THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Indigo Star Holdings Limited (靛藍星控股有限公司)**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

INDIGO STAR HOLDINGS LIMITED
靛藍星控股有限公司

(Incorporated in Cayman Islands with limited liability)
(Stock Code: 8373)

(1) VERY SUBSTANTIAL ACQUISITION IN RELATION TO THE ACQUISITION OF PROPERTY IN SINGAPORE AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

A letter from the Board is set out on pages 5 to 19 of this circular.

A notice convening the extraordinary general meeting ("**EGM**") of Indigo Star Holdings Limited (the "**Company**") to be held at Room 2703, 27/F, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong on Monday, 14 September 2026 at 5:00 p.m. is set out on pages V-1 to V-2 of this circular. A form of proxy for use at the EGM is also enclosed with this circular.

Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong share registrar, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event no later than 5:00 p.m. on 12 September 2026, or in case of any adjournment of the EGM, not less than 48 hours before the time appointed for the holding of any adjournment meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting (or any adjournment thereof) should you so wish.

25 August 2026

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

	Page
DEFINITIONS	2
LETTER FROM THE BOARD	5-19
APPENDIX I – FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP	II-1
APPENDIX III – PROPERTY VALUATION REPORT	III-1
APPENDIX IV – GENERAL INFORMATION	IV-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	V-1

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"Acquisition"	the acquisition of the Property pursuant to the terms and conditions of the Option Agreement
"associate(s)"	has the meaning ascribed to it in the GEM Listing Rules
"Board"	the board of Directors
"Business Day"	a day (other than Saturdays, Sundays or gazetted public holidays) on which commercial banks are open for business in Singapore
"Company"	Indigo Star Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the GEM with stock code 8373
"Completion"	Completion of the Acquisition in accordance with the terms and conditions of the Option Agreement
"Consideration"	the total consideration for the Acquisition of the Property, being S$16,588,000 (equivalent to approximately HK$101,186,800)
"Controlling Shareholder"	has the meaning ascribed to it under the GEM Listing Rules and, in the context of this circular, refers to Splendor and Mr. Chan, where the context so requires, any one of them
"CS Ceramiche" or "Purchaser"	CS Ceramiche Pte. Ltd., being an indirect wholly-owned subsidiary of the Company, a company incorporated in Singapore with limited liability
"Director(s)"	the director(s) of the Company
"EGM"	an extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Acquisition and the transactions contemplated thereunder
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the GEM of The Stock Exchange
"GFA"	gross floor area
"Group"	the Company and its subsidiaries from time to time
"GST"	the goods and services tax (which includes any imposition, duty or levy) chargeable under the Goods and Services Tax Act 1993 in Singapore or any statutory modification or re-enactment

"HK$" or "Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	third party(ies) independent of and not connected with the Company and its connected person(s)
"Independent Valuer"	GB Global Pte Ltd, an independent valuer
"Irrevocable Undertaking"	has the meaning given to it in the section headed "IRREVOCABLE UNDERTAKINGS" in the Letter from the Board
"JTC"	JTC Corporation, a body corporate incorporated under the Jurong Town Corporation Act 1968, and its successors
"JTC Lease"	a lease in respect of the Property issued by JTC and registered at the Singapore Land Authority as IK/105611B in respect of Lot 9962M of Mukim 27 and includes the lease as amended, modified or supplemented from time to time, and any document which amends, modifies or supplements the same
"Latest Practicable Date"	21 August 2026, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
"MLT"	Mapletree Logistics Trust, a real estate investment trust listed on the Singapore Exchange Securities Trading Limited (stock code: M44U)
"Mr. Chan"	Mr. Chan Ming (陳明), Controlling Shareholder and one of our executive Directors
"Option"	the option to purchase the Property pursuant to the terms and conditions of the Option Agreement
"Option Fee"	1% of the Consideration with GST thereon pursuant to the Option Agreement
"Option Agreement"	the option agreement entered into between the Purchaser and the Vendor on 22 July 2026 in relation to the grant of the Option relating to the Property and upon exercise of the Option, the binding contract for the sale and purchase of the Property deemed to be entered into by the Purchaser and the Vendor on the date of exercise of the Option
"Option Exercise Notice"	a written notice to be issued by the Purchaser to the Vendor pursuant to the terms and conditions of the Option Agreement to exercise the Option

