter Tan Boon Heng, and Mr. Hoon Tai Meng
“Intellectual Property Rights”	:	Any trademark, pending trademark application, patent, pending patent application, know-how, registered and unregistered design, copyright, trade secret, licence relating to any of the above or other similar industrial or commercial right
“Joint Announcement”	:	The joint announcement by the Company and the Offeror dated 26 September 2025 in relation to, <i>inter alia</i> , the Acquisition and the Scheme
“Joint Announcement Date”	:	26 September 2025, being the date of the Joint Announcement
“Koji Ventures”	:	Has the meaning ascribed to it in paragraph 1.5 of the Letter to Shareholders
“Latest Practicable Date”	:	25 November 2025, being the latest practicable date prior to the printing of this Scheme Document
“Last Undisturbed Trading Day”	:	30 July 2025, being the last full trading day of the Shares immediately before the date of the holding announcement released by the Company on 1 August 2025 ¹
“Letter to Shareholders”	:	The letter to Shareholders set out in pages 13 to 25 of this Scheme Document
“Listing Manual”	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“Major Customer”	:	A major customer that had contributed (in aggregate) 10 per cent. or more to the Spindex 2024 Revenue

¹ 30 July 2025 is the last full trading day of the Shares immediately before the date of the holding announcement released by the Company on 1 August 2025, as there were no Shares traded on 31 July 2025.

DEFINITIONS

“Market Day”	:	A day on which the SGX-ST is open for trading of securities
“NAV”	:	Net asset value
“Notice”	:	Has the meaning ascribed to it in paragraph 18 of Appendix 6
“Offer”	:	The voluntary conditional cash offer made for or on behalf of Offeror to acquire all the Shares on the terms and subject to the conditions which will be set out in the offer document issued for or on behalf of Offeror
“Offeror”	:	Skyline II Pte. Ltd.
“Offeror Concert Party Group”	:	Collectively, the Offeror and persons acting or presumed to be acting in concert with the Offeror in connection with the Scheme
“Offeror Convertible Securities”	:	Convertible securities, warrants, options and derivatives in respect of the Offeror Shares or other securities (if any) which carry voting rights in the Offeror
“Offeror Financial Adviser”	:	Has the meaning ascribed to it in paragraph 10 of the Letter to Shareholders
“Offeror Shares”	:	Has the meaning ascribed to it in paragraph 4.2(a) of the Letter to Shareholders
“Overseas Shareholders”	:	Has the meaning ascribed to it in paragraph 14.1 of the Letter to Shareholders
“Partial Rollover Arrangement”	:	Has the meaning ascribed to it in paragraph 4.2 of the Letter to Shareholders
“Parties”	:	Collectively, the Offeror and the Company
“Permitted Dividend”	:	The proposed final dividend of S\$0.020 per Share for the financial year ended 30 June 2025 which was paid to the Shareholders on 18 November 2025
“PME”	:	Has the meaning ascribed to it in paragraph 1.5 of the Letter to Shareholders
“PME HoldCo”	:	Has the meaning ascribed to it in paragraph 1.5 of the Letter to Shareholders
“PME Feeder Fund”	:	Has the meaning ascribed to it in paragraph 1.5 of the Letter to Shareholders
“Policies”	:	Has the meaning ascribed to it in paragraph 6.2(b) of Appendix 10
“Prescribed Occurrence”	:	Any of the events set out in Appendix 8 to this Scheme Document
“Proxy Form”	:	Has the meaning ascribed to it in paragraph 7 of Appendix 6
“Register of Directors”	:	The register of directors maintained by the Company

DEFINITIONS

“Relevant Date”	:	The date falling on the Business Day immediately preceding the Effective Date
“Relevant Intermediary”	:	A “relevant intermediary” as defined in Section 181 of the Companies Act or a “depository agent” as defined in Section 81SF of the SFA
“Register of Members”	:	The register of members of the Company
“Rollover Shares”	:	Has the meaning ascribed to it in paragraph 4.2(a) of the Letter to Shareholders
“Scheme”	:	The scheme of arrangement under Section 210 of the Companies Act dated 3 December 2025 set out in Appendix 11 to this Scheme Document (as may be amended or modified from time to time)
“Scheme Conditions”	:	The conditions precedents of the Scheme 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 7 to this Scheme Document
“Scheme Consideration”	:	Has the meaning ascribed to it in paragraph 3.1.2 of the Letter to Shareholders
“Scheme Document”	:	This document dated 3 December 2025 and any other document(s) which may be issued by or on behalf of the Company to amend, revise, supplement or update the document(s) from time to time
“Scheme Resolution”	:	The resolution relating to the Scheme referred to in the Notice of Court Meeting dated 3 December 2025 set out in Appendix 12 to this Scheme Document
“Securities Account”	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SFA”	:	The Securities and Futures Act 2001 of Singapore
“SGXNET”	:	The website of the SGX-ST
“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”	:	Boardroom Corporate & Advisory Services Pte. Ltd., being the share registrar of the Company
“Shares”	:	Issued and paid-up ordinary shares in the capital of the Company
“Shareholders”	:	Persons who are registered as holders of Shares in the Register of Members and Depositors registered in the Depository Register as having Shares credited to their Securities Account
“SIC”	:	Securities Industry Council of Singapore

DEFINITIONS

“Spindex 2024 Audited Accounts”	:	Audited consolidated accounts of the Spindex Group for the financial year ended 30 June 2024
“Spindex 2024 Revenue”	:	Revenue of the Spindex Group based on the Spindex 2024 Audited Accounts
“Spindex Group”	:	Collectively, Spindex, its subsidiaries and Spindex Acuger Precision Pte. Ltd.
“Spindex Group Company”	:	A member of the Spindex Group
“SRS”	:	Supplementary Retirement Scheme
“SRS Agent Banks”	:	Agent bank included under the SRS
“SRS Investors”	:	Investors who have purchased Shares using their SRS contributions pursuant to the SRS
“Switch Option”	:	Has the meaning ascribed to it in paragraph 3.2 of the Letter to Shareholders
“Surviving Provisions”	:	The surviving provisions of the Implementation Agreement, such as those relating to confidentiality, costs and expenses and governing law
“Transfer Books”	:	The transfer books of the Company
“VWAP”	:	Volume-weighted average price
“%” or “per cent”	:	Per centum or percentage

Acting in Concert and Concert Parties. The expression **“acting in concert”** and the term **“concert parties”** shall have the meanings as ascribed to them respectively in the Code.

Depositors and Depository Register. The expressions **“Depositor”** and **“Depository Register”** shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

Expressions. Words importing the singular shall, where applicable, include the plural and vice versa and words indicating a specific gender shall, where applicable, include the other genders (male, female or neuter). References to persons shall, where applicable, include corporations.

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

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

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

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

DEFINITIONS

Subsidiary and Related Corporations. The expressions “**subsidiary**” and “**related corporations**” shall have the same meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Time and Date. 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.

Total Number of Shares and Percentage of Shares. In this Scheme Document, the total number of Shares as at the Latest Practicable Date is 115,365,000. Unless otherwise specified, all references to a percentage shareholding in the capital of the Company in this Scheme Document are based on 115,365,000 Shares as at the Latest Practicable Date.

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. 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

Last date and time for submission of questions in advance of the Court Meeting	:	10 December 2025 at 10.30am
Latest date and time for lodgement of Proxy Form for the Court Meeting ^{(1) (2)}	:	16 December 2025 at 10.30am
Date and time of Court Meeting	:	18 December 2025 at 10.30am
Venue of the Court Meeting	:	The Chevrons, Rose Room Level 3, 48 Boon Lay Way, Singapore 609961
Expected date of the Court hearing of the application to sanction the Scheme ^(A)	:	19 January 2026
Expected last day for trading of the Shares on the SGX-ST	:	20 January 2026
Expected Books Closure Date	:	29 January 2026
Expected Effective Date ^(B)	:	2 February 2026
Expected date for payment of the Scheme Consideration ^(C)	:	11 February 2026
Expected date for the delisting of the Shares ^{(C) (3)}	:	13 February 2026

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

(B) On the basis that all the Scheme Conditions have been satisfied or, as the case may be, 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. The Scheme will only become 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.

(C) Assuming that the Effective Date is 2 February 2026, subject to the availability of the Court hearing date as stated above.

You should note that save for the latest date and time for the lodgement of the Proxy Form and online pre-registration to attend the Court Meeting and the date and time 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.

Notes:

- (1) Shareholders are requested to lodge the Proxy Form for the Court Meeting in accordance with the instructions contained therein not less than 48 hours before the time appointed for the Court Meeting.
- (2) All Proxy Forms for the Court Meeting must be submitted to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. in the following manner:
 - (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via **e-mail** to corporate@spindex.com.sg; or
 - (b) if submitted by post, be lodged at the office of the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632.

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 they subsequently wish to do so. In such event, the Proxy Form will be deemed to be revoked.

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

CORPORATE INFORMATION

DIRECTORS	:	Mr. Tan Choo Pie @ Tan Chang Chai Mr. Tan Heok Ting Mr. Chen Chang Rong Mr. Peter Tan Boon Heng Mr. Hoon Tai Meng
COMPANY SECRETARY	:	Mr. Abdul Jabbar Bin Karam Din
REGISTERED OFFICE	:	8 Boon Lay Way, #10-03, 8 @ TradeHub 21, Singapore 609964
SHARE REGISTRAR	:	Boardroom Corporate & Advisory Services Pte. Ltd. 1 Harbourfront Avenue #14-07 Keppel Bay Tower Singapore 098632
LEGAL ADVISER TO THE COMPANY	:	Shook Lin & Bok LLP 1 Robinson Road #18-00 AIA Tower Singapore 048542
INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS	:	Evolve Capital Advisory Private Limited 160 Robinson Road #20-01/02 SBF Center Singapore 068914
AUDITORS	:	Ernst & Young LLP Public Accountants and Chartered Accountants One Raffles Quay North Tower Level 18 Singapore 048583

LETTER TO SHAREHOLDERS

SPINDEX INDUSTRIES LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198701451M)

Directors:

Mr. Tan Choo Pie @ Tan Chang Chai (Chairman)
Mr. Tan Heok Ting (Managing Director)
Mr. Chen Chang Rong (Non-Executive Director)
Mr. Peter Tan Boon Heng (Lead Independent Director)
Mr. Hoon Tai Meng (Independent Director)

Registered Office:

8 Boon Lay Way,
#10-03, 8 @ TradeHub 21
Singapore 609964

3 December 2025

To: The Shareholders of Spindex Industries Limited

Dear Sir/Madam

PROPOSED ACQUISITION BY SKYLINE II PTE. LTD. OF ALL THE SHARES IN THE ISSUED SHARE CAPITAL OF SPINDEX INDUSTRIES LIMITED BY WAY OF A SCHEME OF ARRANGEMENT

1. INTRODUCTION

1.1. Announcement of the Acquisition and the Scheme

On 26 September 2025, the respective boards of directors of the Company and the Offeror jointly announced the proposed acquisition (the “**Acquisition**”) by the Offeror of all the issued and paid-up ordinary shares in the capital of the Company held by the shareholders of the Company, by way of a scheme of arrangement in accordance with Section 210 of the Companies Act and the Code, to be implemented on the terms and conditions of the Implementation Agreement.

A copy of the Joint Announcement is available on the website of the SGX-ST at www.sgx.com/securities/company-announcements.

1.2. Purpose

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

1.3. 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 pages 26 to 38 of this Scheme Document. The Explanatory Statement should be read in conjunction with the full text of this Scheme Document, including the Scheme set out in **Appendix 11** to this Scheme Document.

1.4. Information on the Company

The Company was incorporated in Singapore on 26 May 1987. The Company was listed on the Stock Exchange of Singapore Dealing and Automated Quotation in November 1998 and upgraded to the Mainboard of the SGX-ST in April 2001. The Company is an integrated solution-provider of precision-machined components and assemblies with manufacturing locations in Singapore, Malaysia, China and Vietnam. The Spindex Group serves diverse market sectors consisting of multi-national corporations in imaging and printing, machinery and automotive systems and consumer-related products.

LETTER TO SHAREHOLDERS

As at the Latest Practicable Date, the board of directors of the Company comprises the following individuals:

- (a) Mr. Tan Choo Pie @ Tan Chang Chai (Chairman);
- (b) Mr. Tan Heok Ting (Managing Director);
- (c) Mr. Chen Chang Rong (Non-Executive Director);
- (d) Mr. Peter Tan Boon Heng (Lead Independent Director); and
- (e) Mr. Hoon Tai Meng (Independent Director).

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$13,145,807 comprising 115,365,000 Shares, of which none are held as treasury shares and subsidiary holdings. Save for the Shares, 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.

1.5. Information on the Offeror, Skyline I, Hong Wei, PME and Koji Ventures

The Offeror. As stated in the letter from the Offeror to the Shareholders set out in **Appendix 2** to this Scheme Document, the Offeror is a special purpose vehicle incorporated in Singapore on 4 September 2025 for the purpose of the Acquisition and the Scheme. The Offeror is 60% owned by Hong Wei Holdings Ltd ("**Hong Wei**") and 40% owned by Skyline I Pte. Ltd. ("**Skyline I**"). As at the Latest Practicable Date:

- (a) the board of directors of the Offeror comprises the following:
 - (i) Mr. Goh Soo Jin; and
 - (ii) Mr. Tan Heok Ting; and
- (b) the issued share capital of the Offeror comprises 100 shares.

The Offeror does not currently own any Shares in the Company.

Skyline I. PME I Holding Pte. Ltd. ("**PME HoldCo**") holds more than 90% of the issued shares of Skyline I and the remaining shares are held by Koji Ventures Pte Ltd ("**Koji Ventures**"). PME HoldCo is 100% owned by PrimeMovers Equity Fund I LP ("**PME Feeder Fund**"). Both PME HoldCo and PME Feeder Fund are managed and controlled by PrimeMovers Equity (S) Pte. Ltd. ("**PME**") while Koji Ventures is a limited partner of PrimeMovers Equity Fund I LP. PME is appointed by Koji Ventures as its investment adviser to manage its investments in Skyline I, and all of Koji Venture's voting rights in Skyline I will be exercised by PME (as its investment advisor).

Hong Wei. Hong Wei is an investment holding company incorporated in the British Virgin Islands. Hong Wei is a substantial shareholder of the Company and as at the Latest Practicable Date, is the beneficial owner of 86,470,312 Shares,² representing approximately 74.95% of the total issued Shares. The issued share capital of Hong Wei is owned by Mr. Tan Choo Pie @ Tan Chang Chai, Ms. Tan Ai Wang and Mr. Tan Heok Ting in the proportion of 55%, 25% and 20% respectively. Mr. Tan Choo Pie @ Tan Chang Chai and Ms. Tan Ai Wang are spouses and Mr. Tan Heok Ting is their son.

PME. PME is a Singapore-based private equity investment management firm holding a capital markets services licence for fund management issued by the Monetary Authority of Singapore. PME is co-founded by seasoned private equity professionals Mr. Goh Soo Jin and Mr. Randy Teo. PME focuses on mid-market investments in Southeast Asia and seeks to partner entrepreneurs and management to grow and transform businesses through operation.

² 86,470,312 Shares are held by UOB Kay Hian Private Limited as nominee of Hong Wei.

LETTER TO SHAREHOLDERS

Koji Ventures. Koji Ventures is a limited partner of PME Feeder Fund. Koji Ventures is established by Mr. Soo Ye Wah. It is a Singapore-based family office and manages a diversified portfolio with a focus on long-term value creation and sustainable growth.

Further details on the Offeror, Skyline I, Hong Wei, PME and Koji Ventures can be found in the letter from the Offeror to Shareholders set out in **Appendix 2** to this Scheme Document.

2. **RATIONALE FOR THE ACQUISITION**

2.1. **The Offeror's Rationale**

As stated in the letter from the Offeror to Shareholders set out in **Appendix 2** to this Scheme Document, the rationale for the Acquisition is reproduced as follows:

“Offeror’s intention to delist and privatise the Company and future plans for the Company.

The Offeror believes that the privatisation of the Company would provide the Offeror and the management of the Company greater flexibility to manage the business of the Company for a longer horizon. In the event that the Company is delisted from SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations. The Offeror notes that the Company has not carried out any equity fund raising on the SGX-ST since its listing and currently has no intention to do so. Accordingly, the Offeror believes that the Company’s listing status is of limited utility to the Company.

The Offeror has no intention of making any material changes to the existing businesses, redeploying the fixed assets, or discontinuing the employment of the existing employees of the Company. However, the directors of the Offeror retain the flexibility at any time to consider any options or opportunities in relation to the Company which may present themselves and which they may regard to be in the best interests of the Offeror.

The Scheme Consideration represents an attractive premium to historical market prices.

*The Acquisition represents a cash exit opportunity for Shareholders to realise their entire investment in cash at an attractive premium over the market prices of the Shares prior to the Joint Announcement Date, without incurring brokerage fees. As set out at paragraph 7 below, the Scheme Consideration represents a premium of approximately 27.7% over the last traded price on 30 July 2025,³ being the last full trading day of the Shares immediately before the date of the holding announcement released by the Company on 1 August 2025 (the “**Last Undisturbed Trading Day**”), and 26.4%, 33.1%, 43.6% and 45.9% over the volume weighted average price (“**VWAP**”) per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods respectively, up to and including the Last Undisturbed Trading Day. Please refer to paragraph 7 below for more details.*

Historical share price chart for the last ten (10)-year period and up to and including the Last Undisturbed Trading Day.

Prior to the Acquisition in respect of the ten (10)-year period up to and including the Last Undisturbed Trading Day, the Shares had not closed on the SGX-ST at or above the Scheme Consideration. The Scheme Consideration represents: (i) a premium of approximately 194.8% over the lowest closing price of the Shares of S\$0.485, (ii) a premium of approximately 6.7% over the highest closing price of the Shares of S\$1.340, and (iii) a premium of approximately 66.1% over the VWAP of the Shares of S\$0.861, during the ten (10)-year period up to and including the Last Undisturbed Trading Day, as illustrated in the chart below:

³ 30 July 2025 is the last full trading day of the Shares immediately before the date of the holding announcement released by the Company on 1 August 2025, as there were no Shares traded on 31 July 2025.

LETTER TO SHAREHOLDERS



Source: Bloomberg L.P. ("**Bloomberg**")

Notes:

- (1) Rounded to the nearest three (3) decimal places.
 (2) Rounded to the nearest one (1) decimal place.

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

The historical trading liquidity of the Shares on the SGX-ST has been low. The average daily trading volume of the Shares over the last one (1)-month, three (3)-month, six (6)-month and 12-month periods up to and including the Last Undisturbed Trading Day are detailed in the table below.

	Description	Average daily trading volume ⁽¹⁾	Average daily trading volume as a percentage of total number of issued Shares (%) ⁽²⁾⁽³⁾
(a)	One (1)-month period prior to and including the Last Undisturbed Trading Day	25,722	0.022
(b)	Three (3)-month period prior to and including the Last Undisturbed Trading Day	13,575	0.012
(c)	Six (6)-month period prior to and including the Last Undisturbed Trading Day	12,581	0.011
(d)	12-month period prior to and including the Last Undisturbed Trading Day	9,646	0.008

Notes:

- (1) Calculated using the total volume of Shares traded divided by the number of Market Days with respect to the one (1)-month period, three (3)-month period, six (6)-month period and 12-month period prior to and including the Last Undisturbed Trading Day. "Market Day" is defined as a day on which the SGX-ST is open for securities trading.
 (2) Calculated using the daily total volume of Shares traded divided by the total number of issued Shares as at the Joint Announcement Date.
 (3) Rounded to the nearest three (3) decimal places.

LETTER TO SHAREHOLDERS

The Scheme therefore provides Shareholders who find it difficult to exit the Company as a result of the low trading volume in Shares with an opportunity to liquidate and realise their investment in the Shares at a premium to the historical market prices which would otherwise not be available given the low trading liquidity.”

3. **THE ACQUISITION AND THE SCHEME**

3.1. **Terms of the Scheme**

The Acquisition will be effected by way of a scheme of arrangement pursuant to Section 210 of the Companies Act and in accordance with the Code and the terms and conditions of the Implementation Agreement.

Under the Scheme:

3.1.1. all of the Shares held by the Shareholders as at the Books Closure Date, will be transferred to the Offeror:

- (a) fully paid;
- (b) free from any Encumbrances; and
- (c) together with all rights, benefits and entitlements 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 by the Company on or after the Joint Announcement Date but excluding the Permitted Dividend, in exchange for the Scheme Consideration; and

3.1.2. in consideration for such transfer as referred to in paragraph 3.1.1 of the Letter to Shareholders, each of the Entitled Shareholders as at the Books Closure Date will be entitled to receive from the Offeror for each Share held as at the Books Closure Date S\$1.43 in cash (the “**Scheme Consideration**”).

3.2. **Switch Option**

Pursuant to the terms of the Implementation Agreement and subject to prior consultation with the SIC, in the event of a Competing Offer 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 shall have the right at its discretion to elect to proceed by way of an Offer (in lieu of proceeding with the Acquisition by way of the Scheme) (the “**Switch Option**”).

In such event, the Offer shall be on the same or better terms as those which apply to the Scheme, including the same or higher consideration per Share than the Scheme Consideration and conditional upon a level of acceptances of the Shares to be determined with the consent of the SIC.

3.3. **Termination of the Implementation Agreement**

In the event of termination of the Implementation Agreement by either the Company or the Offeror (as the case may be) pursuant to the terms of the Implementation Agreement, the Implementation Agreement shall terminate (save for certain surviving provisions) and there shall be no liability on the part of any of the Company or the Offeror.

3.4. **Analysis of the Scheme Consideration**

The Scheme Consideration for each Share is S\$1.43 in cash.

The figures set out in this paragraph are based on data extracted from Bloomberg L.P..

LETTER TO SHAREHOLDERS

As set out in paragraph 7.2 of the Offeror's Letter in **Appendix 2** to this Scheme Document, the implied premium of the Scheme Consideration over the relevant closing prices and VWAP is as follows:

Description	Benchmark price of the Shares ⁽¹⁾ (S\$)	Premium to the benchmark price of the Shares ⁽²⁾⁽³⁾
VWAP for the 12-month period prior to and including the Last Undisturbed Trading Day	0.980	45.9%
VWAP for the six (6)-month period prior to and including the Last Undisturbed Trading Day	0.996	43.6%
VWAP for the three (3)-month period prior to and including the Last Undisturbed Trading Day	1.074	33.1%
VWAP for the one (1)-month period prior to and including the Last Undisturbed Trading Day	1.131	26.4%
Last transacted price per Share as quoted on the SGX-ST on the Last Undisturbed Trading Day	1.120	27.7%

Notes:

- (1) The VWAP is calculated based on the aggregate VWAP turnover divided by aggregate volume of the Shares for the relevant periods as extracted from Bloomberg L.P.
- (2) Computed based on the benchmark prices which were rounded to the nearest three (3) decimal places.
- (3) Percentages rounded to the nearest one (1) decimal place.

4. IRREVOCABLE UNDERTAKING

4.1. Hong Wei has provided an irrevocable undertaking (the "**HW Irrevocable Undertaking**") in favour of the Offeror, pursuant to which it has undertaken and/or agreed, *inter alia*:

- (a) to not, whether directly or indirectly including by way of proxy, exercise, or cause, direct or permit the exercise of, any of the voting or other rights attaching to any of the 86,470,312 Shares beneficially held by Hong Wei on any resolution of the Company in relation to the Scheme at any Court Meeting;
- (b) to accept the Partial Rollover Arrangement (as defined below);
- (c) in connection with the Partial Rollover Arrangement, subject to the Scheme becoming effective and binding in accordance with its terms, to waive its right under Rule 30 of the Code to receive any cash settlement or cash payment within the time period prescribed under Rule 30 of the Code in respect of the Rollover Shares (as defined below) only and agree that the Rollover Shares shall be transferred to the Offeror in accordance with the procedures prescribed in the Scheme Document; and
- (d) to accept the Switch Option.

4.2. Partial Rollover Arrangement

In connection with the Scheme and pursuant to the HW Irrevocable Undertaking, Hong Wei will:

- (a) in respect of 69,219,000 Shares (the "**Rollover Shares**") to be transferred by Hong Wei to the Offeror, instead of receiving cash consideration which would otherwise be payable by the Offeror to Hong Wei pursuant to the Scheme, direct the Offeror to issue and allot such

LETTER TO SHAREHOLDERS

number of new shares in the Offeror (the “**Offeror Shares**”) as is commensurate to the value of the Rollover Shares (the aggregate Scheme Consideration that would otherwise be payable to Hong Wei in cash for the Rollover Shares, the “**Excluded Amount**”); and

- (b) in respect of the remaining 17,251,312 Shares to be transferred by Hong Wei to the Offeror, receive payment of S\$24,669,376.16 in cash from the Offeror based on the Scheme Consideration,

(the “**Partial Rollover Arrangement**”).

Upon the issue of the Offeror Shares to Hong Wei under the Partial Rollover Arrangement, the shareholding of the Offeror shall be Hong Wei holding 60% of the Offeror, and Skyline I holding the remaining 40% of the Offeror.⁴

Further details of the HW Irrevocable Undertaking and Partial Rollover Arrangement are set out in paragraph 4.1 of the Explanatory Statement.

5. **ABSTENTION FROM VOTING**

In accordance with the SIC’s rulings as set out in paragraph 8.2(a)(i) below, 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, shall abstain from voting on the Scheme. For the avoidance of doubt, Hong Wei shall abstain from voting on the Scheme.

6. **NO CASH OUTLAY**

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

7. **WAIVER OF RIGHTS TO A GENERAL OFFER**

In accordance with the SIC’s rulings as set out in paragraph 8.2(a)(iii) of the 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 Concert Party Group to acquire the Shares under the Code and are agreeing to the Offeror Concert Party Group acquiring or consolidating effective control of the Company without having to make a general offer.

8. **APPROVALS REQUIRED**

8.1. **Court Meeting and Court Sanction.** The Scheme will require, *inter alia*, the following approvals:

- (a) the approval-in-principle from the SGX-ST of the Scheme Document and for the proposed delisting of the Company from the SGX-ST on or after the Effective Date;
- (b) the approval of the Scheme by a majority in number of 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 Shares voted at the Court Meeting; and
- (c) the sanction of the Scheme by the Court.

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 order of the Court sanctioning the Scheme has been lodged with the ACRA.

⁴ As set out at paragraph 1.5, the Offeror is 60% owned by Hong Wei and 40% owned by Skyline I as at the Latest Practicable Date. Skyline I will be extending to the Offeror a shareholder’s loan in the amount of S\$65,988,780 for the purpose of funding the payment of the Scheme Consideration (less the Excluded Amount) by the Offeror, and the Offeror will be capitalising such loan by issuing to Skyline I 46,146,000 Offeror Shares, concurrently with the issuance of 69,219,000 Offeror Shares to Hong Wei in connection with the Partial Rollover Arrangement. As a result of the issuance of 46,146,000 Offeror Shares to Skyline I in connection with the foregoing shareholder’s loan capitalisation and the issuance of 69,219,000 Offeror Shares to Hong Wei in connection with the Partial Rollover Arrangement, it is envisaged that the resultant shareholding of the Offeror shall remain unchanged, with Hong Wei holding 60% of the Offeror and Skyline I holding the remaining 40% of the Offeror.

LETTER TO SHAREHOLDERS

8.2. SIC Confirmations. An application was made by the Offeror to the SIC to seek certain rulings in relation to the Scheme (the “**Application**”). Pursuant to the Application, the SIC has confirmed, *inter alia*, that:

- (a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on 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 paragraph 8.2(a)(i) above abstain from making a recommendation on the Scheme to the Shareholders;
 - (iii) the Scheme Document contains advice to the effect that by voting for the Scheme, the 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 appointing an independent financial adviser to advise the Shareholders on 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 if the Offeror exercises the Switch Option, subject to:
 - (i) disclosure in the Joint Announcement and the Scheme Document of the fact that the Offeror reserves the right to exercise the Switch Option;
 - (ii) the Offer being on the same or better terms as those which apply to the Scheme including the same or higher consideration than the Scheme Consideration; and
 - (iii) consultation with the SIC beforehand to determine the offer timetable that should apply to the Offer following the exercise of the Switch Option;
- (c) the HW Irrevocable Undertaking, the Partial Rollover Arrangement and the shareholders’ agreement in respect of the Offeror which documents the terms of the Partial Rollover Arrangement do not constitute special deals prohibited under Note 6 on Rule 10 of the Code; and
- (d) it has no objections to the Scheme Conditions, subject to the parties consulting the SIC before invoking any Scheme Conditions to terminate the Implementation Agreement.

9. DELISTING

9.1. As stated in the letter from the Offeror to Shareholders set out in **Appendix 2** to this Scheme Document, upon the Scheme being effective and binding, the Company will become a wholly-owned subsidiary of the Offeror. Consequently, the Company will not be able to meet the listing requirements of the SGX-ST. Subject to the approval of the SGX-ST, the Company will be delisted from the SGX-ST on or after the Effective Date.

LETTER TO SHAREHOLDERS

- 9.2 Subject to the approval of the Scheme by the Shareholders at the Court Meeting, an application will be made by the Company to seek approval from the SGX-ST to delist and remove the Company from the Official List of the SGX-ST in due course. The delisting will be conditional upon the receipt from the SGX-ST that it has no objections to the delisting of the Company subject to, *inter alia*, the Scheme becoming effective and binding in accordance with its terms.

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

10. CONFIRMATION OF FINANCIAL RESOURCES

As stated in the letter from the Offeror to Shareholders set out in **Appendix 2** to this Scheme Document, CGS International Securities Singapore Pte. Ltd. (the “**Offeror Financial Adviser**”), 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 Shares to be acquired by the Offeror pursuant to the Scheme, excluding the Excluded Amount.

11. INDEPENDENT FINANCIAL ADVISER TO THE INDEPENDENT DIRECTORS

11.1. Appointment of IFA

Evolve Capital Advisory Private Limited has been appointed as the independent financial adviser pursuant to Rule 1309(2) of the Listing Manual to advise the Independent Directors in respect of the Scheme. Shareholders should consider carefully the recommendation of the Independent Directors and the advice of the IFA to the Independent Directors before deciding whether or not to vote in favour of the Scheme. The advice of the IFA is set out in its letter dated 3 December 2025 (the “**IFA Letter**”) set out in **Appendix 1** to this Scheme Document.

11.2. Factors Taken Into Consideration by the IFA

In arriving at its recommendation, the IFA has taken into account certain considerations (an extract of which is reproduced in italics below). Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety set out in **Appendix 1** to this Scheme Document. Unless otherwise defined or the context otherwise requires, all capitalised terms below shall have the same meanings ascribed to them in the IFA Letter.

“In arriving at our opinion and advice in respect of the Scheme, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Scheme. The following should be read in conjunction with, and in the context of, the full text of this letter:

- (a) an assessment of the market quotation and trading liquidity of the Shares during the Period Under Review, as set out in paragraph 8.1 of this letter;*
- (b) historical financial performance of the Group, as set out in paragraph 8.2 of this letter;*
- (c) the financial position of the Group, including the Adjusted NAV of the Group, as set out in paragraph 8.3 of this letter;*
- (d) a comparison with the valuation statistics of the Comparable Companies, as set out in paragraph 8.4 of this letter;*
- (e) a comparison with recent successful privatisation transactions and delisting offers of the companies listed on the SGX-ST, as set out in paragraph 8.5 of this letter;*

LETTER TO SHAREHOLDERS

- (f) *estimated range of value of the Shares, as set out in paragraph 8.6 of this letter; and*
- (g) *other relevant considerations as follows:*
 - (i) *outlook of the Group, as set out in paragraph 8.7.1 of this letter;*
 - (ii) *the absence of alternative or competing offers from third parties as at the Latest Practicable Date, as set out in paragraph 8.7.2 of this letter;*
 - (iii) *the Offeror having effective statutory control over the Group as at the Latest Practicable Date, as set out in paragraph 8.7.3 of this letter;*
 - (iv) *the effects of the Scheme and Delisting, as set out in paragraph 8.7.4 of this letter;*
 - (v) *no certainty of share price trading performance, as set out in paragraph 8.7.5 of this letter;*
 - (vi) *intention of the Offeror regarding the Group, as set out in paragraph 8.7.6 of this letter; and*
 - (vii) *no necessity for access to equity capital markets, as set out in paragraph 8.7.7 of this letter.”*

11.3. Advice of the IFA

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 made certain recommendations to the Independent Directors as set out in the IFA Letter, an extract of which is reproduced in italics below. Shareholders should read the following extract in conjunction with, and in the context of, the IFA Letter in its entirety set out in **Appendix 1** to this Scheme Document:

*“In conclusion, we are of the opinion that, on balance, the financial terms of the Scheme are **fair and reasonable**. Accordingly, we advise the Independent Directors to recommend that Shareholders vote **in favour** of the Scheme.*

The Independent Directors should also highlight to Shareholders that the Scheme, when it becomes effective, will be binding on all Shareholders, whether or not they have attended or voted at the Court Meeting, and if they have attended and voted, whether or not they have voted in favour of the Scheme.”

12. INDEPENDENT DIRECTORS' RECOMMENDATION

12.1. Independence

In accordance with the SIC Confirmations as set out in paragraph 8.2(a)(ii) to this Letter to Shareholders, the SIC has ruled that the directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in paragraph 8.2(a)(i) to this Letter to Shareholders, namely Mr. Tan Choo Pie @ Tan Chang Chai and Mr. Tan Heok Ting, are exempted from the requirement to make a recommendation on the Scheme to the Shareholders.

Nonetheless, each of the Directors must still assume responsibility for the accuracy of the facts stated and opinions expressed in documents and advertisements issued by, or on behalf of, the Company in connection with the Scheme.

The Independent Directors, namely Mr. Chen Chang Rong, Mr. Peter Tan Boon Heng, and Mr. Hoon Tai Meng, consider themselves to be independent for the purpose of making a recommendation to Shareholders in respect of the Scheme.

LETTER TO SHAREHOLDERS

12.2. Recommendation

The Independent Directors, having considered carefully the terms of the Scheme and the advice given by the IFA in the IFA Letter, concur with the recommendation of the IFA in respect of the Scheme. Accordingly, the Independent Directors recommend that Shareholders **VOTE IN FAVOUR** of the Scheme at the Court Meeting.

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 Shareholders, whether or not they were present in person or by proxy or voted to approve the Scheme at the Court Meeting. Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

Shareholders should read and consider carefully this Scheme Document in its entirety, in particular, the advice of the IFA set out in **Appendix 1** to this Scheme Document before deciding whether or not to vote in favour of the Scheme.

12.3. No Regard to Specific Objectives

The Independent Directors advise 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.

In giving the above recommendation, the Independent 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 Shareholder. As each Shareholder would have different investment objectives and profiles, the Independent Directors recommend that any individual 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.

13. DIRECTORS' INTENTIONS WITH RESPECT TO THEIR SHARES

As at the Latest Practicable Date:

- (a) none of the Independent Directors hold any Shares; and
- (b) as stated in the letter from the Offeror to Shareholders set out in **Appendix 2** to this Scheme Document, each of Mr. Tan Choo Pie @ Tan Chang Chai and Mr. Tan Heok Ting is deemed interested in the 86,470,312 Shares beneficially held by Hong Wei, and Hong Wei has entered into the HW Irrevocable Undertaking to, amongst others, not, whether directly or indirectly including by way of proxy, exercise, or cause, direct or permit the exercise of, any of the voting or other rights attaching to any of the 86,470,312 Shares beneficially held by Hong Wei on any resolution of the Company in relation to the Scheme at any Court Meeting.

In compliance with the condition imposed by the SIC in its ruling as set out in paragraph 8.2(a) (i) above, the Offeror Concert Party Group, 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 be required to abstain from voting on the Scheme.

As at the Latest Practicable Date, the Offeror Concert Party Group owns, controls, or has agreed to acquire an aggregate of 86,470,312 Shares, representing approximately 74.95% of the total number of Shares.

LETTER TO SHAREHOLDERS

14. **OVERSEAS SHAREHOLDERS**

14.1. **Overseas Shareholders**

The applicability of the Scheme to Shareholders whose addresses are outside Singapore, as shown on the Register of Members or the Depository Register, as the case may be (the “**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 requirements in their own jurisdictions.

Where there are potential restrictions on sending the Scheme Document to any overseas jurisdiction, the Offeror and the Company reserve the right not to send such documents to the Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Shareholders (including the Overseas Shareholders), including those to whom the Scheme Document 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.

14.2. **Copies of Scheme Document**

The Constitution provides that any Shareholder whose registered address is outside Singapore and who has not supplied to the Company or CDP (as the case may be) an address within Singapore for the service of notices and documents shall not be entitled to receive any such notices or documents from the Company. 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 has not been and will not be sent to any Overseas Shareholder.

Shareholders (including Overseas Shareholders) may obtain copies of the Scheme Document (including the Letter to Shareholders) and any related documents during normal business hours and up to the date of the Court Meeting from the Company at 8 Boon Lay Way, #10-03, 8 @ Tradehub 21, Singapore 609964. Alternatively, Shareholders (including Overseas Shareholders) may write in to the Company at the same address to request for the Scheme Document (including the Letter to Shareholders) and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days prior to the date of the Court Meeting.

It is the responsibility of any Overseas Shareholder who wishes to request for the Scheme Document and any related documents to satisfy himself 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 is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Overseas Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

14.3. **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 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 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, it will continue to notify all Shareholders (including Overseas Shareholders) of any matter relating to the Scheme by announcement via SGXNET.

LETTER TO SHAREHOLDERS

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

15. **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Scheme Document (other than information in **Appendices 1 and 2** to this Scheme Document, and any information relating to or opinions expressed by the Offeror, Skyline I, Hong Wei, PME, Koji Ventures, Ernst & Young LLP and/or the IFA) and 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 Company, and the Directors are not aware of any facts the omission of which would make any statement in this Scheme Document misleading.

Where any information which has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Offeror, 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. The Directors of the Company do not accept any responsibility for any information relating to the Offeror or any opinion expressed by the Offeror.

In respect of the IFA Letter, the sole responsibility of the Directors has been to ensure that the facts stated with respect to the Company are fair and accurate.

16. **GENERAL INFORMATION**

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

Shook Lin & Bok LLP, Drew & Napier LLC, the Share Registrar, the IFA, the Offeror Financial Adviser and Ernst & Young LLP 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.

Yours faithfully
For and on behalf of
the Board of Directors of
SPINDEX INDUSTRIES LIMITED

Tan Choo Pie @ Tan Chang Chai
Chairman

Any enquiries relating to the Acquisition or the Scheme should be directed during office hours to one of the following:

Spindex Industries Limited
(with respect to the Company)

Tel: +65 6268 0078

CGS International Securities Singapore Pte. Ltd.
(with respect to the Offeror)

Tel: +65 6210 8562 / +65 6210 8565

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. **Announcement of the Acquisition and the Scheme**

On 26 September 2025, the respective boards of directors of the Company and the Offeror jointly announced the Acquisition, to be effected by the Company by way of Scheme in accordance with Section 210 of the Companies Act and the Code.

A copy of the Joint Announcement is available on the website of the SGX-ST at www.sgx.com/securities/company-announcements.

1.2. **Explanatory Statement**

This Explanatory Statement should be read in conjunction with the full text of this Scheme Document, including the Scheme set out in **Appendix 11** to this Scheme Document. Capitalised terms used in this Explanatory Statement which are not defined herein shall bear the same meanings ascribed to them on pages 3 to 9 of this Scheme Document.

2. **RATIONALE FOR THE ACQUISITION**

The rationale for the Acquisition is set out in paragraph 6 of the letter from the Offeror to Shareholders set out in **Appendix 2** to this Scheme Document.

3. **THE SCHEME**

3.1. **Terms of the Scheme**

The Scheme is proposed to all Shareholders.

Under the Scheme:

3.1.1. all of the Shares held by the Shareholders as at the Books Closure Date, will be transferred to the Offeror:

- (i) fully paid;
- (ii) free from any Encumbrances; and
- (iii) together with all rights, benefits and entitlements 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 by the Company on or after the Joint Announcement Date but excluding the Permitted Dividend, in exchange for the Scheme Consideration; and

3.1.2. in consideration of such transfer, each of the Shareholders as at the Books Closure Date will be entitled to receive from the Offeror for each Share held as at the Books Closure Date, the Scheme Consideration.

3.2. **Switch Option**

Pursuant to the terms of the Implementation Agreement, in the event of a Competing Offer 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 shall have the right at its discretion to exercise the Switch Option.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

In such event, the Offeror will make the Offer on the same or better terms as those which apply to the Scheme, including the same or a higher consideration per Share than the Scheme Consideration, and conditional upon a level of acceptances of the Shares to be determined with the consent of the SIC.

3.3. No Cash Outlay

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

3.4. Waiver of Rights to a General Offer

In accordance with the SIC's rulings as set out in paragraph 8.2(a)(iii) of the 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 Concert Party Group to acquire the Shares under the Code and are agreeing to the Offeror Concert Party Group acquiring or consolidating effective control of the Company without having to make a general offer.

4. IRREVOCABLE UNDERTAKING

4.1. Irrevocable Undertaking executed by Hong Wei

Hong Wei has provided the HW Irrevocable Undertaking in favour of the Offeror, pursuant to which it has undertaken and/or agreed, *inter alia*:

- 4.1.1. to not, whether directly or indirectly including by way of proxy, exercise, or cause, direct or permit the exercise of, any of the voting or other rights attaching to any of the 86,470,312 Shares beneficially held by Hong Wei on any resolution of the Company in relation to the Scheme at any Court Meeting;
- 4.1.2. to accept the Partial Rollover Arrangement;
- 4.1.3. in connection with the Partial Rollover Arrangement, subject to the Scheme becoming effective and binding in accordance with its terms, to waive its right under Rule 30 of the Code to receive any cash settlement or cash payment within the time period prescribed under Rule 30 of the Code in respect of the Rollover Shares only and agree that the Rollover Shares shall be transferred to the Offeror in accordance with the procedures prescribed in the Scheme Document; and
- 4.1.4. to accept the Switch Option.

Hong Wei has given the HW Irrevocable Undertaking to the Offeror in respect of 86,470,312 Shares held legally and/or beneficially by Hong Wei in the aggregate, representing approximately 74.95⁽¹⁾ per cent. of all the Shares.

Note:

- (1) Rounded to the nearest two (2) decimal places and based on there being 115,365,000 Shares in issue, with no treasury shares, as at the Latest Practicable Date.

4.2. Termination of HW Irrevocable Undertaking

The HW Irrevocable Undertaking will terminate, lapse, and cease to have any force and effect on the earliest of the following:

- 4.2.1. if the Scheme does not become effective by 5.00 p.m. on the Conditions Long-Stop Date for any reason (other than a breach by Hong Wei of its obligations set forth in the HW Irrevocable Undertaking or other than as a result of the exercise of the Switch Option by the Offeror), the Conditions Long-Stop Date;

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

4.2.2. if the Implementation Agreement lapses or is terminated for any reason without the Scheme becoming effective or other than as a result of the exercise of the Switch Option by the Offeror, the date the Implementation Agreement is terminated; or

4.2.3. the settlement of the consideration for the Scheme in accordance with the terms of the Scheme, or in the case where the Offeror exercises the Switch Option, the earlier of: (i) the date the Offer lapses or is withdrawn without having become unconditional in all respects and (ii) the close of the Offer.

5. INFORMATION ON THE OFFEROR

Information on the Offeror and the Offeror's rationale for the Acquisition and future plans for the Company are set out in the letter from the Offeror to Shareholders set out in **Appendix 2** to this Scheme Document.

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 Shareholders at the Court Meeting. By an order of the Court, the Court Meeting was directed to be convened for the purpose of 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 holding not less than three-fourths in value of the Shares voted at the Court Meeting.

When the Scheme, with or without modification, 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.

6.2. Notice

The notice of the Court Meeting is set out in **Appendix 12** to this Scheme Document. You are requested to take note of the date, time and place of the Court Meeting.

7. CONDITIONS OF THE SCHEME

7.1. Scheme Conditions

7.1.1. Scheme Conditions. The Scheme is conditional upon the satisfaction (or, where applicable, waiver) of all the Scheme Conditions by the Conditions Long-Stop Date.

A list of the Scheme Conditions is set out in **Appendix 7** to this Scheme Document.