"Property"	the whole of Lot 9962M of Mukim 27, located at 39 Changi South Avenue 2, Singapore 486352 together with the building erected thereon and the plant, mechanical and electrical equipment, fixtures and fittings located therein or thereon
"S$"	Singapore dollars, the lawful currency of the Republic of Singapore
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong
"Share(s)"	ordinary share(s) in the issued share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Singapore"	the Republic of Singapore
"Splendor"	Splendor Investment Limited, a company incorporated in Hong Kong with limited liability, which is beneficially and wholly owned by Mr. Chan
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"sq. m"	square meter
"Valuation Report"	the valuation report of the Property prepared by the Independent Valuer, using the market approach as the appraisal reference date
"Vendor"	HSBC Institutional Trust Services (Singapore) Limited, a company incorporated in Singapore with limited liability, (in its capacity as trustee of MLT)
"%"	per cent.

In this circular, SG$ has been converted to HK$ at the rate of S$1.00 = HK$6.10 for illustration purposes only. No representation is made that any amounts in SG$ or HK$ have been, could have been or could be converted at the above rate or at any other rates or at all.

INDIGO STAR HOLDINGS LIMITED
靛藍星控股有限公司
(Incorporated in Cayman Islands with limited liability)
(Stock Code: 8373)

Executive Director:
Mr. Chan Ming *(Chairman)*
Mr. Goh Cheng Seng *(Chief Executive Officer)*
Ms. Tan Soh Kuan

Independent Non-executive Directors:
Dato' Koh Yee Keng
Mr. Clay Huen
Mr. Lam Yu Hon

Registered Office:
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Headquarters:
5, Upper Aljunied Link, #03-08
Quartz Industrial Building
Singapore 367903

Principal place of business in Hong Kong:
Room 1704, 17/F,
Far East Consortium Building,
121 Des Voeux Road Central,
Hong Kong

25 August 2026

To the Shareholders

Dear Sirs,

(1) VERY SUBSTANTIAL ACQUISITION
IN RELATION TO
THE ACQUISITION OF PROPERTY IN SINGAPORE
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

References are made to the announcements of the Company dated 22 July 2026 in relation to the Acquisition.

The purpose of this circular is to provide you with, *inter alia*, details of (i) details of the Acquisition; (ii) unaudited financial information of the Group; (iii) unaudited pro forma financial information of the Group; (iv) valuation report on the Property; (v) a notice convening the EGM; and (vi) other information as required under the GEM Listing Rules.

THE ACQUISITION

The Board is pleased to announce that on 22 July 2026 (after trading hours of the Stock Exchange), CS Ceramiche, a wholly owned subsidiary of the Company, as Purchaser entered into the Option Agreement with the Vendor. Pursuant to the Option Agreement, the Vendor has agreed to sell, and the Purchaser has agreed to purchase the Property at the consideration of S$16,588,000 (equivalent to approximately HK$101,186,800), subject to the fulfilment of conditions of the Option Agreement.

Pursuant to the Option Agreement, the Purchaser has paid the Option Fee with GST thereon to the Vendor and the Vendor has granted to the Purchaser the Option.

Upon the JTC's approval in relation to the Acquisition being obtained by the Vendor, and upon the Purchaser's receipt of the Vendor's fulfilment notice confirming such approval, the Purchaser shall be entitled to exercise the Option by issuing the Option Exercise Notice in accordance with the terms of the Option Agreement, whereupon a binding contract for the sale and purchase of the Property between the Vendor and the Purchaser shall be deemed constituted on the date of the delivery to the Vendor of the Option Exercise Notice.

The principal terms of the Option Agreement are as follows:

Date	22 July 2026
Parties	(i) the Purchaser; and
	(ii) the Vendor

Subject matter

Pursuant to the Option Agreement, the Purchaser agreed to purchase, and the Vendor agreed to sell the Property, at a total Consideration of S$16,588,000 (equivalent to approximately HK$101,186,800) (exclusive of GST), subject to the fulfilment of conditions of the Option Agreement.

Information of the Property

The Property consists of the whole of Lot 9962M of Mukim 27, located at 39 Changi South Avenue 2, Singapore 486352, together with the building erected thereon and the plant, mechanical and electrical equipment, fixtures and fittings located in or on or which otherwise relate to such building. The Property is currently utilised for warehouse operations and ancillary office purposes. Pursuant to the Option Agreement, the Vendor shall deliver vacant possession of the Property to the Purchaser on Completion.

Information of the Company and the Purchaser

The Purchaser is a limited liability company incorporated in Singapore. The principal activity of the Purchaser is trading of tiles.

The Company is incorporated in the Cayman Islands with limited liability, which is engaged in investment holding. The principal activities of the Group are the provision of reinforced concrete works including steel reinforcement works, formwork erection and concrete works, labour supply for construction industry, trading in ceramic tiles and as ceramic tiles contractor for building related works in Singapore and trading of mobile phones and accessories in Hong Kong.
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Set out below are further details of the Property.

Description of the Property:	3-storey warehouse building cum a 4-storey ancillary office
Land Area:	Approximately 5,212.1 sq. m
Gross Floor Area:	Approximately 7,232.0 sq. m
Land Tenure:	30 years plus 30 years from 1 April 1995

As set out in the 2024/2025 annual report of MLT[1] and the 2025/2026 annual report of MLT[2] (collectively, "**MLT's Annual Reports**"), it stated that (i) the gross revenue of the Property amounted at S$1,035,000, S$866,000 and S$824,000 for each of the year ended 31 March 2024 and 31 March 2025 and 31 March 2026, respectively; (ii) the occupancy rate of the Property of 100%, 65% and 65% for each of the year ended 31 March 2024, 31 March 2025 and 31 March 2026, respectively; and (iii) the valuation of the Property was approximately S$11.9 million, S$11.6 million and S$13.8million as at 31 March 2024, 31 March 2025 and 31 March 2026, respectively. The valuation of the Property as disclosed in MLT's Annual Reports may differ from the valuation to be performed by the Independent Valuer, as the valuations of MLT were prepared by valuer(s) other than the Independent Valuer, at different times, using different valuation approaches and assumptions, and under different market conditions.

JTC Lease

In respect of the Property, JTC Lease refers to a lease issued by JTC with the leasehold term of 30 years commencing from 1 April 2025. According to the JTC's Subletting Policy updated on 15 April 2024, in the event when excess space is available for short periods (e.g. during lull business periods), lessees may sublet up to 30% of the overall gross floor area to non-related businesses for three years. Under the Master Plan 2025 of Urban Redevelopment Authority of Singapore, the Property is designated for, or intended to be designated for clean industry, light industry, general industry, warehouse, public utilities and telecommunication uses and other public installations. Further details of the JTC Lease and the variation are expected to be issued together with the letter of consent of JTC for the said assignment/transfer of the JTC Lease. The Group will seek the relevant approvals and/or clearances from JTC and other competent authorities in Singapore, including National Environment Agency, Urban Redevelopment Authority, Singapore Civil Defence Force, Building and Construction Authority, Public Utilities Board, Land Transport Authority, Ministry of Manpower after completion of the assignment/transfer of the JTC Lease for a proposed change in the intended use of the Property to warehouse and workers' dormitory-related purposes.

[1] https://investor.mapletreelogisticstrust.com/newsroom/20250620_071305_M44U_W4WC665GQ77T049L.1.pdf
[2] https://investor.mapletreelogisticstrust.com/newsroom/20260619_071351_M44U_PRO5SZ6DKPZHMXG5.1.pdf

Consideration

The Consideration for the Acquisition is S$16,588,000 (equivalent to approximately HK$101,186,800) (exclusive of GST), which has been/will be settled in the following manners:

(i) the Option Fee of S$165,880, being 1% of the Consideration with GST thereon, was paid on the date of the Option Agreement;

(ii) the exercise sum of S$1,492,920, being 9% of the Consideration excluding GST, was paid on the date of the Option Exercise Notice; and

(iii) the remaining balance of the Consideration of S$14,929,200, being 90% of the Consideration together with GST on 99% of the Consideration, shall be paid on Completion.

The prevailing applicable rate of GST for the Acquisition is 9%, and the total GST payable shall be S$1,492,920 based on the consideration at S$16,588,000. The GST shall be borne and paid by the Purchaser.

In the event that (i) the Option is not exercised within the option exercise period, being (7) Business Days commencing from the date of the Vendor's written notice (the "**Vendor Fulfilment Notice**") in relation to the approval from JTC being granted or such other period as the Vendor shall determine; or (ii) the Option Agreement is cancelled for any reason attributable to the Purchaser, the Vendor shall be entitled to forfeit the entire Option Fee.

The Consideration was determined with reference to (i) the prevailing property market sentiment and condition in Singapore's property sector; (ii) the appraised value of the Property as at 29 May 2026 of approximately S$16,600,000 (equivalent to approximately HK$101,260,000) according to the valuation report prepared by the Independent Valuer on the market value basis as set out in Appendix III to this circular; and (iii) a land premium of S$2,371,460 (excluding GST) in relation to the land lease extension (such land premium imposed by JTC in place of annual land rent) in respect of the extended JTC Lease for the leasehold term of 30 years commencing from 1 April 2025 which has been paid by the Vendor to JTC.