7.1.2. Benefit of Scheme Conditions

- (i) The Offeror alone may waive the Scheme Conditions in paragraphs 4, 5, 10 (in relation to Prescribed Occurrences relating to the Company (or, where applicable, any other Spindex Group Companies)), and paragraphs 12 to 14, set out in **Appendix 7** to this Scheme Document. 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.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

- (ii) The Company alone may waive the Scheme Conditions in paragraph 10 (in relation to Prescribed Occurrences relating to the Offeror) and paragraph 11 set out in **Appendix 7** to this Scheme Document. Any breach or non-fulfilment of any such Scheme Condition 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.
- (iii) The Offeror and the Company together may jointly waive the Scheme Conditions in paragraph 3 of **Appendix 7** to this Scheme Document (to the extent legally permissible).
- (iv) For the avoidance of doubt, the Scheme Conditions in paragraphs 1, 2, 6, 7, 8 and 9 of **Appendix 7** to this Scheme Document are not capable of being waived by either or both of the Company and the Offeror.

7.1.3. Update on Status of Scheme Conditions

- (i) the SIC has by way of a letter dated 10 September 2025 confirmed, *inter alia*, that:
 - (a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on Rule 19 of the Code, subject to certain conditions;
 - (b) it has no objections if the Offeror exercises the Switch Option, subject to certain conditions;
 - (c) the HW Irrevocable Undertaking, the Partial Rollover Arrangement and the shareholders' agreement in respect of the Offeror which documents the terms of the Partial Rollover Arrangement do not constitute special deals prohibited under Note 6 on Rule 10 of the Code; and
 - (d) it has no objections to the Scheme Conditions, subject to the parties consulting the SIC before invoking any Scheme Conditions to terminate the Implementation Agreement.

Please refer to paragraph 8.1 for further details;

- (ii) the SGX-ST has, on 26 November 2025, given its clearance for this Scheme Document; and
- (iii) other than as set out in this paragraph 7.1.3, none of the other Scheme Conditions have, as at the Latest Practicable Date, been satisfied or waived.

7.1.4. Remaining Scheme Conditions. Accordingly, as at the Latest Practicable Date, the Scheme is conditional upon the satisfaction (or, where applicable, waiver) of the remaining Scheme Conditions as set out in **Appendix 7** to this Scheme Document by the Conditions Long-Stop Date.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

7.2. Termination Rights

Shareholders should note that:

7.2.1. the Implementation Agreement provides that the Implementation Agreement may be terminated at any time prior to the Effective Date as follows:

- (i) by either the Offeror or the Company if any court of competent jurisdiction or Governmental Agency 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;
- (ii) by either the Offeror or the Company if the resolutions submitted to the Court Meeting are not approved (without amendment) by the requisite majority of the Shareholders at the Court Meeting (with Hong Wei abstaining); or
- (iii) 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 fourteen (14) days' written notice to the other Party,

in each case, after prior consultation with the SIC.

7.2.2. 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. Subject to paragraph 7.1.2, the Offeror and/or the Company (as the case may be) may 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. 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, such non-termination of the Implementation Agreement shall not amount to a waiver of any claims or rights which any Party may have against the other Party in relation to the non-fulfilment of the relevant Scheme Condition.

7.2.3. Competing Offer

Pursuant to the terms of the Implementation Agreement, in the event of a Competing Offer 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.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

8. SCHEME CONDITIONS AND REGULATORY APPROVALS

8.1. SIC

8.1.1. Code

The SIC has by way of a letter dated 10 September 2025 confirmed, *inter alia*, that:

- (a) the Scheme is exempted from complying with Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29, 33.2 and Note 1(b) on 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 paragraph 8.1.1(a)(i) above abstain from making a recommendation on the Scheme to the Shareholders;
 - (iii) the Scheme Document contains advice to the effect that by voting for the Scheme, the 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 appointing an independent financial adviser to advise the Shareholders on 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 if the Offeror exercises the Switch Option, subject to:
 - (i) disclosure in the Joint Announcement and the Scheme Document of the fact that the Offeror reserves the right to exercise the Switch Option;
 - (ii) the Offer being on the same or better terms as those which apply to the Scheme including the same or higher consideration than the Scheme Consideration; and
 - (iii) consultation with the SIC beforehand to determine the offer timetable that should apply to the Offer following the exercise of the Switch Option; and
- (c) the HW Irrevocable Undertaking, the Partial Rollover Arrangement and the shareholders' agreement in respect of the Offeror which documents the terms of the Partial Rollover Arrangement do not constitute special deals prohibited under Note 6 on Rule 10 of the Code.

8.1.2. Scheme Conditions

The SIC has by way of its letter dated 10 September 2025 confirmed, *inter alia*, that it has no objections to the Scheme Conditions, subject to the parties consulting the SIC before invoking any Scheme Conditions to terminate the Implementation Agreement.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

8.2. Court

The Scheme is subject to the sanction of the Court as stated in paragraph 7 of **Appendix 7** to this Scheme Document.

8.3. SGX-ST

As set out in paragraph 9.2 of this Explanatory Statement, an application will be made by the Company to seek approval from the SGX-ST to delist and remove the Company from the Official List of the SGX-ST in due course. The delisting will be conditional upon the receipt from the SGX-ST that it has no objections to the delisting of the Company subject to, *inter alia*, the Scheme becoming effective and binding in accordance with its terms.

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

9.1. Upon the Scheme being effective and binding, the Company will become a wholly-owned subsidiary of the Offeror. Consequently, the Company will not be able to meet the listing requirements of the SGX-ST. Subject to the approval of the SGX-ST, the Company will be delisted from the SGX-ST on or after the Effective Date.

9.2 Subject to the approval of the Scheme by the Shareholders at the Court Meeting, an application will be made by the Company to seek approval from the SGX-ST to delist and remove the Company from the Official List of the SGX-ST in due course. The delisting will be conditional upon the receipt from the SGX-ST that it has no objections to the delisting of the Company subject to, *inter alia*, the Scheme becoming effective and binding in accordance with its terms.

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

10. **IMPLEMENTATION OF THE SCHEME**

10.1. 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 holding 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.

10.2. Procedure for Implementation

If the Court sanctions the Scheme, the Offeror and the Company will (subject to the satisfaction (or, where applicable, waiver) of all the Scheme Conditions in accordance with the Implementation Agreement on or before the Conditions Long-Stop Date) take the necessary steps to render the Scheme effective and binding, and the following will be implemented:

10.2.1. the Shares held by the Entitled Shareholders will be transferred to the Offeror for the Scheme Consideration to be paid by the Offeror to the Entitled Shareholders for each Share transferred as follows:

- (i) in the case of the 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; and

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

- (ii) in the case of the 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;
- 10.2.2.** from the Effective Date, all existing share certificates relating to the Shares held by the Entitled Shareholders (not being Depositors) will cease to be evidence of title of the Shares represented thereby;
- 10.2.3.** the Entitled Shareholders (not being Depositors) are required to forward their existing share certificates relating to their Shares to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation; and
- 10.2.4.** subject to the Partial Rollover Arrangement, not later than seven (7) Business Days after the Effective Date, and against the transfer of the Shares set out in this paragraph 10.2, the Offeror shall make payment of the aggregate Scheme Consideration to the Entitled Shareholders who are entitled to receive the Scheme Consideration for their 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 Scheme 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 Books Closure Date, at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first-named Entitled Shareholder made out in favour of such Entitled Shareholder by ordinary post to his address as appearing in the Register of Members at the close of business on the Books Closure Date, at the sole risk of such joint Entitled Shareholders; and
 - (ii) Entitled Shareholders whose Shares are deposited with CDP**

the Offeror shall pay each Entitled Shareholder (being a Depositor) by making payment of the Scheme 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 Scheme 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 Scheme Consideration to such Entitled Shareholder's cash ledger with CDP and such Scheme Consideration shall be subject to the same terms and conditions as applicable to "*Cash Distributions*" under CDP's "*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.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

Assuming that the Scheme becomes effective and binding in accordance with its terms on 2 February 2026, the crediting by CDP of the Scheme Consideration into the designated bank accounts of the Entitled Shareholders (in the case of Entitled Shareholders (being Depositors) who have registered with CDP for its direct crediting service), the posting of cheques for the Scheme Consideration as set out in paragraph 10.2.4(i) or the crediting by CDP of the Scheme Consideration to the cash ledger with CDP of the Entitled Shareholders (in the case of Entitled Shareholders (being Depositors) who have not registered with CDP for its direct crediting service) (as the case may be), is expected to take place on or before 11 February 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.

10.3. Retention and Release of Proceeds

10.3.1. In relation to the Entitled Shareholders, on and after the day being six (6) calendar months after the posting of such cheques relating to the Scheme 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.

10.3.2. 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 clause 5 of the Scheme set out in **Appendix 11** 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 clause 5 of the Scheme set out in **Appendix 11** 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 4 of the Scheme set out in **Appendix 11** to this Scheme Document.

10.3.3. On the expiry of six (6) years from the Effective Date, each of the Company and the Offeror shall be released from any further obligation to make any payments of the Scheme 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 6(i) of the Scheme set out in **Appendix 11** 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.

11. BOOKS CLOSURE DATE

11.1. Notice of Books Closure Date

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

The Books Closure Date is tentatively scheduled to be 29 January 2026 at 5.00 p.m.. The Company will make further announcement in due course of the Books Closure Date.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

11.2. Transfer of Shares after Books Closure Date

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

11.3. Trading in Shares on the SGX-ST

The Scheme is tentatively scheduled to become effective and binding on or about 2 February 2026 and accordingly (assuming the Scheme becomes effective and binding on 2 February 2026), the Shares are expected to be delisted and withdrawn from the Official List of the SGX-ST after payment 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 20 January 2026 at 5.00 p.m., being at least six (6) clear Market Days before the expected Books Closure Date.

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

12. SETTLEMENT AND REGISTRATION PROCEDURES

Subject to the Scheme becoming effective and binding, the following settlement and registration procedures will apply:

12.1. Entitled Shareholders whose Shares are not deposited with CDP

Entitlements to the Scheme Consideration will be determined on the basis of the Entitled Shareholders (not being Depositors) and their holdings of Shares appearing in the Register of Members as at 5.00 p.m. on the Books Closure 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 Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632, by 5.00 p.m. on the Books Closure Date.

From the Effective Date, each existing share certificate representing a former holding of Shares by Entitled Shareholders (not being Depositors) will cease to be evidence of title of the Shares represented thereby.

Within seven (7) Business Days of the Effective Date, the Offeror shall make payment of the Scheme Consideration to each Entitled Shareholder (not being a Depositor) based on his holding of the Shares as at 5.00 p.m. on the Books Closure Date.

12.2. Entitled Shareholders whose Shares are deposited with CDP

Entitlements to the Scheme Consideration will be determined on the basis of Entitled Shareholders (being Depositors) and the number of Shares standing to the credit of their Securities Account as at 5.00 p.m. on the Books Closure 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 Account by 5.00 p.m. on the Books Closure 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 of the Offeror or such Securities Account(s) as directed by the Offeror.

Within seven (7) Business Days of the Effective Date, CDP shall make payment of the Scheme Consideration to each Entitled Shareholder (being a Depositor) based on the number of Shares standing to the credit of his, her or its Securities Account as at 5.00 p.m. on the Books Closure Date.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

13. **DIRECTORS' INTERESTS**

The interests of the Directors in the Shares as at the Latest Practicable Date are set out in **Appendix 3** to this Scheme Document.

14. **OVERSEAS SHAREHOLDERS**

14.1. **Overseas Shareholders**

The applicability of the Scheme to Shareholders whose addresses are outside Singapore, as shown on the Register of Members or the Depository Register, as the case may be (the **"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 requirements in their own jurisdictions.

Where there are potential restrictions on sending the Scheme Document to any overseas jurisdiction, the Offeror and the Company reserve the right not to send such documents to the Shareholders in such overseas jurisdiction. For the avoidance of doubt, the Scheme is being proposed to all Shareholders (including the Overseas Shareholders), including those to whom the Scheme Document 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.

14.2. **Copies of Scheme Document**

The Constitution provides that any Shareholder whose registered address is outside Singapore and who has not supplied to the Company or CDP (as the case may be) an address within Singapore for the service of notices and documents shall not be entitled to receive any such notices or documents from the Company. Accordingly, the Offeror and the Company reserve the right not to send this Scheme Document, 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 has not been and will not be sent to any Overseas Shareholder.

Shareholders (including Overseas Shareholders) may obtain copies of the Scheme Document (including the Letter to Shareholders) and any related documents during normal business hours and up to the date of the Court Meeting from the Company at 8 Boon Lay Way, #10-03, 8 @ Tradehub 21, Singapore 609964. Alternatively, Shareholders (including Overseas Shareholders) may write in to the Company at the same address to request for the Scheme Document (including the Letter to Shareholders) and any related documents to be sent to an address in Singapore by ordinary post at his own risk, up to three (3) Market Days prior to the date of the Court Meeting.

It is the responsibility of any Overseas Shareholder who wishes to request for the Scheme Document and any related documents to satisfy himself 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 is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Overseas Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

14.3. 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 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 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, it will continue to notify all 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 the Court Meeting, they shall be bound by the Scheme if the Scheme becomes effective in accordance with its terms.

15. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the Court Meeting are requested to complete the enclosed Proxy Form in accordance with the instructions printed thereon and lodge them with the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. in the following manner:

- (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to corporate@spindex.com.sg; or
- (b) if submitted by post, be lodged at the office of the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632.

In either case, by 10.30 a.m. on Tuesday, 16 December 2025, being not less than 48 hours before the time fixed for the Court Meeting.

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

The completion and lodgement of the Proxy Form will not preclude a Shareholder from attending, speaking and voting in person at the Court Meeting if they subsequently wish to do so. In such event, the Proxy Form will be deemed to be revoked.

16. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS

In the case of CPFIS Investors and SRS Investors, entitlements to the Scheme will be determined on the basis of the number of Shares held by their respective CPF Agent Banks or SRS Agent Banks on behalf of each such CPFIS Investor or SRS Investor as at the Books Closure Date. CPFIS Investors or SRS Investors who wish to attend the Court Meeting are advised to consult their respective CPFIS Agent Banks or SRS Agent Banks for further information and if they are in any doubt as to the action they should take, the CPFIS Investors or SRS Investors should seek independent professional advice.

17. ADVICE OF THE INDEPENDENT FINANCIAL ADVISER

The IFA Letter setting out the advice of the IFA to the Independent Directors is set out in **Appendix 1** to this Scheme Document.

18. INDEPENDENT DIRECTORS' RECOMMENDATION

The recommendation of the Independent Directors in relation to the Scheme is set out in paragraph 12.2 of the Letter to Shareholders.

EXPLANATORY STATEMENT

(in compliance with Section 211 of the Companies Act)

19. GENERAL INFORMATION

Your attention is drawn to the further relevant information, including the interests in the Shares of the Directors, 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 set out in **Appendix 11** to this Scheme Document.

Shook Lin & Bok LLP, Drew & Napier LLC, the Share Registrar, the IFA, the Offeror Financial Adviser and Ernst & Young LLP 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.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

EVOLVE CAPITAL ADVISORY PRIVATE LIMITED

(Company Registration Number: 201718400R)
(Incorporated in the Republic of Singapore)
160 Robinson Road, SBF Center,
#20-01/02, Singapore 068914

3 December 2025

To: The directors of Spindex Industries Limited, who are considered independent for the purposes of making a recommendation to the Shareholders in respect of the Scheme

Mr. Peter Tan Boon Heng	(Lead Independent Director)
Mr. Chen Chang Rong	(Non-Executive Director)
Mr. Hoon Tai Meng	(Independent Director)

Dear Sirs,

PROPOSED PRIVATISATION OF SPINDEX INDUSTRIES LIMITED BY WAY OF A SCHEME OF ARRANGEMENT

*Unless otherwise defined or the context otherwise requires, all terms defined in the scheme document dated 3 December 2025 (“**Scheme Document**”) issued by the Company to the shareholders of the Company (“**Shareholders**”) shall have the same meaning herein.*

1. INTRODUCTION

On 26 September 2025 (the “**Joint Announcement Date**”), the respective board of directors of Spindex Industries Limited (the “**Company**”) and Skyline II Pte. Ltd. (the “**Offeror**”) announced 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**”) held by the Shareholders of the Company (“**the Shareholders**”), by way of a scheme of arrangement (the “**Scheme**”) in accordance with Section 210 of the Companies Act 1967 of Singapore (the “**Companies Act**”) and the Singapore Code on Take-overs and Mergers (the “**Code**”). The Scheme is required to be approved by the Shareholders at the Court Meeting (the “**Court Meeting**”). By an order of the Court, the Court Meeting was directed to be convened for the purpose of approving the Scheme.

In connection with the Acquisition and the Scheme, the Offeror and the Company (each a “**Party**” and collectively, the “**Parties**”) entered into an implementation agreement (the “**Implementation Agreement**”) dated 26 September 2025 setting out the terms and conditions on which the Parties will implement the Scheme.

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. Additional information on the Scheme Conditions is set out in paragraph 7.1 of the Explanatory Statement in the Scheme Document (the “**Explanatory Statement**”). The Scheme Conditions are also reproduced in Appendix 7 to the Scheme Document. The Scheme will require the approval of the Scheme by a majority in number of the 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 Shares voted at the Court Meeting and the sanction of the Scheme by the Court.

Pursuant to the Implementation Agreement, the Scheme will be satisfied by a scheme consideration of S\$1.43 in cash per Scheme Share (the “**Scheme Consideration**”), to be paid by the Offeror to the 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 Shareholders in respect of the Scheme (the “**Books Closure Date**”) in accordance with terms of the Scheme.

Upon the Scheme becoming effective in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and will, subject to the approval of the Singapore

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Exchange Securities Trading Limited (the “**SGX-ST**”), be delisted from the Board of the SGX-ST.

In accordance with the SIC’s rulings as set out in paragraph 8.2 of the Letter to Shareholders:

- (a) 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; and
- (b) the Directors of the Company who are also directors of the Offeror or who are acting in concert with those persons in paragraph (a) mentioned above, are to abstain from making a recommendation on the Scheme to the Shareholders.

Accordingly, we understand that the remaining directors, namely Mr. Peter Tan Boon Heng, Mr. Hoon Tai Meng and Mr. Chen Chang Rong, are considered independent for the purposes of making a recommendation on the Scheme.

Under the Code, the Company is required to appoint an independent financial adviser (“**IFA**”) to advise its directors who are considered to be independent (the “**Independent Directors**”) for the purpose of making a recommendation to the Shareholders in respect of the Scheme.

In addition, as the Scheme would result in the delisting of the Company from the SGX-ST, pursuant to the Rule 1309 of the Mainboard Rules of the SGX-ST (“**Mainboard Rules**”), if an issuer is seeking to delist from the SGX-ST, (i) an exit offer must be made to the shareholders and holders of any other classes of listed securities to be delisted; and (ii) the issuer must appoint an IFA to advise on the scheme and the IFA must opine that the scheme is fair and reasonable.

Accordingly, the Company has appointed Evolve Capital Advisory Private Limited (“**Evolve Capital**”) as the IFA to the Independent Directors.

2. OUR TERMS OF REFERENCE

We have been appointed as the IFA pursuant to Rule 1309(2) of the Mainboard Rules as well as to advise the Independent Directors under the Code as to whether the financial terms of the Scheme are fair and reasonable in respect of their recommendation to the Shareholders on the Scheme.

We are not and were not involved in any aspect of the negotiations entered into by the Company in relation to the Scheme, or in the deliberations leading up to the decision of the Offeror to undertake the Scheme. Accordingly, we do not, by this letter warrant the merits of the Scheme, other than to advise the Independent Directors on the terms of the Scheme from a financial point of view.

We have not conducted a comprehensive independent review of the business, operations or financial condition of the Company and its subsidiaries (collectively the “**Group**”). We have not been provided with, nor do we have access to, any business plans or financial projections of the future performance of the Group, for the purpose of our evaluation of the Scheme. Our evaluation is confined to the financial terms of the Scheme, and it is not within our terms of reference to evaluate the strategic, legal or commercial merits or risks of the Scheme or the future growth prospects or earnings potential of the Group after the completion of the Scheme. Accordingly, we do not express any view as to the future prices at which the Shares may trade or on the future financial performance of the Group after the completion of the Scheme.

We have not been requested or authorised to solicit, and we have not solicited, any indication of interest from any third party with respect to the Shares. It is also not within our terms of reference to compare the relative merits of the Scheme *vis-à-vis* any alternative transaction that the Group may consider in the future, or any alternative offer that might otherwise be available in the future, and as such, we do not express an opinion thereon.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

In the course of our evaluation of the financial terms of the Scheme, we have held discussions with the Independent Directors and the management of the Group (the “**Management**”) and have relied on the information and representations, whether written or verbal, provided to us by the Management, including the information contained in the Scheme Document. The Independent Directors (including those who may have delegated detailed supervision of the preparation of the Scheme Document) have confirmed that, having made all reasonable enquiries and to the best of their knowledge: (a) all material information available to them in connection with the Scheme has been disclosed in the Scheme Document; (b) such information (other than those relating to the Offeror, parties acting in concert or deemed to be acting in concert with the Offeror) is fair and accurate in all material respects; and (c) there is no other information or fact, the omission of which would cause any information disclosed to us or the facts stated in the Scheme Document to be inaccurate, incomplete or misleading in any material respect. Whilst care has been exercised in reviewing the information which we have relied on, we have not independently verified the information or representations. Accordingly, no representation or warranty, expressed or implied, is made and no responsibility is accepted by us concerning the accuracy, completeness or adequacy of such information or representations. We have, however, made reasonable enquiries and exercised our judgement (as deemed necessary) in assessing the information and representations provided to us, and have found no reason to doubt the accuracy or reliability of such information or representations which we have relied on in our evaluation.

Save as disclosed, all information relating to the Group that we have relied upon in arriving at our opinion and advice has been obtained from the Scheme Document, publicly available information, the Independent Directors and/or the Management. We have not independently assessed and do not warrant or accept any responsibility as to whether the aforesaid information adequately represents a true and fair position of the financial, operational and business affairs of the Group at any time or as at 25 November 2025 (the “**Latest Practicable Date**”). We have also not made any independent evaluation or appraisal of the assets and liabilities of the Group and have not been furnished with any such evaluation or appraisals.

Our opinion and advice, as set out in this letter, are based on the market, economic, industry and other applicable conditions prevailing on, and the information made available to us as at the Latest Practicable Date. Such conditions may change significantly over a relative short period of time, and we assume no responsibility to update, revise or reaffirm our opinion and advice in the light of any subsequent development after the Latest Practicable Date that may affect our opinion and advice contained herein.

In rendering our opinion and advice, we have not had regard to the specific investment objectives, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders. We recommend that any individual Shareholder or specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice in relation to the Scheme should be considered in the context of the entirety of this letter and the Scheme Document.

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

3. INFORMATION ON THE COMPANY

The Company was incorporated in Singapore on 26 May 1987. The Company was listed on the Stock Exchange of Singapore Dealing and Automated Quotation in November 1998 and upgraded to the Mainboard of the SGX-ST in April 2001. The Company is an integrated solution-provider of precision-machined components and assemblies with manufacturing locations in

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Singapore, Malaysia, China and Vietnam. The Group serves diverse market sectors consisting of multi-national corporations in imaging and printing, machinery and automotive systems and consumer-related products.

As at the Latest Practicable Date:

- (a) the Company has an issued and paid-up share capital of S\$13,145,807 comprising 115,365,000 Shares, with nil Shares held in treasury;
- (b) the board of directors of the Company comprises the following individuals:
 - (i) Mr. Tan Choo Pie @ Tan Chang Chai (Chairman);
 - (ii) Mr. Tan Heok Ting (Managing Director);
 - (iii) Mr. Chen Chang Rong (Non-Executive Director);
 - (iv) Mr. Peter Tan Boon Heng (Lead Independent Director); and
 - (v) Mr. Hoon Tai Meng (Independent Director); and
- (c) the Company has no outstanding share options and warrants.

Additional information on the Company is as set out in Appendix 3 to the Scheme Document.

4. INFORMATION ON THE OFFEROR, SKYLINE I, HONG WEI, PME AND KOJI VENTURES

The Offeror is a special purpose vehicle incorporated in Singapore on 4 September 2025 for the purpose of the Acquisition and the Scheme. The Offeror is 60% owned by Hong Wei Holdings Ltd ("**Hong Wei**") and 40% owned by Skyline I Pte. Ltd. ("**Skyline I**").

As at the Latest Practicable Date:

- (a) the board of directors of the Offeror comprises the following:
 - (i) Mr. Goh Soo Jin; and
 - (ii) Mr. Tan Heok Ting; and
- (b) the issued share capital of the Offeror comprises 100 shares.

Skyline I. PME I Holding Pte. Ltd. ("**PME HoldCo**") holds more than 90% of the issued shares of Skyline I and the remaining shares are held by Koji Ventures Pte Ltd ("**Koji Ventures**"). PME HoldCo is 100% owned by PrimeMovers Equity Fund I LP ("**PME Feeder Fund**"). Both PME HoldCo and PME Feeder Fund are managed and controlled by PrimeMovers Equity (S) Pte. Ltd. ("**PME**") while Koji Ventures is a limited partner of PrimeMovers Equity Fund I LP. PME is appointed by Koji Ventures as its investment adviser to manage its investments in Skyline I, and all of Koji Venture's voting rights in Skyline I will be exercised by PME (as its investment advisor).

Hong Wei. Hong Wei is an investment holding company incorporated in the British Virgin Islands. Hong Wei is a substantial shareholder of the Company and as at the Joint Announcement Date, is the beneficial owner of 86,470,312 Shares, representing approximately 74.95% of the total issued Shares. The issued share capital of Hong Wei is owned by Mr. Tan Choo Pie @ Tan Chang Chai, Ms. Tan Ai Wang and Mr. Tan Heok Ting in the proportion of 55%, 25% and 20% respectively. Mr. Tan Choo Pie @ Tan Chang Chai and Ms. Tan Ai Wang are spouses and Mr. Tan Heok Ting is their son.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

PME. PME is a Singapore-based private equity investment management firm holding a capital markets services licence for fund management issued by the Monetary Authority of Singapore. PME is co-founded by seasoned private equity professionals Mr. Goh Soo Jin and Mr. Randy Teo. PME focuses on mid-market investments in Southeast Asia and seeks to partner entrepreneurs and management to grow and transform businesses through operation.

Koji Ventures. Koji Ventures is a limited partner of PME Feeder Fund. Koji Ventures is established by Mr. Soo Ye Wah. It is a Singapore-based family office and manages a diversified portfolio with a focus on long-term value creation and sustainable growth.

Additional information on the Offeror can be found in Appendix 2 to the Scheme Document.

5. THE SCHEME

The detailed terms of the Scheme are set out in paragraph 3 of the “Letter to Shareholders”, the “Explanatory Statement” and Appendix 11 to the Scheme Document. Shareholders are advised to refer to the Scheme Document for further details on the Scheme and read the information carefully.

The key terms of the Scheme and the related matters are set out below.

5.1 Terms of the Scheme

The Scheme is proposed to be effected in accordance with the Companies Act and the Code, subject to the terms and conditions of the Implementation Agreement. Under the Scheme:

- (a) all of the Shares held by the Shareholders, as at the Books Closure Date, will be transferred to the Offeror:
 - (i) fully paid;
 - (ii) free from any Encumbrances; and
 - (iii) together with all rights, benefits and entitlements 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 by the Company on or after the Joint Announcement Date but excluding the Permitted Dividend, in exchange for the Scheme Consideration; and
- (b) in consideration of such transfer, each of the Shareholders as at the Books Closure Date will be entitled to receive from the Offeror for each Share held as at the Books Closure Date, the Scheme Consideration.

5.2 Scheme Conditions

The Scheme is conditional upon the satisfaction or waiver (as the case may be) of a number of the Scheme Conditions. A list of the Scheme Conditions is set out in Appendix 7 to the Scheme Document.

Further details and updated status of the Scheme Conditions are set out in the Explanatory Statement of the Scheme Document and the Shareholders are advised to read the information carefully.

5.3 Termination of the Implementation Agreement

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) and there shall be no liability on any Party.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Please refer to paragraph 7.2 of the Explanatory Statement for additional details on the termination rights under the Implementation Agreement.

5.4 Delisting

Upon the Scheme becoming effective and binding in accordance with its terms, the Shares will be owned by the Offeror and the Company will become a wholly-owned subsidiary of the Offeror. Consequently, the Company will not be able to meet the listing requirements of the SGX-ST.

Subject to the approval of the Scheme by the Shareholders at the Court Meeting, an application will be made by the Company to seek approval from the SGX-ST to delist and remove the Company from the Official List of the SGX-ST in due course. The delisting will be conditional upon the receipt from the SGX-ST that it has no objections to the delisting of the Company subject to, *inter alia*, the Scheme becoming effective and binding in accordance with its terms.

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

6. IRREVOCABLE UNDERTAKING

6.1 Hong Wei's Irrevocable Undertaking

Hong Wei has provided an irrevocable undertaking (the "**HW Irrevocable Undertaking**") in favour of the Offeror, pursuant to which it has undertaken and/or agreed, *inter alia*:

- (a) to not, whether directly or indirectly including by way of proxy, exercise, or cause, direct or permit the exercise of, any of the voting or other rights attaching to any of the 86,470,312 Shares beneficially held by Hong Wei on any resolution of the Company in relation to the Scheme at any Court Meeting;
- (b) to accept the Partial Rollover Arrangement (as defined below);
- (c) in connection with the Partial Rollover Arrangement, subject to the Scheme becoming effective and binding in accordance with its terms, to waive its right under Rule 30 of the Code to receive any cash settlement or cash payment within the time period prescribed under Rule 30 of the Code in respect of the Rollover Shares (as defined below) only and agree that the Rollover Shares shall be transferred to the Offeror in accordance with the procedures prescribed in the Scheme Document; and
- (d) to accept the Switch Option.

6.2 Partial Rollover Arrangement

In connection with the Scheme and pursuant to the HW Irrevocable Undertaking, Hong Wei will:

- (a) in respect of 69,219,000 Shares (the "**Rollover Shares**") to be transferred by Hong Wei to the Offeror, instead of receiving cash consideration which would otherwise be payable by the Offeror to Hong Wei pursuant to the Scheme, direct the Offeror to issue and allot such number of new shares in the Offeror (the "**Offeror Shares**") as is commensurate to the value of the Rollover Shares (the aggregate Scheme Consideration that would otherwise be payable to Hong Wei in cash for the Rollover Shares, the "**Excluded Amount**"); and
- (b) in respect of the remaining 17,251,312 Shares to be transferred by Hong Wei to the Offeror, receive payment of S\$24,669,376.16 in cash from the Offeror based on the Scheme Consideration,

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

(the “**Partial Rollover Arrangement**”).

Upon the issue of the Offeror Shares to Hong Wei under the Partial Rollover Arrangement, the shareholding of the Offeror shall be Hong Wei holding 60% of the Offeror, and Skyline I holding the remaining 40% of the Offeror⁽¹⁾.

Notes:

- (1) As set out at paragraph 4, the Offeror is 60% owned by Hong Wei and 40% owned by Skyline I as at the Latest Practicable Date. Skyline I will be extending to the Offeror a shareholder's loan in the amount of S\$65,988,780 for the purpose of funding the payment of the Scheme Consideration (less the Excluded Amount) by the Offeror, and the Offeror will be capitalising such loan by issuing to Skyline I 46,146,000 Offeror Shares, concurrently with the issuance of 69,219,000 Offeror Shares to Hong Wei in connection with the Partial Rollover Arrangement. As a result of the issuance of 46,146,000 Offeror Shares to Skyline I in connection with the foregoing shareholder's loan capitalisation and the issuance of 69,219,000 Offeror Shares to Hong Wei in connection with the Partial Rollover Arrangement, it is envisaged that the resultant shareholding of the Offeror shall remain unchanged, with Hong Wei holding 60% of the Offeror and Skyline I holding the remaining 40% of the Offeror.

7. RATIONALE FOR THE SCHEME AND FUTURE INTENTIONS FOR THE GROUP

7.1 Offeror's intention to delist and privatise the Company

The Offeror believes that the privatisation of the Company would provide the Offeror and the management of the Company greater flexibility to manage the business of the Company for a longer horizon. In the event that the Company is delisted from the SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations. The Offeror notes that the Company has not carried out any equity fundraising on the SGX-ST since its listing and currently has no intention to do so. Accordingly, the Offeror believes that the Company's listing status is of limited utility to the Company. The Offeror has no intention of making any material changes to the existing businesses, redeploying the fixed assets, or discontinuing the employment of the existing employees of the Company. However, the directors of the Offeror retain the flexibility at any time to consider any options or opportunities in relation to the Company which may present themselves and which they may regard to be in the best interests of the Offeror.

7.2 The Scheme Consideration represents an attractive premium to historical market prices

The Acquisition represents a cash exit opportunity for Shareholders to realise their entire investment in cash at an attractive premium over the market prices of the Shares prior to the Joint Announcement Date, without incurring brokerage fees. As set out at paragraph 8.1.2 below, the Scheme Consideration represents a premium of approximately 27.7% over the last traded price on 30 July 2025, being the last full trading day of the Shares immediately before the date of the holding announcement released by the Company on 1 August 2025 (the “**Last Undisturbed Trading Day**”) and 26.4%, 33.1%, 43.6% and 45.9% over the volume weighted average price (“**VWAP**”) per Share for the one (1)-month, three (3)-month, six (6)-month and twelve (12)-month periods respectively, up to and including the Last Undisturbed Trading Day.

7.3 Historical Share price chart for the last ten (10)-year period and up to and including the Last Undisturbed Trading Day

Prior to the Acquisition in respect of the ten (10)-year period up to and including the Last Undisturbed Trading Day, the Shares had not closed on the SGX-ST at or above the Scheme Consideration. The Scheme Consideration represents: (i) a premium of approximately 194.8% over the lowest closing price of the Shares of S\$0.485, (ii) a premium of approximately 6.7% over the highest closing price of the Shares of S\$1.340, and (iii) a premium of approximately 66.1% over the VWAP of the Shares of S\$0.861, during the ten (10)-year period up to and including the Last Undisturbed Trading Day, as illustrated in the chart below at paragraph 8.1.2.

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

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

The historical trading liquidity of the Shares on the SGX-ST has been low. The average trading volume of the Shares over the last one (1)-month, three (3)-month, six (6)-month and twelve (12)-month periods up to and including the Last Undisturbed Trading Day are set out in paragraph 8.1.2.

The Scheme therefore provides Shareholders who find it difficult to exit the Company as a result of the low trading volume in Shares with an opportunity to liquidate and realise their investment in the Shares at a premium to the historical market prices which would otherwise not be available given the low trading liquidity.

8. FINANCIAL ASSESSMENT OF THE SCHEME

In assessing the financial terms of the Scheme, we have taken into account the following factors, which we consider to have a significant bearing on our assessment:

- (a) market quotation and trading liquidity of the Shares;
- (b) historical financial performance of the Group;
- (c) net asset value (“NAV”);
- (d) comparison of valuation statistics of the companies broadly comparable to the Group;
- (e) comparison with recent successful privatisation transactions and delisting offers of the companies listed on the SGX-ST;
- (f) estimated range of value of the Shares; and
- (g) other relevant considerations.

8.1 Market Quotation and Trading Liquidity of the Shares

8.1.1 Share price benchmark

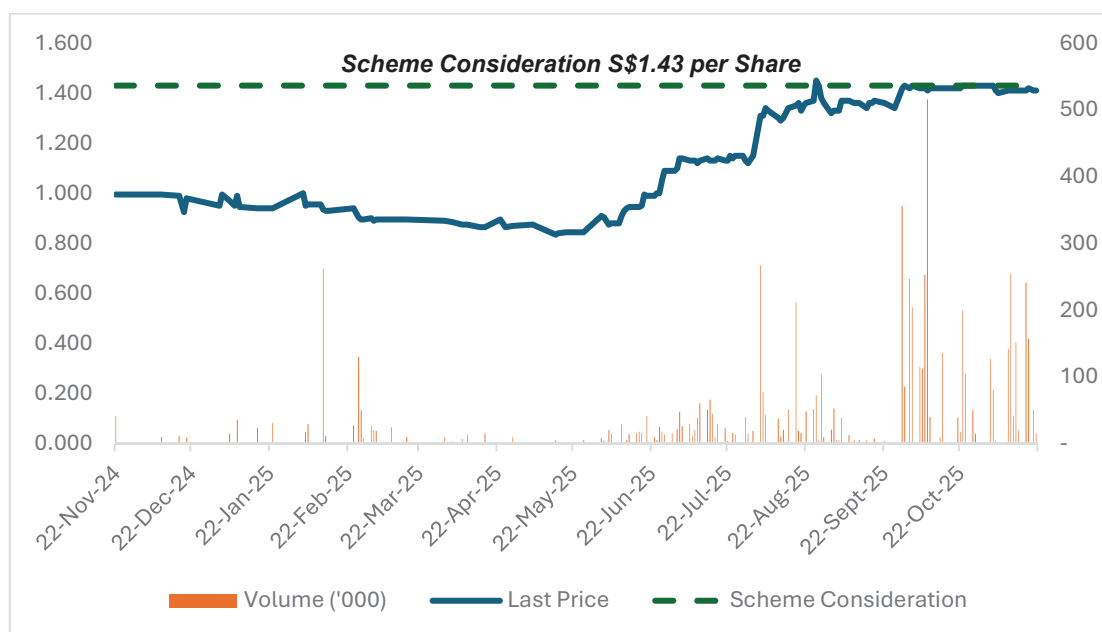
As mentioned in paragraph 7.2, the Company released a holding announcement on 1 August 2025, as such 30 July 2025 being the last full trading day of the Shares and 1 August 2025 being the Last Undisturbed Trading Day.

For the purpose of our analysis of the trading performance of the Shares in respect of the Scheme, we have compared the Scheme Consideration against the historical market price performance of the Shares and considered the historical trading volume of the Shares for the twelve (12)-month period prior to the Last Undisturbed Trading Day, and up to the Latest Practicable Date (the “**Period Under Review**”).

8.1.2 Share price chart and trading liquidity during the Period Under Review

A graphical representation of the daily closing prices and daily trading volumes of the Shares for the Period Under Review is set out as follows:

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME



Source: Bloomberg L.P.

A summary of the salient announcements and key events relating to the Group's business operations and the Scheme during the Period Under Review is as follows:

Date	Event
20 August 2024	Announcement of unaudited condensed interim financial statements for the six (6) months and full year ended 30 June 2024
09 October 2024	Announcement on the incorporation of a wholly-owned subsidiary
11 October 2024	Release of the annual report for FY2024 and the announcement of the proposed renewal of the share purchase mandate
03 January 2025	Announcement of the proposed acquisition of Techpro Precision Engineering Pte. Ltd.
11 February 2025	Announcement of unaudited condensed interim financial statements for the six (6) months and half year ended 31 December 2024
20 February 2025	Announcement on the update on the proposed acquisition of Techpro Precision Engineering Pte. Ltd.
01 August 2025	Release of holding announcement
27 August 2025	Announcement of unaudited condensed interim financial statements for the six (6) months and full year ended 30 June 2025
04 September 2025	Release of holding announcement update
26 September 2025	Announcement on the proposed acquisition of Skyline II Pte. Ltd. of all the shares in the issued share capital of Spindex Industries by way of a Scheme of Arrangement
07 October 2025	Announcement of the appointment of an independent financial adviser

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

09 October 2025	Release of the annual report for FY2025 and the announcement of the proposed renewal of the share purchase mandate
28 October 2025	Release of the sustainability report for FY2025
10 November 2025	Notice of First Court Hearing Date
21 November 2025	Announcement on the leave to convene the court meeting in relation to the Scheme

Source: Group's announcements released on the SGXNET

As shown in the Share price chart above, except for 26 August 2025, where the Shares traded at S\$1.45, the Shares have traded consistently below S\$1.43 for the Period Under Review, with the lowest closing price of the Shares being S\$0.835. Prior to the Joint Announcement Date, the Shares last traded at S\$1.150 on the Last Undisturbed Trading Day.

Additional information on the traded closing prices of the Shares, VWAP and average daily trading volumes ("ADTV") for the reference period(s) (a) prior to and including the Last Undisturbed Trading Day; and (b) period from the Joint Announcement Date up to the Latest Practicable Date are set out as follows:

	Highest closing price ⁽¹⁾	Lowest closing price ⁽¹⁾	VWAP ⁽¹⁾	Premium of Scheme Consideration over VWAP ⁽¹⁾	ADTV ⁽²⁾	ADTV as a percentage of total number of issued Shares (%) ⁽¹⁾⁽³⁾
	(S\$)	(S\$)	(S\$)	(%)	(shares)	
Periods prior to and including the Last Undisturbed Trading Day						
Last 12 months	1.150	0.830	0.980	45.9	9,646	0.008
Last 6 months	1.150	0.835	0.996	43.6	12,581	0.011
Last 3 months	1.150	0.835	1.074	33.1	13,575	0.012
Last 1 month	1.150	1.090	1.131	26.4	25,722	0.022
Last Undisturbed Trading Day	1.150	1.150	1.120	27.7	19,000	0.016
Periods from the Joint Announcement Date up to the Latest Practicable Date						
Period between and including 26 September 2025 and up to the Latest Practicable Date	1.430	1.340	1.416	1.0	103,483	0.090

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Latest Practicable Date	1.410 ⁽⁴⁾	1.410 ⁽⁴⁾	1.410 ⁽⁴⁾	1.4 ⁽⁴⁾	15,600 ⁽⁴⁾	0.014 ⁽⁴⁾
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Source: Bloomberg L.P.

Notes:

- (1) Based on data extracted from Bloomberg L.P. and with figures rounded to the nearest three (3) decimal places.
- (2) Calculated using the total volume of Shares traded divided by the number of Market Days with respect to the one (1)-month period, three (3)-month period, six (6)-month period and twelve (12)-month period prior to and including the Last Undisturbed Trading Day. "Market Day" is defined as a day on which the SGX-ST is open for securities trading.
- (3) Calculated using the daily total volume of Shares traded divided by the total number of issued Shares as at the Joint Announcement Date.
- (4) Based on trades done on 21 November 2025, as there were no trades on 25 November 2025.

We note the following with regard to the Share prices and the ADTV of the Shares:

Period prior to and including the Last Undisturbed Trading Day

- (a) during the twelve (12)-month period up to and including the Last Undisturbed Trading Day, the closing prices of the Shares ranged between a low of S\$0.830 and a high of S\$1.150. The Scheme Consideration represents: (i) a premium of 72.3% over the lowest closing price of the Shares; and (ii) a premium of 24.4% over the highest closing price of the Shares, during the twelve (12)-month period up to and including the Last Undisturbed Trading Day;
- (b) the Scheme Consideration represents a premium of 26.4%, 33.1%, 43.6% and 45.9% over the VWAP of the Shares for the one (1)-month, three (3)-month, six (6)-month and twelve (12)-month periods up to and including the Last Undisturbed Trading Day respectively;
- (c) the Scheme Consideration represents a premium of 27.3% over the VWAP of the Shares of S\$1.120 on the Last Undisturbed Trading Day;
- (d) in relation to the trading liquidity of the Shares for the one (1)-month, three (3)-month, six (6)-month and twelve (12)-month period up to and including the Last Undisturbed Trading Day, ADTV of the Shares were between approximately 0.008% and 0.022% of the total number of issued Shares of the Company; and
- (e) during the twelve (12)-month period up to and including the Last Undisturbed Trading Day, the Shares were only traded on 121 Market Days out of 252 Market Days.

Period from the Joint Announcement Date up to the Latest Practicable Date

- (a) the Scheme Consideration represents a premium of 1.0% to the VWAP of the Shares for the period from 26 September 2025 and up to the Latest Practicable Date;
- (b) the Scheme Consideration represents a premium of 1.4% to the closing price of the Shares as at the Latest Practicable Date; and
- (c) the ADTV of the Shares as a percentage of the total number of issued Shares of the Company was approximately 0.090% for the period from 26 September 2025 and up to the Latest Practicable Date.

Based on the above observations, we note that the trading volume and closing price of the Shares were relatively higher after the Joint Announcement Date. We believe that the general upward trend is likely supported by the Scheme subsequent to the Joint Announcement.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

In evaluating the Scheme Consideration, it is relevant to examine the trading volume of the Shares over a reasonable period, during which the market price of the Shares may reflect public investors' valuation of the Shares, based on publicly available information.