According to the official statistics published by JTC[3], the industrial property price index stood at 113.8 in the second quarter of 2026, representing a year-on-year increase of approximately 3.8%, while the rental index recorded a year-on-year increase of approximately 2.1%. The overall industrial occupancy rate across Singapore remained at a healthy level of approximately 89.1%. In light of the foregoing market data, which evidences resilient demand, constrained new supply and stable rental growth in Singapore's industrial property sector, the Directors consider that the agreed consideration of S$16,588,000 is fair and reasonable and consistent with the independent valuation results (based on the market approach) as well as prevailing market benchmarks in Singapore.

[3] https://stats.jtc.gov.sg/content/static/Documents/JTC%20Quarterly%20Market%20Report%202026Q2.pdf

The Directors note the difference between the appraised value of the Property of approximately S$16.6 million as at 29 May 2026 according to the valuation report prepared by the Independent Valuer, and the value of approximately S$13.8 million as at 31 March 2026 as disclosed in the 2025/2026 annual report of MLT. The valuation of the Property as disclosed in the 2025/2026 annual report of MLT was prepared by valuer(s) other than the Independent Valuer, at a different valuation date, adopting different valuation approaches (market approach and income approach) and assumptions, and under prevailing market conditions at that time. Accordingly, the difference between the two valuation figures arises from the application of different valuation dates, valuation approaches and valuation assumptions.

The Consideration will be financed by the Group's internal resources, including the net proceeds of approximately S$0.7 million (equivalent to HK$4.3 million) of unutilised net proceeds from its initial public offer, a term loan facility available to the Group of approximately S$13.3 million (equivalent to approximately HK$81.1 million) and cash on hands of approximately S$2.6 million (equivalent to approximately HK$15.9 million). For details of unutilised net proceeds from initial public offer of the Company, please refer to the announcement of annual results for the year ended 31 December 2025 of the Company dated 23 March 2026.

Valuation of the Property

GB Global Pte Ltd has been appointed by the Company to provide an independent valuation in relation to the acquisition of the Property. The market valuation of the Property as at 29 May 2026 as appraised by the Independent Valuer appointed by the Company based on market approach was S$16,600,000 (equivalent to approximately HK$101,260,000).

The Independent Valuer considered the direct comparison approach (market approach) to be the most appropriate primary valuation method, having regard to the nature of the Property, prevailing market practice and the availability of comparable transactions. The Property is a JTC industrial asset intended principally for the owner's own operations rather than for rental investment. Its transfer and occupation are subject to JTC's approval and conditions, while subletting is ancillary, restricted and generally permitted only for temporary excess space. Accordingly, rental income does not represent the Property's principal economic utility, and the income approach would require assumptions regarding permitted subletting space, occupancy and rental continuity that may not reflect the asset's actual use. By contrast, sufficient transactions of comparable industrial properties were available in the vicinity and relevant market. This provided direct evidence of market pricing, subject to appropriate adjustments for location, tenure, size, condition, specifications and JTC restrictions. The direct comparison approach therefore best reflected how market participants would assess the value of the Property.

The direct comparison method has been adopted as the sole valuation approach in this instance, and the Independent Valuer consider this to be the most appropriate because of the nature of the property, market practice and availability of market evidence. A comparison is made with transactions of similar properties in the subject or comparable localities. Adjustments are made for differences in location, size, tenure, age/condition, standard of finishes, use, facilities, date of transaction, other relevant factors and the prevailing economic conditions affecting the property market, to arrive at the market value of the Property. Set out below are the sale transactions considered by the Independent Valuer.

In selecting the comparable transactions, the valuer has taken into account a number of key factors to ensure that the comparables are as relevant and representative as possible. In particular, the comparable transactions were selected with reference to properties located in the Changi area of Singapore, having regard to the location of the Property. The Independent Valuer also sought to identify properties with land areas and gross floor areas as similar as practicable to the Property, being approximately 5,212.1 sq. m. and 7,232.12 sq. m., respectively. In addition, preference was given to comparable transactions involving properties with a similar remaining tenure profile, ideally on terms comparable to the Property's 30 years plus 30 years lease commencing from 1 April 1996, and with a similar vintage, given that the Property was originally built in the late 1990s and has undergone renovations over time. The comparable transactions were also selected based on recency, with preference given to transactions completed within 18 months prior to the effective valuation date of 29 May 2026. Based on the above selection criteria, three comparable transactions (the "**Comparable Transactions**) were shortlisted for the purpose of the valuation analysis. The three selected Comparable Transactions listed as follows are based on exhaustive search according to Independent Valuer.