We note the following with regard to the trading liquidity of the Shares:

- (a) the ADTV of the Shares for the twelve (12)-month period up to and including the Last Undisturbed Trading Day was 9,646 Shares and represented 0.008% of the Company's total number of issued Shares;
- (b) the ADTV of the Shares for the one (1)-month, three (3)-month, six (6)-month and twelve (12)-month periods prior to and including the Last Undisturbed Trading Day were only 25,722 Shares, 13,575 Shares, 12,527 Shares and 9,646 Shares respectively; and
- (c) we also note that the Shares were traded quite thinly. We calculated that the Shares were traded on 0.022%, 0.012%, 0.011% and 0.008% of the Company's total number of issued Shares for the one (1)-month, three (3)-month, six (6)-month and twelve (12)-month period prior to and including the Last Undisturbed Trading Day.

Based on the above, we note that the trading of the Shares appears to be relatively illiquid for the aforementioned periods prior to and including the Last Undisturbed Trading Day. In addition, the ADTV for the aforementioned periods prior to the Last Undisturbed Trading Day represents less than 0.016% of the Company's total number of issued Shares, and the ADTV during the aforementioned periods prior to and including the Last Undisturbed Trading Day was significantly low at less than 50,000 Shares.

It is to note that given the low liquidity of the Shares during the periods observed, the Scheme Consideration may represent a realistic exit opportunity for Shareholders to realise their entire investment for cash. In the absence of the Scheme Consideration, such an exit for all Shareholders may not be readily available due to the low trading liquidity for the Shares.

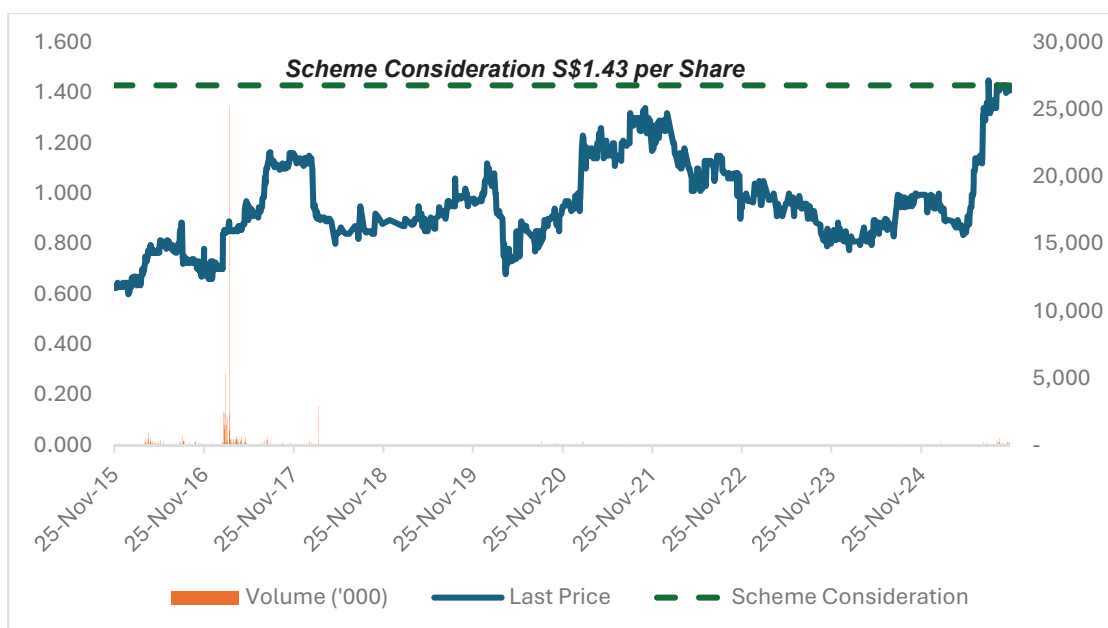
Shareholders should note that there is no assurance that the closing price of the Shares would remain at the current level prevailing as at the Latest Practicable Date and after the completion of the Scheme. Shareholders should note that past trading performance of the Shares should not in any way be relied upon as an indication or a guarantee of its future trading performance, which will depend on, amongst other factors, the performance and prospects of the Group, prevailing economic conditions, economic outlook, stock market conditions and sentiment.

8.1.3 Share price chart for the ten (10)-year period prior to and including the Last Undisturbed Trading Day, and up to the Latest Practicable Date

We have also considered the daily closing prices and volume traded of the Shares for the ten (10)-year period prior to and including the Last Undisturbed Trading Day. There has been only one instance where the Share price has closed above the Scheme Consideration and the share price subsequently fell back below the Scheme Consideration.

A graphical representation of the daily closing prices and volume traded of the Shares for the ten (10)-year period prior to and including the Last Undisturbed Trading Day, and up to the Latest Practicable Date is set out as follows:

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME



Source: Bloomberg L.P.

8.2 Historical Financial Performance of the Group

The salient historical financial information of the Group for the financial years ended 30 June 2023, 2024, and 2025 (“FY2023”, “FY2024” and “FY2025” respectively) are set out in the table below. The following summary financial information should be read in conjunction with the full text of the annual reports and unaudited condensed interim financial statements of the Group, in respect of the relevant financial years/periods including the notes thereto.

8.2.1 Statement of Profit or Loss

	Audited		
(S\$'000)	FY2023	FY2024	FY2025
Revenue	183,449	180,287	181,010
Cost of sales	(151,358)	(142,162)	(142,629)
Gross profit	32,091	38,125	38,381
Other income	3,654	3,888	5,316
Distribution and selling expenses	(3,211)	(3,138)	(3,315)
Administrative expenses	(17,346)	(18,392)	(30,128)
Profit from operations	15,188	20,483	10,254
Financial expenses	(384)	(140)	(158)
Share of profit in joint ventures	(17)	105	133
Profit before tax	14,787	20,448	10,229
Income tax expense	(3,964)	(4,880)	(3,600)
Profit for the financial year	10,823	15,568	6,629
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign currency translation	(13,783)	(325)	(1,955)
Total comprehensive income for the year	(2,960)	15,243	4,674
Profit attributable to:			
Owners of the Company	10,823	15,568	6,661
Non-controlling interests	-	-	(32)
	10,823	15,568	6,629

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Total comprehensive income attributable to:			
Owners of the Company	(2,960)	15,243	4,706
Non-controlling interests	-	-	(32)
	(2,960)	15,243	4,674

Source: Annual reports for FY2023, FY2024, and FY2025

The principal activities of the Company are to carry on the business as importer and exporter of precision machine parts and other engineering materials. The principal activities of the subsidiaries are manufacturing and trading of mechanical, electrical, electronic parts, precision machine parts and other engineering materials. The Company has three main revenue segments, namely imaging and printing (“IP”), machinery and automotive systems (“MA”) and consumer products and others⁽¹⁾ (“CP”).

Notes:

(1) Mainly data storage and telecommunications

FY2024 vs FY2023

Negative business sentiments persisted in FY2024, with the volatility in the market continuing to weigh on consumer demand. The interest rate, inflation environment and the political conflicts around the world have also added to the overall economic uncertainty.

Challenging market conditions have continued to place downward pressure on the Group’s revenue in FY2024. The revenue decline of 6.3% in 1H FY2024 was balanced by a small growth of 3.1% in 2H FY2024, bringing the FY2024 group revenue down by 1.7% to \$180.3 million.

Demand was uneven across the Group’s business sectors. Both Automotive and Machine Tools under the MA business sector benefited from a general restocking in FY2024 and the sector grew 11.6% to \$90.7 million.

Although revenue from the IP business sector declined 16.4% to \$26.6 million for FY2024, the business sector posted a marginal revenue growth in the second half year. Following weak demand for components in FY2023, the resumption of production of imaging and printing equipment in FY2024 contributed to some demand in the second half of FY2024.

The CP business sector, comprising domestic appliances, consumer electronics, health & leisure equipment and data storage continued to be affected by the general business slowdown and weaker demand. In FY2024, revenue for CP business sector declined 10.4% to \$63.0 million.

Despite marginally lower revenue for FY2024, the Group recorded an improvement in the gross profit from \$32.1 million in FY2023 to \$38.1 million in FY2024. This was achieved through a combination of prudent cost management, better product mix and a softening of inflationary costs on some material prices.

Distribution and selling expenses fell 2.3% in line with the lower group revenue. Administrative expenses rose 6.0% for the year and the increase was partly due to a lower foreign exchange gain, offset by the absence of any retrenchment expenses incurred in FY2024. The repayment of short-term loans in FY2023 lowered financial expenses and the continuing improvement in the operations of the joint venture in Vietnam resulted in a modest share of profit.

The effective management of costs and expenses contributed to the 38.3% growth in profit before tax to \$20.4 million in FY2024. Lower effective tax rate of 23.9% due to timing difference of deferred tax liabilities and this added to the 43.8% increase in net profit of \$15.6 million for FY2024.

FY2025 vs FY2024

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Economic conditions continued to remain volatile and challenging in FY2025. During H2 FY2025, all three business sectors of MA, IP and CP recorded a marginal decline in revenues reflecting overall cautious business sentiments. However, the 4.7% growth in group revenue in H1 FY2025 led by the MA and IP business sectors enabled full-year revenue to achieve \$181.0 million in FY2025.

In H1 FY2025, the Group benefited from some demand that was brought forward in anticipation of higher tariffs to come. During this period, MA registered higher shipments to existing and new customers in ASEAN. From a relatively low base in FY2024, the IP orders rebounded in H1 FY2025 as customers restocked their inventories. But when new tariffs were announced in April 2025, some demand was put on hold in H2 FY2025 as customers sought greater clarity of the situation.

Prices of raw materials were generally stable in FY2025 and with group revenue maintained at \$181 million, gross profit margin remained at 21.2%. Other income rose 36.7% to \$5.3 million, benefiting from higher interest income, rental income and government grants.

Distribution and selling expenses were prudently managed but two items totalling about \$10.6 million accounted for about 90% of the increase in administrative expenses. Included in administrative expenses were a net foreign exchange loss of \$5.1 million arising from the weaker US Dollar and an impairment of \$5.5 million of the property, plant and equipment at Nantong reflecting the economic slowdown.

Financial expenses were stable and negligible. The Group continued to register a small profitable share in the profit of the Vietnam joint venture. Due to the substantial increase in administrative expenses, profit before tax fell 50.0% to \$10.2 million. With a corresponding lower income tax expense, net profit attributable to shareholders declined 57.4% to \$6.6 million in FY2025.

8.2.2 Statement of Cash Flows and Balance Sheet

(S\$'000)	----- Audited -----		
	FY2023	FY2024	FY2025
Net cash flows from operating activities	30,197	25,927	20,600
Net cash flows used in investing activities	(9,390)	(11,376)	(12,262)
Net cash flows from/(used in) financing activities	(16,738)	101	(3,174)
Net increase in cash and cash equivalents	4,069	14,652	5,164
Cash and cash equivalents at the end of the financial year	46,423	60,950	62,252

Source: Annual reports for FY2023, FY2024, and FY2025

FY2023

Net cash flows from operating activities of \$30.2 million in FY2023 were mainly due to operating cash flows before changes in working capital of \$28.2 million and income tax paid of \$3.6 million.

Net cash used in investing activities of \$9.4 million in FY2023 was mainly due to the purchase of property, plant and equipment.

Net cash used in financing activities of \$16.7 million in FY2023 was mainly due to repayment of loans and borrowings of \$11.5 million and dividend paid on ordinary shares of \$4.0 million.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Overall, cash and cash equivalents increased by \$4.1 million from \$45.6 million as at 30 June 2022 to \$46.4 million as at 30 June 2023.

FY2024

Net cash flows from operating activities of \$25.9 million in FY2024 were mainly due to operating cash flows before changes in working capital of \$32.8 million and income tax paid of \$4.3 million.

Net cash used in investing activities of \$11.4 million in FY2024 was mainly due to the purchase of property, plant and equipment.

Net cash provided by financing activities of \$0.1 million in FY2024 was mainly due to repayment of loans and borrowings of \$1.3 million and proceeds from loans and borrowings \$2.7 million.

Overall, cash and cash equivalents increased by \$14.7 million from \$46.4 million as at 30 June 2023 to \$61.0 million as at 30 June 2024.

FY2025

Net cash flows from operating activities of \$20.6 million in FY2025 were mainly due to operating cash flows before changes in working capital of \$29.6 million and income tax paid of \$6.6 million.

Net cash used in investing activities of \$12.3 million in FY2025 was mainly due to the purchase of property, plant and equipment and net cash outflow on the acquisition of a subsidiary.

Net cash used in financing activities of \$3.2 million in FY2025 was mainly due to repayment of loans and borrowings of \$4.1 million, dividend paid on ordinary shares of \$3.1 million and proceeds from loans and borrowings of \$4.7 million.

Overall, cash and cash equivalents increased by \$5.2 million from \$61.0 million as at 30 June 2024 to \$62.3 million as at 30 June 2025.

8.2.3 Dividend track record of the Company

Set out below is also a summary of the dividend per Share declared in respect of each of FY2023, FY2024, and FY2025. This information was extracted from the annual reports of the Company for FY2023, FY2024, and FY2025:

	FY2025	FY2024	FY2023
Dividends per Share (cents)	2.00	2.70	0.50

As disclosed in the Company's annual report, the Company does not have a fixed dividend policy. The form, frequency and amount of dividends that the Directors may recommend or declare in respect of any particular financial year or period are subject to various other factors including the level of cash and retained earnings.

Notwithstanding the absence of a formal dividend policy, the Company has a historical dividend track record in the last three (3) financial periods from FY2023 to FY2025 ranging from 0.05 cents to 2.00 cents.

We understand that the Company has proposed a final dividend of S\$0.020 per share for the financial year ended 30 June 2025, to be paid to the Shareholders on 18 November 2025 if approved at the annual general meeting of the Company to be held on 24 October 2025 (the "**Permitted Dividend**").

8.3 **NAV of the Group**

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

8.3.1 Balance Sheet of the Group

A summary of the balance sheet of the Group as at and 30 June 2025 is set out as follows:

(S\$'000)	----- Audited -----	
	As at 30 June 2025	As at 30 June 2024
Non-current assets		
Property, plant and equipment	70,710	78,727
Intangible assets	1,080	-
Goodwill	1,004	-
Right-of-use assets	5,051	5,718
Investment in joint venture	1,532	1,399
Total non-current assets	79,377	85,844
Current assets		
Inventories	28,792	29,445
Trade receivables	43,485	42,956
Other receivables and deposits	2,284	1,686
Prepayments	10,706	4,316
Cash and cash equivalents	62,252	60,950
Total current assets	147,519	139,353
Total assets	226,896	225,197
Current liabilities		
Trade payables	22,805	22,145
Other payables and accruals	21,305	20,710
Refund liabilities	2,314	2,284
Provisions for defects	1,335	1,448
Loans and borrowings	3,856	3,820
Lease liabilities	421	538
Provision for tax	504	1,664
Total current liabilities	52,540	52,609
Non-current liabilities		
Loans and borrowings	1,197	838
Lease liabilities	184	335
Deferred tax liabilities	4,258	4,383
Provision for restoration costs	224	262
Total non-current liabilities	5,863	5,818
Total liabilities	58,403	58,427
Net assets	168,493	166,770
Equity		
Equity attributable to owners of the Company		
Share capital	13,145	13,145
Reserves	155,216	153,625
	168,361	166,770
Non-controlling interests	132	-
Total equity	168,493	166,770
NAV of the Group⁽¹⁾	168,361	166,770
NTA of the Group⁽²⁾	166,277	166,770

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Number of issued shares ('000)	115,365	115,365
NAV per Share⁽¹⁾ (\$)	1.46	1.45
NTA per Share⁽²⁾ (\$)	1.44	1.45

Source: Annual report for FY2025 of the Group

Notes:

- (1) Net asset value of the Company shall mean net assets excluding non-controlling interest.
- (2) Net tangible asset value of the Company shall mean net assets excluding intangible assets, goodwill and non-controlling interest.

Assets

Property, plant and equipment decreased by \$8.0 million from \$78.7 million as at 30 June 2025 to \$70.7 million as at 30 June 2025.

Investment in joint ventures increased by \$0.1 million from \$1.4 million as at 30 June 2024 to \$1.5 million as at 30 June 2025.

Trade receivables increased by \$0.5 million from \$43.0 million as at 30 June 2024 to \$43.5 million as at 30 June 2025.

Prepayment increased by \$6.5 million from \$4.3 million as at 30 June 2024 to \$10.8 million as at 30 June 2025.

Cash and cash equivalents rose from \$61.0 million as at 30 June 2024 to \$62.3 million as at 30 June 2025.

Liabilities and equity

Non-current loans and borrowings increased by \$0.3 million from \$0.8 million as at 30 June 2025 to \$1.2 million as at 30 June 2025.

Trade payables increased by \$0.7 million from \$22.1 million as at 30 June 2024 to \$22.8 million as at 30 June 2025.

Other payables and accruals increased by \$0.6 million from \$20.7 million as at 30 June 2024 to \$21.3 million as at 30 June 2025.

Current loans and borrowings remained relatively similar from \$3.82 million as at 30 June 2024 to \$3.85 million as at 30 June 2025.

8.3.2 Book NAV/NTA of the Group

The NAV of a Group refers to the aggregate value of all the assets in their existing condition, net of any non-controlling interests and all the liabilities of the Group. The NTA of the Group refers to the aggregate value of all the assets in their existing condition, net of any non-controlling interests, intangible assets, goodwill and all the liabilities of the Group. The NAV/NTA approach may provide an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the proceeds of which would be first used to settle the liabilities of the Group with the balance available for distribution to its shareholders. Therefore, the net assets of a group are perceived as providing support for the value of the shareholders' equity.

Notwithstanding the foregoing, Shareholders should note that an analysis based on the NAV/NTA of the Group provides an estimate of the value of the Group based on a hypothetical scenario, and such hypothetical scenario is assumed without considering factors such as, *inter alia*, time value of money, market conditions, legal and professional fees, liquidation costs,

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

taxes, contractual obligations, regulatory requirements and availability of potential buyers, which would theoretically lower the NAV/NTA that can be realised. While the asset base of the Group can be a basis for valuation, such valuation does not necessarily imply a realisable market value as the market value of the assets and liabilities may vary depending on prevailing market and economic conditions. Furthermore, the NAV/NTA approach is more relevant in circumstances where the business is to cease operations or where the profitability of the business being valued is not sufficient to sustain an earnings-based valuation.

Based on the Group's latest audited financial statement as at 30 June 2025, the intangible assets and goodwill is less than 0.92% of the total Group's assets as such it can be deemed as non-material.

Based on the Group's latest audited condensed financial statement as at 30 June 2025 and 115,365,000 Shares in issue as at 30 June 2025, the NAV of the Group amounted to S\$168.4 million or S\$1.46 per Share. We note that the Scheme Consideration represents a slight discount of approximately 0.64% against the NAV per share of S\$1.46 as at 30 June 2025. Accordingly, the Price-to-NAV ("**P/NAV**") of the Group implied by the Scheme Consideration would be approximately 0.98 times as at 30 June 2025.

Based on the Group's latest audited condensed financial statement as at 30 June 2025 and 115,365,000 Shares in issue as at 30 June 2025, the NTA of the Group amounted to S\$166.3 million or S\$1.44 per Share. We note that the Scheme Consideration represents a premium of approximately 0.60% against the NTA per share of S\$1.44 as at 30 June 2025. Accordingly, the Price-to-NTA ("**P/NTA**") of the Group implied by the Scheme Consideration would be approximately 0.99 times as at 30 June 2025.

8.3.3 Adjusted NAV/NTA of the Group

As indicated in paragraph 8.2.3, the adjusted NAV/NTA will be taken into account after the payment of the dividend:

	As at 30 June 2025
NAV of the Group ⁽¹⁾ (S\$'000)	168,361
NTA of the Group ⁽²⁾ (S\$'000)	166,277
Total dividend to be paid out (S\$'000)	2,307
Adjusted NAV of the Group (S\$'000)	166,053
Adjusted NTA of the Group (S\$'000)	163,970
Adjusted NAV per share (S\$)	1.44
Adjusted NTA per share (S\$)	1.42

Notes:

- (1) Net asset value of the Company shall mean net assets excluding non-controlling interest.
- (2) Net tangible asset value of the Company shall mean net assets excluding intangible assets, goodwill and non-controlling interest.

Based on the Group's latest audited condensed financial statement as at 30 June 2025 and 115,365,000 Shares in issue as at 30 June 2025 and after adjusting for the Permitted Dividend, the NAV of the Group amounted to S\$166.1 million or S\$1.44 per Share. We note that the Scheme Consideration represents a slight discount of approximately 0.65% against the adjusted NAV per share of S\$1.44 as at 30 June 2025. Accordingly, the Price-to-Adjusted NAV ("**P/Adjusted NAV**") of the Group implied by the Scheme Consideration would be approximately 0.98 times as at 30 June 2025.

Based on the Group's latest audited condensed financial statement as at 30 June 2025 and 115,365,000 Shares in issue as at 30 June 2025, the NTA of the Group amounted to S\$164.0 million or S\$1.42 per Share. We note that the Scheme Consideration represents a premium of approximately 0.61% against the NTA per share of S\$1.42 as at 30 June 2025. Accordingly, the Price-to-Adjusted NTA ("**P/NTA**") of the Group implied by the Scheme Consideration would be approximately 1.01 times as at 30 June 2025.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

8.3.4 Investment in Joint Ventures

In our evaluation of the Scheme Consideration, we have also considered whether there are any assets which should be valued at an amount that is materially different from that which are recorded in the audited balance sheet of the Group as at 30 June 2025, and 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 of the Group as at 30 June 2025.

Investment in joint ventures as of 30 June 2025 amounted to an aggregate of S\$1.5 million, representing 0.08% of the Group's NAV. The effective interest in the majority of the investments in joint ventures are non-material and does not contribute significantly to the Group's business. As such, no adjustments have been made to the NAV of the Group in this aspect.

Save as disclosed in this letter, the Board of Directors and Management have confirmed that as at the Latest Practicable Date and to the best of their knowledge and belief:

- (a) they are not aware of any material difference between the estimated market value of the assets held by the Group *vis-à-vis* their respective book values recorded in the audited balance sheet of the Group as at 30 June 2025;
- (b) they are not aware of any circumstances which may cause the NAV of the Group as at the Latest Practicable Date to be materially different from that recorded in the latest announced audited balance sheet of the Group as at 30 June 2025;
- (c) there have been no material disposals or acquisitions of assets by the Group between 30 June 2025 and the Latest Practicable Date, and as the Latest Practicable Date, the Group does not have any plans for such impending material disposal or acquisition of assets, conversion of the use of the Group's material assets or material change in the nature of the Group's business;
- (d) there are no contingent liabilities, bad or doubtful debts or impairment losses or material events as at the Latest Practicable Date which are likely to have a material impact on the NAV of the Group as at 30 June 2025;
- (e) there are no litigation, claim or proceedings pending or threatened against the Group or of any fact likely to give rise to any proceedings as at the Latest Practicable Date which would have material impact on the financial position of the Group as at 30 June 2025; and
- (f) there are no intangible assets and goodwill as at the Latest Practicable Date 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 disclosed that would have a material impact on the NAV of the Group as at 30 June 2025.

8.4 **Comparison of Valuation Statistics of Companies Broadly Comparable to the Group**

In considering what may be regarded as a reasonable range of valuation for the purpose of assessing the financial terms of the Scheme, we have referred to selected listed companies on the various stock exchanges which business activities are broadly comparable with those of the Group to give an indication of the current market expectations with regard to the perceived valuation of these businesses.

The Company is a Singapore-incorporated company that has been listed on the Mainboard of the SGX-ST since November 1998. As set out in paragraph 1.4 of the "Letter to Shareholders" and Appendix 3 to the Scheme Document, the primary activities of the Group serves diverse market sectors consisting of multi-national corporations in imaging and printing, machinery and automotive systems and consumer-related products.

For a more comprehensive coverage, we have expanded our search on publicly available information, to include companies listed on other exchanges which are principally engaged in

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

businesses that are similar to the Group, and with market capitalisations of not more than S\$400 million (the “**Comparable Companies**”) to get an indication of the current market expectations with regard to the perceived valuation of the Group.

We wish to highlight that the Comparable Companies are not exhaustive and there is no listed group or group which may be considered identical to the Group in term of, *inter alia*, business activities, market capitalisation, scale of operations, risk profile, geographical spread, operating and financial leverage, accounting policies, adherence to accounting standards, tax factors, track record and future prospects. In addition, each of the Comparable Companies may engage in other separate business which are not related to the principal business of the Group. As such, any comparison made herein is strictly limited in scope and merely serves as an illustrative guide to Shareholders.

Details of the Comparable Companies, including their business descriptions are selected key financial and valuation statistics, are set out below and in Annex A to this letter:

- (a) Innotek Ltd (“**Innotek**”)
- (b) KFM Kingdom Holdings Ltd (“**KFM**”)
- (c) Metasurface Technology Holdings (“**Meta**”)
- (d) JEP Holdings Ltd (“**JEP**”)
- (e) Soon Lian Holdings Ltd (“**Soon Lian**”)
- (f) Chasys Co Ltd (“**Chasys**”)
- (g) Eva Precision Industrial Holdings (“**Eva**”)
- (h) Metalart Corp (“**Metalart**”)

In assessing the financial terms of the Scheme, we have used the following valuation parameters in our analysis:

Valuation parameter	Description
Price-earnings ratio (“ PER ”)	<p>The historical PER, which illustrates the ratio of the market price of a company’s shares relative to its historical consolidated earnings per share, is commonly used for the purpose of illustrating the profitability, and hence valuation, of a group.</p> <p>We have considered the historical PERs of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date and trailing 12 months per share <i>vis-à-vis</i> the corresponding historical PER of the Group based on the Scheme Consideration and the trailing 12 months earnings per share (if applicable).</p>
P/NAV	<p>A NAV based approach is useful to illustrate the extent that the value of each share is backed by assets and would be more relevant in the case where the group were to change the nature of its business or realise or convert the use of all or most of its assets. The NAV-based valuation approach may provide an estimate of the value of a group assuming the hypothetical sale of all its assets used in the computation of the NAV, with the balance to be distributed</p>

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

to its shareholders after the settlement of all the liabilities and obligations of the group.

We have considered the historical P/NAV ratios of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date and latest announced NAV per share as at the end of the relevant financial year/period (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the NAV per share, where relevant), *vis-à-vis* the corresponding historical P/NAV ratio of the Group based on the Scheme Consideration and the latest announced NAV per Share of the Group as at the end of the relevant financial year/period (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the NAV per share, where relevant).

Enterprise value to EBITDA
("EV/EBITDA") ratio

The historical EV/EBITDA ratio illustrates the ratio of the market value of a group's business relative to its historical consolidated pre-tax operating cashflow performance, without regard to its capital structure, and provides an indication of current market valuation relative to operating performance. "EV" is the sum of a group's market capitalisation, preferred equity, minority interests, short- and long-term debts and leases liabilities less cash and cash equivalents and represents the actual cost to acquire the entire group. "EBITDA" refers to historical consolidated earnings before interest, tax, depreciation and amortisation expenses. EBITDA can be used to analyse the profitability between companies as it eliminates the effects of financing and accounting decisions.

We have considered the historical EV/EBITDA ratios of the Comparable Companies based on their respective last transacted prices on the Latest Practicable Date, latest available balance sheet values (as adjusted for any corporate activities which were undertaken after the latest available balance sheet date that may affect the EV, where relevant) and trailing 12 months EBITDA *vis-à-vis* the corresponding historical EV/EBITDA ratio of the Group based on the Scheme Consideration and the trailing 12 months EBITDA of the Group.

8.4.1 Comparative valuation statistics of the Comparable Companies *vis-à-vis* the Group

The following table sets out the comparative valuation statistics of the Comparable Companies *vis-à-vis* the Group as implied by the Scheme Consideration:

Comparable Companies	Market Capitalisation (S\$ millions) ⁽¹⁾	Historical PER (times) ⁽²⁾	Historical P/NAV ratio ⁽²⁾ (times)	Historical EV/EBITDA ratio (times) ⁽²⁾
Innotek	162.39	53.26 ⁽⁵⁾	0.93	8.72 ⁽⁵⁾
KFM	47.16	6.29	0.49	3.24
Meta	37.38	8.84	0.95	3.85
JEP	109.45	29.95	1.37	9.35 ⁽⁵⁾
Soon Lian	28.62	4.68	0.66	2.26

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Chasys	29.56	4.22	0.83	4.32
Eva	277.82	6.52	0.50	3.26
Metalart	132.23	8.08	0.63	2.52

High	29.95	1.37	4.32
Mean	9.80	0.79	3.24
Median	6.52	0.75	3.25
Low	4.22	0.49	2.26

Group (Implied by the Scheme Consideration)	165.0	24.77	0.99⁽³⁾ 1.01⁽⁴⁾	4.27
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Source: Bloomberg L.P., annual reports and/or announcements of the respective Comparable Companies and Evolve's computation

Notes:

- (1) Based on last traded prices of the respective companies and exchange rates as at the Latest Practicable Date, as extracted from Bloomberg L.P..
- (2) Based on 115,365,000 shares as at the Latest Practicable Date.
- (3) Based on the Adjusted NAV of the Group of S\$166.1 million or S\$1.44 per share as at 30 June 2025.
- (4) Based on the Adjusted NTA of the Group of S\$164.0 million or S\$1.42 per share as at 30 June 2025.
- (5) Denotes statistical outliers and hence are excluded from the computation of high, low, mean and median.

Historical PER comparison

We note that the historical PER ratios of 24.77 times of the Group as implied by the Scheme Consideration are:

- (a) within the historical PER ratios of the Comparable Companies of between 4.22 times and 29.95 times; and
- (b) above the corresponding mean and median historical PER ratios of the Comparable Companies of 9.80 times and 6.52 times.

Historical P/NAV and P/NTA ratios comparison

We note that the historical P/Adjusted NAV ratios of 0.99 times of the Group as implied by the Scheme Consideration are:

- (c) within the range of historical P/NAV ratios of the Comparable Companies of between 0.49 times and 1.37 times; and
- (d) above the corresponding mean and median historical P/NAV ratios of the Comparable Companies of 0.79 times and 0.75 times.

Historical EV/EBITDA ratio comparison

We note that the historical EV/EBITDA ratios of 4.27 times of the Group as implied by the Scheme Consideration are:

- (e) within the range of historical EV/EBITDA ratios of the Comparable Companies of between 2.26 times and 4.32 times; and
- (f) within the corresponding mean and median historical EV/EBITDA ratios of the Comparable Companies of 3.24 times and 3.55 times.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

8.5 Comparison with Recent Successful Privatisation Transactions and Delisting Offers of Companies Listed on the SGX-ST

In our assessment of the Scheme, we have compared the financial terms of the Scheme with (a) selected recent successful privatisation transactions in cash announced on the SGX-ST, whether by way of a general offer under the Code or a scheme arrangement under Section 210 of the Companies Act where the offeror has stated its intention to delist the Group from the Official List of the SGX-ST; and (b) selected recent completed delisting cash offers under Rule 1307 of the Listing Rules announced (collectively, the “**Take-over Transactions**”) during the 24-month period prior to the Joint Announcement Date.

This analysis serves as a general indication of the relevant premium/discount that the offerors had paid in order to acquire the target companies without having regard to their specific industry characteristics or other considerations, and the comparison sets out:

- (a) the premium or discount represented by each of the respective offer prices to the last transacted prices and VWAPs over the one (1)-month, three (3)-month, six (6)-month and twelve (12)-month periods prior to the announcement of the Take-over Transactions; and
- (b) the premium or discount represented by each of the respective offer prices to the NAV of the respective target companies, where applicable. We note that certain transactions had undertaken revaluations and/or adjustments to their assets which may have material impact on their latest announced book values, we have also, where relevant, compared the financial terms of such offer transactions with the revalued NAV and/or adjusted NAV of the Take-over Transaction.

We wish to highlight that the Take-over Transactions set out below are by no means exhaustive. In addition, as the Group is not directly comparable to the target companies involved in the Take-over Transactions in terms of business activities, scale of operations, market capitalisation, geographical spread, risk profile, accounting policies, financial performance, operating and financial leverage, track record and future prospects, the comparison merely serves as a general guide to provide an indication of the premia/discounts paid in connection with privatisation transactions and delisting offers of the companies listed on the SGX-ST. Each of the Take-over Transactions must be judged on its own commercial and financial merits. Shareholders should also note that the premium (if any) to be paid by an offeror in a privatisation transaction or delisting offer varies in different circumstances depending on, *inter alia*, the offeror’s intentions with regard to the Group, the potential synergy that the offeror can gain from acquiring the Group, the attractiveness of the underlying business, prevailing market expectations and the presence of competing bids. Conclusions drawn from the comparisons made may not reflect any perceived market valuation of the Group.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Take-over Transactions	Date of announcement	Type ⁽¹⁾	Premium/(Discount) of offer price over (%)					Price-to-NAV (times)
			Last Transacted Price	1-month VWAP	3-month VWAP	6-month VWAP	12-month VWAP	
Amara Holdings Limited	28-Apr-25	VGO	27.00	42.10	44.80	46.70	48.90	1.33
ICP Ltd	19-Apr-25	VD	28.57	16.88	20.00	23.29	23.29	1.08
PEC Ltd.	17-Feb-25	SOA	12.75	23.50	28.60	30.60	33.30	0.90
Econ Healthcare (Asia) Limited	14-Feb-25	SOA	20.00	33.60	42.90	48.60	52.10	1.98
Japfa Ltd.	24-Jan-25	SOA	34.80	39.00	51.20	70.30	93.10	1.10
SLB Development Ltd.	24-Jan-25	SOA	36.10	54.40	62.00	69.10	88.50	1.13
5E Resources Limited	25-Oct-24	SOA	20.60	22.20	21.80	26.20	31.90	1.60
Dyna-Mac Holdings Ltd.	11-Sep-24	VGO	35.40	18.60	27.40	44.40	67.50	5.90 ⁽⁶⁾
Silverlake Axis Ltd.	26-Aug-24	VGO	20.00	27.70	25.00	31.90	31.90	2.80 ⁽⁶⁾
Second Chance Properties Ltd	10-Jul-24	VGO	39.50	40.90	37.00	33.30	28.20	1.00
RE&S Holdings Limited	19-May-24	SOA	56.50	65.10	50.00	45.20	38.50	1.90
Isetan (Singapore) Limited	01-Apr-24	SOA	n.m. ⁽³⁾	n.m. ⁽³⁾	n.m. ⁽³⁾	n.m. ⁽³⁾	n.m. ⁽³⁾	0.70
Best World Limited	22-Mar-24	VD	46.30	47.10	46.30	48.80	36.90	1.90
Boustead Projects Limited	14-Nov-23	VD	23.60	51.10	50.10	45.90	32.70	0.90
Healthway Medical Corporation Limited	03-Jul-23	VD	45.50	45.00	44.10	39.90	37.10	1.10
LHN Logistics Limited	04-Jun-23	VGO	34.90	35.70	39.00	44.30	39.00	2.00
Sysma Holdings Limited	01-Jun-23	VGO	34.40	40.00	34.40	30.20	28.20	0.70
Challenger Technologies Limited	30-May-23	VGO	9.10	10.50	11.90	14.30	13.40	1.50
Lian Beng Group Ltd	03-May-23	VGO	19.30	26.90	28.50	29.80	30.30	0.43
High			56.50	65.10	62.00	70.30	93.10	2.00
Mean			30.24	35.57	36.94	40.16	41.93	1.25
Median			31.49	37.35	38.00	42.10	35.10	1.10
Low			9.10	10.50	11.90	14.30	13.40	0.43
Group (Implied by Scheme Consideration)	26-Sep-25	SOA	29.12	28.21	34.88	45.44	47.81	0.99⁽⁴⁾ 1.01⁽⁵⁾

Notes:

- (1) VD – Voluntary Delisting, VGO – Voluntary General Offer, SOA – Scheme of Arrangement.
- (2) Information was based on the disclosed circulars of the respective company.
- (3) n.m. denotes not meaningful as the respective figures are deemed as outliers.
- (4) Based on the Adjusted NAV of the Group of S\$166.1 million or S\$1.44 per share, in reference to the Group's latest audited financial statement as at 30 June 2025 and 115,365,000 Shares in issue as at the Latest Practicable Date.
- (5) Based on the Adjusted NTA of the Group of S\$164.0 million or S\$1.42 per share, in reference to the Group's latest audited financial statement as at 30 June 2025 and 115,365,000 Shares in issue as at the Latest Practicable Date.
- (6) Denotes statistical outliers and hence are excluded from the computation of high, low, mean and median.

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

We note that in respect of the Take-over Transactions:

- (a) the premium of the Scheme Consideration over the last transacted price of the Shares prior to and including the Last Undisturbed Trading Day of approximately 29.1% is within the range of the corresponding premia of the Take-over Transactions of between 9.1% to 56.5%;
- (b) the premium of the Scheme Consideration over the VWAP of the Shares for 1-month prior to the Last Undisturbed Trading Day of approximately 28.2% is within the corresponding premia of the Take-over Transactions of between 10.5% to 65.1%;
- (c) the premium of the Scheme Consideration over the VWAP of the Shares for 3-month prior to the Last Undisturbed Trading Day of approximately 34.9% is within the corresponding premia of the Take-over Transactions of between 11.9% to 62.0%;
- (d) the premium of the Scheme Consideration over the VWAP of the Shares for 6-month prior to the Last Undisturbed Trading Day of approximately 45.4% is higher than the mean and median of the corresponding premia of the Take-over Transactions of between 40.2% to 42.1%;
- (e) the premium of the Scheme Consideration over the VWAP of the Shares for twelve (12)-month prior to the Last Undisturbed Trading Day of approximately 47.8% is higher than the mean and median of the corresponding premia of the Take-over Transactions of between 35.1% to 41.9%; and
- (f) the P/Adjusted NAV ratio as implied by the Scheme Consideration of 0.99 times is:
 - (i) within the range of the P/NAV ratios of the Take-over Transactions of between 0.4 times and 5.9 times; and
 - (ii) below the corresponding mean and median of the P/NAV ratio of 1.1 times and 1.6 times of the Take-over Transactions.

8.6 Estimated range of value of Shares

In deriving a range of values for the Shares, we have analysed the market prices of the Shares as well as the financial performance and financial position of the Group. We have also derived a range of values for the Shares using multiple valuation methodology based on the latest audited financial statement of the Group as at 30 June 2025.

The key valuation parameters which we have adopted in our analysis are as follows:

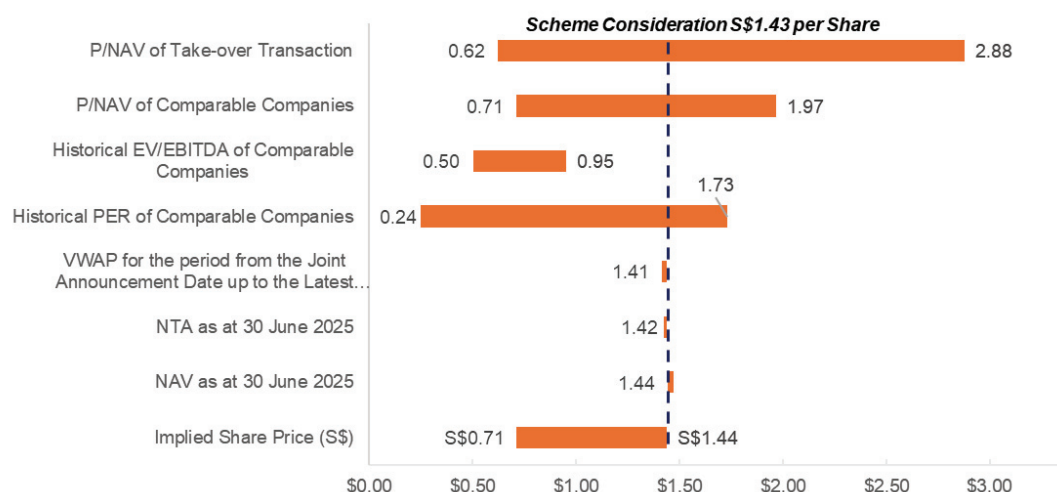
Valuation Parameter	Implied Valuation Range (S\$ million)		Implied Share Price (S\$)	
	Low	High	Low	High
Adjusted NAV as at 30 June 2025	166.05	166.05	1.44	1.44
Adjusted NTA as at 30 June 2025	163.97	163.97	1.42	1.42
VWAP for the period from the Joint Announcement Date up to the Latest Practicable Date	162.66	162.66	1.41	1.41
Historical PER of Comparable Companies	28.13	199.52	0.24	1.73

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Historical EV/EBITDA of Comparable Companies	57.41	110.00	0.50	0.95
P/NAV of Comparable Companies ⁽¹⁾	81.78	227.06	0.71	1.97
P/NAV of Take-over Transaction ⁽²⁾	71.40	332.11	0.62	2.88
Implied Valuation Range (\$ million) and Implied Share Price (\$)	81.78	166.05	0.71	1.44

Based on the above, the overall range of derived theoretical valuations is between approximately S\$81.78 million and S\$166.05 million, which translates to between S\$0.71 and S\$1.44 per Share. We note that the Scheme Consideration of S\$1.43 is within our estimated value range of the Shares.

8.6.1 Summary of range of values in S\$



8.7 Other Relevant Considerations

8.7.1 Outlook of the Group

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

“Uncertainties are expected to affect economic and business volatility for the rest of 2025 and into 2026. The tariff situation remains uncertain and customers are unable to plan their requirements with certainty. Depending on the level of tariffs, we will undertake ongoing price discussions with our customers to manage any added costs to their products.”

As always, the Group will continue to manage its operations efficiently and its expenses prudently to deal with the volatile business environment. Tariffs will add additional indirect costs that have to be managed with improvement in operational efficiencies and improved work processes. The Group is in a strong financial position and will continue to invest selectively to maximise production efficiency and capitalise on opportunities to grow its business”

8.7.2 Absence of alternative or competing offers

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

As at the Latest Practicable Date, other than the Scheme, there is no publicly available evidence of an alternative or competing offer for the Shares from any other party. We note that the likelihood of an alternative or competing offer from any third party is remote in view that as at the Latest Practicable Date, the Offeror Concert Party Group and any other person acting or presumed to be acting in concert with the Offeror in relation to the Acquisition and the Scheme holds an aggregate of 86,490,312 Shares, representing approximately 74.95% of the total number of Shares. Further, we note that the market price of the Shares had not traded above the Scheme Consideration since the Joint Announcement Date to the Latest Practicable Date, and hence the present Scheme by the Offeror, as at the Latest Practicable Date, appears to be the highest offer price for the Shareholders.

In addition, the Independent Directors have confirmed that as the Latest Practicable Date, apart from the Scheme, they have not received any alternative or competing offer for the Shares from any other party.

8.7.3 Statutory control over the Group by the Offeror

Shareholders should note that, as at the Latest Practicable Date, the Offeror Concert Party Group holds 86,490,312 Shares, representing approximately 74.95% of the total number of Shares.

Accordingly, the Offeror already has effective statutory control over the Group, which provide the Offeror the ability to pass all ordinary and/or special resolutions at the Group's general meetings on matters in which the Offeror does not have any interest, save for situations where the Offeror is required by the rules or authorities to abstain from voting.

8.7.4 Effects of the Scheme and Delisting

Upon the Scheme becoming effective in accordance with its terms, the Offeror will hold 100% of the Shares and consequently, the Company will not be able to meet the relevant listing requirements of the SGX-ST.

The Company will, subject to the approval of the SGX-ST, be delisted from the Official List of the SGX-ST upon the Scheme becoming effective in accordance with its terms.

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.

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 to acquire the Shares under the Code and are agreeing to the Offeror acquiring or consolidating effective control of the Company without having to make a general offer.

8.7.5 No certainty of share price trading performance

As the Acquisition is being proposed to be effected by way of the Scheme, in the event that the Scheme is not approved by the requisite majority of the Shareholders at the Court Meeting, no part of the Acquisition will be further proceeded with.

If the Scheme does not proceed to completion and the Company remains listed on the SGX-ST, there is no certainty that the Company share price will trade at or close to the Scheme Consideration.

In addition, pursuant to the Rule 33.1 of the Code, in the event that the Scheme does not become effective and binding in accordance with its terms, is withdrawn or lapses, neither the Offeror or any persons who acted in concert with it in the course of the Scheme nor any person who is subsequently acting in concert with any of them may within 12 months from the date on which the Scheme is withdrawn or lapses: (i) announce an offer or possible offer for the Group;

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

or (ii) acquire any voting rights of the Group if the Offeror or any persons acting in concert with it would thereby become obliged under Rule 14 of the Code to make an offer.

8.7.6 Intention of the Offeror regarding the Group

We note that the Offeror presently has no intention to (i) introduce any major changes to the business of the Group; (ii) dispose of, sell or re-deploy the fixed assets of the Group; or (iii) discontinue the employment of the employees of the Group, save in the ordinary course of business. Following the completion of the Acquisition and the Scheme, the Offeror intends to undertake a review of the operations, management and financial position of the Group and will evaluate and pursue any opportunities arising in the ordinary course of business which it regards to be in the interests of the Offeror and/or the Group.

8.7.7 No necessity for access to equity capital markets

We note that the Company has not carried out any exercise to raise equity capital on the SGX-ST since Listing.

9. OUR OPINION AND ADVICE

9.1 Key Considerations of the Scheme

In arriving at our opinion and advice in respect of the Scheme, we have taken into account, and reviewed the following key considerations, which we consider to be pertinent in our assessment of the Scheme. The following should be read in conjunction with, and in the context of, the full text of this letter:

- (a) an assessment of the market quotation and trading liquidity of the Shares during the Period Under Review, as set out in paragraph 8.1 of this letter;
- (b) historical financial performance of the Group, as set out in paragraph 8.2 of this letter;
- (c) the financial position of the Group, including the Adjusted NAV of the Group, as set out in paragraph 8.3 of this letter;
- (d) a comparison with the valuation statistics of the Comparable Companies, as set out in paragraph 8.4 of this letter;
- (e) a comparison with recent successful privatisation transactions and delisting offers of the companies listed on the SGX-ST, as set out in paragraph 8.5 of this letter;
- (f) estimated range of value of the Shares, as set out in paragraph 8.6 of this letter; and
- (g) other relevant considerations as follows:
 - (i) outlook of the Group, as set out in paragraph 8.7.1 of this letter;
 - (ii) the absence of alternative or competing offers from third parties as at the Latest Practicable Date, as set out in paragraph 8.7.2 of this letter;
 - (iii) the Offeror having effective statutory control over the Group as at the Latest Practicable Date, as set out in paragraph 8.7.3 of this letter;
 - (iv) the effects of the Scheme and Delisting, as set out in paragraph 8.7.4 of this letter;
 - (v) no certainty of share price trading performance, as set out in paragraph 8.7.5 of this letter;
 - (vi) intention of the Offeror regarding the Group, as set out in paragraph 8.7.6 of this letter; and

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

(vii) no necessity for access to equity capital markets, as set out in paragraph 8.7.7 of this letter.

9.2 Assessment of the Scheme

For the purpose of evaluating the Scheme, we have adopted the approach that the terms “fair” and “reasonable” are regarded as two different concepts. The term “fair” relates to an opinion on the value of the offer price against the value of the securities subject to the offer (the “**Securities**”), and an offer is “fair” if the price offered is equal to or greater than the value of the Securities. In considering whether an offer is “reasonable”, other matters as well as the value of the Securities are taken into consideration. Such other matters include, but are not limited to, existing voting rights in the company held by the offeror and its concert parties or the market liquidity of the relevant securities.

9.2.1 Assessment of Fairness of the Scheme

In determining the fairness of the Scheme, we have considered, *inter alia*, the following pertinent factors:

- (a) the Scheme Consideration represents a premium of 24.4% over the highest closing price of the Shares, and a premium of 72.3% over the lowest closing price of the Shares, during the twelve (12)-month period up to and including the Last Undisturbed Trading Day;
- (b) based on the Adjusted NAV approach, which is an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the Scheme Consideration represents a slight discount of approximately 0.65% against the Adjusted NAV per Share of S\$1.44 as at 30 June 2025. Accordingly, the P/Adjusted NAV of the Group implied by the Scheme Consideration would be 0.99 times as at 30 June 2025;
- (c) based on the Adjusted NTA approach, which is an estimate of the value of a group assuming the hypothetical sale of all its assets over a reasonable period of time, the Scheme Consideration represents a premium of approximately 0.61% against the Adjusted NTA per Share of S\$1.42 as at 30 June 2025. Accordingly, the P/Adjusted NAV of the Group implied by the Scheme Consideration would be 1.01 times as at 30 June 2025;
- (d) the historical PER, P/NAV and P/NTA is higher than the mean and median of the Comparable Companies;
- (e) the historical EV/EBITDA ratios as implied by the Scheme Consideration is within the mean and median of the Comparable Companies;
- (f) the premia as implied by the Scheme Consideration over the VWAP of the Shares for the one (1)-month, three (3)-month, six (6)-month and twelve (12)-month period up to and including the Last Undisturbed Trading Day, are within the range of the corresponding premia and ratios of the Take-over Transactions;
- (g) the P/NAV ratio of the Group as implied by the Scheme Consideration is within the range of the P/NAV ratio the Take-over Transactions; and
- (h) the Scheme Consideration is within the estimated value range of the Shares of S\$81.8 million and S\$166.1 million, which translates to between S\$0.71 and S\$1.44 per Share.

In view of the above, we are of the opinion that the Scheme is **FAIR**.

9.2.2 Assessment of Reasonableness of the Scheme

In determining the reasonableness of the Scheme, we have considered, *inter alia*, the following pertinent factors:

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

- (a) the Scheme Consideration represents a premium of approximately 24.4% over the VWAP of the Shares of S\$1.150 on the Last Undisturbed Trading Day;
- (b) the Scheme Consideration represents a premium of 26.4%, 33.1%, 43.6% and 45.9% over the VWAP of the Shares for the one (1)-month, three (3)-month, six (6)-month and twelve (12)-month period up to and including the Last Undisturbed Trading Day respectively;
- (c) the trading of the Shares is erratic and appears to be relatively illiquid in the one (1)-month, three (3)-month, six (6)-month and twelve (12)-month period up to and including the Last Undisturbed Trading Day respectively. It is to note that given the low liquidity of the Shares during the periods observed, the Scheme Consideration may represent a realistic exit opportunity for Shareholders to realise their entire investment for cash. In the absence of the Scheme Consideration, such an exit for all Shareholders may not readily be available due to the low trading liquidity for the Shares;
- (d) the Group's revenue and net profit after tax had been generally declining from FY2022 to FY2025, especially between FY2024 and FY2025. Based on the commentaries by the Group as reproduced in paragraph 8.7.1 of this letter, we noted that the Group will face challenges and will remain prudent going forward; and
- (e) as at the Latest Practicable Date, apart from the Scheme, no alternative or competing offer has been received by the Group. In addition, the likelihood of an alternative or competing offer from any third party is remote in view that as of the Latest Practicable Date, the Offeror Concert Party Group holds an aggregate of 86,490,312 Shares, representing approximately 74.95% of the total number of Shares.

In view of the above, we are of the opinion that the Scheme is **REASONABLE**.

9.3 Our opinion on the Scheme

In conclusion, we are of the opinion that, on balance, the financial terms of the Scheme are **fair and reasonable**. Accordingly, we advise the Independent Directors to recommend that Shareholders vote **in favour** of the Scheme.

The Independent Directors should also highlight to Shareholders that the Scheme, when it becomes effective, will be binding on all Shareholders, whether or not they have attended or voted at the Court Meeting, and if they have attended and voted, whether or not they have voted in favour of the Scheme.

In rendering our opinion and advice, we have not had regard to the specific investment objective, financial situation, tax position or individual circumstances of any Shareholder or any specific group of Shareholders who may require specific advice in relation to his or their investment portfolio(s) should consult his or their legal, financial, tax or other professional adviser.

Our opinion and advice are provided pursuant to Rule 1309(2) of the Mainboard Rules as well as to advise the Independent Directors under the Code as to whether the financial terms of the Scheme are fair and reasonable in respect of their recommendation to the Shareholders on the Scheme. The recommendation to be made by them to the Shareholders in respect of the Scheme shall remain the responsibility of the Independent Directors. Whilst a copy of this letter may be reproduced in the Scheme Document, no other person may reproduce, disseminate or quote this letter (or any part thereof) for any purpose at any time and in any manner without prior written consent of Evolve Capital Advisory Private Limited in each specific case, except for the purpose of the Scheme.

The letter is governed by and shall be 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.

**APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF
SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME**

Yours faithfully
For and on behalf of
EVOLVE CAPITAL ADVISORY PRIVATE LIMITED

Chua Hiang Hwee
Chief Executive Officer and Managing Partner

Lay Shi Wei
Vice President

APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME

Company	Countries	Business description (as extracted from Bloomberg L.P.)	Share price as of Latest Practicable Date (SGD)	Market Capitalisation as at the Latest Practicable Date (SGD million)	Financial year end	Trailing 12 Months	
						Revenue (SGD million)	Net profit/(loss) after tax attributable to shareholders (SGD million)
Innotek	Singapore	InnoTek Ltd., through its subsidiaries, manufactures metal components. The Company offers metal stamping, commercial tool and die fabrications, sub-assembly work and frame manufacturing. InnoTek primarily serves customers in Japan and Europe.	0.700	162.39	31-Dec	219.0	3.0
KFM	Hong Kong	KFM Kingdom Holdings Limited is an advanced precision metal engineering solution provider in Hong Kong and PRC. The Company engages in the	0.079	47.16	31-Mar	141.89	7.5

**APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF
SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME**

Meta	Hong Kong	provision of innovative design engineering solutions and manufacturing services in relation to precision metal stamping tools and metal parts and components. Metasurface Technologies Holdings Limited offers one stop build to print precision engineering services. The Company provides precision machining services, precision welding services, and other services. Metasurface Technologies Holdings provides its services throughout Hong Kong.	0.249	37.38	31-Dec	43.9	4.2
JEP	Singapore	JEP Holdings Ltd. operates as	0.265	109.5	31-Dec	56.9	3.7

**APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF
SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME**

<p>a holding company. The Company, through its subsidiaries, manufactures machined parts. JEP Holdings produces parts for the aerospace, electronics, and machine tool industries, as well as manufactures aircraft inconel engine rings and titanium aero structure components. JEP Holdings serves customers in Singapore. Soon Lian Holdings Ltd. distributes aluminum alloy parts for marine, precision engineering, and other uses. CHASYS Co., Ltd. manufactures and markets auto parts and equipment. The</p>	Soon Lian	Singapore	0.270	28.6	31-Dec	81.3	6.1
	Chasys	Korea	0.928	29.6	31-Dec	89.3	7.0

Eva	Hong Kong	Company's products include front and rear suspension arms, axles, chassis members, oil pans. CHASYS supplies its products to Daewoo Motors, Hyundai Motors, and Mahindra & Mahindra.
		EVA Precision Industrial Holdings Limited operates as a precision metal and plastic mould and component manufacturing service provider.
Eva	Hong Kong	The Company designs manufactures, lathes, and assembles precision metal stamping and plastic injection moulds and components.
		EVA Precision Industrial Holdings applies its products in office

**APPENDIX 1 – LETTER FROM THE IFA TO THE INDEPENDENT DIRECTORS OF
SPINDEX INDUSTRIES LIMITED IN RESPECT OF THE SCHEME**

automation equipment and automotive components. MetalArt Corporation, an affiliate of Nissho Iwai, processes and manufactures precision drop forged parts and metal molds. The Company also sells automobile parts mainly to Daihatsu Motor and construction machinery parts to Komatsu and Kobe Steel.	Metalart	Japan	41.88	132.23	31-Mar	392.1	16.4
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APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

SKYLINE II PTE. LTD.
(Company Registration No. 202539489G)
(Incorporated in the Republic of Singapore)

3 December 2025

To: The Shareholders of Spindex Industries Limited

Dear Sir/Madam

PROPOSED ACQUISITION BY SKYLINE II PTE. LTD. OF ALL THE SHARES IN THE ISSUED SHARE CAPITAL OF SPINDEX INDUSTRIES LIMITED BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT 1967 OF SINGAPORE

1. INTRODUCTION

- 1.1 Joint Announcement.** On 26 September 2025 (the “**Joint Announcement Date**”), the respective boards of directors of Skyline II Pte. Ltd. (the “**Offeror**”) and Spindex Industries Limited (the “**Company**”, and together with its subsidiaries and Spindex Acuger Precision Pte. Ltd., the “**Spindex Group**” and any member of the Spindex Group, a “**Spindex Group 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**”) held by the shareholders of the Company (“**Shareholders**”). 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 Acquisition and 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 Parties will implement the Scheme.
- 1.3 Scheme Document.** This letter from the Offeror (the “**Offeror’s Letter**”) to the Shareholders should be read and construed together with, and in the context of, the scheme document dated 3 December 2025 (the “**Scheme Document**”) issued by the Company to 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 Acquisition and 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. The Scheme will involve, amongst other things, the following:
- (a) all the Shares held by the Shareholders, as at the Books Closure Date, will be transferred to the Offeror:
 - (i) fully paid;
 - (ii) free from any Encumbrances; and

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

- (iii) together with all rights, benefits and entitlements 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 by the Company on or after the Joint Announcement Date but excluding the Permitted Dividend (as defined below), in exchange for the Scheme Consideration (as defined below); and
- (b) in consideration for such transfer to the Offeror, each of the Shareholders as at the Books Closure Date will be entitled to receive from the Offeror for each Share held as at the Books Closure Date **S\$1.43 in cash** (the “**Scheme Consideration**”).

“**Permitted Dividend**” means the final dividend of S\$0.020 per Share for the financial year ended 30 June 2025, which was paid to the Shareholders on 18 November 2025.

2.2 Switch Option.

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 shall have the right at its discretion to elect to proceed by way of an Offer (as defined below) (in lieu of proceeding with the Acquisition by way of the Scheme) (the “**Switch Option**”). In such event, the Offer shall be on the same or better terms as those which apply to the Scheme, including the same or higher consideration per Share than the Scheme Consideration and conditional upon a level of acceptances of the Shares to be determined with the consent of the Securities Industries Council (the “**SIC**”).

“**Competing Offer**” means any expression of interest, offer or proposal by any person other than the Offeror involving (i) 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 Spindex Group Companies); (ii) a general offer (including partial offer) for the Shares; (iii) 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 (iv) any other arrangement having an effect similar to any of (i) to (iii), including a merger or amalgamation proposal. For the purpose 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 on Rule 5 of the Code.

“**Offer**” means the voluntary conditional cash offer made for or on behalf of the Offeror to acquire all the Shares on the terms and subject to the conditions which will be set out in the offer document issued for or on behalf of the Offeror.

- 2.3 Scheme Conditions.** The Scheme is conditional upon the satisfaction or waiver (as the case may be) of a number of conditions precedent (the “**Scheme Conditions**”) set out in the Implementation Agreement. Additional information on the Scheme Conditions is set out in paragraph 7.1 of the Explanatory Statement. The Scheme Conditions are reproduced in Appendix 7 to the Scheme Document. 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 with the SIC’s consent, the Scheme will not become effective and binding in accordance with its terms.

- 2.4 Effect of termination.** In the event of termination of the Implementation Agreement by any 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) and there shall be no other liability on the part of any Party.

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

- 2.5 Effect of Scheme.** If the Scheme becomes effective, it will be binding on all Shareholders, whether or not they were present in person or in proxy, or voted to approve the Scheme, at the Court Meeting. Shareholders should also be aware and note that there is currently no certainty that the Scheme will become effective and binding.

3. WAIVER OF RIGHTS TO A GENERAL OFFER

In accordance with the SIC's rulings as set out in paragraph 8.1.1(a)(iii) of the Explanatory Statement, 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 Concert Party Group (as defined below) to acquire the Shares under the Code and are agreeing to the Offeror Concert Party Group acquiring or consolidating effective control of the Company by way of the Scheme without having to make a general offer.

4. IRREVOCABLE UNDERTAKING

- 4.1 Hong Wei's Irrevocable Undertaking.** Hong Wei Holdings Ltd ("**Hong Wei**") has provided an irrevocable undertaking (the "**HW Irrevocable Undertaking**") in favour of the Offeror, pursuant to which it has undertaken and/or agreed, *inter alia*:

- (a) to not, whether directly or indirectly including by way of proxy, exercise, or cause, direct or permit the exercise of, any of the voting or other rights attaching to any of the 86,470,312 Shares beneficially held by Hong Wei on any resolution of the Company in relation to the Scheme at any Court Meeting;
- (b) to accept the Partial Rollover Arrangement (as defined below);
- (c) in connection with the Partial Rollover Arrangement, subject to the Scheme becoming effective and binding in accordance with its terms, to waive its right under Rule 30 of the Code to receive any cash settlement or cash payment within the time period prescribed under Rule 30 of the Code in respect of the Rollover Shares (as defined below) only and agree that the Rollover Shares shall be transferred to the Offeror in accordance with the procedures prescribed in the Scheme Document; and
- (d) to accept the Switch Option.

- 4.2 Partial Rollover Arrangement.** In connection with the Scheme and pursuant to the HW Irrevocable Undertaking, Hong Wei will:

- (a) in respect of 69,219,000 Shares (the "**Rollover Shares**") to be transferred by Hong Wei to the Offeror, instead of receiving cash consideration which would otherwise be payable by the Offeror to Hong Wei pursuant to the Scheme, direct the Offeror to issue and allot such number of new shares in the Offeror (the "**Offeror Shares**") as is commensurate to the value of the Rollover Shares (the aggregate Scheme Consideration that would otherwise be payable to Hong Wei in cash for the Rollover Shares, the "**Excluded Amount**"); and
- (b) in respect of the remaining 17,251,312 Shares to be transferred by Hong Wei to the Offeror, receive payment of S\$24,669,376.16 in cash from the Offeror based on the Scheme Consideration,

(the "**Partial Rollover Arrangement**").

Upon the issue of the Offeror Shares to Hong Wei under the Partial Rollover Arrangement, the shareholding of the Offeror shall be Hong Wei holding 60% of the Offeror, and Skyline I Pte. Ltd. ("**Skyline I**") holding the remaining 40% of the Offeror.¹

¹ As set out at paragraph 9.3, the Offeror is 60% owned by Hong Wei and 40% owned by Skyline I as at the Latest Practicable Date. Skyline I will be extending to the Offeror a shareholder's loan in the amount of S\$65,988,780 for the purpose of funding the payment of the Scheme Consideration (less the Excluded Amount) by the Offeror, and the Offeror will be capitalising such loan by issuing to Skyline I 46,146,000 Offeror Shares, concurrently with the issuance of 69,219,000 Offeror Shares to Hong Wei in connection with the Partial Rollover Arrangement. As a result of the issuance of 46,146,000 Offeror Shares to Skyline I in connection with the foregoing shareholder's loan capitalisation and the issuance of 69,219,000 Offeror Shares to Hong Wei in connection with the Partial Rollover Arrangement, it is envisaged that the resultant shareholding of the Offeror shall remain unchanged, with Hong Wei holding 60% of the Offeror and Skyline I holding the remaining 40% of the Offeror.

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

5. DELISTING

Upon the Scheme becoming effective and binding in accordance with its terms, the Company will become a wholly-owned subsidiary of the Offeror, and will, subject to the approval of the SGX-ST, be delisted and removed from the Official List of the SGX-ST.

Subject to the approval of the Scheme by the Shareholders at the Court Meeting, an application will be made by the Company to seek approval from the SGX-ST to delist and remove the Company from the Official List of the SGX-ST in due course. The delisting will be conditional upon the receipt from the SGX-ST that it has no objections to the delisting of the Company subject to, *inter alia*, the Scheme becoming effective and binding in accordance with its terms..

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

6. RATIONALE FOR THE ACQUISITION AND FUTURE PLANS FOR THE COMPANY

6.1 Offeror's intention to delist and privatise the Company and future plans for the Company.

The Offeror believes that the privatisation of the Company would provide the Offeror and the management of the Company greater flexibility to manage the business of the Company for a longer horizon. In the event that the Company is delisted from SGX-ST, the Company will be able to save on expenses relating to the maintenance of a listed status and focus its resources on its business operations. The Offeror notes that the Company has not carried out any equity fund raising on the SGX-ST since its listing and currently has no intention to do so. Accordingly, the Offeror believes that the Company's listing status is of limited utility to the Company.

The Offeror has no intention of making any material changes to the existing businesses, redeploying the fixed assets, or discontinuing the employment of the existing employees of the Company. However, the directors of the Offeror retain the flexibility at any time to consider any options or opportunities in relation to the Company which may present themselves and which they may regard to be in the best interests of the Offeror.

6.2 The Scheme Consideration represents an attractive premium to historical market prices.

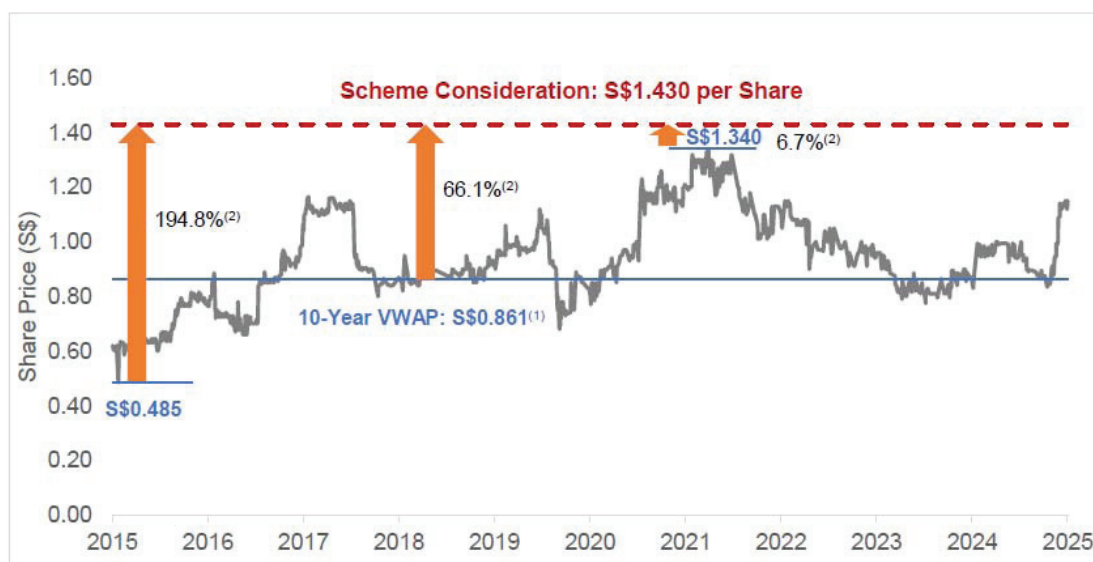
The Acquisition represents a cash exit opportunity for Shareholders to realise their entire investment in cash at an attractive premium over the market prices of the Shares prior to the Joint Announcement Date, without incurring brokerage fees. As set out at paragraph 7, the Scheme Consideration represents a premium of approximately 27.7% over the last traded price on 30 July 2025,² being the last full trading day of the Shares immediately before the date of the holding announcement released by the Company on 1 August 2025 (the “**Last Undisturbed Trading Day**”), and 26.4%, 33.1%, 43.6% and 45.9% over the volume weighted average price (“**VWAP**”) per Share for the one (1)-month, three (3)-month, six (6)-month and 12-month periods respectively, up to and including the Last Undisturbed Trading Day. Please refer to paragraph 7 below for more details.

² 30 July 2025 is the last full trading day of the Shares immediately before the date of the holding announcement released by the Company on 1 August 2025, as there were no Shares traded on 31 July 2025.

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

6.3 Historical share price chart for the last ten (10)-year period up to and including the Last Undisturbed Trading Day.

Prior to the Acquisition in respect of the ten (10)-year period up to and including the Last Undisturbed Trading Day, the Shares had not closed on the SGX-ST at or above the Scheme Consideration. The Scheme Consideration represents: (i) a premium of approximately 194.8% over the lowest closing price of the Shares of S\$0.485, (ii) a premium of approximately 6.7% over the highest closing price of the Shares of S\$1.340, and (iii) a premium of approximately 66.1% over the VWAP of the Shares of S\$0.861, during the ten (10)-year period up to and including the Last Undisturbed Trading Day, as illustrated in the chart below:



Source: Bloomberg L.P. ("Bloomberg")

Notes:

- (1) Rounded to the nearest three (3) decimal places.
- (2) Rounded to the nearest one (1) decimal place.

6.4 Opportunity for Shareholders who may find it difficult to exit their investment in the Company due to low trading liquidity.

The historical trading liquidity of the Shares on the SGX-ST has been low. The average daily trading volume of the Shares over the last one (1)-month, three (3)-month, six (6)-month and 12-month periods up to and including the Last Undisturbed Trading Day are detailed in the table below.

Description		Average daily trading volume ⁽¹⁾	Average daily trading volume as a percentage of total number of issued Shares (%) ⁽²⁾⁽³⁾
(a)	One (1)-month period prior to and including the Last Undisturbed Trading Day	25,722	0.022
(b)	Three (3)-month period prior to and including the Last Undisturbed Trading Day	13,575	0.012
(c)	Six (6)-month period prior to and including the Last Undisturbed Trading Day	12,581	0.011
(d)	12-month period prior to and including the Last Undisturbed Trading Day	9,646	0.008

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

Notes:

- (1) Calculated using the total volume of Shares traded divided by the number of Market Days with respect to the one (1)-month period, three (3)-month period, six (6)-month period and 12-month period prior to and including the Last Undisturbed Trading Day. "Market Day" is defined as a day on which the SGX-ST is open for securities trading.
- (2) Calculated using the daily total volume of Shares traded divided by the total number of issued Shares as at the Joint Announcement Date.
- (3) Rounded to the nearest three (3) decimal places.

The Scheme therefore provides Shareholders who find it difficult to exit the Company as a result of the low trading volume in the Shares with an opportunity to liquidate and realise their investment in the Shares at a premium to the historical market prices which would otherwise not be available given the low trading liquidity.

7. FINANCIAL EVALUATION OF THE SCHEME CONSIDERATION

7.1 The figures set out in this paragraph are based on data extracted from Bloomberg.

7.2 The implied premium of the Scheme Consideration over the relevant closing prices and VWAP of the Company is as follows:

Description	Benchmark price of the Shares ⁽¹⁾ (S\$)	Premium to the benchmark price of the Shares ⁽²⁾⁽³⁾
VWAP for the 12-month period prior to and including the Last Undisturbed Trading Day	0.980	45.9%
VWAP for the six (6)-month period prior to and including the Last Undisturbed Trading Day	0.996	43.6%
VWAP for the three (3)-month period prior to and including the Last Undisturbed Trading Day	1.074	33.1%
VWAP for the one (1)-month period prior to and including the Last Undisturbed Trading Day	1.131	26.4%
Last transacted price per Share as quoted on the SGX-ST on the Last Undisturbed Trading Day	1.120	27.7%

Notes:

- (1) The VWAP is calculated based on the aggregate VWAP turnover divided by aggregate volume of the Shares for the relevant periods as extracted from Bloomberg.
- (2) Computed based on the benchmark prices which were rounded to the nearest three (3) decimal places.
- (3) Percentages rounded to the nearest one (1) decimal place.

8. INFORMATION ON THE COMPANY

8.1 **Incorporation and listing.** The Company was incorporated in Singapore on 26 May 1987. The Company was listed on the Stock Exchange of Singapore Dealing and Automated Quotation in November 1998 and upgraded to the Mainboard of the SGX-ST in April 2001.

8.2 **The Board.** As at the Latest Practicable Date, the board of directors of the Company comprises the following individuals:

- (a) Mr. Tan Choo Pie @ Tan Chang Chai (Chairman);
- (b) Mr. Tan Heok Ting (Managing Director);

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

- (c) Mr. Chen Chang Rong (Non-Executive Director);
- (d) Mr. Peter Tan Boon Heng (Lead Independent Director); and
- (e) Mr. Hoon Tai Meng (Independent Director).

8.3 Share Capital. As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$13,145,807 comprising 115,365,000 Shares, of which none are held as treasury shares and subsidiary holdings. Save for the Shares, 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.

8.4 Principal activities. The Company is an integrated solution-provider of precision-machined components and assemblies with manufacturing locations in Singapore, Malaysia, China and Vietnam. The Spindex Group serves diverse market sectors consisting of multi-national corporations in imaging and printing, machinery and automotive systems and consumer-related products. Additional information on the Company is set out in Appendix 3 to the Scheme Document.

8.5 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, there has not been, to the knowledge of the Offeror, any material change in the financial position or prospects of the Spindex Group since 30 June 2025, being the date of the last audited balance sheet laid before the Shareholders in a general meeting.

8.6 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.

9. INFORMATION RELATING TO THE OFFEROR

9.1 Directors of the Offeror. The names, addresses and descriptions of the directors of the Offeror as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. Goh Soo Jin	c/o 9 Raffles Place, #19-21, Republic Plaza, Singapore 048619	Director
Mr. Tan Heok Ting	c/o 9 Raffles Place, #19-21, Republic Plaza, Singapore 048619	Director

9.2 Principal activities. The Offeror is a special purpose vehicle incorporated in Singapore on 4 September 2025 for the purpose of the Acquisition and the Scheme.

9.3 Share capital. As at the Latest Practicable Date, the issued share capital of the Offeror excluding treasury shares comprises 100 shares. The Offeror is 60% owned by Hong Wei and 40% owned by Skyline I.

9.4 Summary of financial information. The Offeror is a special purpose vehicle incorporated for the purpose of the Acquisition and the Scheme, and has not carried on any business since its incorporation, except to enter into certain arrangements in connection with the Acquisition and the Scheme. As at the Latest Practicable Date, no audited financial statements of the Offeror have been prepared since the date of its incorporation and accordingly, there are no significant accounting policies to be noted.

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

- 9.5 Material changes in financial position.** Save as disclosed in this Scheme Document and save in relation to and in connection with the Acquisition and the Scheme, as at the Latest Practicable Date, there has been no known material change in the financial position of the Offeror since the date of its incorporation.
- 10. INFORMATION RELATING TO SKYLINE I, HONG WEI, PME AND KOJI VENTURES**
- 10.1 Skyline I.** PME I Holding Pte. Ltd. (“**PME HoldCo**”) holds more than 90% of the issued shares of Skyline I and the remaining shares are held by Koji Ventures Pte Ltd (“**Koji Ventures**”). PME HoldCo is 100% owned by PrimeMovers Equity Fund I LP (“**PME Feeder Fund**”). Both PME HoldCo and PME Feeder Fund are managed and controlled by PrimeMovers Equity (S) Pte. Ltd. (“**PME**”) while Koji Ventures is a limited partner of PrimeMovers Equity Fund I LP. PME is appointed by Koji Ventures as its investment adviser to manage its investments in Skyline I, and all of Koji Venture’s voting rights in Skyline I will be exercised by PME (as its investment advisor).
- 10.2 Hong Wei.** Hong Wei is an investment holding company incorporated in the British Virgin Islands. Hong Wei is a substantial shareholder of the Company and as at the Latest Practicable Date, is the beneficial owner of 86,470,312 Shares,³ representing approximately 74.95% of the total issued Shares. The issued share capital of Hong Wei is owned by Mr. Tan Choo Pie @ Tan Chang Chai, Ms. Tan Ai Wang and Mr. Tan Heok Ting in the proportion of 55%, 25% and 20% respectively. Mr. Tan Choo Pie @ Tan Chang Chai and Ms. Tan Ai Wang are spouses and Mr. Tan Heok Ting is their son.
- 10.3 PME.** PME is a Singapore-based private equity investment management firm holding a capital markets services licence for fund management issued by the Monetary Authority of Singapore. PME is co-founded by seasoned private equity professionals Mr. Goh Soo Jin and Mr. Randy Teo. PME focuses on mid-market investments in Southeast Asia and seeks to partner entrepreneurs and management to grow and transform businesses through operation.
- 10.4 Koji Ventures.** Koji Ventures is a limited partner of PME Feeder Fund. Koji Ventures is established by Mr. Soo Ye Wah. It is a Singapore-based family office and manages a diversified portfolio with a focus on long-term value creation and sustainable growth.
- 11. NO SPECIAL ARRANGEMENTS**
- 11.1 No agreement having any connection with or dependence on the Scheme.** Save for the Implementation Agreement, the HW Irrevocable Undertaking and the shareholders’ agreement in respect of the Offeror (which documents the Partial Rollover Arrangement), and save as disclosed in this Offeror’s Letter and the Scheme Document, as at the Latest Practicable Date, there is no agreement, arrangement or understanding between (a) the Offeror or any other member of the Offeror Concert Party Group (as defined below); 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.
- 11.2 Transfer of Shares.** As at the Latest Practicable Date, 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.
- 11.3 No payment or benefit to directors of the Company or its related corporations.** 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 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.

³ 86,470,312 Shares are held by UOB Kay Hian Private Limited as nominee of Hong Wei.

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

- 11.4 No Agreement Conditional upon Outcome of the Scheme.** Save for the Implementation Agreement, the HW Irrevocable Undertaking and the shareholders' agreement in respect of the Offeror (which documents the Partial Rollover Arrangement), and save as disclosed in this Offeror's Letter and the Scheme Document, as at the Latest Practicable Date, there is no agreement, arrangement or understanding between (a) the Offeror; and (b) any of the directors of the Company or any other person in connection with or conditional upon the outcome of the Scheme or otherwise connected with the Scheme.

12. DISCLOSURE OF INTERESTS AND DEALINGS

- 12.1 Holdings.** As at the Latest Practicable Date, based on the latest information available to the Offeror, save as disclosed in this paragraph 12.1, none of the Offeror and persons acting or presumed to be acting in concert with the Offeror in connection with the Scheme (the "**Offeror Concert Party Group**") owns, controls or has agreed to acquire any (i) Shares; (ii) securities which carry voting rights in the Company; and/or (iii) convertible securities, warrants, options or derivatives in respect of such Shares or securities which carry voting rights in the Company (collectively, the "**Company Securities**").

Name	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Hong Wei	86,470,312 ⁽²⁾	74.95	–	–
Mr. Tan Choo Pie @ Tan Chang Chai	–	–	86,470,312 ⁽³⁾	74.95
Mr. Tan Heok Ting	–	–	86,470,312 ⁽⁴⁾	74.95
CGS International Securities Singapore Pte. Ltd. (" CGS ")	–	–	20,000 ⁽⁵⁾	0.02

Notes:

- (1) All references to percentage shareholding of the issued share capital of the Company in this table are based on the total issued Shares as at the Latest Practicable Date. Percentages rounded to the nearest two (2) decimal places.
- (2) All of Hong Wei's Shares in the Company are held through UOB Kay Hian Private Limited.
- (3) Mr. Tan Choo Pie @ Tan Chang Chai owns 55% of the issued share capital of Hong Wei, and is deemed interested in the 86,470,312 Shares held by Hong Wei pursuant to Section 4 of the SFA.
- (4) Mr. Tan Heok Ting owns 20% of the issued share capital of Hong Wei, and is deemed interested in the 86,470,312 Shares held by Hong Wei pursuant to Section 4 of the SFA.
- (5) These 20,000 Shares are pledged to CGS by its clients for share margin financing, and CGS is deemed interested in such 20,000 Shares pursuant to Section 4 of the SFA.

- 12.2 Dealings.** As at the Latest Practicable Date, based on the latest information available to the Offeror, none of the members of the Offeror Concert Party Group has dealt for value in the Company Securities during the period commencing three (3) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

- 12.3 Undertakings, Security and Other Arrangements.** As at the Latest Practicable Date, none of the members of the Offeror Concert Party Group, in respect of the Company Securities which it owns or controls:

- (a) other than the HW Irrevocable Undertaking, has received any irrevocable undertaking from any person to vote in favour of or against the Scheme;
- (b) has entered into 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 Company Securities which may be an inducement to deal or refrain from dealing; and/or

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

- (c) has (A) granted any security interest in respect of any Company Securities to another person, whether through a charge, pledge or otherwise; (B) borrowed any Company Securities from another person (excluding borrowed Company Securities which have been on-lent or sold); or (C) lent any Company Securities to another person.

13. OFFEROR CONCERT PARTY GROUP NOT ELIGIBLE TO VOTE

In accordance with the SIC's rulings as set out in paragraph 8.1.1(a) of the Explanatory Statement, the Offeror Concert Party Group, 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 be required to abstain from voting on the Scheme in respect of their Shares. For the avoidance of doubt, Hong Wei shall abstain from voting on the Scheme.

14. CONFIRMATION OF FINANCIAL RESOURCES

CGS, 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 Shares to be acquired by the Offeror pursuant to the Scheme, excluding the Excluded Amount.

15. SETTLEMENT AND REGISTRATION PROCEDURES

Paragraphs 10 and 12 of the Explanatory Statement set out details of the procedures for the implementation of the Scheme and the settlement and registration procedures.

16. CONSENTS

Drew & Napier LLC and CGS have each given and have not withdrawn their respective written consents to the issue of this Offeror's Letter with the inclusion herein of their names and all references to their names in the form and context in which they respectively appear in this Offeror's Letter.

17. MARKET QUOTATIONS FOR COMPANY SECURITIES

- 17.1 Closing prices.** The following table sets out the last closing prices of the Shares on the SGX-ST on a monthly basis from March 2025 (being six (6) calendar months preceding the Joint Announcement Date) to the Latest Practicable Date, as extracted from Bloomberg:

Monthly Trades	Last Closing Price (S\$)
1 October 2025 to the Latest Practicable Date	1.410
September 2025	1.430
August 2025	1.360
July 2025	1.120
June 2025	1.090
May 2025	0.845
April 2025	0.870
March 2025	0.895

- 17.2 Highest and lowest closing 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\$1.450 per Share, transacted on 26 August 2025, and the lowest closing price was S\$0.835 per Share, transacted on 15 May 2025.

APPENDIX 2 – LETTER FROM THE OFFEROR TO SHAREHOLDERS

17.3 Closing price. The closing price on:

- (a) 30 July 2025, being the Last Undisturbed Trading Day, was S\$1.120 per Share;
- (b) 25 September 2025, being the latest business day immediately preceding the Joint Announcement Date, was S\$1.350 per Share; and
- (c) 21 November 2025, being the last closing price at which Shares were traded prior to the Latest Practicable Date, was S\$1.410 per Share. There were no trades on the Latest Practicable Date.

18. 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 Offeror up to the Effective Date:

- (a) the Implementation Agreement;
- (b) the HW Irrevocable Undertaking; and
- (c) the letters of consent referred to in paragraph 16 above.

19. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of the preparation of this Offeror's Letter) have 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 directors of the Offeror jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from the Company, the sole responsibility of the directors 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. The directors of the Offeror do not accept any responsibility for any information relating to or any opinion expressed by the Company.

Yours faithfully

For and on behalf of

SKYLINE II PTE. LTD.

(Company Registration No.: 202539489G)

Goh Soo Jin

Director

APPENDIX 3 – GENERAL INFORMATION RELATING TO THE COMPANY

1. DIRECTORS

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

Name	Address	Designation
Mr. Tan Choo Pie @ Tan Chang Chai	c/o 8 Boon Lay Way, #10-03, 8 @ TradeHub 21, Singapore 609964	Chairman
Mr. Tan Heok Ting	c/o 8 Boon Lay Way, #10-03, 8 @ TradeHub 21, Singapore 609964	Managing Director
Mr. Chen Chang Rong	c/o 8 Boon Lay Way, #10-03, 8 @ TradeHub 21, Singapore 609964	Non-Executive Director
Mr. Peter Tan Boon Heng	c/o 8 Boon Lay Way, #10-03, 8 @ TradeHub 21, Singapore 609964	Lead Independent Director
Mr. Hoon Tai Meng	c/o 8 Boon Lay Way, #10-03, 8 @ TradeHub 21, Singapore 609964	Independent Director

2. PRINCIPAL ACTIVITIES

The Company was incorporated in Singapore on 26 May 1987. The Company was listed on the Stock Exchange of Singapore Dealing and Automated Quotation in November 1998 and upgraded to the Mainboard of the SGX-ST in April 2001.

The Company is an integrated solution-provider of precision-machined components and assemblies with manufacturing locations in Singapore, Malaysia, China and Vietnam. The Spindex Group serves diverse market sectors consisting of multi-national corporations in imaging and printing, machinery and automotive systems and consumer-related products.

3. SHARE CAPITAL

3.1. Shares

As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$13,145,807 comprising 115,365,000 Shares, of which none are held as treasury shares and subsidiary holdings. Save for the Shares, 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. The Company has not issued any Shares since 6 October 2004.

3.2. Rights of the Shareholders in respect of Capital, Dividends and Voting

Selected texts of the Constitution of the Company relating to the rights of the Shareholders in respect of capital, dividends and voting have been extracted and reproduced in **Appendix 4** to this Scheme Document.

APPENDIX 3 – GENERAL INFORMATION RELATING TO THE COMPANY

4. FINANCIAL INFORMATION

4.1. Financial Information of the Spindex Group

Set out below is certain financial information extracted from the annual reports of the Spindex 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 Company and the accompanying notes as set out in the annual reports of the Company for FY2023, FY2024, and FY2025 respectively.

	FY2025 (Audited) S\$'000	FY2024 (Audited) S\$'000	FY2023 (Audited) S\$'000
Revenue	181,010	180,287	183,449
Exceptional items	(5,470)	–	(2,187)
Net profit before tax	10,229	20,448	14,787
Net profit after tax (excludes non-controlling interest)	6,661	15,568	10,823
Non-controlling interests	(32)	–	–
Net earnings per Share (cents)	5.77	13.49	9.38

Set out below is also a summary of the dividend per Share declared in respect of each of FY2023, FY2024, and FY2025. This information was extracted from the annual reports of the Company for FY2023, FY2024, and FY2025:

	FY2025	FY2024	FY2023
Dividends per Share (cents)	2.00	2.70	0.50

The audited consolidated balance sheet of the Company as at 30 June 2025, being the latest published audited consolidated balance sheet of the Company prior to the Latest Practicable Date, should be read in conjunction with the audited consolidated financial statements of the Company and the accompanying notes as set out in the annual report of the Company for FY2025.

	FY2025 (Audited) S\$'000	FY2024 (Audited) S\$'000	FY2023 (Audited) S\$'000
Shareholders' equity	168,361	166,770	152,104
Property, plant and equipment	70,710	78,727	77,810
Intangible assets	2,084	–	–
Current assets	147,519	139,353	120,121
Current liabilities	52,540	52,609	45,598
Net current assets	94,979	86,744	74,523
Non-current liabilities	5,863	5,818	8,054
Interest-bearing loans and borrowings	5,053	4,658	3,212
Net assets value per Share (cents) (excludes non-controlling interest)	144.13*	144.56	131.85

Copies of the annual reports of the Company for FY2023, FY2024, and FY2025 are available for inspection at the Company's registered office at 8 Boon Lay Way, #10-03, 8 @ Tradehub 21, Singapore 609964 during normal business hours from the date of this Scheme Document up to the Effective Date.

APPENDIX 3 – GENERAL INFORMATION RELATING TO THE COMPANY

4.2. Material Changes in Financial Position

As at the Latest Practicable Date, save as disclosed in this Scheme Document and any other information on the Spindex Group which is publicly available (including without limitation, the announcements released by the Company on the SGXNET), there have been no material changes in the financial position of the Company since 30 June 2025, being the date of the last published audited consolidated financial statements of the Spindex Group.

4.3. Significant Accounting Policies

The significant accounting policies for the Spindex Group are set out in the notes to the audited consolidated financial statements of the Spindex Group for FY2025, which are set out in **Appendix 5** to this Scheme Document.

4.4. Changes in Accounting Policies

The changes in the significant accounting policies for the Spindex Group are set out in the extract of the notes to the audited consolidated financial statements of the Spindex Group for FY2025 set out in **Appendix 5** to this Scheme Document. Save as aforesaid, as at the Latest Practicable Date, there are no changes in the accounting policy of the Spindex Group which will cause the figures disclosed in this paragraph 4 not to be comparable to a material extent.

5. DISCLOSURE OF INTERESTS

5.1. Holdings of Offeror Shares and Offeror Convertible Securities by the Company

As at the Latest Practicable Date, the Company does not own, control and has not agreed to acquire any Offeror Shares or any Offeror Convertible Securities.