Sale transactions in Singapore considered by the Independent Valuer

No.	Transaction date	Property address	Usage	Floor area (approximately sq. m)	Contract price (S$)	Adjustment Percentage (approximately %)	Adjusted Value ($S)	Tenure (*Note 3*)
1.	5 February 2025	7 Changi South Street 1	Business 2 Industrial (*Note 1*)	4,712	12,500,000	36%	17,005,155	30 years + 30 years from 1996
2.	14 January 2025	47 Changi South Avenue 2	Business 2 Industrial (*Note 1*)	9,520	15,000,000	1%	15,156,186	30 years + 30 years from 1996
3.	16 December 2024	1 Changi South Street 1	Business 2 Industrial (*Note 1*)	3,104	12,480,000	41%	17,601,383	30 years + 30 years from 1997
The Property		39 Changi South Avenue 2	Business 2 Industrial (*Note 1*)	7,232	16,588,000	N/A	N/A	30 years + 30 years from 1 April 1995 (*Note 2*)

Note:

1. *Business 2 Industrial refers to areas used or intended to be used for clean industry, light industry, general industry, warehouse, public utilities and telecommunication uses and other public installations. Special industries such as manufacture of industrial machinery, shipbuilding and repairing, may be allowed in selected areas subject to evaluation by the relevant authority and the competent authority.*

2. *Upfront land lease premium has been paid by MLT for extension of the land lease to 31 March 2055.*

3. *The underlying leases of the Comparable Transactions have been extended to their full term. They are comparable to the Property because they all have tenures expiring at around the same time.*

In arriving at the valuation of the Property, the Comparable Transactions were adjusted to reflect differences in floor area, time of transaction and condition/age between the Comparable Transactions and the Property.

In respect of floor area, as Comparable Transaction 1 has a smaller floor area than the Property therefore an upward adjustment of 25% was made (based on 4,712 sq.m. floor area of Comparable Transaction 1 compared to 7,232.0 sq. m of floor area of the Property); as Comparable Transaction 2 has a larger floor area than the Property therefore a downward adjustment of 20% was made (based on 9,520 sq.m. floor area of Comparable Transaction 2 compared to 7,232.0 sq. m of floor area of the Property); and as Comparable Transaction 3 has a smaller floor area than the Property therefore an upward adjustment of 40% was made (based on 3,104 sq.m. floor area of Comparable Transaction 3 compared to 7,232.0 sq. m of floor area of the Property).
In respect of the time factor, as the Comparable Transactions were transacted during periods when the JTC Single User Factory Price Index was lower than at the effective date of valuation, 1% upward adjustments were made to reflect the market movement over time and to normalise each of the Comparable Transactions to the effective date of the valuation (based the Comparable Transactions were transacted during a time period where the JTC Single User Factory Price Index was lower, upward adjustments were made to reflect the difference).

In respect of condition and age, as Comparable Transaction 1 and Comparable Transaction 2 appeared to be less well renovated and maintained than the Property therefore upward adjustments of 10% and 20% were made respectively to reflect the difference in condition and to better align the Comparable Transactions with the Property (based on kerbside inspections of the Comparable Properties, during which visible signs of wear and tear and a comparatively lower standard of external maintenance were observed and the Property was previously owned by a REIT and maintained to institutional asset-management standards, therefore, the upward adjustments of 10% and 20% were considered reasonable to reflect the Property's superior condition and maintenance).

After making the above adjustments to reflect the differences in characteristics between the Property and the Comparable Transaction, the adjusted values of Comparable Transaction 1, Comparable Transaction 2 and Comparable Transaction 3 are S$17,005,155, S$15,156,186 and S$17,601,383, respectively. The average of the adjusted values is S$16,587,575. On this basis, the market value of the Property is assessed at S$16,600,000. For further information of such adjustments, please refer to section headed "6. Valuation Methodology - Working Matrix" in the Appendix III in this circular.

The Valuation Report is set out in Appendix III to this circular.