5.2. Interests of Directors in Offeror Shares and Offeror Convertible Securities

As at the Latest Practicable Date, save as disclosed in this paragraph 5.2 and this Scheme Document, the interests in Offeror Shares held by the Directors are set out below:

Directors	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Mr. Tan Choo Pie @ Tan Chang Chai	–	–	60	60% ⁽¹⁾
Mr. Tan Heok Ting	–	–	60	60% ⁽²⁾
Mr. Chen Chang Rong	–	–	–	–
Mr. Peter Tan Boon Heng	–	–	–	–
Mr. Hoon Tai Meng	–	–	–	–

Notes:

- (1) Tan Choo Pie @ Tan Chang Chai owns 55% of the issued share capital of Hong Wei, and is deemed interested in the 60 Offeror Shares held by Hong Wei, pursuant to Section 4 of the SFA.
- (2) Tan Heok Ting owns 20% of the issued share capital of Hong Wei, and is deemed interested in the 60 Offeror Shares held by Hong Wei, pursuant to Section 4 of the SFA.

APPENDIX 3 – GENERAL INFORMATION RELATING TO THE COMPANY

5.3. Interests of Directors in Shares

As at the Latest Practicable Date, save as disclosed in this paragraph 5.3 and this Scheme Document, as well as based on the Register of Directors maintained by the Company, the interests in the Shares held by the Directors are set out below:

Directors	Direct Interest		Deemed Interest ⁽¹⁾	
	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Mr. Tan Choo Pie @ Tan Chang Chai	—	—	86,470,312 ⁽³⁾	74.95
Mr. Tan Heok Ting	—	—	86,470,312 ⁽⁴⁾	74.95
Mr. Chen Chang Rong	—	—	—	—
Mr. Peter Tan Boon Heng	—	—	—	—
Mr. Hoon Tai Meng	—	—	—	—

Notes:

- (1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
- (2) Rounded to the nearest two (2) decimal places and based on 115,365,000 Shares in issue, with no treasury shares, as at the Latest Practicable Date.
- (3) Mr. Tan Choo Pie @ Tan Chang Chai owns 55% of the issued share capital of Hong Wei, and is deemed interested in the 86,470,312 Shares held by Hong Wei pursuant to Section 4 of the SFA.
- (4) Mr. Tan Heok Ting owns 20% of the issued share capital of Hong Wei, and is deemed interested in the 86,470,312 Shares held by Hong Wei pursuant to Section 4 of the SFA.

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 and save as disclosed in this paragraph 5.4 and this Scheme Document, the interests of the substantial shareholders of the Company in the Shares are set out below:

Directors	Direct Interest		Deemed Interest ⁽¹⁾	
	No. of Shares	% ⁽²⁾	No. of Shares	% ⁽²⁾
Hong Wei	86,470,312 ⁽³⁾	74.95	—	—
Ms. Tan Ai Wang	—	—	86,470,312 ⁽⁴⁾	74.95
Mr. Tan Choo Pie @ Tan Chang Chai	—	—	86,470,312 ⁽⁵⁾	74.95
Mr. Tan Heok Ting	—	—	86,470,312 ⁽⁶⁾	74.95

Notes:

- (1) Deemed interests refer to interests determined pursuant to Section 4 of the SFA.
- (2) Rounded to the nearest two decimal places and based on 115,365,000 Shares in issue, with no treasury shares, as at the Latest Practicable Date.
- (3) All of Hong Wei's Shares in the Company are held through UOB Kay Hian Private Limited.
- (4) Ms. Tan Ai Wang owns 25% of the issued share capital of Hong Wei, and is deemed interested in the 86,470,312 Shares held by Hong Wei pursuant to Section 4 of the SFA.
- (5) Mr. Tan Choo Pie @ Tan Chang Chai owns 55% of the issued share capital of Hong Wei, and is deemed interested in the 86,470,312 Shares held by Hong Wei pursuant to Section 4 of the SFA.
- (6) Mr. Tan Heok Ting owns 20% of the issued share capital of Hong Wei, and is deemed interested in the 86,470,312 Shares held by Hong Wei pursuant to Section 4 of the SFA.

APPENDIX 3 – GENERAL INFORMATION RELATING TO THE COMPANY

6. DEALINGS DISCLOSURE

6.1. Dealings in Offeror Shares and Offeror Convertible Securities by the Company

None of the Spindex Group Companies has dealt for value in the Offeror Shares or the Offeror Convertible Securities during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.2. Dealings in Offeror Shares and Offeror Convertible Securities by the Directors

None of the Directors has dealt for value in the Offeror Shares or the Offeror Convertible Securities during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.3. Dealings in Shares by the Directors

None of the Directors has dealt for value in any Shares during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

6.4. Dealings in the Company Convertible Securities

None of the Directors has dealt for value in the Company Convertible Securities during the period commencing six (6) 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 Shares and Company Convertible 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 Shares or any Company Convertible Securities.

7.2. Dealings in Shares and Company Convertible 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 the Shares or the Company Convertible Securities during the period commencing six (6) months prior to the Joint Announcement Date and ending on the Latest Practicable Date.

8. ARRANGEMENT AFFECTING DIRECTORS

8.1. No Payment or Benefit to Directors

As at the Latest Practicable Date, save as disclosed below, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any Director 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, there is no agreement, arrangement or understanding made between any of the Directors and any other person in connection with or conditional upon the outcome of the Scheme.

8.3. No Material Interest in Material Contracts

As at the Latest Practicable Date, save as disclosed in this Scheme Document, there are no material contracts entered into by the Offeror in which any Director has a material personal interest, whether direct or indirect.

APPENDIX 3 – GENERAL INFORMATION RELATING TO THE COMPANY

9. MATERIAL LITIGATION

9.1. As at the Latest Practicable Date:

- 9.1.1. none of the Spindex Group Companies is engaged in any material litigation or arbitration proceedings, as plaintiff or defendant, which might materially and adversely affect the financial position of the Spindex Group taken as a whole; and
- 9.1.2. the Directors are not aware of any proceedings pending or threatened against any of the Spindex Group Companies or of any facts likely to rise to any proceedings which might materially or adversely affect the financial position of the Spindex Group taken as a whole.

10. GENERAL DISCLOSURE

10.1. Financial Statements for FY2025

The audited consolidated financial statements of the Spindex Group for FY2025 are set out in **Appendix 5** to this Scheme Document.

10.2. Directors' Service Contracts

As at the Latest Practicable Date:

- 10.2.1. there are no service contracts between any of the Directors or proposed directors with any Spindex 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
- 10.2.2. there are no such contracts entered into or amended during the period commencing six (6) months prior to Joint Announcement Date and ending on the Latest Practicable Date.

10.3. Material Contracts with Interested Persons

As at the Latest Practicable Date, none of the Spindex Group Companies has entered into any material contracts with interested persons during the period beginning three (3) years before the Joint Announcement Date and ending on the Latest Practicable Date.

10.4. Costs and Expenses

Save as provided in clause 6.3 of the Implementation Agreement, unless otherwise agreed in writing, each Party shall bear its own fees, costs and expenses incurred in connection with the negotiation, preparation, execution and performance by it of the Implementation Agreement and requisite documentation in relation to the Acquisition and the Scheme, and all other costs and expenses relating to the Acquisition and the Scheme.

10.5. Independent Directors' Intentions with respect to their Shares

None of the Independent Directors hold any Shares.

11. CONSENTS

11.1. General

Shook Lin & Bok LLP and the Share Registrar 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.

APPENDIX 3 – GENERAL INFORMATION RELATING TO THE COMPANY

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 1** to this Scheme Document and all references to its name in the form and context in which it appears in this Scheme Document.

11.3. Ernst & Young LLP

Ernst & Young LLP has given and has not withdrawn its written consent to the issue of this Scheme Document with the inclusion herein of its name and the auditors' report relating to the consolidated financial statements of the Spindex Group for FY2025 set out in **Appendix 5** to this Scheme Document and all references to its name in the form in which it appears in this Scheme Document.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the Company's registered office at 8 Boon Lay Way, #10-03, 8 @ TradeHub 21, Singapore 609964 during normal business hours from the date of this Scheme Document up to the Effective Date:

- (i) the Constitution of the Company;
- (ii) the annual reports of the Company for FY2023, FY2024 and FY2025;
- (iii) the Implementation Agreement;
- (iv) the HW Irrevocable Undertaking; and
- (v) the letters of consent referred to in paragraph 11 of this **Appendix 3**.

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

The rights of Shareholders in respect of shares, capital, dividends and voting as extracted and reproduced from the Constitution of the Company are set out below:

All capitalised terms used in the following extracts shall have the same meanings given to them in the Constitution of the Company, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

1. Rights of Shareholders in respect of shares and capital

SHARES

- 6) Subject to the Act, the listing rules of the Exchange and any applicable legislation or regulations, no shares may be issued by the Directors without the prior approval of the Company in general meeting but subject thereto and to these Articles relating to new shares and to any special rights attached to any shares for the time being issued, the Directors may issue, allot or grant options over or otherwise deal with or dispose of the same to such persons on such terms and conditions and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit. Any such shares may be issued in such denominations or with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit. Preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors.
- Issue of shares

Notwithstanding the generality of the foregoing, the Company may by ordinary resolution in general meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the ordinary resolution, to:

- i) issue shares whether by way of rights, bonus or otherwise; and/or
- ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and
- iii) (notwithstanding the authority conferred by the ordinary resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the ordinary resolution was in force.

Provided always that the foregoing is subject to the following:

- a) the issuance of preference shares shall be subject to such limitation thereof as may be prescribed by the listing rules of the Exchange;
- b) the rights attaching to shares of a class other than ordinary shares shall be expressed in the resolution creating the same;
- c) where the capital of the Company consists of shares of different monetary denominations, the voting rights shall be prescribed in such manner that a unit of capital in each class when reduced to a common denominator, shall carry the same voting power when such right is exercisable;

APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- d) the aggregate number of shares to be issued pursuant to the ordinary resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the ordinary resolution) shall be subject to such limits and such manner of calculation as may be prescribed by the listing rules of the Exchange;
 - e) in exercising the authority conferred by the ordinary resolution, the Company shall comply with the provisions of the listing rules of the Exchange for the time being in force;
 - f) (unless revoked or varied by the Company in general meeting) the authority conferred by the ordinary resolution shall not continue in force beyond the conclusion of the annual general meeting of the Company next following the passing of the ordinary resolution, or the date by which such annual general meeting of the company is required by law to be held, or the expiration of such other period as may be prescribed by the Act (whichever is the earliest); and
 - g) any other issue of shares, the aggregate of which would exceed the limits referred to in this Article, shall be subject to the approval of the Company in general meeting.
- 6A) Notwithstanding anything in these Articles, a treasury share shall be subject to Treasury such rights and restrictions as may be prescribed in the Act and may be dealt shares with by the Company in such manner as may be permitted by, and in accordance with, the Act. For the avoidance of doubt, save as expressly permitted by the Act, the Company shall not be entitled to any rights of a Member under these Articles in respect of treasury shares. Treasury shares
- 7) Without prejudice to any special rights or privileges attached to any then existing shares in the capital of the Company, any new shares may be issued upon such terms and conditions, and with such rights and privileges attached thereto, as the Company by ordinary resolution may direct, or, if no such direction be given, as the Directors shall determine, and in particular such shares may be issued with preferential, qualified or deferred right to dividends and in the distribution of assets of the Company, and with a special or restricted right of voting, and any preference share may be issued on the terms that it is, or at the option of the Company is, to be liable to be redeemed. The rights attached to any such shares issued upon special conditions shall be clearly defined in these Articles. Creation of special rights
- 8) (1) Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending 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 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 when the dividend on the preference shares is more than six (6) months in arrears. Rights attached to preference shares
- (2) The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares from time to time already issued or about to be issued.

APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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| 9) | <p>If at any time the share capital is divided into different classes, the rights attached to any class (unless otherwise provided by the terms of issue of the rights of shares of that class) may, subject to the provisions of the Act, whether or not the Company is being wound up, be varied or abrogated either with the consent in writing of the holders of three-quarters of the issued shares of the class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of the class and to every such special resolution the provisions of Section 184 of the Act shall with such adaptations as are necessary apply. To every such separate general meeting, the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply.</p> <p>Provided Always That:</p> <p>a) the necessary quorum shall be two persons at least holding or representing by proxy or by attorney one-third of the issued shares of the class and that any holder of shares of the class present in person or by proxy or by attorney may demand a poll, but where the necessary majority for such a special resolution is not obtained at the meeting, consent in writing if obtained from the holders of three-fourths of the issued shares of the class concerned within two months of the meeting shall be as valid and effectual as a special resolution carried at the meeting; and</p> <p>b) where all the issued shares of the class are held by one person, the necessary quorum shall be one person and such holder of shares of the class present in person or by proxy or by attorney may demand a poll.</p> | <p>Variation of rights of shares</p> |
| 10) | <p>The repayment of preference capital other than redeemable preference capital or any other alteration of preference shareholders’ rights, may only be made pursuant to a special resolution of the preference shareholders concerned.</p> <p>Provided Always That where the necessary majority for such a special resolution is not obtained at a meeting, consent in writing if obtained from the holders of three-fourths of the preference shares concerned within two (2) months of the meeting, shall be as valid and effectual as a special resolution carried at the meeting.</p> | <p>Variation of rights of preference shareholders</p> |
| 11) | <p>The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class or by these Articles, be deemed to be varied by the creation or issue of further shares ranking equally therewith.</p> | <p>Issue of further shares affecting special rights</p> |
| 12) | <p>If by the conditions of allotment of any shares the whole or any part of the amount of the issue price thereof shall be payable by instalments every such instalment shall, when due, be paid to the Company by the person who for the time being shall be the registered holder of the share or his personal representatives, but this provision shall not affect the liability of any allottee who may have agreed to pay the same.</p> | <p>Payment of instalments</p> |
| 13) | <p>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 of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The payment or agreement to pay a commission or the conferring of an option shall be in the discretion of the Directors on behalf of the Company.</p> | <p>Payment of commission</p> |

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

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| 14) | Save to the extent permitted by the Act or the listing rules of the Exchange, no part of the funds of the Company shall, directly or indirectly, be employed in the purchase of or subscription for or making of loans upon the security of any shares (or its holding company, if any). The Company shall not, except as authorised by the Act, give any financial assistance for the purpose of or in connection with any purchase of shares in the Company (or its holding company, if any). | Company's shares as security |
| 15) | Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable for a lengthened period, the Company may pay interest on so much of that share capital as is for the time being paid up for the period, and, subject to the conditions and restrictions mentioned in the Act, may charge the same to capital as part of the cost of the construction of the works or building or the provision of the plant. | Power to charge interest on capital |
| 16) | Except as required by law, no person other than the Depository shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share or (except only as by these Articles or by law otherwise provided) any other rights in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (where the person entered in the Register of Members as the registered holder of a share is the Depository) the person whose name is entered in the Depository Register in respect of that share. Nothing contained in this Article relating to the Depository or the Depositors or in any depository agreement made by the Company with any common depository for shares or in any notification of substantial shareholding to the Company or in response to a notice pursuant to Section 92 of the Act or any note made by the Company of any particulars in such notification or response shall derogate or limit or restrict or qualify these provisions; and any proxy or instructions on any matter whatsoever given by the Depository or Depositors to the Company or the Directors shall not constitute any notification of trust and the acceptance of such proxies and the acceptance of or compliance with such instructions by the Company or the Directors shall not constitute the taking of any notice of trust. | Company need not recognise trust |

SHARE CERTIFICATE

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| 17) | Shares must be allotted and certificates dispatched within ten (10) Market Days of the final closing date for an issue of shares unless the Exchange shall agree to an extension of time in respect of that particular issue. The Depository must dispatch statements to successful investor applicants confirming the number of shares held under their Securities Accounts. Persons entered in the Register of Members as registered holders of shares shall be entitled to certificates within ten (10) Market Days after lodgment of any transfer. Every Member shall be entitled to receive share certificates in reasonable denominations for his holding and where a charge is made for certificates, such charge shall not exceed S\$2/-(or such other sum as may be approved by the Exchange from time to time). Where a Member transfers part only of the shares comprised in a certificate or where a Member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and the Member shall pay a fee not exceeding S\$2/- (or such other sum as may be approved by the Exchange from time to time) for each | Entitlement to share certificate |
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APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION

such new certificate as the Directors may determine. Where the Member is a Depositor the delivery by the Company to the Depository of provisional allotments or share certificates in respect of the aggregate entitlements of Depositors to new shares offered by way of rights issue or other preferential offering or bonus issue shall to the extent of the delivery discharge the Company from any further liability to each such Depositor in respect of his individual entitlement.

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| 18) | The retention by the Directors of any unclaimed share certificates (or stock certificates as the case may be) shall not constitute the Company a trustee in respect thereof. Any share certificate (or stock certificate as the case may be) unclaimed after a period of six (6) years from the date of issue of such share certificate (or stock certificate as the case may be) may be forfeited and if so shall be dealt with in accordance with these Articles <i>mutatis mutandis</i> . | Retention of certificate |
| 19) | The certificate of title to shares shall be issued under the Seal in such form as prescribed by the Directors from time to time. Every certificate shall bear the certificate autographic or facsimile signatures of at least one Director and the Secretary or some other person appointed by the Directors, and shall specify the number and class of shares to which it relates and the amount paid on the shares, the amount (if any) unpaid on the shares and the extent to which the shares are paid up. The facsimile signatures may be reproduced by mechanical or other means provided the method or system of reproducing signatures has first been approved by the Auditors of the Company. | Form of share certificate |
| 20) | <p>(1) Subject to the provisions of the Act, if any share certificates shall be defaced, worn-out, destroyed, lost or stolen, it may be renewed or replaced on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member company of the Exchange or on behalf of its/their client(s) as the Directors shall require, and in the case of defacement or wearing on, on delivery of the old certificate and in any case on payment of such sum not exceeding S\$2/- as the Directors may from time to time require. In the case of destruction, loss or theft, the Member or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction, loss or theft.</p> <p>(2) When any shares under the powers in these Articles herein contained are transferred and the certificate thereof has not been delivered up to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered up.</p> | <p>Issue of replacement certificates</p> <p style="padding-top: 20px;">New certificate in place of one not surrendered</p> |

JOINT HOLDERS OF SHARES

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| 21) | Where two (2) or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint tenants with benefit of survivorship subject to the following provisions: | Joint holders deemed holding as joint tenants |
| | a) The Company shall not be bound to register more than three persons as the holders of any share, except in the case of executors or administrators of the estate of a deceased Member. | Limited to 3 joint holders |

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

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| b) | The joint holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share. | Jointly and severally liable |
| c) | On the death of any one of such joint holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to such share but the Directors may require such evidence of death as they may deem fit. | Survivorship |
| d) | Any one of such joint holders may give effectual receipts for any dividend payable to such joint holders. | Receipts |
| e) | Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive notices from the Company and any notice given to such person shall be deemed notice to all the joint holders. | Entitlement to delivery of share certificates and notice |

TRANSFER OF SHARES

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| 22) | Subject to the restrictions of these Articles any Member may transfer all or any of his shares, but every instrument of transfer of the legal title in shares must be in writing and in the usual common form, or in any other form which the Directors and the Exchange may approve, and must be left at the Office for registration, accompanied by the certificate 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. | Form of transfer |
| 23) | Shares of different classes shall not be comprised in the same instrument of transfer. | Different classes of shares |
| 24) | The instrument of transfer of a share shall be signed by or on behalf of the transferor and the transferee, provided that an instrument of transfer in respect of which the transferee is the Depository shall not be ineffective by reason of it not being signed or witnessed for by or on behalf of the Depository. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Register of Members in respect thereof; Provided Always That the Directors may dispense with the execution of the instrument of transfer by the transferee in any case in which they think fit in their discretion so to do. | Transferor and transferee to execute transfer |
| 25) | 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 transfer |
| 26) | No share shall in any circumstances be transferred to any infant, bankrupt or person of unsound mind. | Person under disability |

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

- 27) Subject to any legal requirements to the contrary, the Company shall be entitled to destroy all instruments of transfer which have been registered at any time after the expiration of six (6) years from the date of registration thereof and all dividend mandates and notifications of change of address at any time after the expiration of six (6) years from the date of recording thereof and all share certificates which have been cancelled at any time after the expiration of six (6) years from the date of the cancellation thereof and it shall be conclusively presumed in the favour of the Company that every entry in the Register of Members purporting to have been made on the basis of an instrument of transfer or other documents so destroyed was duly and properly made and every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and every share certificate so destroyed was a valid and effective certificate duly and properly cancelled and every other document herein before mentioned so destroyed was a valid and effective document in accordance with the recorded particulars thereof in the books or records of the Company
- Destruction of transfer

PROVIDED THAT:

- a) the provisions aforesaid shall apply only to the destruction of a document in good faith and without notice of any claim (regardless of the parties thereto) to which the document might be relevant;
 - b) nothing herein contained shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as aforesaid or in any circumstances which would not attach to the Company in the absence of this Article; and
 - c) references herein to the destruction of any document include references to the disposal thereof in any manner.
- 28) (1) Subject to these Articles, the Act or as required by the Exchange, there shall be no restriction on the transfer of fully paid up shares (except where required by law or the rules, bye-laws or listing rules of the Exchange) but the Directors may in their discretion decline to register any transfer of shares upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve.
- Directors' power to decline to register
- (2) The Directors may decline to recognise any instrument of transfer of shares unless:
- a) a fee not exceeding S\$2/- (or such other fee as the Directors may determine having regard to any limitation thereof as may be prescribed by fee and any stock exchange upon which the shares may be listed) as the Director may from time to time require, is paid to the Company in respect thereof;
 - b) the amount of proper duty (if any) with which each instrument of transfer of shares is chargeable under any law for the time being in force relating to stamps is paid;
- Payment of fee and deposit of transfer

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

- c) the instrument of transfer is deposited at the Office or such other place as the Directors may appoint and is accompanied by a certificate of payment of stamp duty (if any), the certificate of the shares to which the transfer relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and where the instrument is executed by some other person on his behalf, the authority of the person so to do; and
- d) the instrument of transfer is in respect of only one class of shares.
- 29) If the Directors refuse to register a transfer of any shares, they shall give to the transferor and to the transferee notice of their refusal to register as required by the Act. Notice of refusal to register
- 30) The Register of Members and the Depository Register 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 (30) days in any year (in aggregate) and during such periods the Directors may suspend the registration of transfers. Further Provided Always That the Company shall give prior notice of such closure as may be recognised to the Exchange stating the period and purpose or purposes for which the closure was made. Closure of Register of Members
- 31) Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person. Renunciation of allotment
- 32) Neither the Company nor its Directors nor any of its officers shall incur any liability for registering or acting upon a transfer of shares apparently made by relevant parties, although the same may, by reason of any fraud or other cause not known to the Company or its Directors or other officers, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred, and although the transfer may, as between the transferor and transferee, be liable to be set aside, and notwithstanding that the Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee or the particulars of the shares transferred, or otherwise in defective manner. In every such case, the person registered as transferee, his executors, administrators and assigns, alone shall be entitled to be recognised as the holder of such shares and the previous holder shall, so far as the Company is concerned, be deemed to have transferred his whole title thereto. Indemnity against wrongful transfer

TRANSMISSION OF SHARES

- 33) In the case of the death of a Member, the survivors or survivor where the deceased was a joint holder, and the legal personal representatives of the deceased where he was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to his shares, but nothing herein contained shall release the estate of a deceased shareholder from any liability in respect of any share solely or jointly held by him. Transmission on death

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

- 34) In the case of the death of a Depositor, the survivor or survivors, where the deceased was a joint holder, and the legal personal representatives of the deceased, where he was a sole holder and where such legal representatives are entered in the Depository Register in respect of any shares of the deceased, shall be the only persons recognised by the Company as having any title to his interests in the share; but nothing herein contained shall release the estate of a deceased Depositor (whether sole or joint) from any liability in respect of any share held by him.
- 35) (1) Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member or by virtue of a vesting order by a court of competent jurisdiction and recognised by the Company as having any title to that share may, upon producing such evidence of title as the Directors shall require, be registered himself as holder of the share upon giving to the Company notice in writing or transfer such share to some other person. If the person so becoming entitled shall elect to be registered himself, he shall send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to have another person registered he shall testify his election by executing to that person a transfer of the share. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers shall be applicable to any such notice or transfer as aforesaid as if the death or bankruptcy of the Member had not occurred and the notice or transfer were a transfer executed by such Member. The Directors shall have, in respect of a transfer so executed, the same power of refusing registration as if the event upon which the transmission took place had not occurred, and the transfer were a transfer executed by the person from whom the title by transmission is derived.
- (2) The Directors may at any time give notice requiring any such person to elect whether to be registered himself as a Member in the Register of Members or, (as the case may be), entered in the Depository Register in respect of the share or to transfer the share and if the notice is not complied with within 60 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.
- 36) A person entitled to a share by transmission 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 thereof; Provided Always That the Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within sixty (60) 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.
- 37) There shall be paid to the Company in respect of the registration of any probate, letter of administration, certificate of marriage or death, power of attorney or other document relating to or affecting the title to any shares, such fee not exceeding S\$21-, or such other sum as may be approved by the Exchange from time to time, as the Directors may from time to time require or prescribe.
- Person becoming entitled on death or bankruptcy and Member may be registered
- Notice to register to unregistered executors and trustees
- Rights of unregistered executors and trustees
- Fees for registration of probate etc.

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

CALLS ON SHARES

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| 38) | The Directors may from time to time, as they think fit, 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 the issue and allotment thereof made payable at fixed times; and each Member shall (subject to his having been given at least fourteen (14) 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. | Directors may make calls on shares |
| 39) | A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments. | Time when new call made |
| 40) | If before or on the day appointed for payment thereof, a call payable in respect of a share is not paid, the person from whom the amount of the call is due shall pay interest on such amount at such rate not exceeding ten per cent (10%) per annum as the Directors determine 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 procure payment of or in consequence of the non-payment of such call or instalment, but the Directors shall be at liberty to waive payment of such interest, costs, charges and expenses wholly or in part. | Interest and other late payment costs |
| 41) | Any sum which by the terms of issue of a share is made payable upon allotment or at any fixed date and any instalment of a call 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 the case of non-payment, the provisions of these Articles as to payment of interest and expenses, forfeiture and the like and all other relevant provisions of the Statutes or of these Articles shall apply as if such sum were a call duly made and notified as hereby provided. | Sum due and allotment or other fixed date |
| 42) | The Directors may on the issue of shares differentiate between the holders as to the amount of calls to be paid and the time of payment of such calls. | Power of Directors to differentiate |
| 43) | The Directors may, if they think fit, receive from any Member willing to advance the same all or any part of the money uncalled and unpaid upon the shares held by him and such payments in advance of calls shall extinguish (so far as the same shall extend) the liability upon the shares in respect of which it is made, and upon the money so received or so much thereof as from time to time exceeds the amount of the calls then made upon the shares concerned, the Company may pay interest at such rate not exceeding without the sanction of the Company in general meeting eight per cent (8%) per annum as the Member paying such sum and the Directors agree upon. Capital paid on shares in advance of calls shall not whilst carrying interest confer a right to participate in profits and until appropriated towards satisfaction of any call shall be treated as a loan to the Company and not as part of its capital and shall be repayable at any time if the Directors so decide. | Payment in advance of calls |

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

FORFEITURE OF SHARES

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| 44) | If a Member fails to pay the whole or any part of any call or instalment of a call on the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest and expenses which may have accrued by reason of such non-payment. | Notice requiring payment of unpaid calls |
| 45) | The notice shall name a further day (not earlier than the expiration of fourteen (14) days from the date of service of the notice) on or before which the payment required by the notice is to be made. It shall also name the place where payment is to be made and shall state that, in the event of non-payment at or before the time appointed, the shares in respect of which the call was made will be liable to be forfeited. | Notice to state time and place of payment |
| 46) | If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Directors to that effect. | Forfeiture of shares for non-compliance with notice |
| 47) | A forfeiture of shares shall include all dividends in respect of the shares not actually paid before the forfeiture notwithstanding that they shall have been declared. | Forfeiture to include all dividends |
| 48) | The Directors may accept a surrender of any share liable to be forfeited hereunder. | Directors may accept surrender in lieu |
| 49) | The forfeiture or surrender of a share shall involve the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share, and all other rights and liabilities incidental to the share as between the Member whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Act given or imposed in the case of past Members. | Extinction of forfeited share |
| 50) | Notwithstanding any such forfeiture, the Directors may, at any time before the forfeited share has been otherwise disposed of, annul the forfeiture, upon the terms of payment of all calls and interest due thereon and all expenses incurred in respect of the share and upon such further terms (if any) as they shall see fit. | Directors may allow forfeited share to be redeemed |
| 51) | A forfeited share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who was before such forfeiture or surrender the holder thereof or entitled thereto or to any other person, on such terms and in such manner as the Directors think fit and at any time before a sale or disposition, the forfeiture may be cancelled on such terms as the Directors think fit. To give effect to any such sale, re-allotment or other disposition, the Directors are empowered to or may authorise some other person to transfer the shares to the purchaser. | Sale of forfeited shares |

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

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| 52) | The Company may receive the consideration, if any, given for the share on any sale or disposition thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed and he shall thereupon be registered as the holder of the share and shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share. | Company may receive consideration of sale |
| 53) | If any shares are forfeited and sold, any residue after the satisfaction of the unpaid calls and accrued interest and expenses, shall be paid to the person whose shares have been forfeited, or his executors, administrators or assignees or as he directs. | Application of residue of proceeds of forfeiture |
| 54) | A person whose shares have been forfeited or surrendered shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding such forfeiture or surrender, remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were payable by him to the Company in respect of the shares with interest thereon at the rate of eight per cent (8%) per annum (or such lower rate as the Directors may approve) from the date of the forfeiture or surrender until payment in respect of the shares; but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. The Directors may waive payment of such interest either wholly or in part. | Liabilities of Members whose shares forfeited |
| 55) | Notice of any forfeiture shall forthwith be given to the holder of the share forfeited or to the person entitled by transmission to the share forfeited as the case may be. An entry of the forfeiture with the date thereof and the fact of the notice given shall be made in the Register of Members or in the Depository Register (as the case may be) opposite the share. 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 |

LIEN ON SHARES

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| 56) | <p>(1) The Company shall have a first and paramount lien and charge on all the shares not fully paid up registered in the name of a Member (whether solely or jointly with others) and all dividends from time to time declared. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys 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.</p> <p>(2) No Member shall be entitled to receive any dividend or to exercise any privileges as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether along or jointly with any other person, together with interest and expenses (if any).</p> | Company's lien |
| 57) | 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 unless some sum in respect of which the lien exists is 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 fourteen (14) days after such notice. To give effect to any such sale or other disposition, the Directors are empowered to or may authorise some other person to transfer the shares to the purchaser. | Sale of shares subject to lien |

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

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| 58) | <p>The net proceeds of any such sale shall be applied in or towards satisfaction of the unpaid calls and accrued interest and expenses from the Member for the shares to the Company and the residue (if any) shall be paid to the person whose shares have been forfeited or his executors, administrators or assignees or as he directs; Provided Always That the Company shall be entitled to a lien upon such residue in respect of any money due to the Company but not presently payable like to that which it had upon the shares immediately before the sale thereof.</p> | <p>Application of proceeds of sale</p> |
| 59) | <p>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 of Members as holder of the shares 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. After his name has been entered in the Register of Members 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 and against the Company exclusively.</p> | <p>Transfer and title to shares sold</p> |
| 60) | <p>A statutory declaration in writing by a Director that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated therein as against all persons claiming to be entitled to the share, and such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof, together with the certificate under seal for the share delivered to a purchaser or allottee thereof, shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the person to whom the share is sold, re-allotted or disposed of shall be entered in the Register of Members as the holder of the share or (as the case may be) in the Depository Register in respect of the share and shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the forfeiture, surrender, sale, re-allotment or disposal of the share.</p> | <p>Statutory declaration that share duly forfeited</p> |

CONVERSION FROM SHARE TO STOCK

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| 61) | <p>The Company in general meeting may convert any paid up shares into stock and may from time to time reconvert such stock into paid up shares.</p> | <p>Conversion from share to stock and back to share</p> |
| 62) | <p>When any shares have been converted into stock, the several holders 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 such 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 previously to conversion have been transferred) or (as near thereto as circumstances will admit). But the Directors may if they think fit from time to time fix the minimum number of stock units transferable.</p> | <p>Transfer of stock</p> |
| 63) | <p>The holders of stock shall, according to the number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters as if they held the shares from which the stock arose, but no such privilege or advantage (except as regards dividend and return of capital and the assets on winding up) shall be conferred by the number of stock units which would not, if existing in shares have conferred that privilege or advantage, and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.</p> | <p>Rights of stock-holders</p> |

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

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| 64) | All such provisions of these Articles as are applicable to paid up shares shall apply to stock and in all such provisions the words 'share' and 'shareholder' shall include 'stock' and 'stockholder'. | Interpretation |
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INCREASE OF CAPITAL

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| 65) | Subject to any special rights for the time being attached to any existing class of shares, any 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 shall direct, and if no direction be given, as the Directors shall determine, and in particular, such new shares may be issued with a preferential or qualified right to dividends and in the distribution of the assets of the Company and with a special or restricted right of voting. | Rights and privileges of new shares |
| 66) | Subject to any direction to the contrary that may be given by the Company in general meeting or except as permitted under the listing rules of the Exchange, all new shares shall before issue be offered to such Members as are, at the date of the offer, 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 or hold and subject to such rights and privileges as the general meeting resolving on 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. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article. | Issue of new shares |
| 67) | Notwithstanding Article 66 above but subject to the Act, the Directors shall not be required to offer any new shares to Members to whom by reason of foreign securities laws such offers may not be made without registration of the shares or a prospectus or other document, but to sell the entitlements to the new shares on behalf of such Members in such manner as they think most beneficial to the Company. | |
| 68) | Subject to any directions that may be given in accordance with the powers contained in the Memorandum of Association of the Company or these Articles, any capital raised by the 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. | Capital raised deemed original capital |

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

ALTERATIONS OF CAPITAL

- 69) (1) The Company may by ordinary resolution
- a) consolidate and divide all or any of its share capital; or
- b) subdivide its shares or any of them (subject nevertheless to the provisions of the Act) provided always that in such subdivision 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; or
- c) subject to the provisions of these Articles and the Act, convert any class of shares into any other class of shares.
- (2) Subject to and in accordance with the provisions of the Act, the listing rules of the Exchange and any applicable legislation or regulation, the Company may authorise the Directors in general meeting to purchase or acquire otherwise acquire ordinary shares, stocks, preference shares, options, debentures, debenture stocks, bonds, obligations, securities, and all other equity, derivative, debt and financial instruments issued by it on such terms on such terms as the Company may think fit and in the manner prescribed by the Act. The Company may deal with any such share which is so purchased or acquired by the Company in such manner as may be permitted by, and in accordance with, the Act (including without limitation, to hold such share as a treasury share).
- 70) The Company may by special resolution reduce its share capital or any undistributable reserve in any manner, subject to any requirements and consents required by law. Without prejudice to the foregoing, upon cancellation of shares purchased or otherwise acquired by the Company pursuant to these Articles and the Act, the number of issued shares of the Company shall be diminished by the number of shares so cancelled, and where any such cancelled shares were purchased or acquired out of the capital of the Company, the amount of the share capital of the Company shall be reduced accordingly.
- Power to consolidate, cancel and sub-divide shares
- Power to purchase or acquire shares
- Reduction of share capital

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

- 172) The Company may, upon the recommendation of the Directors, with the sanction of an ordinary resolution (including any ordinary resolution passed pursuant to Article 6):
- a) issue bonus shares to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
- i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or
- ii) (in the case of an ordinary resolution passed pursuant to Article 6) such other date as may be determined by the Directors,
- Power to capitalise profits

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

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

- b) capitalise any part of the amount for the time being standing to the credit of the Company's reserve funds or to the credit of the profit and loss account or otherwise available for distribution to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:
 - i) the date of the ordinary resolution (or such other date as may be specified therein or determined as therein provided); or
 - ii) (in the case of an ordinary resolution passed pursuant to Article 6) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up and amongst them as bonus shares in the proportion aforesaid.

- 173) Whenever such a resolution as set out in Article 172 shall have been passed, the Directors shall make all appropriations and applications of the sum resolved to be capitalised thereby and all allotments and issues of fully 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 by payment in cash or otherwise as they think fit for the case of shares or debentures becoming distributable in fractions and also to authorise any person to enter on behalf of all the Members interested into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the Company on their behalf, by the application thereto of their respective proportions of the sum resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares and any agreement made under such authority shall be effective and binding on all such Members.

Directors to
give effect to
resolution to
capitalise profits

2. Rights of Shareholders in respect of voting

GENERAL MEETINGS

- 71) The Company shall in each calendar year hold a general meeting as its annual general meeting in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it. Not more than fifteen (15) months shall elapse between the date of one annual general meeting and that of the next. The annual general meeting shall be held at such time and place as the Directors shall appoint.
- 72) All general meetings other than annual general meetings shall be called extraordinary general meetings.

Annual general
meetings

Extraordinary
general meetings

APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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| 73) | <p>The Directors may whenever they think fit convene an extraordinary general meeting and an extraordinary general meeting shall also be convened on such requisition or in default may be convened by such requisitionist as provided for by Section 176 of the Act. If at any time there are not within Singapore sufficient Directors capable of action 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 such a meeting may be convened by the Directors.</p> | <p>Calling for extraordinary general meetings</p> |
| 74) | <p>The time and place of any meeting shall be determined by the convenors of the meeting.</p> | <p>Time and place of meeting</p> |

NOTICE OF GENERAL MEETINGS

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| 75) | <p>Any general meeting at which it is proposed to pass special resolutions or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by at least twenty-one (21) days’ notice in writing and an annual general meeting or any other general meeting by at least fourteen (14) days’ notice in writing. The notice must specify the place, the day and the hour of meeting, and in the case of special business the general nature of such business, shall be given in the manner hereinafter mentioned to such persons as are under the provisions of these Articles entitled to receive notices of general meetings from the Company, but with the consent of all persons for the time being entitled as aforesaid, a meeting may be convened in such manner as such persons may approve.</p> | <p>Length of notice</p> |
| | <p>Provided that a general meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:</p> | <p>Contents of notice</p> |
| | <p>a) in the case of an annual general meeting by all the Members entitled to attend and vote thereat; and</p> <p>b) in the case of an extraordinary general meeting by a majority in number of the Members having a right to attend and vote thereat, being a majority together holding not less than ninety-five per cent (95%) of the total voting rights of the all the Members having a right to vote at that meeting.</p> | <p>Shorter notice</p> |
| | <p>Provided also that the accidental omission to give notice of a meeting to or the non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate the proceedings at the meeting.</p> | <p>Accidental omission</p> |
| | <p>The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given.</p> | |
| | <p>At least fourteen (14) days’ notice of every general meeting shall be given by advertisement in the daily press and in writing to the Exchange and to each stock exchange upon which the Company is listed.</p> | |

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

- 76) Subject to these Articles, notice of every general meeting shall be given in any manner authorised by these Articles to:
- Form of notice and to whom to be given
- a) every Member holding shares conferring the right to attend and vote at the meeting who at the time of the convening of the meeting shall have paid all calls or other sums presently payable by him in respect of shares;
 - b) every person entitled to a share in consequence of the death or bankruptcy or otherwise of a Member who but for the same would be entitled to receive notice of the meeting;
 - c) every Director;
 - d) the Auditors of the Company, without prejudice to Article 183; and
 - e) the Exchange.
- No other person shall be entitled to receive notices of general meetings; Provided Always That if the meeting be called for the alteration of the objects of the Company, the provisions of Section 33 of the Act regarding notices to debenture holders shall be complied with.
- 77) 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.
- Notice to state that Member can appoint proxy
- 78) All business shall be deemed special that is transacted at an extraordinary general meeting and also all that is transacted at an annual general meeting with the exception of the consideration of the accounts, balance sheets and reports (if any) of the Directors and Auditor of the Company, the election of Directors in place of those retiring by rotation or otherwise, the fixing of the remuneration of Directors, the declaration of dividends, and the appointment of and the fixing of the remuneration of the Auditor of the Company, which shall be deemed routine business. Any notice of a meeting called to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution in respect of such special business.
- All business deemed special business
- 79) In the case of any general meeting at which business other than routine business is to be transacted (special business), the notice shall specify the general nature specify nature of the special business, and if any resolution is to be proposed as a special of special resolution or as requiring special notice, the notice shall contain a statement to business that effect.
- Notice to specify nature of special business

PROCEEDINGS AT GENERAL MEETINGS

- 80) No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Except as herein otherwise provided, two (2) Members present in person shall form a quorum. For the purposes of this article 'Member' includes a person attending as a proxy and a corporation being a Member shall be deemed to be personally present if represented in accordance with the provisions of Section 179(3) of the Act. Provided that (i) a proxy representing more than one Member shall only count as one Member for the purpose of determining the quorum; and (ii) where a Member is represented by more than one proxy such proxies shall count as only one Member for the purpose of determining the quorum.
- Quorum

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

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| 81) | <p>If within half an hour from the time appointed for the holding of a general 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 by not less than ten days' notice appoint. At the adjourned meeting any one or more Members present in person or by proxy shall be a quorum.</p> | <p>Adjournment
if quorum not
present</p> |
| 82) | <p>The Chairman of the Board or, in his absence, the Deputy Chairman (if any) shall preside as Chairman at every general meeting, but if there be no such Chairman or Deputy Chairman, or if at any meeting he shall not be present within five (5) 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.</p> | <p>Chairman</p> |
| 83) | <p>The Chairman of the meeting 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 other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give notice of an adjournment or of the business to be transacted at an adjourned meeting.</p> | <p>Adjournment by
chairman</p> |
| 84) | <p>At any general meeting a resolution put to the vote of the meeting shall be decided Method of on a show of hands unless, subject to Article 89, a poll is (before or on the voting declaration of the result of the show of hands) demanded:</p> <ul style="list-style-type: none"> a) by the Chairman of the meeting; or b) by at least two Members present in person or by proxy (where a Member has appointed more than one proxy, any one of such proxies may represent that Member) or 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 (where a Member has appointed more than one proxy, any one of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or 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 any Member or Members present in person or by proxy (where a Member has appointed more than one proxy, any one of such proxies may represent that Member) or attorney or in the case of a corporation by a representative or any number or combination of such Members, holding or representing shares being not less than ten per cent (10%) of the total number of paid-up shares of the Company (excluding treasury shares). | <p>Method of voting</p> |

Unless a poll is so demanded (and the demand is 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.

APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION

85)	In the case of an equality of votes whether on a show of hands or on a poll as aforesaid, the Chairman shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled as a Member or as a proxy of a Member.	Equality of votes
86)	If a poll is demanded as aforesaid, it shall be taken either immediately or in such manner and at such time (not being more than 30 days from the date of the meeting) and place as the Chairman of the meeting may direct. No notice need be given of a poll not taken at once. In case of any dispute as to the admission or rejection of a vote the Chairman shall determine the same and such determination made in good faith shall be final and conclusive.	Time for taking a poll
87)	If a poll is duly demanded (and the demand is not withdrawn) it shall be taken in such manner (including the use of ballot or voting papers 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.	Method of taking poll
88)	The demand of a poll shall not prevent the continuance of a meeting for the Continuance transaction of any business other than the question on which a poll has been of business demanded.	Continuance of business
89)	Notwithstanding Article 84, no poll shall be demanded on the election of a Chairman of a meeting or on a question of adjournment.	No poll
90)	Subject to the provisions of the Act, a resolution in writing signed by every Member 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. The expressions ‘in writing’ and ‘signed’ include approval by telefax, telex, cable or telegram by any such Member.	Resolutions in writing
91)	If at any general meeting 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 vote unless it be pointed out at the same meeting, and be in the opinion of the Chairman of sufficient magnitude to vitiate the result of the voting.	Error in counting votes
92)	The Members may participate at a general meeting by telephone or video conference or by means of similar communication equipment whereby all persons participating in the meeting are able to hear and, if applicable, see each other and such participation shall constitute presence in person at such meeting and Members (or their proxy or, in the case of a corporation, their respective corporate representatives) so participating shall be counted in the quorum for the meeting. Such a meeting shall be deemed to take place where the largest group of Members (or their proxy, or in the case of a corporation, their respective corporate representatives) present for purposes of the meeting is assembled or, if there is no such group, where the Chairman of the meeting is present.	Meetings via electronic means

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

VOTES OF MEMBERS

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| 93) | (1) | Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company, each Member entitled to vote may vote in person or by proxy or attorney, and (in the case of a corporation) by a representative. 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. | Voting rights of Members |
| | (2) | 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 provided that if a Member is represented by two proxies, without prejudice to specific terms of Article 98 only one of the two proxies as determined by their appointor shall vote on a show of hands and in the absence of such determination, only one of the two proxies as determined by the Chairman (or by a person authorised by him) shall vote on a show of hands and on a poll, every Member who is present in person or by proxy, attorney or representative shall have one vote for each share which he holds or represents. | |
| | (3) | Notwithstanding anything contained in these Articles, a Depositor shall not be entitled to attend any general meeting and to speak and vote thereat unless his name is certified by the Depository to the Company as appearing on the Depository Register not later than 48 hours before that general meeting (the 'cut-off time') as a Depositor on whose behalf the Depository holds shares. For the purpose of determining the number of votes which a Depositor or his proxy may cast on a poll, the Depositor or his proxy shall be deemed to hold or represent that number of shares entered in the Depositor's Securities Account at the cut-off time as certified by the Depository to the Company. | |
| 94) | | If any Member be a lunatic, idiot or <i>non compos mentis</i> he may vote by his committee, <i>curator bonis</i> or other legal curator and such last mentioned persons may give their votes by proxy, but no person claiming to vote pursuant to this Article shall do so unless such evidence as the Directors may require of his authority shall have been deposited at the Office not less than forty-eight (48) hours before the time for holding the meeting at which he wishes to vote. | Voting rights of Members of unsound mind |
| 95) | | If two (2) or more persons are jointly entitled to a share then in voting upon any question, the vote of the senior who tenders a vote, whether in person or by of proxy, shall be accepted to the exclusion of the votes of the other registered holders of the share and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members or the Depository Register (as the case may be). Several executors or administrators of a deceased Member in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof. | Voting rights of joint holders |
| 96) | | Save as herein expressly provided and the provisions of the Act, no person other than a Member duly registered, and only in respect of shares upon which all calls due to the Company have been paid, shall be entitled to be present or to vote on any question, either personally or by proxy, attorney or representative at any general meeting. | Right to vote |

APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION

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| 97) | <p>Any instrument appointing a proxy shall be in writing in the common form approved by the Directors under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, under seal or under the hand of its attorney duly authorised and the Company shall accept as valid in all respects the form of proxy approved by the Directors for use at the date relevant to the general meeting in question.</p> | <p>Instrument of proxy</p> |
| 98) | <p>(1) A Member may appoint not more than two proxies to attend and vote at the same general meeting. A proxy or attorney need not be a Member, and shall be entitled to vote on a show of hands on any question at any general meeting.</p> <p>(2) If the Member is a Depositor, the Company shall be entitled:</p> <ul style="list-style-type: none"> a) to reject any instrument of proxy lodged if the Depositor is not shown to have any shares entered in its Securities Account as at the cut-off time (as defined in Article 93(3)) as certified by the Depository to the Company; and b) for the purpose of a poll, to treat an instrument of proxy executed by a Depositor as representing the number of shares equal to the number of shares appearing against his name in the Depository Register referred to in (a) above, notwithstanding the number of shares actually specified in the relevant instrument of proxy. c) to accept as the maximum number of votes which in aggregate the proxy or proxies appointed by the Director is or are able to cast on a poll a number which is the number of shares entered against the name of that Depositor in the Depository Register as at the cut-off Time as certified by the Depository to the Company, whether that number be greater or smaller than the number specified in any instrument of proxy executed by or on behalf of that Depositor; and d) in determining rights to vote and other matters in respect of a completed instrument of proxy submitted to it, to have regard to the instructions(if any) given by and the notes (if any) set out in the instrument of proxy. <p>(3) Where a Member appoints more than one proxy, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified the first named proxy may be treated as representing 100% of the shareholding and any second named proxy as an alternate to the first named.</p> <p>(4) Voting right(s) attached to any shares in respect of which a Member has not appointed a proxy may only be exercised at the relevant general meeting by the Member personally or by his attorney, or in the case of a corporation by its representative.</p> | <p>Appointment of proxies</p> |
| 99) | <p>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.</p> | <p>Instrument appointing proxy valid at adjourned meeting</p> |

APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- 100) 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 such power or authority shall be deposited at the Office or at such other place within Singapore as is specified for that purpose in the notice convening the meeting at least forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting as the case may be; otherwise the person so named shall not be entitled to vote in respect thereof unless the Directors otherwise determine.
- Deposit of instrument of proxy

- 101) The instrument appointing a proxy shall be deemed to confer authority generally to act at the meeting for the Member giving the proxy.
- Instrument to confer authority

Where it is desired to afford Members an opportunity of voting for or against a resolution the instrument appointing a proxy shall be in the following form or a form as near thereto as circumstances admit and shall be deemed to include the right to demand or join in demanding a poll:

SPINDEX INDUSTRIES LTD

I/We, of being a member/members of the abovenamed company, hereby appoint , of , or failing him, of , as my/our proxy to vote for me/us on my/our behalf at the [annual or extraordinary, as the case may be) general meeting of the Company, to be held on the of , and at any adjournment thereof.

Signed this day of

*in favour of

This form is to be used ----- the resolution.

against

*Strike out whichever is not desired. (Unless otherwise instructed, the proxy may vote as he thinks fit)

- 102) Unless otherwise directed by the Chairman of the meeting, a vote given in accordance with the terms of an instrument of proxy shall be treated as valid notwithstanding the previous death or insanity of the principal or 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 Always That no intimation in writing of such death, insanity, revocation or transfer as aforesaid shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- Intervening death or insanity of Member
- 103) Any corporation which is a Member may by resolution of its Directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members and the persons 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. The Company shall be entitled to treat a certificate under the seal of the corporation as conclusive evidence of the appointment or revocation of appointment of a representative under this Article.
- Corporations acting via representative

APPENDIX 4 – EXTRACTS FROM THE COMPANY'S CONSTITUTION

- 104) 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

3. Rights of Shareholders in respect of dividends

DIVIDENDS AND RESERVES

- 161) Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted by the Act, (a) all dividends shall be declared and paid in proportion to the number of shares held by a Member but where shares are partly paid all dividends must be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and (b) all dividends shall be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid, 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. For the purposes of this Article, no amount paid or credited as paid on a share in advance of a call shall be treated as paid on the share.
- Apportionment of dividends
- 162) The Directors may before recommending any dividend set aside out of the profits of the Company such sum or sums as they think proper as a reserve fund which shall at the discretion of the Directors be applicable for meeting contingencies, for the gradual liquidation of any debt or liability of the Company or for repairing or maintaining any works connected with the business of the Company or shall be as to the whole or in part applicable for special dividends or for equalising dividends or for distribution by way of special dividend or bonus on such terms and in such manner as the Directors shall from time to time determine and the Directors may divide the reserve fund into separate funds for special purposes and may invest the sums from time to time carried to the credit of such fund or funds upon such securities (other than the share) as they may select. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it not prudent to divide.
- Power to set aside profits as reserve
- 163) The Directors may, with the sanction of a general meeting, from time to time declare dividends, but no such dividend shall (except as by the Statutes expressly authorised) be payable otherwise than out of the profits of the Company. No higher dividend shall be paid than is recommended by the Directors and a declaration by the Directors as to the amount of the profits at any time available for dividends shall be conclusive. The Directors may, if they think fit, and if in their opinion the profits of the Company justifies such payment, without any such sanction as aforesaid, from time to time declare and pay fixed dividends on any express class of shares carrying a fixed 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, and 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.
- Declaration and payment of dividends
Interim dividends

APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- | | | |
|-------|---|---|
| 164) | With the sanction of a general meeting, dividends may be paid wholly or in part in specie, and may be satisfied in whole or in part by the distribution amongst the Members in accordance with their rights of fully paid shares, stock or debentures of any other company, or of any other property suitable for distribution as aforesaid. The Directors shall have full liberty to make all such valuations, adjustments and arrangements, and to issue all such certificates or documents of title as in their opinion may be necessary or expedient and in particular may issue fractional certificates and 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 as may seem expedient to the Directors and no valuation, adjustment or arrangement so made shall be questioned by any Member. | Payment of dividends in specie |
| 165) | No shareholder shall be entitled to receive any dividend or to be present or vote at any meeting or upon a poll, or to exercise any privilege as a Member until he shall have paid all calls for the time being due and payable on every share held by him, whether alone or jointly with any other person, together with interest and expenses (if any). | No right to dividends where calls outstanding |
| 166) | The Directors may deduct from any dividend or other moneys payable to a Member in respect of any share held by such Member, either alone or jointly with any other Member, any or all sums of money as may be due and payable by him, either alone or jointly with any other person in respect of any debts, liabilities or engagements to the Company on account of calls or otherwise towards satisfaction (in whole or in part) of such debts, liabilities or engagements, or any other account which the Company is required by law to deduct. | Deduction from debts due to Company |
| 167) | A transfer of a share shall not pass the right to any dividend declared in respect thereof before the transfer has been registered. | Effect of transfer of shares |
| 168) | 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 |
| 168A) | The Directors may retain the dividends payable on shares in respect of which any person is under these Articles, as to the transmission of shares, entitled to become a Member, or which any person under these Articles 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 |
| 169) | 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 person and such address as such persons may be writing direct. Provided that where the Member is a Depositor, the payment by the Company to the Depository of any dividend payable to a Depositor shall to the extent of the payment discharge the Company from any further liability in respect of the payment. 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 paid by cheque or warrant |

APPENDIX 4 – EXTRACTS FROM THE COMPANY’S CONSTITUTION

- 170) The payment by the Directors of any unclaimed dividends 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 (6) 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. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six (6) years has elapsed from the date of the declaration of such dividend or the date on which such other moneys are first payable. For the avoidance of doubt no Member shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends, howsoever and whatsoever.
- Unclaimed dividends
- 171) No unpaid dividend or interest shall bear interest as against the Company.
- No interest on unpaid dividends

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Spindex Industries Limited (the “Company”) and its subsidiaries (collectively, the “Group”) and the balance sheet and statement of changes in equity of the Company for the financial year ended 30 June 2025.

Opinion of the directors

In the opinion of the directors,

- (i) the accompanying consolidated financial statements of the Group, balance sheet and statement of changes in equity of the Company together with notes thereto are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year ended on that date, and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are:

Tan Choo Pie @ Tan Chang Chai	(Chairman)
Tan Heok Ting	(Managing Director)
Chen Chang Rong	
Peter Tan Boon Heng	
Hoon Tai Meng	

Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares or debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings, required to be kept under Section 164 of the Singapore Companies Act 1967, an interest in shares of the Company and related corporations, as stated below:

	Direct interest			Deemed interest		
	At 1.7.2024	At 30.6.2025	At 21.7.2025	At 1.7.2024	At 30.6.2025	At 21.7.2025
The Company						
(Ordinary shares)						
Tan Choo Pie @						
Tan Chang Chai	–	–	–	86,470,312	86,470,312	86,470,312
Tan Heok Ting	–	–	–	86,470,312	86,470,312	86,470,312

Except as disclosed in this statement, no director who held office at the end of the financial year had an interest in the shares, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year or the end of the financial year and on 21 July 2025.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

DIRECTORS' STATEMENT

Audit committee

The Audit Committee carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act 1967 and the Listing Manual of the Singapore Exchange Securities Trading Limited as detailed in the Report on Corporate Governance.

Auditor

Ernst & Young LLP has expressed their willingness to accept re-appointment as auditor.

On behalf of the Board of Directors,

Tan Choo Pie @ Tan Chang Chai
Director

Tan Heok Ting
Director

Singapore

2 October 2025

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2025
To The Members of Spindex Industries Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Spindex Industries Limited (the “Company”) and its subsidiaries (collectively, the “Group”), which comprise the balance sheets of the Group and the Company as at 30 June 2025, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group, the balance sheet and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “Act”) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor’s responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risk of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Revenue recognition

The Group derives its revenue from the sale of goods through either direct or consignment sales. During the financial year, the Group recognised revenue of \$181,010,000 of which 34% were from consignment sales and the remaining through direct sales. Due to the high volume of transactions of consignment sales and various shipping terms with different customers, there is a risk that revenue could be recorded in the incorrect period. This is especially for sales transactions occurring on and near the financial year-end. Accordingly, we have identified this to be a key audit matter.

As part of our audit procedures, we evaluated the appropriateness of the Group’s revenue recognition accounting policies. We obtained an understanding of internal controls over the revenue recognition process, including the timing of revenue recognition. We tested the controls over revenue recognition by checking to supporting documents to assess if the related revenue and trade receivables are recorded in the correct accounting period, taking into consideration the shipping terms as well as other terms and conditions in the contracts. We performed journal entries testing and analysed the relationships among revenue, trade receivables and cash accounts to establish the existence and completeness assertion of revenue. We tested sales cut-off and reviewed credit notes issued to customers subsequent to the year end to ascertain that revenue was recognised in the correct period. Additionally, we have, on a sample basis, circularised balances with trade debtors. We also considered the adequacy of the disclosures in respect of revenue in Note 4 to the financial statements.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2025
To The Members of Spindex Industries Limited

Other Information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 30 June 2025
To The Members of Spindex Industries Limited

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Briston Loo.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

2 October 2025

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 30 June 2025

		Group	
	Note	2025 \$'000	2024 \$'000
Revenue	4	181,010	180,287
Cost of sales		(142,629)	(142,162)
Gross profit		38,381	38,125
Other income	5	5,316	3,888
Distribution and selling expenses		(3,315)	(3,138)
Administrative expenses		(30,128)	(18,392)
Profit from operations	6	10,254	20,483
Financial expenses	8	(158)	(140)
Share of profit in joint venture	15	133	105
Profit before tax		10,229	20,448
Income tax expense	9	(3,600)	(4,880)
Profit for the financial year		6,629	15,568
Other comprehensive income for the financial year, net of tax			
Item that may be reclassified subsequently to profit or loss			
Foreign currency translation		(1,955)	(325)
Total comprehensive income for the financial year		4,674	15,243
Profit attributable to:			
Owners of the Company		6,661	15,568
Non-controlling interests		(32)	–
		6,629	15,568
Total comprehensive income attributable to:			
Owners of the Company		4,706	15,243
Non-controlling interests		(32)	–
		4,674	15,243
Earnings per share attributable to owners of the Company (cents per share)			
- Basic	10	5.77	13.49
- Diluted	10	5.77	13.49

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

BALANCE SHEETS

As at 30 June 2025

		Group		Company	
	Note	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-current assets					
Property, plant and equipment	11	70,710	78,727	414	514
Intangible assets	12	1,080	–	–	–
Goodwill	12	1,004	–	–	–
Right-of-use assets	26	5,051	5,718	175	176
Loan to a subsidiary	13	–	–	4,233	4,223
Investment in subsidiaries	14	–	–	39,344	52,749
Investment in joint venture	15	1,532	1,399	1,681	1,681
		79,377	85,844	45,847	59,343
Current assets					
Inventories	16	28,792	29,445	2,056	2,740
Trade receivables	17	43,485	42,956	4,740	6,442
Other receivables and deposits	18	2,284	1,686	122	105
Prepayments		10,706	4,316	39	36
Due from subsidiaries	19	–	–	967	294
Cash and cash equivalents	20	62,252	60,950	9,781	10,670
		147,519	139,353	17,705	20,287
Current liabilities					
Trade payables	21	22,805	22,145	205	122
Other payables and accruals	22	21,305	20,710	2,812	3,692
Refund liabilities	4	2,314	2,284	1,476	1,572
Provision for defects	23	1,335	1,448	–	–
Due to subsidiaries	19	–	–	5,650	7,911
Loans and borrowings	24	3,856	3,820	682	1,310
Lease liabilities	26	421	538	92	92
Provision for tax		504	1,664	–	–
		52,540	52,609	10,917	14,699
Net current assets		94,979	86,744	6,788	5,588
Non-current liabilities					
Loans and borrowings	24	1,197	838	156	838
Lease liabilities	26	184	335	87	87
Deferred tax liabilities	25	4,258	4,383	7	7
Provision for restoration costs	27	224	262	–	–
		5,863	5,818	250	932
Net assets		168,493	166,770	52,385	63,999
Equity attributable to owners of the Company					
Share capital	28	13,145	13,145	13,145	13,145
Reserves	30	155,216	153,625	39,240	50,854
		168,361	166,770	52,385	63,999
Non-controlling interest		132	–	–	–
Total equity		168,493	166,770	52,385	63,999

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 June 2025

Group	Attributable to owners of the Company				Equity attributable to owners of the Company	Non-controlling interests	Total equity
	Share capital	Foreign currency translation reserve	Reserve fund	Accumulated profits			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	(Note 28)	(Note 30(a))	(Note 30(b))				
At 1 July 2023	13,145	(22,567)	6,997	154,529	138,959	–	152,104
Profit for the financial year	–	–	–	15,568	15,568	–	15,568
Other comprehensive income for the financial year	–	(325)	–	–	(325)	–	(325)
Total comprehensive income for the financial year	–	(325)	–	15,568	15,243	–	15,243
Dividend on ordinary shares (Note 29)	–	–	–	(577)	(577)	–	(577)
At 30 June 2024 and 1 July 2024	13,145	(22,892)	6,997	169,520	153,625	–	166,770
Profit/(loss) for the financial year	–	–	–	6,661	6,661	(32)	6,629
Other comprehensive income for the financial year	–	(1,955)	–	–	(1,955)	–	(1,955)
Total comprehensive income for the financial year	–	(1,955)	–	6,661	4,706	(32)	4,674
Acquisition of a subsidiary (Note 14(a))	–	–	–	–	–	164	164
Dividend on ordinary shares (Note 29)	–	–	–	(3,115)	(3,115)	–	(3,115)
At 30 June 2025	13,145	(24,847)	6,997	173,066	155,216	132	168,493

Company	Attributable to owners of the Company			
	Share capital	Accumulated profits	Total reserves	Total equity
	\$'000	\$'000	\$'000	\$'000
	(Note 28)			
At 1 July 2023	13,145	38,796	38,796	51,941
Profit for the financial year, representing total comprehensive income for the financial year	–	12,635	12,635	12,635
Dividend on ordinary shares (Note 29)	–	(577)	(577)	(577)
At 30 June 2024 and 1 July 2024	13,145	50,854	50,854	63,999
Loss for the financial year, representing total comprehensive income for the financial year	–	(8,499)	(8,499)	(8,499)
Dividend on ordinary shares (Note 29)	–	(3,115)	(3,115)	(3,115)
At 30 June 2025	13,145	39,240	39,240	52,385

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 June 2025

	Note	Group 2025 \$'000	2024 \$'000
Operating activities			
Profit before tax		10,229	20,448
Adjustments for:			
Depreciation of property, plant and equipment	6,11	11,017	10,843
Depreciation of right-of-use assets	6,26	758	893
Amortisation of intangible assets	6,12	69	–
Impairment loss of property, plant and equipment	6,11	5,470	–
Gain on disposal of property, plant and equipment	5	(153)	(98)
Gain on early termination of lease		–	(22)
Interest expense	8	158	140
Interest income	5	(1,209)	(924)
Reversal of inventory obsolescence	6,16	(488)	(83)
(Reversal of)/provision for defects	6,23	(78)	608
Share of profit in joint venture	15	(133)	(105)
Unrealised exchange loss		3,938	1,080
Operating cash flows before changes in working capital		29,578	32,780
(Increase)/decrease in:			
Inventories		904	281
Trade receivables		(2,062)	(4,678)
Other receivables and deposits		696	456
Prepayments		(6,727)	(2,342)
Increase/(decrease) in:			
Trade payables		1,812	3,296
Other payables and accruals		1,886	(403)
Cash flows from operations		26,087	29,390
Income taxes paid		(6,571)	(4,295)
Interest paid		(125)	(92)
Interest received		1,209	924
Net cash flows generated from operating activities		20,600	25,927
Investing activities			
Net cash outflow on acquisition of a subsidiary	14(a)	(2,794)	–
Purchase of property, plant and equipment	A	(9,705)	(12,048)
Proceeds from disposal of property, plant and equipment		237	672
Net cash flows used in investing activities		(12,262)	(11,376)
Financing activities			
Dividend paid on ordinary shares	29	(3,115)	(577)
Repayment of principal obligations under lease liabilities	26	(608)	(717)
Interest paid on lease liabilities	26	(29)	(43)
Repayment of loans and borrowings	24	(4,127)	(1,308)
Proceed from loans and borrowings	24	4,705	2,746
Net cash flows (used in)/from financing activities		(3,174)	101
Net increase in cash and cash equivalents		5,164	14,652
Cash and cash equivalents at the beginning of the financial year		60,950	46,423
Currency alignment on opening cash balances		(3,862)	(125)
Cash and cash equivalents at the end of the financial year	20	62,252	60,950

Note A:

The additions to property, plant and equipment of \$8,763,000 (2024: \$12,530,000) for the Group during financial year includes \$643,000 (2024: \$1,585,000) which remains unpaid as at year end.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

1. Corporate information

Spindex Industries Limited (the “Company”) is a limited liability company, incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST).

The registered office and principal place of business of the Company is located at 8 Boon Lay Way #10-03, 8@ TradeHub 21, Singapore 609964.

The principal activities of the Company are to carry on the business as importer and exporter of precision machine parts and other engineering materials. The principal activities of the subsidiaries are manufacturing and trading of mechanical, electrical, electronic parts, precision machine parts and other engineering materials.

2. Material accounting policy information

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”).

The consolidated financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The consolidated financial statements are presented in Singapore Dollars (“SGD” or “\$”) and all values are rounded to the nearest thousand (“\$’000”), unless otherwise indicated.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 July 2024. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-21 <i>The Effects of Changes in Foreign Exchange Rates:</i> Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 9 <i>Financial Instruments</i> and SFRS(I) 7 <i>Financial Instruments:</i> <i>Disclosures:</i> Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual improvements to SFRS(I) - Volume 11	1 January 2026
Amendments to SFRS(I) 9 <i>Financial Instruments</i> and SFRS(I) 7 <i>Financial Instruments:</i> <i>Disclosures:</i> Contracts Referencing Nature-dependent Electricity	1 January 2026
SFRS(I) 18 <i>Presentation and Disclosures in Financial Statements</i>	1 January 2027
SFRS(I) 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to SFRS(I) 10 <i>Consolidated Financial Statements</i> and SFRS(I) 1-28 <i>Investments in Associates and Joint Ventures:</i> Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.3 Standards issued but not yet effective (cont'd)

The directors expect that the adoption of these new and amended standards will have no material impact on the financial statements in the year of initial application, apart from SFRS(I) 18 *Presentation and Disclosures in Financial Statements* issued on 4 October 2024, effective for financial years beginning on or after 1 January 2027.

SFRS(I) 18 is a new standard that replaces SFRS(I) 1-1 *Presentation of Financial Statements*. SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotal. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, wherein the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified “roles” of the primary financial statements (“PFS”) and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from “profit or loss” to “operating profit or loss” and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SFRS(I) 18 will apply retrospectively.

The amendments will have impact on the disclosure in the financial statements but not on the measurement or recognition of any items in the Group’s financial statements.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

All intra-group balances and transactions, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

2.5 Business combination

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition at either fair value, or the non-controlling interest’s proportionate share of the acquiree’s identifiable net assets.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.5 Business combination (cont'd)

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill.

The accounting policy for goodwill is set out in Note 2.11(a). In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2.6 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.7 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investment in subsidiaries is accounted for at cost less impairment losses.

2.8 Joint arrangement and joint venture

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement. To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The Group recognises its interest in a joint venture as an investment and accounts for the investment using the equity method from the date on which it becomes a joint venture.

Under the equity method, the investment in joint venture is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the joint venture. The profit or loss reflects the share of results of the operations of the joint venture. Distributions received from joint venture reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

When the Group's share of losses in the joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint venture.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.8 *Joint arrangement and joint venture (cont'd)*

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and recognises the amount in profit or loss.

2.9 *Foreign currency*

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) *Transactions and balances*

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the date of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the date of the reporting period are recognised in profit or loss.

(b) *Consolidated financial statements*

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.10 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Factory buildings	25 – 50 years
Leasehold improvements	2 – 5 years
Plant and machinery	5 – 10 years
Furniture and fittings	6 years
Motor vehicles	6 years
Office equipment	3 – 6 years
Quality control equipment	5 years
Warehouse equipment	5 – 6 years

Assets under construction are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.10 *Property, plant and equipment (cont'd)*

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.11 *Intangible assets*

(a) *Goodwill*

Goodwill acquired in a business combination is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is reviewed for impairment annually or more frequently if events and circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired, by comparing the carrying amount of the cash-generating unit, including the goodwill, with the recoverable amount of the cash-generating unit. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operation within that cash-generating unit (or group of cash-generating units) is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the cash-generating unit (or group of cash-generating units) retained.

(b) *Other intangible assets*

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.11 *Intangible assets (cont'd)*

(b) *Other intangible assets (cont'd)*

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

(i) *Customer relationships*

Customer relationships acquired in a business combination is amortised on a straight-line basis over its finite useful life of 10 years.

(ii) *Order backlogs*

Order backlogs acquired in a business combination is amortised on a straight-line basis over its finite useful life of 1.08 years.

2.12 *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal of an impairment loss is recognised in profit or loss.

2.13 *Financial instruments*

(a) *Financial assets*

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. The Group determines the classification of its financial assets at initial recognition.

At initial recognition, the Group measures a financial asset at its fair value, plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.13 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Subsequent measurement

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised costs using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through amortisation process.

Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.14 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (lifetime ECL).

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.14 *Impairment of financial assets (cont'd)*

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.15 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand and fixed deposits, which are subject to an insignificant risk of changes in value.

2.16 *Inventories*

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and conditions are accounted for as follows:

- Raw materials – purchase cost, freight and other transportation and incidental costs on a first-in first-out basis; and
- Finished goods and work-in-progress – cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a first-in first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.17 *Provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for defects

Provisions for defects are recognised for expected claims on products sold during the last one year. It is based on past experience of the level of returns. The estimate is revised annually.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.17 Provisions (cont'd)

Provision for restoration costs

Provisions for restoration costs arise from the obligation to restore the leased premises the Group occupies to their original condition upon expiry of the leases. Restoration costs are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of the asset.

The estimated future costs of restoration are reviewed annually and adjusted as appropriate. Changes in estimated future costs are added to or adjusted from the cost of the asset.

2.18 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Government grant shall be recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Grants related to income are presented as a credit in profit or loss under “other income”.

2.19 Borrowing costs

Borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.20 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. Contributions to national pension schemes are recognised as an expense in the period in which the related services are performed.

Singapore

The Company makes contribution to the Central Provident Fund (“CPF”) Scheme in Singapore, a defined contribution pension scheme. The Company makes monthly contributions based on stipulated contribution rates.

China (“PRC”)

The subsidiaries incorporated in the PRC are required to provide certain staff pension benefits to their employees under existing PRC legislation. Pension contributions are provided at rates stipulated by PRC legislation and are contributed to pension funds managed by government agencies, which are paying pensions to the PRC subsidiaries’ retired employees.

Malaysia

The subsidiary incorporated and operating in Malaysia is required to make contributions to the Employees Provident Fund (“EPF”), a defined contribution pension scheme. The subsidiary makes monthly contributions based on stipulated contribution rates.

Vietnam

The subsidiary incorporated and operating in Vietnam is required to make contributions to the state pension scheme in Vietnam and is administered solely by the Government’s Social Insurance Agency (“SIA”). The subsidiary makes monthly contributions based on stipulated contribution rates.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.20 Employee benefits (cont'd)

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the date of the reporting period.

2.21 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Land use rights	25 – 50 years
Office premises	2 – 5 years
Equipment	3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.12.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.21 Leases (cont'd)

As lessee (cont'd)

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of assets (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.22 Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) **Sale of goods**

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied. For consignment sales, revenue is recognised when the goods are consumed by the customers. The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of the estimated trade discounts, volume and price rebates. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained, and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Refund liabilities relate to provision for expected rebates. Rebates are recognised when the related sales are collected and when contractual rebate criteria are met. Further information is described in Note 4(b).

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes.

(b) **Interest income**

Interest income is recognised using the effective interest method.

2.23 Income taxes

(a) **Current income tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.23 Income taxes (cont'd)

(b) **Deferred tax**

Deferred tax is provided using the liability method on temporary differences at the date of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liabilities arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

(c) **Sales tax**

Revenues, expenses and assets are recognised net of the amount of sales tax, except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

2. Material accounting policy information (cont'd)

2.24 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 33, including the factors used to identify the reportable segments and the measurement basis of segment information.

A business segment is a distinguishable component of the Group that is engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of the Group that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

2.25 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

3. Significant accounting judgements and estimates

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgements made in applying accounting policies

Accounting for business combination

As part of the acquisition of a subsidiary during the year, the Group exercised significant judgement regarding the allocation of the purchase price to the assets acquired and liabilities assumed, including judgement made relating to the identification of intangible assets and fair value adjustments to the carrying amount of assets and liabilities of the acquired business during the purchase price allocation review. The goodwill arising from the acquisition is recognised on a provisional basis, subject to completion of purchase price allocation.

Key estimates made by the Group during the purchase price allocation review are as disclosed in Note 3.2(d) to the financial statements.

3.2 Key sources of estimation uncertainty

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

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

3. Significant accounting judgements and estimates (cont'd)

3.2 Key sources of estimation uncertainty (cont'd)

(a) Allowance for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 35(b).

The carrying amount of trade receivables is disclosed in Note 17 to the financial statements.

(b) Impairment of property, plant and equipment attributable to Spindex Precision Technologies (Nantong) Co., Ltd ("Spindex Nantong")

The property, plant and equipment attributable to Spindex Nantong comprises mainly the factory building located within the Nantong Economic Development Zone, Jiangsu Province, Mainland China, and plant and equipment which are carried at cost less accumulated depreciation and any accumulated impairment losses. The recoverable amount of the cash-generating unit ("CGU") to which these assets are attributable is determined based on management's value-in-use calculation using discounted cash flow model covering a five-year period. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate. The key assumptions applied in the determination of the value-in-use are disclosed and further explained in Note 11 to the financial statements.

(c) Impairment of the cost of investment in Spindex Nantong

Management has estimated the recoverable amount of the cost of investment in Spindex Nantong based on value-in-use calculation using discounted cash flow model covering a five-year period. The key assumptions applied in the determination of the value-in-use are disclosed and further explained in Note 11 to the financial statements in conjunction with the impairment assessment of property, plant and equipment attributable to Spindex Nantong.

(d) Purchase price allocation on acquisition of a subsidiary

As disclosed in Note 14 to the financial statements, as part of the acquisition of the subsidiary during the year, the identifiable assets acquired and liabilities assumed are measured at their fair value at the acquisition date, and intangible assets relating to customer relationships and order backlogs have been recognised.

The intangible assets relating to customer relationships and order backlogs recognised are determined based on a discounted cash flow model for future cash flows attributable to the intangible assets. The key assumptions applied in the determination of the amount to be recognised are the discount rates and the expected useful lives of the intangible assets.

**APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF
THE SPINDEX GROUP FOR FY2025**

NOTES TO THE
FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

4. Revenue

(a) *Disaggregation of revenue*

Segments	Imaging and printing		Machinery and automotive systems		Consumer product and others*		Total Revenue	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Primary geographical markets								
USA, Europe and others	431	36	29,357	29,816	49,958	52,376	79,746	82,228
China	622	862	57,493	58,666	2,645	2,173	60,760	61,701
ASEAN (excluding Singapore)	27,437	25,648	3,231	2,175	8,865	7,923	39,533	35,746
Singapore	47	38	35	42	889	532	971	612
	28,537	26,584	90,116	90,699	62,357	63,004	181,010	180,287
Timing of transfer of goods								
At a point in time	28,537	26,584	90,116	90,699	62,357	63,004	181,010	180,287

* Mainly data storage and telecommunications

(b) *Refund liabilities*

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Arising from sales rebates	2,314	2,284	1,476	1,572

Refund liabilities relate to provision for expected rebates. Rebates are recognised when the related sales are collected and when contractual rebate criteria are met. This is assessed using the most likely percentage of rebates given to customers which are dependent on certain criteria met.

(c) *Judgement and methods used in estimating revenue*

Management is of the opinion that there is no significant judgement and estimates used in the revenue recognition process other than in estimating the variable consideration arising from product defects. The methods and judgements used are described in Note 23.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

5. Other income

	Group	
	2025	2024
	\$'000	\$'000
Sales of scrap	2,677	2,555
Interest income from financial institutions	1,209	924
Gain on disposal of property, plant and equipment	153	98
Government grants	928	172
Others	349	139
	<u>5,316</u>	<u>3,888</u>

Government grants mainly relate to grants received from the PRC Government due to the high-tech status qualification of certain China subsidiaries.

6. Profit from operations

This is determined after charging/(crediting) the following:

		Group	
	Note	2025	2024
		\$'000	\$'000
Audit fees:			
- Auditor of the Company		146	116
- Other auditors*		138	128
Non-audit fees:			
- Auditor of the Company		12	12
- Other auditors*		11	11
Amortisation of intangible assets	12	69	–
Depreciation of property, plant and equipment	11	11,017	10,843
Depreciation of right-of-use assets	26	758	893
Impairment loss of property, plant and equipment	11	5,470	–
Reversal of inventory obsolescence	16	(488)	(83)
(Reversal of)/provision for defects	23	(78)	608
Foreign exchange loss/(gain), net		4,550	(526)
Employee benefits	7	36,152	35,429
Expenses relating to short-term leases and low-value assets	26	297	189
Gain on disposal of property, plant and equipment		<u>(153)</u>	<u>(98)</u>

* Relates to member firms of Ernst & Young Global Limited

**APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF
THE SPINDEX GROUP FOR FY2025**

NOTES TO THE
FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

7. Employee benefits

	Group	
	2025	2024
	\$'000	\$'000
Wages, salaries and bonuses	29,870	29,544
Defined contribution plans	3,486	3,455
Other personnel costs	2,796	2,430
	36,152	35,429

8. Financial expenses

	Group	
	2025	2024
	\$'000	\$'000
Interest expense on:		
- bank loans carried at amortised cost	122	76
- obligations under hire purchase arrangement	7	21
- obligations under lease liabilities related to right-of-use assets	29	43
	158	140

9. Income tax expense

Major components of income tax expense

The major components of income tax expense for the financial years ended 30 June 2025 and 2024 are:

	Group	
	2025	2024
	\$'000	\$'000
Current income tax		
- current year	4,203	5,571
- (over)/under provision in respect of prior years	(91)	116
Deferred income tax		
- movement in temporary differences	(949)	(849)
- under provision in respect of prior years	437	42
Income tax expense recognised in profit or loss	3,600	4,880

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

9. Income tax expense (cont'd)

Relationship between tax expense and accounting profit

The reconciliation between tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the financial years ended 30 June 2025 and 2024 are as follows:

	Group	
	2025 \$'000	2024 \$'000
Profit before tax	10,229	20,448
Tax at the domestic rates applicable to profits in the countries where the Group operates	1,226	3,713
Tax effect of:		
- non-deductible expenses	2,163	370
- income not subject to tax	(136)	(108)
- utilisation of current year's reinvestment allowance*	–	(292)
- under provision in respect of prior years	347	158
- deferred tax assets not recognised	425	1,610
- enhanced deductions	(266)	(329)
- undistributed earnings of subsidiaries	(136)	(224)
- share of results of joint venture	(23)	(18)
Income tax expense recognised in profit or loss	3,600	4,880

* Reinvestment allowance is a special incentive scheme provided by the Malaysia government to approved capital expenditures.

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

10. Earnings per share (cents)

Basic earnings per share is calculated by dividing the profit for the financial year of \$6,661,000 (2024: \$15,568,000) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is calculated by dividing the profit for the financial year by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. There were no share options as at year end.

The following table reflects the information used in the computation of basic and diluted earnings per share for the financial years ended 30 June:

	Weighted average number of shares	
	2025 '000	2024 '000
Weighted average number of ordinary shares for basic and diluted earnings per share computation	115,365	115,365

**APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF
THE SPINDEX GROUP FOR FY2025**

NOTES TO THE
FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

11. Property, plant and equipment

Group	Freehold land \$'000	Factory buildings \$'000	Leasehold improvements \$'000	Plant and machinery \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Office equipment \$'000	Quality control equipment \$'000	Warehouse equipment \$'000	Assets under construction \$'000	Total \$'000
Cost											
At 1 July 2023	886	35,768	2,142	130,756	929	1,263	2,954	8,752	5,737	1,112	190,299
Additions	-	2,293	15	2,261	4	840	62	413	90	6,552	12,530
Disposals	-	-	-	(240)	(116)	(940)	(285)	(16)	(241)	(41)	(1,879)
Reclassification	-	2,042	8	1,332	41	-	55	1,369	117	(4,964)	-
Exchange difference on translation	(6)	(23)	(9)	(356)	(3)	(1)	(8)	(35)	(14)	3	(452)
At 30 June 2024 and 1 July 2024	880	40,080	2,156	133,753	855	1,162	2,778	10,483	5,689	2,662	200,498
Additions	-	72	177	4,154	55	-	20	219	460	3,606	8,763
Acquisition of a subsidiary (Note 14(a))	-	-	-	372	-	-	39	-	-	-	411
Disposals	-	-	-	(2,347)	(147)	(350)	(318)	(523)	(321)	-	(4,006)
Reclassification	-	(23)	151	1,874	73	-	6	785	830	(3,696)	-
Adjustment	-	(30)	-	-	-	-	-	-	-	-	(30)
Exchange difference on translation	45	(1,166)	44	599	6	(11)	7	206	(6)	(62)	(338)
At 30 June 2025	925	38,933	2,528	138,405	842	801	2,532	11,170	6,652	2,510	205,298

The additions to property, plant and equipment of \$8,763,000 (2024: \$12,530,000) for the Group during the financial year includes \$643,000 (2024: \$1,585,000) which remains unpaid as at financial year end.

**APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF
THE SPINDEX GROUP FOR FY2025**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

11. Property, plant and equipment (cont'd)

Group	Freehold land \$'000	Factory buildings \$'000	Leasehold improvements \$'000	Plant and machinery \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Office equipment \$'000	Quality control equipment \$'000	Warehouse equipment \$'000	Assets under construction \$'000	Total \$'000
Accumulated depreciation and impairment											
At 1 July 2023	-	5,460	1,194	91,067	766	1,012	2,349	6,103	4,538	-	112,489
Charge for the year	-	912	174	8,085	46	108	294	875	349	-	10,843
Disposals	-	-	-	(201)	(115)	(452)	(285)	(16)	(236)	-	(1,305)
Exchange difference on translation	-	(1)	(5)	(204)	(3)	(1)	(7)	(25)	(10)	-	(256)
At 30 June 2024 and 1 July 2024	-	6,371	1,363	98,747	694	667	2,351	6,937	4,641	-	121,771
Charge for the year	-	921	193	8,161	57	109	142	1,023	411	-	11,017
Disposals	-	-	-	(2,283)	(147)	(350)	(318)	(523)	(301)	-	(3,922)
Impairment	-	-	-	5,470	-	-	-	-	-	-	5,470
Exchange difference on translation	-	(256)	28	332	7	(9)	11	138	1	-	252
At 30 June 2025	-	7,036	1,584	110,427	611	417	2,186	7,575	4,752	-	134,588
Net carrying amount											
At 30 June 2025	925	31,897	944	27,978	231	384	346	3,595	1,900	2,510	70,710
At 30 June 2024	880	33,709	793	35,006	161	495	427	3,546	1,048	2,662	78,727
Assets under construction											

The assets mainly relate to expenditure for plant and machinery and a factory building in the course of construction.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

11. Property, plant and equipment (cont'd)

Company	Leasehold improvements \$'000	Furniture and fittings \$'000	Motor vehicles \$'000	Office equipment \$'000	Quality control equipment \$'000	Warehouse equipment \$'000	Total \$'000
Cost							
At 1 July 2023	202	76	800	258	—*	61	1,397
Additions	—	—	840	2	—	—	842
Disposals	—	—	(855)	—	—	—	(855)
At 30 June 2024 and 1 July 2024	202	76	785	260	—*	61	1,384
Additions	—	—	—	2	—	—	2
Disposals	—	—	(350)	(44)	—	—	(394)
At 30 June 2025	202	76	435	218	—*	61	992
Accumulated depreciation							
At 1 July 2023	200	42	675	155	—*	61	1,133
Charge for the year	2	9	72	21	—	—	104
Disposals	—	—	(367)	—	—	—	(367)
At 30 June 2024 and 1 July 2024	202	51	380	176	—*	61	870
Charge for the year	—	8	73	21	—	—	102
Disposals	—	—	(350)	(44)	—	—	(394)
At 30 June 2025	202	59	103	153	—*	61	578
Net carrying amount							
At 30 June 2025	—	17	332	65	—	—	414
At 30 June 2024	—	25	405	84	—	—	514

Note: * figure less than \$1,000

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

11. Property, plant and equipment (cont'd)

Impairment assessment of property, plant and equipment attributable to Spindex Nantong

The carrying amount of property, plant and equipment attributable to Spindex Nantong is reviewed annually by management to assess whether there are indicators of impairment. During the financial year, management carried out a review of the recoverable amount of the property, plant and equipment based on value-in-use calculations using cash flow projections from financial budget approved by management covering a five-year-period.

The discount rate applied to the cash flow projections and the forecasted growth rate used to extrapolate cash flow beyond the forecasted period are as follows:

- Discount rate of 10.4%
- Terminal growth rate of 2.0%

Key assumptions used in the value-in-use calculations

The calculation of value-in-use for the CGU is most sensitive to the following assumptions:

Revenue growth rates – Revenue growth rates reflect management's expectations of the future performance of the CGU and are determined based on management's consideration of market conditions and industry outlook.

Pre-tax discount rate – Discount rate reflects the current market assessment of the risk specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. In determining appropriate discount rates, consideration has been given to the weighted average cost of capital ("WACC") of the entity. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment. The cost of debt is based on the interest-bearing borrowings Spindex Nantong is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Terminal growth rate – The rate is used to extrapolate cash flow projections beyond the period covered by the most recent budgets and are based on management's assessment of the markets and do not exceed the long-term average growth rate for the industries relevant to the CGU.

Impairment loss recognised

As the carrying amount was determined to be higher than its recoverable amount, an impairment loss of property, plant and equipment amounting to \$5,470,000 (2024: Nil) was recognised for the financial year ended 30 June 2025.

Sensitivity to changes in assumptions

Management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying amount of the CGU to materially exceed its recoverable amount.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

12. Intangible assets and goodwill

Group	Goodwill \$'000	Customer relationships \$'000	Order backlogs \$'000	Total \$'000
Cost				
At 30 June 2024 and 1 July 2024	–	–	–	–
Acquisition of a subsidiary (Note 14(a))	1,004	1,037	112	2,153
At 30 June 2025	1,004	1,037	112	2,153
Accumulated amortisation				
At 30 June 2024 and 1 July 2024	–	–	–	–
Charge for the year	–	34	35	69
At 30 June 2025	–	34	35	69
Net carrying amount				
At 30 June 2025	1,004	1,003	77	2,084
At 30 June 2024	–	–	–	–

Customer relationships

Customer relationships have a remaining amortisation period of 9 years.

Order backlogs

Order backlogs have a remaining amortisation period of less than a year.

Goodwill

Goodwill is derived from the excess of purchase consideration over the fair value of the identifiable net assets acquired.

As at 30 June 2025, purchase price allocation for the acquisition of Techpro Precision Engineering Pte. Ltd. ("Techpro") was not completed and goodwill was accounted for on a provisional basis (Note 14(a)).

13. Loan to a subsidiary

	Company 2025 \$'000	2024 \$'000
Loan to a subsidiary	4,233	4,223

In 2024, the Company entered into a loan agreement with its subsidiary, Spindex Precision Technologies (Nantong) Co., Ltd., to provide a loan of US\$3,000,000 (approximate S\$4,076,000) over a tenure of two years, of which the full amount was drawn down. The loan is extended to the subsidiary for the purpose for financing its operating needs and capital expenditure. The loan to the subsidiary is unsecured, bears interest at 7% (2024: 7%) per annum and is due for repayment on 19 December 2025.

The carrying amounts of the Company's loan to a subsidiary is recorded at amortised cost which approximates its fair value.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

14. Investment in subsidiaries

	Company	
	2025	2024
	\$'000	\$'000
Unquoted equity shares, at cost:		
At the beginning of the financial year	52,749	52,749
Additions	8,525	–
At the end of the financial year	61,274	52,749
Accumulated impairment losses:		
At the beginning of the financial year	–	–
Impairment loss	21,930	–
At the end of the financial year	21,930	–
Net carrying amount:		
At the beginning of the financial year	52,749	52,749
At the end of the financial year	39,344	52,749

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

14. Investment in subsidiaries (cont'd)

The Company had the following subsidiaries as at 30 June:

Name of subsidiary	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Group		Cost of investment	
			2025 %	2024 %	2025 \$'000	2024 \$'000
Synturn (M) Sdn. Bhd. ⁽¹⁾	Manufacturing and trading of precision machine parts and other engineering materials	Malaysia	100	100	1,304	1,304
Spindex Precision Engineering (Shanghai) Co., Ltd. ⁽²⁾	Manufacturing and trading of mechanical, electrical and electronic parts	China	100	100	4,323	4,323
Spindex Precision Engineering (Suzhou) Co., Ltd. ⁽³⁾	Manufacturing and trading of mechanical, electrical and electronic parts	China	100	100	3,569	3,569
Spindex Industries (Hanoi) Co., Ltd. ⁽⁴⁾	Manufacturing and trading of mechanical, electrical and electronic parts	Vietnam	100	100	2,973	2,973
Spindex Precision Technologies (Nantong) Co., Ltd. ⁽³⁾	Manufacturing and trading of mechanical, electrical and electronic parts	China	100	100	18,650	40,580
Nantong Wanwei Intelligent Technology Co., Ltd.	Manufacturing and trading of mechanical, electrical and electronic parts	China	100	–	5,567	–
Techpro Precision Engineering Pte. Ltd.	Manufacturing and trading of mechanical, electrical and electronic parts	Singapore	80	–	2,958	–
					39,344	52,749

(1) Audited by Ernst & Young PLT, Johor Bahru

(2) Audited by Shanghai WanLong, Certified Public Accountants, China

(3) Audited by Suzhou Fangben, Certified Public Accountants, China

(4) Audited by Ernst & Young Vietnam Limited, Hanoi

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

14. Investment in subsidiaries (cont'd)

(a) **Acquisition of a subsidiary**

Techpro Precision Engineering Pte. Ltd. ("Techpro")

On 20 February 2025, the Group completed the first tranche purchase for 80% of the issued share capital of Techpro, for a purchase consideration of \$2,958,000. Upon the acquisition, Techpro became a subsidiary of the Group.

Fair values measured on a provisional basis

As at 30 June 2025, purchase price allocation for the acquisition of Techpro was not completed. Hence, the fair values of identifiable assets acquired and liabilities assumed at the date of acquisition were determined and the resultant goodwill of \$1,004,000 was accounted for on a provisional basis as of 30 June 2025. If new information is obtained within one year from the date of acquisition about facts and circumstances that existed at the date of acquisition, adjustments will be identified to the below amounts and revised accordingly.

The provisional fair values of the identifiable assets and liabilities of Techpro recognised as a result of the acquisition:

	Provisional fair value recognised on acquisition \$'000
<u>Assets</u>	
Plant and equipment	411
Customer relationships	1,037
Order backlogs	112
Trade receivables	303
Other receivables and deposits	14
Inventories	480
Cash and cash equivalents	164
	<u>2,521</u>
<u>Liabilities</u>	
Trade payables	76
Other payables	96
Deferred tax liabilities	231
	<u>403</u>
Total identifiable net assets at fair value	2,118
Non-controlling interest measured at fair value	(164)
Provisional goodwill arising from acquisition	1,004
	<u>2,958</u>

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

14. Investment in subsidiaries (cont'd)

(a) **Acquisition of a subsidiary (cont'd)**

Techpro Precision Engineering Pte. Ltd. ("Techpro") (cont'd)

Consideration transferred for the acquisition of Techpro

	\$'000
Cash paid	2,958
<u>Effect of acquisition of Techpro on cashflows</u>	
Total consideration settled in cash	2,958
Less: cash and cash equivalents of subsidiary acquired	(164)
Net cash outflow on acquisition	2,794

(b) **Impairment assessment of the cost of investment in Spindex Nantong**

The carrying amount of cost of investment is reviewed annually by management to assess whether there are indicators of impairment. During the financial year, management carried out a review of the recoverable amount of the Company's investment in Spindex Nantong. The recoverable amount estimated was based on value-in-use calculation using cash flow projections approved by management covering a five-year period.

Assessment of recoverable amount of Spindex Nantong involves judgement and estimates made by management on the cashflows forecast to derive value-in-use calculations. Key assumptions include revenue growth rates, pre-tax discount rate and terminal growth rate. The key assumptions applied in the determination of the value-in-use are disclosed and further explained in Note 11 to the financial statements in conjunction with the impairment assessment of property, plant and equipment attributable to Spindex Nantong.

Impairment loss recognised

Due to the unexpected tariff impact and potential economic slowdown, the carrying amount was determined to be higher than its recoverable amount, an impairment loss for the cost of investment in Spindex Nantong amounting to \$21,930,000 (2024: Nil) was recognised for the financial year ended 30 June 2025 at Company level.

15. Investment in joint venture

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Cost	1,681	1,681	1,681	1,681
Share of post-acquisition results	(149)	(282)	–	–
	1,532	1,399	1,681	1,681

The Group holds 50% (2024: 50%) interest in the ownership and voting rights in a joint venture, Spindex Acuger Precision Pte. Ltd. ("SAPPL"). This joint venture is incorporated in Singapore and is an investment holding company. The Company jointly controls the venture with another partner under a contractual agreement and requires unanimous consent for all major decisions over the relevant activities.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

15. Investment in joint venture (cont'd)

Summarised financial information in respect of SAPPL based on its Financial Reporting Standards in Singapore (“FRSs”) financial statements, and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

	2025 \$'000	2024 \$'000
Summarised balance sheet		
Current assets, including cash and cash equivalents, and prepayments	2,738	2,137
Non-current assets	1,263	1,503
Current liabilities	937	660
Non-current liability	–	182
Net assets	3,064	2,798
Proportion of the Group's ownership	50%	50%
Group's share of net assets	1,532	1,399
Carrying amount of investment	1,532	1,399
Summarised statement of comprehensive income		
Revenue	4,437	3,394
Cost of sales	(3,623)	(2,627)
Other income	7	2
Distribution and selling expenses	(36)	(25)
Administrative expenses	(495)	(503)
Interest expenses	(19)	(31)
Profit before tax	271	210
Income tax expense	(5)	–
Profit after tax	266	210
Total comprehensive income	266	210

16. Inventories

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balance sheets:				
Finished goods	17,993	18,434	2,056	2,740
Work-in-progress	2,836	2,661	–	–
Raw materials	5,163	5,449	–	–
Goods-in-transit	2,800	2,901	–	–
Inventories (at cost or net realisable value)	28,792	29,445	2,056	2,740
Consolidated statement of comprehensive income:				
Inventories recognised as an expense in cost of sales	127,782	126,802		
Inclusive of the following charge:				
- reversal of inventory obsolescence (Note 6)	(488)	(83)		

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

17. Trade receivables

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Trade receivables, net	43,485	42,956	4,740	6,442
Add:				
Loan to a subsidiary (Note 13)	–	–	4,233	4,223
Other receivables and deposits (Note 18)	2,284	1,686	122	105
Due from subsidiaries (Note 19)	–	–	967	294
Cash and cash equivalents (Note 20)	62,252	60,950	9,781	10,670
Less:				
Input tax/value-added tax ("VAT")	(1,223)	(985)	(374)	(447)
Tax recoverable (Note 18)	(1,296)	–	–	–
Total financial assets carried at amortised cost	105,502	104,607	19,469	21,287

Trade receivables are non-interest bearing and are generally on 45 to 90 days' credit terms. They are recognised at their original amounts which represent their fair values on initial recognition.

Trade receivables denominated in foreign currencies at 30 June are as follows:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
United States Dollar	19,297	20,937	4,396	6,020
Renminbi	3,421	4,373	–	–
Euro	2,274	2,304	–	–

Expected credit losses

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL are as follows:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Movement in allowance accounts:				
At the beginning of the financial year	427	427	46	46
Exchange difference on translation	(15)	–*	–	–
At the end of the financial year	412	427	46	46

Note: * figure less than \$1,000

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

18. Other receivables and deposits

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Other receivables	400	1,138	105	88
Tax recoverable	1,296	–	–	–
Deposits	588	548	17	17
	<u>2,284</u>	<u>1,686</u>	<u>122</u>	<u>105</u>

19. Due from/(to) subsidiaries

	Company	
	2025	2024
	\$'000	\$'000
Due from subsidiaries		
Trade	7	2
Non-trade	960	292
	<u>967</u>	<u>294</u>
Due to subsidiaries		
Trade	(5,650)	(7,910)
Non-trade	–	(1)
	<u>(5,650)</u>	<u>(7,911)</u>

Trade balances due from subsidiaries are non-interest bearing and are generally on 75 days' credit terms.

Trade balances due to subsidiaries are non-interest bearing and are normally settled on 60 to 90 days' terms.

Non-trade balances due from subsidiaries are unsecured, interest free and are repayable within the next twelve months.

The balances are expected to be settled in cash unless otherwise stated.

20. Cash and cash equivalents

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Fixed deposits	20,860	14,530	6,379	–
Cash at bank and on hand	41,392	46,420	3,402	10,670
Cash and cash equivalents	<u>62,252</u>	<u>60,950</u>	<u>9,781</u>	<u>10,670</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates. The fixed deposits earn interest of 3.62% to 4.80% (2024: 2.00% to 5.15%) per annum in the financial year ended 30 June 2025.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

20. Cash and cash equivalents (cont'd)

Cash and cash equivalents denominated in foreign currencies at 30 June are as follows:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
United States Dollar	37,938	36,543	7,871	8,871
Vietnamese Dong	4,487	4,548	–	–
Renminbi	1,342	967	–	–
Euro	2,213	736	–	–
Swiss Franc	189	194	189	194

21. Trade payables

Trade payables are non-interest bearing and are normally settled on 30 to 90 days' terms.

Trade payables denominated in foreign currency at 30 June are as follows:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
United States Dollar	3,257	3,580	20	2

22. Other payables and accruals

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Other payables	7,471	6,589	92	75
Accrued operating expenses	3,907	4,055	876	860
Accrued payroll benefits	9,927	10,066	1,844	2,757
Other payables and accruals	21,305	20,710	2,812	3,692
Add:				
Trade payables	22,805	22,145	205	122
Loans and borrowings (Note 24)	5,053	4,658	838	2,148
Due to subsidiaries (Note 19)	–	–	5,650	7,911
Less:				
Unutilised leave accruals	(344)	(403)	(169)	(221)
Total financial liabilities carried at amortised cost	48,819	47,110	9,336	13,652

Other payables include unpaid indirect expenses for production and remaining unpaid capital expenditures on plant and machineries. The additions to property, plant and equipment of \$8,763,000 (2024: \$12,530,000) for the Group during financial year includes \$643,000 (2024: \$1,585,000) which remains unpaid as at year end.

Other payables are non-interest bearing and are normally settled on 30 to 90 days' terms.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

23. Provision for defects

	Group	
	2025	2024
	\$'000	\$'000
At the beginning of the financial year	1,448	839
(Reversal of)/charge for the year	(78)	608
Exchange difference on translation	(35)	1
At the end of the financial year	1,335	1,448

A provision is recognised for expected claims on products sold during the last one year, based on past experience of the level of returns. It is expected that most of these costs will be incurred within one year from the date of the reporting period.

Assumptions used to calculate the provision for defects are based on recent sales levels and current information available on returns based on the past experiences for all products sold.

24. Loans and borrowings

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Current:				
Obligations under hire purchase arrangement	35	35	35	35
Bank loans				
- 2.00% p.a. fixed rate SGD bank loan	647	1,275	647	1,275
- 2.30% p.a. fixed rate CNY bank loan	1,779	–	–	–
- 3.20% p.a. fixed rate CNY bank loan	368	–	–	–
- 3.45% p.a. fixed rate CNY bank loan	524	2,510	–	–
- 3.50% and 3.80% p.a. fixed rate CNY bank loans	503	–	–	–
	3,856	3,820	682	1,310
Non-current:				
Obligations under hire purchase arrangement	156	191	156	191
Bank loans				
- 2.00% p.a. fixed rate SGD bank loan	–	647	–	647
- 3.20% p.a. fixed rate CNY bank loan	676	–	–	–
- 3.50% and 3.80% p.a. fixed rate CNY bank loans	365	–	–	–
	1,197	838	156	838
Total loans and borrowings	5,053	4,658	838	2,148

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

24. Loans and borrowings (cont'd)

2.00% p.a. fixed rate SGD bank loan

The loan pertains to a Temporary Bridging Loan of \$5,000,000 that was granted by Enterprise Singapore in FY2021. It bears fixed interest of 2.00% per annum and is repayable over a period of 5 years. This facility requires the Group to maintain a gearing ratio of not more than 125% and debt coverage ratio of not less than 120%.

2.30% p.a. fixed rate CNY bank loan

The short term loan was taken up by a subsidiary in China for their working capital purposes. It bears fixed interest of 2.30% per annum and is repayable over a period of 1 year. This facility requires the subsidiary to maintain total liabilities to total assets ratio of not more than 80% and net operating cash inflows for consecutively 3 years.

3.20% p.a. fixed rate CNY bank loan

The 3 years bank loan was taken up by a subsidiary in China for the purchase of machinery during the period. The loan is secured by the machinery and bears fixed interest of 3.20% per annum. The loan is repayable over a period of 3 years.

3.45% p.a. fixed rate CNY bank loan

The short term loan pertains to issuance of financial guarantee and/or standby letters of credit to a subsidiary in China for their working capital purposes using the Company existing facility with a bank for intra-group guarantee supporting. It bears fixed interest of 3.45% per annum and is repayable over a period of 6 months.

3.50% and 3.80% p.a. fixed rate CNY bank loans

The two short term loans pertain to issuance of financial guarantee and/or standby letters of credit to a subsidiary in China for their purchase of fixed assets using the Company's existing facility with a bank for intra-group guarantee supporting. They bear fixed interest of 3.50% and 3.80% per annum and are repayable over a period of 2 years.

Obligations under hire purchase arrangement

The hire purchase obligation is secured by a charge over the motor vehicle presented in Note 11. The obligation is denominated in SGD and the implicit discount rate is 2.78% (2024: 2.78%) per annum.

A reconciliation of liabilities arising from financing activities is as follows:

	2024 \$'000	Cash flows \$'000	Non-cash changes			2025 \$'000
			Accretion of interests \$'000	New leases \$'000	Others* \$'000	
Group						
Obligations under hire purchase arrangement	226	(35)	–	–	–	191
Bank loans	4,432	613	4	–	(187)	4,862
	4,658	578	4	–	(187)	5,053
Lease liabilities related to right-of-use assets	873	(637)	29	338	2	605
Total liabilities from financing activities	5,531	(59)	33	338	(185)	5,658

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

24. Loans and borrowings (cont'd)

	2023 \$'000	Cash flows \$'000	Non-cash changes			2024 \$'000
			Accretion of interests \$'000	New leases \$'000	Others* \$'000	
Group						
Obligations under hire purchase arrangement	40	186	–	–	–	226
Bank loans	3,172	1,252	5	–	3	4,432
	3,212	1,438	5	–	3	4,658
Lease liabilities related to right-of-use assets	1,531	(760)	43	277	(218)	873
Total liabilities from financing activities	4,743	678	48	277	(215)	5,531

* Others mainly relate to foreign exchange differences and derecognition due to early termination.

25. Deferred tax

Movement in deferred tax during the year are as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Deferred tax liabilities</i>				
At the beginning of the financial year	(4,383)	(5,217)	(7)	(7)
Credited to profit or loss	512	807	–	–
Fair value adjustments on acquisition of a subsidiary	(231)	–	–	–
Exchange difference on translation	(156)	27	–	–
At the end of the financial year	(4,258)	(4,383)	(7)	(7)

Deferred income tax as at 30 June relates to the following:

	Group			
	Consolidated balance sheet		Consolidated statement of comprehensive income	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Deferred tax liabilities</i>				
Differences in depreciation for tax purposes	(2,974)	(3,193)	375	583
Fair value adjustments on acquisition of a subsidiary	(231)	–	–	–
Undistributed reserves of overseas subsidiaries	(1,053)	(1,190)	137	224
Deferred tax credit	(4,258)	(4,383)	512	807

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

25. Deferred tax (cont'd)

Deferred income tax as at 30 June relates to the following (cont'd):

	Company	
	Balance sheet	
	2025	2024
	\$'000	\$'000
<i>Deferred tax liabilities</i>		
Differences in depreciation for tax purposes	(7)	(7)
Net deferred tax liabilities	(7)	(7)

As at 30 June 2025, the Group has tax losses and capital allowances of approximately \$38,459,000 (2024: \$36,649,000) that are available for offset against future taxable profits of the companies in which the losses and capital allowances arose. No deferred tax asset is recognised due to uncertainty of their recoverability. The use of these tax losses and capital allowances is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate.

Tax consequences of proposed dividends

There are no income tax consequences (2024: Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements (Note 29).

26. Leases

Group as a lessee

The Group has lease contracts for office premises and equipment. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets.

The Group also has land use rights whereby upfront payment has been made over three plots of state-owned land in Vietnam and China, where the operations reside. The land use rights are not transferable and have a remaining tenure of 9 to 45 years (2024: 10 to 46 years).

The Group also has certain leases of asset with lease terms of 12 months or less and leases of asset with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

26. Leases (cont'd)

Group as a lessee (cont'd)

(a) Carrying amounts of right-of-use assets recognised and the movements during the period:

Group	Land use rights \$'000	Office premises \$'000	Equipment \$'000	Total \$'000
Cost				
At 1 July 2023	5,868	3,739	606	10,213
Additions	–	185	–	185
Lease modification	–	92	–	92
Derecognition due to early termination	–	(1,488)	–	(1,488)
Exchange difference on translation	2	(7)	(4)	(9)
At 30 June 2024 and 1 July 2024	5,870	2,521	602	8,993
Additions	–	234	12	246
Lease modification	–	92	–	92
Derecognition due to early termination	–	(377)	–	(377)
Exchange difference on translation	(311)	(38)	31	(318)
At 30 June 2025	5,559	2,432	645	8,636
Accumulated depreciation				
At 1 July 2023	845	2,454	383	3,682
Charge for the year	156	582	155	893
Derecognition due to early termination	–	(1,296)	–	(1,296)
Exchange difference on translation	2	(4)	(2)	(4)
At 30 June 2024 and 1 July 2024	1,003	1,736	536	3,275
Charge for the year	154	534	70	758
Derecognition due to early termination	–	(377)	–	(377)
Exchange difference on translation	(62)	(37)	28	(71)
At 30 June 2025	1,095	1,856	634	3,585
Net carrying amount				
At 30 June 2025	4,464	576	11	5,051
At 30 June 2024	4,867	785	66	5,718

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

26. Leases (cont'd)

Group as a lessee (cont'd)

- (a) Carrying amounts of right-of-use assets recognised and the movements during the period (cont'd):

Company	Office premises \$'000
Cost	
At 1 July 2023	371
Lease modification	92
At 30 June 2024 and 1 July 2024	463
Lease modification	92
At 30 June 2025	555
Accumulated depreciation	
At 1 July 2023	194
Charge for the year	93
At 30 June 2024 and 1 July 2024	287
Charge for the year	93
At 30 June 2025	380
Net carrying amount	
At 30 June 2025	175
At 30 June 2024	176

- (b) Carrying amounts of lease liabilities related to right-of-use assets and the movements during the period:

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
At the beginning of the financial year	873	1,531	179	179
Additions	246	185	–	–
Lease modification	92	92	92	92
Derecognition due to early termination	–	(214)	–	–
Accretion of interest	29	43	4	4
Payments during the year	(637)	(760)	(96)	(96)
Exchange difference on translation	2	(4)	–	–
At the end of the financial year	605	873	179	179
Represented by:				
Current	421	538	92	92
Non-current	184	335	87	87
	605	873	179	179

The maturity analysis of lease liabilities is discussed in Note 35(c).

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

26. Leases (cont'd)

Group as a lessee (cont'd)

(c) Amounts recognised in profit or loss:

	Group	
	2025	2024
	\$'000	\$'000
Depreciation of right-of-use assets	758	893
Interest expense on lease liabilities	29	43
Lease expense not capitalised in lease liabilities		
- Expenses relating to short-term lease and low-value assets (included in administrative expenses)	297	189
Total amounts recognised in profit or loss	1,084	1,125

The Group had total cash outflows of leases of \$934,000 (2024: \$949,000).

27. Provision for restoration costs

	Group	
	2025	2024
	\$'000	\$'000
At the beginning of the financial year	262	254
Increase in the year	7	7
Write-back of allowance	(30)	–
Exchange difference on translation	(15)	1
At the end of the financial year	224	262

28. Share capital

	Group and Company	
	2025	2024
	\$'000	\$'000
Issued and fully paid		
At the beginning and end of the financial year		
– 115,365,000 ordinary shares	13,145	13,145

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and have no par value.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

29. Dividends

	Group and Company	
	2025	2024
	\$'000	\$'000
Declared and paid during the financial year		
Final exempt (one-tier) dividend of 2.70 (2024: 0.50) cents per ordinary share in respect of the previous financial year	3,115	577
Proposed subsequent to 30 June 2025 but not recognised as a liability as at 30 June 2025		
Final exempt (one-tier) dividend of 2.00 (2024: 2.70) cents per ordinary share	2,307	3,115

30. Reserves

(a) *Foreign currency translation reserve*

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(b) *Reserve fund*

In accordance with the relevant laws and regulations of China ("PRC"), profits of the subsidiaries, Spindex Precision Engineering (Shanghai) Co., Ltd., Spindex Precision Engineering (Suzhou) Co., Ltd. and Spindex Precision Technologies (Nantong) Co., Ltd. are available for distribution in the form of cash dividends to the investors after the subsidiaries have (1) satisfied all tax liabilities; (2) provided for losses in previous financial years and (3) made appropriations to statutory reserve fund. The subsidiaries have to appropriate at least 10% of its annual profit after tax as determined in accordance with the PRC accounting standards and regulations applicable to the subsidiaries until the statutory reserve fund reaches 50% of its registered capital. Appropriation to the staff bonus and welfare fund is determined at the discretion of the board of directors of the subsidiaries.

The statutory reserve fund is not available for distribution as dividends but it can be used to offset losses or be capitalised as capital.

For the financial year ended 30 June 2025, no appropriation of net profit were resolved to be made by the board of directors of the subsidiaries as the statutory reserve funds has already met at least 50% of the subsidiaries' registered capital.

31. Related party transactions

Except for related party information disclosed elsewhere in the financial statements, there were no transactions between the Group and related parties during the financial year.

Compensation of key management personnel

	Group and Company	
	2025	2024
	\$'000	\$'000
Short-term employee benefits	1,971	2,838
Defined contribution plans	22	23
Directors' fees	215	215
Total compensation paid	2,208	3,076

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

32. Capital expenditure commitments

Capital expenditure contracted for as at the date of the reporting period but not recognised in the financial statements is as follows:

	Group	
	2025	2024
	\$'000	\$'000
Commitments in respect of property, plant and equipment	3,811	4,218

Commitments in respect of property, plant and equipment mainly relates to the purchase of machineries in China and Malaysia.

33. Segment information

For management purposes, the Group is organised on a world-wide basis into major product categories based on the industries in which the Group serves, as follows:

- (i) Imaging and printing
- (ii) Machinery and automotive systems
- (iii) Consumer product and others (data storage, telecommunications and others)

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its product categories separately for the purpose of making decisions about resource allocation and performance assessment.

Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs), other income, administrative expenses and income tax expense are managed on a group basis and are not allocated to the product categories.

Allocation basis and transfer pricing

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

**APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF
THE SPINDEX GROUP FOR FY2025**

NOTES TO THE
FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

33. Segment information (cont'd)

(a) Business segments

	Imaging and printing		Machinery and automotive systems		Consumer product and others*		Adjustments and eliminations		Group	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
External customers	28,537	26,584	90,116	90,699	62,357	63,004	-	-	181,010	180,287
Inter-segment	908	795	19,178	27,221	17,100	11,616	(37,186)	(39,632)	-	-
Total revenue	29,445	27,379	109,294	117,920	79,457	74,620	(37,186)	(39,632)	181,010	180,287
Segment profit	6,050	5,622	19,090	19,180	13,241	13,323	-	-	38,381	38,125
Distribution and selling expenses	(523)	(463)	(1,650)	(1,579)	(1,142)	(1,096)	-	-	(3,315)	(3,138)
Unallocated other income									5,316	3,888
Unallocated expenses									(30,128)	(18,392)
Operating profit									10,254	20,483
Financial expenses									(158)	(140)
Share of profit in joint venture									133	105
Income tax expense									(3,600)	(4,880)
Profit for the financial year									6,629	15,568
Assets										
Trade receivables	4,256	4,727	25,317	27,258	13,912	10,971	-	-	43,485	42,956
Unallocated assets									183,411	182,241
Total assets									226,896	225,197
Liabilities										
Provision for defects	210	214	665	728	460	506	-	-	1,335	1,448
Unallocated liabilities									57,068	56,979
Total liabilities									58,403	58,427
Other segment information										
Depreciation of plant and machinery	1,287	1,192	4,063	4,067	2,811	2,826	-	-	8,161	8,085
Unallocated depreciation of other assets									2,856	2,758
Depreciation expense for the financial year									11,017	10,843

*Mainly data storage and telecommunications

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

33. Segment information (cont'd)

(b) *Geographical segments*

The Group's geographical segments are based on the location of the Group's customers. Non-current assets and additions to property, plant and equipment and right-of-use assets are based on the location of those assets.

Revenue, non-current assets and capital expenditure information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets		Capital expenditure	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
USA, Europe and others	79,746	82,228	–	–	–	–
China	60,760	61,701	31,273	39,643	2,725	2,754
ASEAN (excluding Singapore)	39,533	35,746	43,531	44,111	6,035	8,934
Singapore	971	612	4,573	2,090	3	842
	181,010	180,287	79,377	85,844	8,763	12,530

Information about major customers

Individual customers with revenue more than 10% of the Group's total revenue amounted to \$55,893,000 (2024: \$59,891,000) and \$32,152,000 (2024: \$51,841,000), arising from "Machinery and automotive systems" segments and "Consumer product and others" segments respectively.

34. Fair value of assets and liabilities

(a) *Fair value hierarchy*

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

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

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

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

At the end of the reporting period, there are no financial instruments that are carried at fair value.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

34. Fair value of assets and liabilities (cont'd)

(c) *Assets and liabilities not measured at fair value, for which fair value is disclosed*

The fair value of non-current liabilities which are not carried at fair value in the balance sheet is presented in the following table. The fair value is estimated using discounted cash flow analysis using discount rate that reflects the issuer's borrowing rate at the end of the reporting period.

	Note	2025		2024	
		Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Obligations under hire purchase arrangement	24	156	147	191	177

(d) *Assets and liabilities are measured at fair value and whose carrying amounts are reasonable approximation of fair value*

Trade and other receivables and payables, amounts due from/(to) subsidiaries, cash and cash equivalents and loans and borrowings

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

35. Financial risk management and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, credit risk and liquidity risk.

The board of directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Group Financial Controller. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year, the Group's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) *Foreign currency risk*

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily United States Dollars ("USD").

The foreign currencies in which these transactions are denominated are mainly in USD. Approximately 54% (2024: 63%) of the Group's sales are denominated in foreign currencies while almost 1% (2024: 1%) of costs are denominated in the respective foreign currencies of the Group entities. The Group's trade receivable and trade payable balances at the date of the reporting period have similar exposures.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the date of the reporting period, such foreign currency balances (mainly in USD) amounted to \$46,480,000 (2024: \$43,150,000) and \$8,060,000 (2024: \$9,064,000) for the Group and the Company respectively. The foreign currency balances are described in more detail in Note 20.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

35. Financial risk management and policies (cont'd)

(a) *Foreign currency risk (cont'd)*

As at 30 June 2025, the Group and Company did not hold any financial derivatives (2024: Nil).

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Malaysia, China ("PRC") and Vietnam. The Group's net investments in Malaysia, PRC and Vietnam are not hedged as currency positions in Ringgit Malaysia ("RM"), Renminbi ("RMB") and USD are considered to be long-term in nature.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a 10% (2024: 10%) strengthening or weakening of USD exchange rates against SGD, with all other variables held constant, on the Group's and Company's profit before tax.

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
USD / SGD - strengthened	5,363	5,346	1,233	1,498
- weakened	(5,363)	(5,346)	(1,233)	(1,498)

(b) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

35. Financial risk management and policies (cont'd)

(b) **Credit risk (cont'd)**

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- Actual or expected significant changes in the operating results of the counterparty
- Significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of counterparties in the group and changes in the operating results of the counterparty.

Regardless of the analysis above, a significant increase in credit risk is presumed if a counterparty is more than 30 days past due in making contractual payment.

The Group determined that its financial assets are credit-impaired when:

- There is significant financial difficulty of the counterparty
- A breach of contract, such as a default or past due event
- It is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation

The Group categorises a receivable for potential write-off when a counterparty fails to make contractual payments more than 120 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables have been written off, the Company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance with days past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

35. Financial risk management and policies (cont'd)

(b) *Credit risk (cont'd)*

Summarised below is the information about the credit risk exposure on the Group's trade receivables, excluding VAT, using provision matrix:

	Current \$'000	< 30 days past due \$'000	> 30 days past due \$'000	> 60 days past due \$'000	> 90 days past due \$'000	Total \$'000
30 June 2025						
Gross carrying amount	38,863	2,651	400	441	319	42,674
Allowance for expected credit losses	(345)	(22)	(–)*	(12)	(33)	(412)
30 June 2024						
Gross carrying amount	38,293	2,850	649	354	252	42,398
Allowance for expected credit losses	(400)	(12)	(5)	(7)	(3)	(427)

Note: * figure less than \$1,000

Information regarding movement in allowance for expected credit losses of trade receivables are disclosed in Note 17.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentration of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio.

Exposure to credit risk

At the date of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amounts of each class of financial assets recognised in the balance sheets.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

35. Financial risk management and policies (cont'd)

(b) *Credit risk (cont'd)*

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the date of the reporting period is as follows:

	Outstanding balance		Percentage of total trade receivables	
	2025 \$'000	2024 \$'000	2025 %	2024 %
By industry:				
Imaging and printing	4,256	4,727	10	11
Machinery and automotive systems	25,317	27,258	60	65
Consumer product and others	12,689	9,986	30	24
By region:				
USA, Europe and others	19,691	16,986	47	41
China	16,253	18,478	38	44
ASEAN (excluding Singapore)	5,816	6,354	14	15
Singapore	502	153	1	*

Note: * less than 1%

At the date of the reporting period, approximately 38% (2024: 39%) of the Group's trade receivables were due from 5 major customers who are multi-industry conglomerates.

Other receivables and amounts due from subsidiaries

The Group/Company has assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate, and concluded that there has been no significant increase in the credit risk since initial recognition of the financial assets. Accordingly, the Group has determined that the ECL on other receivables and amounts due from subsidiaries is insignificant.

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

35. Financial risk management and policies (cont'd)

(c) *Liquidity risk*

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the date of the reporting period based on contractual undiscounted repayment obligations.

Group	One year or less \$'000	2 to 5 years \$'000	Total \$'000
2025			
Financial assets			
Trade receivables	42,262	–	42,262
Other receivables and deposits	988	–	988
Cash and cash equivalents	62,252	–	62,252
Total undiscounted financial assets	105,502	–	105,502
Financial liabilities			
Trade payables	22,805	–	22,805
Other payables and accruals	20,961	–	20,961
Loans and borrowings	3,882	1,200	5,082
Lease liabilities	434	187	621
Total undiscounted financial liabilities	48,082	1,387	49,469
Total net undiscounted financial assets/(liabilities)	57,420	(1,387)	56,033
2024			
Financial assets			
Trade receivables	41,971	–	41,971
Other receivables and deposits	1,686	–	1,686
Cash and cash equivalents	60,950	–	60,950
Total undiscounted financial assets	104,607	–	104,607
Financial liabilities			
Trade payables	22,145	–	22,145
Other payables and accruals	20,307	–	20,307
Loans and borrowings	3,844	842	4,686
Lease liabilities	561	339	900
Total undiscounted financial liabilities	46,857	1,181	48,038
Total net undiscounted financial assets/(liabilities)	57,750	(1,181)	56,569

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

35. Financial risk management and policies (cont'd)

(c) *Liquidity risk (cont'd)*

Company	One year or less \$'000	Over one year \$'000	Total \$'000
2025			
Financial assets			
Trade receivables	4,366	–	4,366
Loan to a subsidiary	4,233	–	4,233
Other receivables and deposits	122	–	122
Due from subsidiaries	967	–	967
Cash and cash equivalents	9,781	–	9,781
Total undiscounted financial assets	19,469	–	19,469
Financial liabilities			
Trade payables	205	–	205
Other payables and accruals	2,643	–	2,643
Due to subsidiaries	5,650	–	5,650
Loans and borrowings	686	156	842
Lease liabilities	96	88	184
Total undiscounted financial liabilities	9,280	244	9,524
Total net undiscounted financial assets/(liabilities)	10,189	(244)	9,945
2024			
Financial assets			
Trade receivables	5,995	–	5,995
Loan to a subsidiary	4,223	–	4,223
Other receivables and deposits	105	–	105
Due from subsidiaries	294	–	294
Cash and cash equivalents	10,670	–	10,670
Total undiscounted financial assets	21,287	–	21,287
Financial liabilities			
Trade payables	122	–	122
Other payables and accruals	3,471	–	3,471
Due to subsidiaries	7,911	–	7,911
Loans and borrowings	1,336	842	2,178
Lease liabilities	96	88	184
Total undiscounted financial liabilities	12,936	930	13,866
Total net undiscounted financial assets/(liabilities)	8,351	(930)	7,421

APPENDIX 5 – AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE SPINDEX GROUP FOR FY2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 June 2025

36. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a healthy capital structure in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 30 June 2025 and 30 June 2024.

The Group monitors capital using a gearing ratio, which is 'net debt' divided by adjusted equity. The Group includes within net debt, total liabilities less cash and cash equivalents. Adjusted equity includes total equity attributable to owners of the Company, less foreign currency translation reserve.

		Group	
		2025	2024
	Note	\$'000	\$'000
Total liabilities		58,403	58,427
Less: cash and cash equivalents	20	(62,252)	(60,950)
Net debt		(3,849)	(2,523)
Equity attributable to owners of the Company		168,361	166,770
Less: foreign currency translation reserve		24,847	22,892
Adjusted equity		193,208	189,662
Gearing ratio		N.M.*	N.M.*

* N.M.: Not meaningful as the Group is in a net cash position

As disclosed in Note 30(b), certain subsidiaries of the Group are required by the Foreign Enterprise Law of the PRC to contribute to and maintain a non-distributable statutory reserve fund whose utilisation is subject to approval by the relevant PRC authorities. This externally imposed capital requirement has been complied with by the above-mentioned subsidiaries for the calendar years ended 31 December 2024 and 2023.

37. Event occurring after the reporting period

On 26 September 2025, the Company announced that Skyline II Pte. Ltd. (the "Offeror") has proposed to acquire all the issued and paid-up ordinary shares of the Company. The Offeror is jointly owned by Hong Wei Holdings Ltd. ("Hong Wei"), an investment holding company controlled by Mr. Tan Choo Pie and his family and the majority shareholder of the Company, and Skyline I Pte. Ltd., an investment entity majority owned by PME I Holding Pte. Ltd. which is managed and controlled by PrimeMovers Equity (S) Pte. Ltd..

Under a definitive agreement, the Offeror will acquire the Company for \$1.43 in cash per share by way of a scheme of arrangement, with the intention to delist and privatise the Company. The transaction is subjected to, among others, shareholders' (with Hong Wei abstaining), court and regulatory approvals and is expected to be completed in the first quarter of 2026.

38. Authorisation of financial statements for issue

The financial statements for the financial year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors on 2 October 2025.

APPENDIX 6 – MANNER OF CONVENING COURT MEETING

The manner of convening the Court Meeting as ordered by the Court 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 website of the Company within one (1) month after the date of the Court Meeting.
3. The Company may require that a Shareholder shall, before the Court Meeting, send to the Company, by post to the Company's registered office, 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.

Right or entitlement to speak on a resolution at the Court Meeting

4. The Company may require that a Shareholder shall, before the Court Meeting, send to the Chairman of the Court Meeting, by post to the Company's registered office, electronic 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

5. A quorum may be formed by two (2) Shareholders attending in person or by proxy.

Voting at the Court Meeting

6. 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.
7. Each Shareholder who wishes to appoint a proxy(ies) must complete a proxy form for use at the Court Meeting ("**Proxy Form**") and lodge it with the Share Registrar of the Company, Boardroom Corporate & Advisory Services Pte. Ltd., in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the Court Meeting.
8. In the case of joint holders of issued and paid-up ordinary shares in the capital of the Company ("**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.
9. A Shareholder, who is not a Relevant Intermediary (as defined in paragraph 11 below), may appoint only 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.

APPENDIX 6 – MANNER OF CONVENING COURT MEETING

10. Voting through Relevant Intermediaries:

10.1. Persons who hold Shares through Relevant Intermediaries, other than investors who have purchased Shares using their CPF savings under the CPF Investment Scheme (“**CPFIS Investors**”) and investors who have purchased Shares using their Supplementary Retirement Scheme contributions pursuant to the Supplementary Retirement Scheme (“**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.

10.2. 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 at least seven (7) Business Days before the date of the Court Meeting.

11. In relation to any Shareholder who is a Relevant Intermediary:

11.1. Subject to paragraph 11.2, a Shareholder who 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

11.2. a Shareholder who is a Relevant Intermediary may appoint more than two (2) proxies in relation to the Court Meeting to exercise all or any of the Shareholder's rights to attend and to speak and vote at the Court Meeting, but each proxy must be appointed to exercise the 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 11.2 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.

APPENDIX 6 – MANNER OF CONVENING COURT MEETING

12. For the purposes of determining whether the conditions under Section 210(3AB)(a) of the Companies Act (the “**Headcount Condition**”) and Section 210(3AB)(b) of the Companies Act (the “**Value Condition**”) are satisfied:

12.1. each proxy appointed in accordance with paragraph 9 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 9 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);

12.2. each proxy appointed in accordance with paragraph 11.2 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 11.2 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);

12.3. where a Shareholder who 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 who 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 who is a Relevant Intermediary shall submit to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by a time and date to be determined by the Company, either:

- (i) by e-mail to corporate@spindex.com.sg; or
- (ii) by post to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

APPENDIX 6 – MANNER OF CONVENING COURT MEETING

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

- 12.4. where a Shareholder who 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 12.3 above then, without prejudice to the treatment of any proxies appointed in accordance with paragraph 11.2 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 12.4(i), 12.4(ii) and 12.4(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.
13. If the Shareholder is a Depositor (as defined in Section 81SF of the Securities and Futures Act 2001), the Company shall be entitled and bound: (a) to reject any Proxy Form lodged if the Depositor is not shown to have any Shares entered against his name in the Depository Register as at 72 hours before the time of the Court Meeting as certified by the Depository (as defined in Section 81SF of the Securities and Futures Act) to the Company; and (b) to accept as the maximum number of votes which in aggregate the proxy appointed by the Depositor is or are able to cast on a poll a number which is the number of Shares entered against the name of that Depositor in the Depository Register as at 72 hours before the time of the Court Meeting as certified by CDP to the Company, whether that number is greater or smaller than the number specified in any Proxy Form executed by or on behalf of that Depositor.
14. 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 Shareholders 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.
15. 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 Company's 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

16. The 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 with the Notice (as defined below).

APPENDIX 6 – MANNER OF CONVENING COURT MEETING

Giving of Notice of the Court Meeting

17. The Court Meeting (including any adjourned or postponed meeting) may be called by notice in writing of not less than 14 clear days (i.e. not inclusive of the day on which the Notice is served, and the day of the Court Meeting) in one or more of the following manners, as may be determined by the Company:
 - 17.1. 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;
 - 17.2. by way of advertisement in the Straits Times;
 - 17.3. by way of announcement on SGXNET; and/or
 - 17.4. by way of publication on the Company's website,subject to any potential restrictions on sending the 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.
18. The notice of the Court Meeting ("**Notice**"):
 - 18.1. shall set out the date, time and venue of the Court Meeting;
 - 18.2. shall provide instructions on how the Shareholders can locate and access the Scheme Document electronically;
 - 18.3. shall set out how a Shareholder may vote (either in person or by proxy) at the Court Meeting;
 - 18.4. shall set out how a Shareholder may submit questions in advance of the Court Meeting or during the Court Meeting; and
 - 18.5. may be accompanied by any other documents relevant to the Court Meeting.

Other matters

19. Mr. Peter Tan Boon Heng, or failing him, Mr. Hoon Tai Meng, shall be appointed Chairperson of the Court Meeting and to report the results of the Court Meeting to the Court.
20. Not less than 14 clear days before the day appointed for the Court Meeting, the Scheme Document consisting of, *inter alia*, the following:
 - 20.1. 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 Scheme;
 - 20.2. an Explanatory Statement which contains, *inter alia*, the information required to be disclosed under Section 211 of the Companies Act;
 - 20.3. a letter from Evolve Capital Advisory Private Limited as the independent financial adviser to the directors of the Company who are considered independent for the purposes of making a recommendation to the Shareholders in respect of the Scheme;
 - 20.4. a letter from Skyline II Pte. Ltd. to the Shareholders;
 - 20.5. the Notice;

APPENDIX 6 – MANNER OF CONVENING COURT MEETING

20.6. Proxy Form; and

20.7. any other ancillary documents,

shall be published or sent in accordance with paragraph 16 above.

21. Any accidental omission to give any Shareholder Notice of the Court Meeting or the non-receipt of such notice by any Shareholder shall not invalidate the proceedings at the Court Meeting, unless otherwise ordered by the Court.

APPENDIX 7 – SCHEME CONDITIONS

All capitalised terms used in this Appendix and not defined in this Scheme Document shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

The completion of the Acquisition is conditional upon the following:

1. **Regulatory Approvals:** prior to the first application to the Court for the order to convene the Court Meeting, the receipt of the Regulatory Approvals and such approvals not being revoked or withdrawn (if applicable) on or before the Relevant Date:
 - (i) confirmation from the SIC that Rules 14, 15, 16, 17, 20.1, 21, 22, 28, 29 and 33.2 and Note 1(b) on Rule 19 of the Code do not apply to the Scheme, subject to any conditions that the SIC may deem fit to impose;
 - (ii) confirmation from the SIC that it has no objections to the conditions set out in this **Appendix 7**; and
 - (iii) confirmation from the SIC that the HW Arrangements do not constitute prohibited special deals for the purposes of Rule 10 of the Code;
2. **SGX-ST Approvals:** the receipt of approval-in-principle from the SGX-ST for the Scheme Document and for the proposed delisting of the Company from the SGX-ST, and such approval not being revoked or withdrawn (if applicable) on or before the Relevant Date;
3. **Authorisations:** in addition to the approvals aforementioned in paragraphs 1 and 2 above:
 - (i) in relation to the Company (and in addition to the approvals and steps referred to in paragraphs 6, 7, and 8) all other authorisations, consents, clearances, permissions, approvals and waivers as are necessary or required by the Company under any and all applicable laws from all relevant Governmental Agencies, for or in respect of the Acquisition or the implementation of the Scheme being obtained, and such authorisations, consents, clearances, permissions, approvals and waivers not having been revoked or withdrawn as at the Relevant Date; and
 - (ii) in relation to the Offeror, all authorisations, consents, clearances, permissions, approvals and waivers as are necessary or required by the Offeror 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 authorisation, consent, clearance, permission and approval 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 on or prior to the first application to the Court for the order to convene the Court Meeting;
4. **Major Customers:** the receipt of all authorisations, consents, clearances, permissions, approvals and waivers as are necessary or required by the Company from the Major Customers (as defined below), for or in respect of the implementation of the Scheme and/or the Acquisition;
5. **Relevant Facilities and Relevant Shareholders' Agreements:** (i) the receipt of all authorisations, consents, clearances, permissions, approvals and waivers as are necessary or required by the Company from the counterparties to the Relevant Facilities and the Relevant Shareholders' Agreements for or in respect of the implementation of the Scheme and/or the Acquisition; and/or (ii) the repayment of all outstanding amounts under the Relevant Facilities and termination of the Relevant Facilities;
6. **Shareholders' Approval:** the approval of the Scheme by the Shareholders at the Court Meeting in compliance with Section 210(3AB) of the Companies Act (with Hong Wei abstaining);

APPENDIX 7 – SCHEME CONDITIONS

7. **Court Order:** the grant of the Court Order by the Court and such Court Order having become final;
8. **Lodgement of the Court Order:** the lodgement of the Court Order with ACRA pursuant to Section 210(5) of the Companies Act;
9. **No Legal or Regulatory Restraint:** between 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;
10. **No Prescribed Occurrence:** between the date of the Implementation Agreement and up to the Relevant Date, no Prescribed Occurrence in relation to the Company (or, where applicable, any other Spindex Group Company) or Offeror, as the case may be, occurring other than as required or contemplated by the Implementation Agreement;
11. **Offeror's Representations, Warranties and Covenants:**
 - (i) the representations and warranties of Offeror set out in Schedule 2 of the Implementation Agreement that:
 - (A) are qualified as to materiality and the Fundamental Acquiror Warranties shall be true and accurate in all respects; and
 - (B) 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
 - (ii) the Offeror 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;
12. **Company's Representations, Warranties and Covenants:**
 - (i) the representations and warranties of the Company set out in Schedule 3 of the Implementation Agreement that:
 - (A) are qualified as to materiality and the Fundamental Spindex Warranties shall be true and accurate in all respects; and
 - (B) are not qualified as to materiality (other than the Fundamental Spindex 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
 - (ii) the Company 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;

APPENDIX 7 – SCHEME CONDITIONS

13. **No Material Adverse Event:** there being no event occurring from the date of the Implementation Agreement which has or have the effect of causing a diminution in the consolidated net tangible asset value of the Spindex Group to an amount below S\$150 million, as reflected in or computed from the later of (i) the latest publicly released unaudited consolidated financial statements of the Spindex Group immediately prior to the Relevant Date; and (ii) the unaudited consolidated management balance sheet (to be prepared in accordance with the accounting principles, policies, bases, practices and estimation techniques used in preparing the Spindex June 2025 Unaudited Accounts applied on a consistent basis) as at the calendar month ending at least 15 days immediately prior to 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. For the avoidance of doubt, the consolidated net tangible asset value of the Spindex Group shall mean net assets excluding intangible assets, goodwill and minority interests; and
14. **No Loss of Major Customers:** between the date of the Implementation Agreement and the Relevant Date, there being no loss of any Major Customer or any written notice given by any Major Customer indicating that it wishes to cease being a customer of the Spindex Group. For the purpose of the Implementation Agreement, a “**Major Customer**” refers to a major customer that had contributed (in aggregate) 10 per cent. or more to the Spindex 2024 Revenue.

APPENDIX 8 – PRESCRIBED OCCURRENCES

All capitalised terms used in this Appendix and not defined in this Scheme Document shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

For the purpose of this Scheme Document, “**Prescribed Occurrences**” in relation to:

(A) the Company and/or any other Spindex Group Company, means any of the following:

- (1) **Conversion of Shares:** the Company converting all or any of its shares into a larger or smaller number of shares;
- (2) **Share Buy-back:** the Company 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;
- (3) **Reduction of Share Capital:** the Company resolving to reduce its share capital in any way;
- (4) **Allotment of Shares:** the Company 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 Spindex Group Company doing any of the foregoing with respect to its own securities;
- (5) **Issuance of Debt Securities:** the Company (or any other Spindex Group Company) issuing, or agreeing to issue, convertible notes or other debt securities;
- (6) **Dividends:** the Company declaring, making or paying any dividends or any other form of distribution to its shareholders, save for the Permitted Dividend;
- (7) **Suspension or Delisting:** the Company being suspended by the SGX-ST or removed from the Mainboard of the SGX-ST, other than as a result of the Acquisition and/or the Scheme;
- (8) **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 the Company;
- (9) **Resolution for Winding Up:** the Company (or any other Spindex Group Company) resolving that it be wound up;
- (10) **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or other similar officer of the Company (or of any other Spindex Group Company);
- (11) **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of the Company (or of any other Spindex Group Company);
- (12) **Composition:** the Company (or any other Spindex Group Company) entering into any arrangement or general assignment or composition for the benefit of its creditors generally;
- (13) **Appointment of Receiver:** the appointment of a receiver or a receiver and manager, in relation to the property or assets of the Company (or of any other Spindex Group Company) or the Company;
- (14) **Insolvency:** the Company (or any other Spindex Group Company) 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;

APPENDIX 8 – PRESCRIBED OCCURRENCES

- (15) **Cessation of Business:** the Company (or any other Spindex Group Company) ceases or threatens to cease for any reason to carry on business in the usual course;
 - (16) **Breach of the Implementation Agreement:** the Company being in material breach of any of the provisions of the Implementation Agreement;
 - (17) **Investigations and Proceedings:** if the Company (or any other Spindex Group Company) 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
 - (18) **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); and
- (B) the Offeror, means any of the following:
- (1) **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 the Offeror;
 - (2) **Resolution for Winding Up:** the Offeror resolving that it be wound up;
 - (3) **Appointment of Liquidator and Judicial Manager:** the appointment of a liquidator, provisional liquidator, judicial manager, provisional judicial manager and/or other similar officer of the Offeror;
 - (4) **Order of Court for Winding Up:** the making of an order by a court of competent jurisdiction for the winding up of the Offeror;
 - (5) **Composition:** the Offeror entering into any arrangement or general assignment or composition for the benefit of its creditors generally;
 - (6) **Insolvency:** the Offeror 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;
 - (7) **Breach of Implementation Agreement:** the Offeror being in material breach of any of the provisions of the Implementation Agreement;
 - (8) **Investigations and Proceedings:** the Offeror or any of its directors is or will be the subject of any governmental, quasi-governmental, criminal, regulatory or stock exchange investigation and/or proceeding; or
 - (9) **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 9 – OFFEROR’S WARRANTIES

All capitalised terms used in this Appendix and not defined in this Scheme Document shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

The Offeror represents and warrants to the Company that:

1. Incorporation

The Offeror is a company duly incorporated in Singapore and validly existing under the laws of Singapore.

2. Power

The Offeror 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

The Offeror has taken all necessary corporate action to authorise its entry into the Implementation Agreement and has taken or will take 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

The Offeror shall obtain 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 the Offeror 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.

5. Binding Obligation

The Offeror’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 the Offeror 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 the Offeror or its assets, or any agreement or instrument to which the Offeror is a party or by which the Offeror or its assets are bound.

7. Financial Resources

The Offeror has sufficient financial resources to undertake and complete the Acquisition for the purpose of acquiring all the Shares held by the Shareholders as of the Books Closure Date pursuant to the Scheme (excluding the amounts which Hong Wei has undertaken to receive in the form of Offeror Shares pursuant to the Partial Rollover Arrangement).

APPENDIX 10 – COMPANY’S WARRANTIES

All capitalised terms used in this Appendix and not defined in this Scheme Document shall have the same meanings given to them in the Implementation Agreement, a copy of which is available for inspection at the registered office of the Company during normal business hours from the date of this Scheme Document up to the Effective Date.

The Company represents and warrants to the Offeror that:

1. GENERAL

1.1 Spindex Group Companies

Each of the Spindex Group Companies is a company duly incorporated and validly existing under its law of incorporation. The Company 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 Spindex Group Companies (other than as Disclosed in the Spindex 2024 Audited Accounts and the Spindex June 2025 Unaudited Accounts) and there are no Encumbrances on the shares or (as the case may be) registered capital of any Spindex Group Company (other than the Company).

1.2 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. The Company 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 115,365,000 Shares in the capital of the Company in issue (of which none are held as treasury shares and subsidiary holdings).

1.3 Accuracy of Information

- (a) Save for the information identified in paragraph 1.3(b) below, all information contained in the Implementation Agreement and the Due Diligence Information, all documents and information which has been given in writing by or on behalf of any Spindex Group Company to Offeror or any of its agents, directors, officers, representatives and advisers in the course of the due diligence or other investigation carried out by or on behalf of Offeror prior to entering into the Implementation Agreement was when given, true and accurate in all material respects, and as at the date of the Implementation Agreement, to the best knowledge of the Company, it is not aware of any fact or matter or circumstance which renders or will render any such information untrue or inaccurate in any material respect. All material information relating to the Spindex Group has been announced on the SGXNET in compliance with its continuing disclosure requirements.
- (b) The information relating to the Spindex Group Companies made available to Offeror in the data room or as otherwise provided during the due diligence process have been prepared in good faith by the Company and its advisers, after reasonable enquiry, and the Company is not aware of any fact or matter that would make such information materially inaccurate.

2. ACCOUNTS

2.1 Latest Audited Accounts

The Spindex 2024 Audited Accounts have been properly drawn up in accordance with the provisions of the Companies Act and the SFRS(I) and give a true and fair view of the state of affairs of the Spindex Group and the Company as at 30 June 2024 (the “**Balance Sheet Date**”), and the results of operations, changes in equity and cash flows of the Spindex Group and changes in equity of the Company, for the financial year ended on the Balance Sheet Date. The Spindex 2024 Audited Accounts have been prepared on a basis consistent with that adopted in preparing the audited accounts for the financial year ended 30 June 2023.

APPENDIX 10 – COMPANY’S WARRANTIES

2.2 Unaudited Accounts

The Spindex June 2025 Unaudited Accounts have been prepared in accordance with the accounting principles, policies, bases, practices and estimation techniques used in preparing the Spindex 2024 Audited Accounts applied on a consistent basis.

2.3 Changes since the Balance Sheet Date

There have been no material adverse changes in the financial position of the Spindex Group since the Balance Sheet Date and, in particular:

- (a) its business has been carried on solely in the ordinary and usual course, without any material interruption or alteration in its nature, scope or manner, and so as to maintain the same as a going concern, save and except for events that may occur as a result of an act of God;
- (b) it has not entered into any material transaction or assumed or incurred any material liabilities (including contingent liabilities) or made any material payment or given any guarantee, indemnity or suretyship not provided for in the Spindex 2024 Audited Accounts otherwise than in the ordinary and usual course of carrying on its business;
- (c) its cash and bank balances have not been affected to a material extent by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms and in the ordinary and usual course of carrying on business;
- (d) its profits have not been affected to a material extent by changes or inconsistencies in accounting treatment, by any non-recurring items of income or expenditure, or by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms;
- (e) it has not entered into any unusual, long term and onerous commitments and contracts that would have a material adverse effect on the business, operations, assets and/or financial condition of the Spindex Group taken as a whole;
- (f) none of the Spindex Group Companies has entered into or proposed to enter into any capital commitments other than in the ordinary and usual course of business; and
- (g) other than the final dividend of S\$0.027 per Share for the financial year ended 30 June 2024 paid to the Shareholders on 18 November 2024, and the Permitted Dividend, no dividend or other distribution has been declared, made or paid by the Company to the Shareholders.

2.4 Absence of Undisclosed Liabilities

There are no material liabilities (including contingent liabilities) of any of the Spindex Group Companies which are outstanding on the part of each Spindex Group Company, other than to the extent of liabilities provided for in the Spindex 2024 Audited Accounts or liabilities incurred in the ordinary and usual course of business since the Balance Sheet Date.

2.5 Trade and Other Receivables

So far as the Company is aware, the trade and other receivables are stated at figures not exceeding the amounts which could, in the circumstances existing at the date of the Spindex 2024 Audited Accounts, reasonably be expected to be realised in the ordinary and usual course of carrying on the business of the Spindex Group. No new adverse events have occurred that would give doubt as to the ability to realise all current trade and other receivables in the ordinary and usual course of business after taking into account any provision for bad and doubtful debts made in the Spindex 2024 Audited Accounts.

APPENDIX 10 – COMPANY’S WARRANTIES

3. LEGAL MATTERS

3.1 Compliance with laws

- (a) Each of the Spindex Group Companies has carried on and is carrying on its business and operations so that there have been no breaches in any material respect of applicable laws, regulations and bye-laws in each country in which they are carried on, and no complaints have been received from any third party with regard to any breach of such laws, regulations and bye-laws by any Spindex Group Company.
- (b) There have not been and there are no breaches by any Spindex Group Company of its constitutional documents.
- (c) Each Spindex Group Company is in compliance with all applicable anti-bribery and anti-corruption laws, regulations and bye-laws (including without limitation the Prevention of Corruption Act 1960 of Singapore, the U.S. Foreign Corrupt Practices Act or the UK Bribery Act 2010) and none of the Spindex Group Companies nor any director, officer, agent, employee or other person associated with or acting on behalf of such Spindex Group Company has engaged in any conduct or activity on behalf of such Spindex Group Company which would violate such laws, regulations or bye-laws.

3.2 Licences and Consents

- (a) All statutory, municipal and other licences, consents, authorisations, orders, warrants, confirmations, permissions, certificates, approvals and authorities (“**Spindex Licences**”) necessary for the carrying on of the businesses and operations of each of the Spindex Group Companies have been obtained, are in full force and effect and all conditions applicable to any such Spindex Licence have been and are being complied with in all material respects, unless the failure to obtain, any such Spindex Licence does not have a material adverse effect upon the assets or business of the Spindex Group.
- (b) So far as the Company is aware, there is no investigation, enquiry or proceeding outstanding or threatened which is likely to result in the suspension, cancellation, modification or revocation of any of the Spindex Licences. So far as the Company is aware, none of the Spindex Licences is likely to be suspended, cancelled, refused, modified or revoked (whether as a result of entering into the Implementation Agreement, consummating the Acquisition, the Scheme or otherwise).

3.3 Litigation, Arbitration or Investigations

- (a) As of the date of the Implementation Agreement, no litigation, arbitration or administrative proceeding is current, pending or, so far as the Company is aware, threatened, to restrain the entry into, exercise of the Company’s rights under and/or performance or enforcement of or compliance with its obligations under the Implementation Agreement.
- (b) No litigation, arbitration or administrative proceeding is current or pending or, so far as the Company is aware, threatened, against any Spindex Group Company.
- (c) As of the date of the Implementation Agreement, the Company is not aware of any investigation or enquiry by any court, tribunal, arbitrator, Governmental Agency or regulatory body outstanding or anticipated against any Spindex Group Company.

3.4 Insolvency

- (a) No order has been made, petition presented, resolution passed or meeting convened for the winding up of any Spindex Group Company, nor, so far as the Company is aware, are there any grounds on which any person would be entitled to have any Spindex Group Company wound-up, nor, so far as the Company is aware, has any person threatened to present such a petition or convened or threatened to convene a meeting of any Spindex Group Company to consider a resolution to wind up such Spindex Group Company.

APPENDIX 10 – COMPANY’S WARRANTIES

- (b) No petition has been presented or other proceedings have been commenced for an administration or judicial management order to be made in relation to any Spindex Group Company, nor has any such order been made. So far as the Company is aware, there are no grounds on which any person would be entitled to have any Spindex Group Company placed in administration or judicial management, nor, so far as the Company is aware, has any person threatened to present such a petition.
- (c) No receiver (including an administrative receiver), liquidator, provisional liquidator, judicial manager, trustee, administrator, custodian or similar official has been appointed, nor any resolution passed by any Spindex Group Company for such appointment, in any jurisdiction in respect of the whole or any part of the business or assets of any Spindex Group Company.

3.5 Authority

The Company 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.

3.6 Binding Obligations

The Company’s obligations under the Implementation Agreement are valid, legally binding and enforceable in accordance with its terms.

4. CONTRACTUAL ARRANGEMENTS

4.1 Interested Person Transactions

Save as Disclosed in the annual report of the Company for the financial year ended 30 June 2024, there is no interested person transaction (as defined in the Listing Rules) between any Spindex Group Company and an interested person (as defined in the Listing Rules) of the Company.

4.2 Effect of the Acquisition

The execution and delivery of, and the performance by the Company of its obligations under the Implementation Agreement and the transactions contemplated hereunder:

- (a) do not and will not result in a breach of any provision of the memorandum or articles of association or the constitutional documents of any Spindex Group Company; or
- (b) do not and will not conflict with or result in the breach of or constitute a default under any agreement or instrument to which any Spindex Group Company is a party, or any loan to or mortgage created by any Spindex Group Company, or relieve any other party to a contract with any Spindex Group Company of its obligations under such contract, or entitle such party to terminate or modify such contract, whether summarily or by notice, or result in the creation of any Encumbrance under any agreement, licence or other instrument, or result in a breach of any order, judgment or decree of any court, Governmental Agency or regulatory body to which any Spindex Group Company is a party or by which any Spindex Group Company or any of their respective assets is bound, unless the effect of such conflict, breach or default is not material to the business of the Spindex Group taken as a whole.

4.3 Contracts

- (a) No Spindex Group Company is, or has been, a party to any contract or transaction with a third party which:
 - (i) is outside the ordinary and usual course of business;
 - (ii) is not wholly on an arm’s length basis; or
 - (iii) is of a loss-making nature that would have a material adverse effect on the business, operations, assets and/or financial condition of the Spindex Group taken as a whole.

APPENDIX 10 – COMPANY’S WARRANTIES

- (b) Except in the ordinary and usual course of business, none of the Spindex Group Companies:
 - (i) is, or has agreed to become a party to any agency, distributorship, marketing, purchasing, manufacturing or licensing agreement or arrangement or any agreement or arrangement which restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit;
 - (ii) is, or has agreed to become, a member of any joint venture, consortium, partnership or other unincorporated association; or
 - (iii) is, or has agreed to become, a party to any agreement or arrangement for participating with others in any business, sharing commissions or other income.

4.4 Compliance with Agreements

All the contracts and all facility agreements, leases, tenancies, licences, concessions and agreements (breach of which will have a material adverse effect on the Spindex Group taken as a whole) to which any of the Spindex Group Companies is a party are valid, binding and enforceable obligations of the relevant Spindex Group Company, and the terms thereof have been complied with in all material respects by the relevant Spindex Group Company. So far as the Company is aware, there are no circumstances (whether as a result of entering into the Implementation Agreement, consummating the Acquisition or otherwise) likely to give rise to any breach of such contracts, leases, tenancies, licences, concessions or agreements and no notice of termination or of intention to terminate has been received in respect of any thereof.

4.5 Customers and Suppliers

- (a) The loss of any single supplier to or customer of any Spindex Group Company, other than a Major Customer, would not have a material and adverse effect on the business of the Spindex Group taken as a whole.
- (b) So far as the Company is aware, there has been no express communication by any Major Customer, which would indicate an intention to terminate or substantially reduce its relationship with the Spindex Group as a result of the execution or completion of the Implementation Agreement, consummating the Acquisition or otherwise.

5. TAXATION MATTERS

5.1 Returns, Information and Clearances

- (a) All returns, accounts, computations, notices and information which are or have been required to be made, given or delivered by any Spindex Group Company for any Taxation purpose
 - (i) have been made, given or delivered within the requisite periods or within permitted extensions of such periods; (ii) are up-to-date, complete and accurate in all material respects and made on a proper basis; and (iii) none of them is the subject of any dispute with the Taxation authority.
- (b) All Taxes assessed or imposed by any Taxation authority which have been assessed upon the Spindex Group Companies which are due and payable on or before the Effective Date have been paid and were paid on or before the relevant due date for payment or will be paid before the relevant due date for payment. There are no Tax liens on any of the assets of the Spindex Group Companies.

5.2 Tax Incentives

- (a) All the tax incentives and preferential tax treatment enjoyed by the Spindex Group Companies as at the date of the Implementation Agreement will not, so far as the Company is aware, be affected, varied, withdrawn or revoked as a result of the Acquisition or the implementation of the Scheme. So far as the Company is aware, each Spindex Group Company has complied with all the conditions subject to which tax incentives have been granted to such Spindex Group Company.

APPENDIX 10 – COMPANY’S WARRANTIES

- (b) So far as the Company is aware, no relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, repayment or allowance or otherwise) from, against or in respect of any Taxation has been claimed and/or given to any Spindex Group Company which could be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of any act or omission by such Spindex Group Company.

5.3 Tax Claims

- (a) No single Claim for Taxation has been made:
 - (i) in respect of or arising from any transaction effected or deemed to have been effected on or before the Effective Date ; or
 - (ii) by reference to any income, profits or gains earned, accrued or received on or before the Effective Date,
- except:
- (1) to the extent that Taxation was paid, provided for or accrued in respect thereof in the Spindex 2024 Audited Accounts or the Spindex June 2025 Unaudited Accounts; and
 - (2) to the extent that such Claim arises as a result only of any provision or reserve in respect thereof being insufficient by reason of any increase in rates of Taxation made after the date hereof with retrospective effect.

“**Claim**” means any notice, demand, assessment, letter or other document issued or action taken by the Taxation authority or other statutory or governmental authority, body or official whosoever whereby the Company is placed under a liability to make a payment on any Taxation or deprived of any relief, allowance, credit or repayment otherwise available for Taxation purposes.

5.4 Tax Audits

There is no investigation by any Taxation authority in process or, so far as the Company is aware, pending with respect to any Tax returns of any Spindex Group Company, other than queries raised by a Taxation authority in its usual review of such Tax returns by a Spindex Group Company.

6. ASSETS (INCLUDING PROPERTIES)

6.1 Title to Assets

- (a) All assets (including real properties) which are included in the Spindex 2024 Audited Accounts and the Spindex June 2025 Unaudited Accounts are the absolute property of such Spindex Group Company and all such assets and properties and all debts which have subsequently been acquired or arisen are the absolute property of such Spindex Group Company.
- (b) Each Spindex Group Company has good title to all assets (including real properties) free from Encumbrances, save for Encumbrances in the ordinary and usual course of carrying on its business.
- (c) All such assets (including real properties) are, where capable of possession, in the possession of or under the control of the relevant Spindex Group Company, or the relevant Spindex Group Company is entitled to take possession or control of such assets.

6.2 Insurance

- (a) All the material assets of each of the Spindex Group Companies which are capable of being insured have at all material times been adequately insured against fire, business interruption and other risks normally insured against by companies carrying on similar businesses or owning assets of a similar nature.

APPENDIX 10 – COMPANY’S WARRANTIES

- (b) Each of the current insurance and indemnity policies in respect of which any of the Spindex Group Companies has an interest (including any active historic policies which provide cover on a losses occurring basis but excluding insurances relating to the payment of hospital and other medical expenses) (the “**Policies**”) is valid and enforceable and (so far as the Company is aware) is not void or voidable.
- (c) In respect of all Policies, all premiums have been duly paid to date.
- (d) No claims have been made or are outstanding in respect of, and no fact or circumstance exists which might give rise to a claim under, any of the Policies.

6.3 Leases

- (a) Any of the real properties which is held under lease, tenancy or licence by a Spindex Group Company (“**Leases**”), is held under a valid, subsisting and enforceable lease/tenancy agreement with such exceptions as do not materially interfere with the use or proposed use of such property and buildings.
- (b) The Leases comprise all of the possession rights and premises vested in, occupied or used by, or in the possession of, each Spindex Group Company, which are necessary for the effective operation of the Spindex Group’s business.
- (c) No person (including the landlord or licensor) may bring the term to an end before the expiry of the Lease by effluxion of time (except by forfeiture).
- (d) So far as the Company is aware, there is no fact or circumstance which:
 - (i) could entitle or require a person (including a landlord or licensor) to forfeit or enter into, or take possession of, or occupy, the relevant Lease or any property held under a Lease; or
 - (ii) could restrict or terminate the continued and uninterrupted possession or occupation of any property held under a Lease of any Spindex Group Company.
- (e) The Leases do not contain an unusually onerous covenant or condition.

7. EMPLOYMENT

- 7.1 Each Spindex Group Company has in relation to each of its employees (and so far as relevant to each of its former employees) complied in all material respects with:
 - (a) all obligations imposed on it by all statutes, regulations and codes of conduct and practice relevant to the relations between it and its employees or any trade union, including, making deductions and payments in respect of contributions (including employer’s contributions) to any relevant competent authority;
 - (b) all collective agreements and customs and practices for the time being dealing with such relations or the conditions of service of its employees; and
 - (c) all relevant orders and awards made under any relevant statute, regulation or code of conduct and practice affecting the conditions of service of its employees.
- 7.2 Since the Balance Sheet Date, there has been no strike, work to rule, work stoppage, work interference activity or industrial action (official or unofficial) by any employee of any Spindex Group Company, threatened or on-going.

APPENDIX 10 – COMPANY’S WARRANTIES

- 7.3 There are not in existence nor has any proposal been announced to establish any retirement, death or disability benefit schemes for directors or employees nor are there any obligations to or in respect of present or former directors or employees with regard to retirement, death or disability pursuant to which any Spindex Group Company is or may become liable to make payments of a material nature and no pension or retirement or sickness gratuity of a material nature is currently being paid or has been promised by any Spindex Group Company to or in respect of any former director or former employee.
- 7.4 There are no terms of employment, consultancy, appointment or contract for any employees of any of the Spindex Group Company which provide that a change in control of any Spindex Group Company (howsoever defined therein) shall entitle any employee to treat the change in control as amounting to a breach of the contract or entitling him to any payment or benefit or enhanced notice period whatsoever or entitling him to treat himself as redundant or dismissed or released from any obligation.

8. INTELLECTUAL PROPERTY RIGHTS

- 8.1 None of the Spindex Group Companies owns any Intellectual Property Rights.
- 8.2 None of the activities of the Spindex Group Companies (excluding the use of components, parts, products or equipment supplied by third parties for the purpose of the work to be done by the Spindex Group Companies) infringes any Intellectual Property Rights of any kind whatsoever of any other person or gives rise to an obligation to pay any sum in the nature of a royalty.

9. ENVIRONMENT

- (a) Each Spindex Group Company is conducting, and has conducted, its business in compliance with Environmental Law.
- (b) None of the Spindex Group Companies has received any written notice of any civil, criminal, regulatory or administrative action, claim, investigation or other proceeding or suit relating to Environmental Law, and so far as the Company is aware, no such action, claim, investigation or other proceeding or suit is threatened against any Spindex Group Company.
- (c) There are no facts or circumstances indicating that any Spindex Group Company is likely to violate Environmental Law.

10. PRODUCT LIABILITIES

None of the Spindex Group Companies has received notice of any claim which remains outstanding alleging any defect in or lack of fitness for purpose of any goods supplied by the Spindex Group Company, nor (so far as the Company is aware) are there any circumstances which could give rise to any such claim, that would have a material adverse effect on the business, operations, assets and/or financial condition of the Spindex Group taken as a whole.

APPENDIX 11 – THE SCHEME

IN THE GENERAL DIVISION OF THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OA 1249/2025

**IN THE MATTER OF SECTION 210
OF THE COMPANIES ACT 1967**

And

**IN THE MATTER OF
SPINDEX INDUSTRIES LIMITED**
(Company Registration No.: 198701451M)

... Applicant

SCHEME OF ARRANGEMENT

under Section 210 of the Companies Act 1967

Between

Spindex Industries Limited

And

Shareholders (as defined herein)

And

Skyline II Pte. Ltd.

APPENDIX 11 – THE SCHEME

PRELIMINARY

In this Scheme of Arrangement, except to the extent that the context requires otherwise, the following expressions shall bear the following respective meanings:

“Acquisition”	:	Has the meaning ascribed to it in Recital (B) of this Scheme
“ACRA”	:	The Accounting and Corporate Regulatory Authority of Singapore
“Books Closure Date”	:	A date and time (before the Effective Date) to be announced by the Company on which the Transfer Books and the Register of Members will be closed in order to determine the entitlements of Entitled Shareholders under the Scheme
“Business Day”	:	A day other than a Saturday, Sunday and gazetted public holiday in Singapore
“CDP”	:	The Central Depository (Pte) Limited
“Code”	:	The Singapore Code on Take-overs and Mergers promulgated by the SIC as the same may be modified, amended, supplemented or replaced from time to time
“Companies Act”	:	Companies Act 1967 of Singapore
“Company”	:	Spindex Industries Limited
“Conditions Long-Stop Date”	:	The date falling six (6) months from the date of the Implementation Agreement (as defined below) or such other date as the Parties may agree in writing with the consent of the SIC (as defined below)
“Court”	:	The General Division of the High Court of Singapore, or where applicable on appeal, the Appellate Division of the High Court of Singapore
“Court Meeting”	:	The meeting of the Shareholders to be convened pursuant to the order of the Court to approve the Scheme, notice of which is set out on pages 206 to 211 of this Scheme Document, and any adjournment thereof
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“effective”	:	When used in relation to the Scheme, the coming into effect of the Scheme pursuant to Section 210 of the Companies Act
“Effective Date”	:	The date on which the Scheme, if approved, becomes effective in accordance with its terms
“Encumbrances”	:	Any charge, mortgage, lien, hypothecation, hire purchase, judgment, encumbrance, easement, security, title retention, preferential right, trust arrangement or any other security interest or any other agreement or arrangement having a commercial effect analogous to the conferring of security or similar right in favour of any person, and each, an “Encumbrance”
“Entitled Shareholders”	:	Shareholders as at 5.00 p.m. on the Books Closure Date

APPENDIX 11 – THE SCHEME

“Implementation Agreement”	:	The implementation agreement dated 26 September 2025 entered into between the Offeror and the Company
“Joint Announcement”	:	The joint announcement by the Company and the Offeror dated 26 September 2025 in relation to, <i>inter alia</i> , the Acquisition and the Scheme
“Joint Announcement Date”	:	26 September 2025, being the date of the Joint Announcement
“Latest Practicable Date”	:	25 November 2025, being the latest practicable date prior to the printing of this Scheme Document
“Letter to Shareholders”	:	The letter to Shareholders dated 3 December 2025 as set out at pages 13 to 25 of the Scheme Document
“Listing Manual”	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
“Offeror”	:	Skyline II Pte. Ltd.
“Offeror Shares”	:	Has the meaning ascribed to it in paragraph 4.2(a) of the Letter to Shareholders
“Overseas Shareholders”	:	Has the meaning ascribed to it in paragraph 14.1 of the Explanatory Statement
“Partial Rollover Arrangement”	:	Has the meaning ascribed to it in paragraph 4.2 of the Letter to Shareholders
“Permitted Dividend”	:	The proposed final dividend of S\$0.020 per Share for the financial year ended 30 June 2025, which was paid to the Shareholders on 18 November 2025
“Register of Members”	:	The register of members of the Company
“Scheme”	:	This scheme of arrangement under Section 210 of the Companies Act dated 3 December 2025, as set out at pages 199 to 205 of this Scheme Document, in its present form or as may be amended or modified from time to time
“Scheme Conditions”	:	The conditions precedent of the Scheme 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 7 to this Scheme Document
“Scheme Consideration”	:	Has the meaning ascribed to it in paragraph 3.1.2 of the Letter to Shareholders
“Scheme Document”	:	The document dated 3 December 2025 and any other document(s) which may be issued by or on behalf of the Company to amend, revise, supplement or update the document(s) from time to time
“Securities Account”	:	The relevant securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SFA”	:	The Securities and Futures Act 2001 of Singapore
“SGXNET”	:	The website of the SGX-ST

APPENDIX 11 – THE SCHEME

“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Registrar”	:	Boardroom Corporate & Advisory Services Pte. Ltd., being the share registrar of the Company
“Shareholders”	:	Persons who are registered as holders of Shares in the Register of Members and Depositors who have Shares entered against their names in the Depository Register
“Shares”	:	Issued and paid-up ordinary shares in the capital of the Company
“Transfer Books”	:	The transfer books of the Company

Depositors and Depository Register. The expressions “**Depositor**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

Expressions. Words importing the singular shall, where applicable, include the plural and vice versa and words indicating a specific gender shall, where applicable, include the other genders (male, female or neuter). References to persons shall, where applicable, include corporations.

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

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

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

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

Subsidiary and Related Corporations. The expressions “subsidiary” and “related corporations” shall have the same meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Time and Date. 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.

RECITALS

- (A) The Company was incorporated in Singapore on 26 May 1987 and was listed on the Mainboard of the SGX-ST in April 2001. As at the Latest Practicable Date, the Company has an issued and paid-up share capital of S\$13,145,807 comprising 115,365,000 Shares, with no treasury shares.
- (B) The primary purpose of this Scheme is the acquisition by the Offeror of all the Shares (the “**Acquisition**”).
- (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.

APPENDIX 11 – THE SCHEME

- (D) The Offeror agrees to be bound by the Scheme 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.

PART I

CONDITIONS PRECEDENT

1. This Scheme is conditional upon each condition precedent set out in clause 4.1 of the Implementation Agreement (as reproduced in **Appendix 7** to the Scheme Document) being satisfied or, subject to the terms of the Implementation Agreement, being waived on or before the Conditions Long-Stop Date.

PART II

TRANSFER OF SHARES

2. With effect from the Effective Date, all Shares held by the Entitled Shareholders as at the Books Closure Date will be transferred to the Offeror fully paid up, free from all Encumbrances and together with all rights, benefits and entitlements 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) announced, declared, made or paid by the Company on or after the Joint Announcement Date, other than the Permitted Dividend.
3. For the purposes of giving effect to the transfer of the Shares provided for in Clause 2 of this Scheme:
- (a) in the case of the 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; and
 - (b) in the case of the Entitled Shareholders (being Depositors), the Company shall instruct CDP, for and on behalf of such Entitled Shareholders, to debit, not later than three (3) 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.

PART III

PAYMENT OF SCHEME CONSIDERATION

4. 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 paid to each Entitled Shareholder the Scheme Consideration of S\$1.43 for each Share.

APPENDIX 11 – THE SCHEME

5. Subject to the Partial Rollover Arrangement, not later than seven (7) Business Days after the Effective Date, and against the transfer of Shares set out in Clause 2 of this Scheme, the Offeror shall make payment of the aggregate Scheme Consideration to the Entitled Shareholders who are entitled to receive the Scheme Consideration for their 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 Scheme Consideration payable to and made out in favour of such Entitled Shareholder by ordinary post to his address as appearing in the Register of Members at the close of business on the Books Closure Date, at the sole risk of such Entitled Shareholder, or in the case of joint Entitled Shareholders, to the first-named Entitled Shareholder made out in favour of such Entitled Shareholder by ordinary post to his address as appearing in the Register of Members at the close of business on the Books Closure Date, at the sole risk of such joint Entitled Shareholders; and

(ii) Entitled Shareholders whose Shares are deposited with CDP

the Offeror shall pay each Entitled Shareholder (being a Depositor) by making payment of the Scheme 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 Scheme 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 Scheme Consideration to such Entitled Shareholder's cash ledger and such Scheme Consideration shall be subject to the same terms and conditions as applicable to "*Cash Distributions*" under CDP's "*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 2 February 2026, the crediting by CDP of the Scheme Consideration into the designated bank accounts of the Entitled Shareholders (in the case of Entitled Shareholders (being Depositors) who have registered with CDP for its direct crediting service), the posting of cheques for the Scheme Consideration as set out in Clause 5(i) of this Scheme or the crediting by CDP of the Scheme Consideration to the cash ledger of the Entitled Shareholders (in the case of Entitled Shareholders (being Depositors) who have not registered with CDP for its direct crediting service) (as the case may be), is expected to take place on or before 11 February 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.

6. Retention and Release of Proceeds

- (i) On and after the day being six (6) calendar months after the posting of such cheques relating to the Scheme 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.

APPENDIX 11 – THE SCHEME

- (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 Clause 5 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 Clause 5 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 4 of this Scheme.
 - (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 Scheme 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 6(i) 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.
 - (iv) Clause 6(iii) of this Scheme shall take effect subject to any prohibition or condition imposed by law.
7. From the Effective Date, all existing share certificates relating to the Shares held by the Entitled Shareholders (not being Depositors) will cease to be evidence of title of the Shares represented thereby. The Entitled Shareholders (not being Depositors) shall be required to forward their existing share certificates relating to their Shares to the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 as soon as possible, but not later than seven (7) Business Days after the Effective Date for cancellation.

PART IV

EFFECTIVE DATE

- 8. Subject to the satisfaction of the conditions precedent 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.
- 9. Unless this Scheme shall have become 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.
- 10. 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.
- 11. Each of the Company and the Offeror shall bear its own legal, professional and other costs in connection incurred by it in connection with the Acquisition and the Scheme, whether or not the Scheme becomes effective.
- 12. 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 3 December 2025

APPENDIX 12 – NOTICE OF COURT MEETING

IN THE GENERAL DIVISION OF THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OA 1249/2025

In the Matter of Section 210
of the Companies Act 1967

And

In the Matter of
Spindex Industries Limited
(Company Registration No.: 198701451M)

... Applicant

SCHEME OF ARRANGEMENT

Under Section 210 of the Companies Act 1967

Among

Spindex Industries Limited

And

The Shareholders (as defined herein)

And

Skyline II 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 Spindex Industries Limited (the “**Company**”) to be convened and such Court Meeting shall be held, solely by physical attendance, at The Chevrans, Rose Room Level 3, 48 Boon Lay Way, Singapore 609961 on Thursday, 18 December 2025 at 10.30 a.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 3 December 2025 proposed to be made pursuant to Section 210 of the Companies Act 1967 of Singapore, between (i) the Company, (ii) the Shareholders and (iii) Skyline II 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 3 December 2025 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.*

By the said Order of Court, the Court has appointed Mr Peter Tan Boon Heng, or failing him, Mr Hoon Tai Meng, to act as Chairman of the Court Meeting and has directed the Chairman to report the results thereof to the Court.

The said scheme of arrangement will be subject to, inter alia, the subsequent sanction of the Court.

APPENDIX 12 – NOTICE OF COURT MEETING

IMPORTANT NOTICE FROM THE COMPANY:

The Court Meeting will be convened and held in a wholly physical format at The Chevrans, Rose Room Level 3, 48 Boon Lay Way, Singapore 609961 on Thursday, 18 December 2025 at 10.30 a.m.. **There will be no option for Shareholders to participate in the Court Meeting virtually.**

Printed copies of this Notice of Court Meeting, the Scheme Document and the Proxy Form will be sent to Shareholders. Electronic copies of the Scheme Document (together with this Notice of Court Meeting and the Proxy Form) have also been made available via publication on SGXNET at <https://www.sgx.com/securities/company-announcements>. A Shareholder will need an internet browser and PDF reader to view these documents on SGXNET.

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 (the “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 10.30 a.m. on Wednesday, 10 December 2025:
 - (a) if submitted electronically, via e-mail to the Company at corporate@spindex.com.sg; or
 - (b) if submitted by post, be lodged at the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632.
4. Shareholders, including CPFIS Investors and SRS Investors, who submit questions via e-mail to the Company or by post to the Share Registrar must provide the following information:
 - (a) the Shareholder's full name;
 - (b) the Shareholder's full address; and
 - (c) the manner in which the Shareholder holds Shares in the Company (e.g. via CDP, CPF 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 10.30 a.m. on Saturday, 13 December 2025 and the Company's responses will be posted on SGXNET.

For questions or follow-up questions received after the deadline for the submission of questions of 10.30 a.m. on Wednesday, 10 December 2025, 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.

APPENDIX 12 – NOTICE OF 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 who is not a Relevant Intermediary (as defined in paragraph 19 below) 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 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 who 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, the Scheme Document and the Proxy Form will be sent to Shareholders. The Proxy Form may also be accessed on SGXNET at <https://www.sgx.com/securities/company-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, Boardroom Corporate & Advisory Services Pte. Ltd. in the following manner:
- (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to corporate@spindex.com.sg; or
 - (b) if submitted by post, be lodged at the office of the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,
- in either case, by 10.30 a.m. on Tuesday, 16 December 2025, being not less than 48 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 Tuesday, 9 December 2025, being at least seven (7) Business Days before the date of the Court Meeting.

APPENDIX 12 – NOTICE OF COURT MEETING

19. In relation to any Shareholder who is a Relevant Intermediary:

- (a) subject to paragraph 19(b) below, a Shareholder who 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 who 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 who 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 who is a Relevant Intermediary casts the voting rights attached to the Shares; and

APPENDIX 12 – NOTICE OF COURT MEETING

- (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 who is a Relevant Intermediary shall submit to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by no later than 10.30 a.m. on Tuesday, 16 December 2025, either:

- (A) by e-mail to corporate@spindex.com.sg; or
- (B) by post to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

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 who 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. If the Shareholder is a Depositor, the Company shall be entitled and bound: (a) to reject any Proxy Form lodged if the Depositor is not shown to have any Shares entered against his name in the Depository Register as at 72 hours before the time of the Court Meeting as certified by CDP to the Company; and (b) to accept as the maximum number of votes which in aggregate the proxy appointed by the Depositor is or are able to cast on a poll a number which is the number of Shares entered against the name of that Depositor in the Depository Register as at 72 hours before the time of the Court Meeting as certified by CDP to the Company, whether that number is greater or smaller than the number specified in any Proxy Form executed by or on behalf of that Depositor.
- 22. 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 shall alone be entitled to vote.
- 23. Please see the Scheme Document and the notes to the Proxy Form for more information.

Personal Data Privacy:

- 24. 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**”);

APPENDIX 12 – NOTICE OF COURT MEETING

- (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 3rd day of December 2025

Shook Lin & Bok LLP
1 Robinson Road
#18-00 AIA Tower
Singapore 048542

Solicitors for
Spindex Industries Limited

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PROXY FORM

SPINDEX INDUSTRIES LIMITED

(Incorporated in the Republic of Singapore)

(Registration No.: 198701451M)

PROXY FORM COURT MEETING

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of a proxy.
2. This Proxy Form is not valid for use by persons who hold shares through Relevant Intermediaries and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPFIS Investors/SRS Investors who wish to appoint a proxy should approach their respective CPF Agent Banks/SRS Agent Banks by 5.00 p.m. on Tuesday, 9 December 2025, being at least seven (7) Business Days prior to 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 dated 3 December 2025.

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 3 December 2025.

I/We, _____ (Name)

_____ (NRIC/Passport Number/Company Regn. No.*)

of _____ (Address)

being a member/members of SPINDEX INDUSTRIES LIMITED (the “**Company**”), hereby appoint:

Name	Address	NRIC/Passport Number

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 The Chevrans, Rose Room Level 3, 48 Boon Lay Way, Singapore 609961 on Thursday, 18 December 2025 at 10.30 a.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 _____ 2025

Total Number of Shares held in:	
Depository Register	
Register of Members	

Signature(s) of Member(s) or Common Seal
of Corporate Shareholder

* Delete as appropriate

IMPORTANT: PLEASE READ NOTES OVERLEAF



PROXY FORM

IMPORTANT: PLEASE READ THE FOLLOWING NOTES

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) will be sent to Shareholders. At the same time, these documents may also be accessed on SGXNET at <https://www.sgx.com/securities/company-announcements>.
2. A Shareholder who wishes to exercise his voting rights at the Court Meeting may: (a) vote at the Court Meeting in person; or (b) appoint a proxy to vote on his behalf at the Court Meeting.
3. A Shareholder who is not a Relevant Intermediary (as defined in paragraph 12 below) 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 stead and may only cast all the voting rights attached to his Shares at the Court Meeting (whether in person or by proxy) in one (1) way. Where a Shareholder who 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 name in the Depository Register maintained by CDP, he should insert that number of Shares. If the Shareholder has Shares registered in his name in the Register of Members, he/she/it should insert that number of Shares. If the Shareholder has Shares entered against his name in the said Depository Register and registered in his 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 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 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, Boardroom Corporate & Advisory Services Pte. Ltd. in the following manner:
 - (a) if submitted electronically, a clear, scanned, completed and signed copy in PDF format be submitted via e-mail to corporate@spindex.com.sg; or
 - (b) if submitted by post, be lodged at the office of the Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,in either case, by 10.30 a.m. on Tuesday, 16 December 2025, being not less than 48 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.

PROXY FORM

- (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 SRS Agent Banks, and should approach their respective CPF Agent Banks or SRS Agent Banks by 5.00 p.m. on Tuesday, 9 December 2025, 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);

PROXY FORM

- (c) where a Shareholder who 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 who 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 who is a Relevant Intermediary shall submit to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., by no later than 10.30 a.m. on Tuesday, 16 December 2025, either:

- (A) by e-mail to corporate@spindex.com.sg; or
- (B) by post to the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632,

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. A corporation which is a Shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Court Meeting, in accordance with Section 179 of the Companies Act.
- 15. All references to a time of day is made by reference to Singapore time.
- 16. All Shareholders will be bound by the outcome of the Court Meeting regardless of whether they have attended or voted at the Court Meeting.
- 17. All capitalised terms not otherwise defined herein shall have the meanings given to them in the Company’s Scheme Document dated 3 December 2025.

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 3 December 2025.