Conditions precedent

The Acquisition is conditional upon, including but not limited to, the satisfaction of the following conditions precedent:

(i) all necessary consents or approvals from any relevant governmental or regulatory authorities (if required) having been obtained by the Company;

(ii) the Shareholders' approval at the EGM having been obtained in accordance with the GEM Listing Rules in relation to the transactions contemplated under the Option Agreement; and

(iii) approval by JTC in relation to the Acquisition and the assignment/transfer of the JTC Lease from the Vendor to the Purchaser (for avoidance of doubt, the approval of Dormitory Licence (defined hereafter) is not a condition precedent to the completion of the Acquisition).

For Condition (i) above, the Directors confirm that, save for the approval from JTC, no other consents or approvals from any relevant governmental or regulatory authorities are required to be obtained by the Purchaser.

Condition (ii) above cannot be waived by either party. If condition (ii) above is not fulfilled by the date falling 27 weeks on and from the date of Option Exercise Notice, or such other completion date to be mutually agreed between the Parties, the Vendor shall be entitled to rescind the Option Agreement by giving written notice to the Purchaser pursuant to which the Option Agreement shall forthwith become null and void and of no further effect whatsoever and the Vendor shall be entitled to forfeit the entire deposit (being the aggregate of the Option Fee and the Exercise Sum).

In relation to condition (iii) above, MLT and Purchaser will submit the relevant application and supporting documents to JTC for its consent to the approval of the proposed assignment/transfer of the Property. The application process generally includes: (i) submission of the sale and purchase details and corporate information of the Purchaser; (ii) declaration of the Purchaser's intended business activities and proposed use of the Property; (iii) JTC's assessment of the Purchaser's eligibility and compliance with JTC policies and industrial land use guidelines; and (iv) issuance of JTC's approval, which may be subject to further terms and conditions requested by JTC. The application for the assignment/transfer of the Property has been submitted before the payment of the Option fee and the JTC management's approval has been granted.

As at the Latest Practicable Date, save for condition (ii), conditions (i) and (iii) have been fulfilled.

JTC

JTC is the government agency in charge of Singapore's industrial development and is responsible for developing industrial infrastructure that supports the growth of new industries and the transformation of enterprises in Singapore. Having considered that the Property is a leasehold industrial property situated on land owned by JTC, the completion of the Acquisition and the Purchaser's continued occupation and use of the Property are subject to JTC's approval and compliance with the terms and conditions of the JTC lease.

Completion

Title to the Property shall be in order, properly deduced and free from encumbrances on Completion.

Subject to fulfilment of all the conditions precedent above, Completion shall take place on the completion date (or such other date as may be agreed by the Vendor and the Purchaser). Upon Completion, the Purchaser will be the lessee of the Property upon and subject to the terms of the JTC Lease.

INFORMATION OF THE PARTIES

The Purchaser

CS Ceramiche, being an indirect wholly-owned subsidiary of the Company, is incorporated in Singapore with limited liability. The principal activities of CS Ceramiche are trading in construction materials and building construction contractors in Singapore.

The Vendor

HSBC Institutional Trust Services (Singapore) Limited, being the Vendor in its capacity as trustee of MLT, is a company incorporated in Singapore with limited liability. HSBC Institutional Trust Services (Singapore) Limited carries on the business of providing trust and trustee services. HSBC Institutional Trust Services (Singapore) Limited is an indirect wholly-owned subsidiary of HSBC Holdings Plc., a company listed on Stock Exchange (stock code: 0005).

The owner of the Property

The Property is held by the Vendor on trust for MLT. MLT is Singapore's first Asia Pacific-focused logistics real estate investment trust. MLT invests in a diversified portfolio of quality, well-located, income producing logistics real estate in Singapore, Australia, PRC, Hong Kong SAR, India, Japan, Malaysia, South Korea and Vietnam. MLT is a real estate investment trust listed on the Singapore Exchange Securities Trading Limited (stock code: M44U).

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor, MLT and each of their ultimate beneficial owner(s) are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The principal activities of the Group are the provision of reinforced concrete works including steel reinforcement works, formwork erection and concrete works, labour supply for construction industry, trading in ceramic tiles and as ceramic tiles contractor for building related works in Singapore and trading of mobile phones and accessories in Hong Kong.

The Board has been reviewing the Group's operational requirements and strategic priorities in light of prevailing market conditions and the Group's expansion plans. As at the Latest Practicable Date, the Group has employed 548 foreign workers who require dormitory accommodation. Under the Employment of the Foreign Manpower Act (EFMA) and Employment of Foreign Manpower (Work Passes) Regulations of Singapore law, it is a mandatory condition of the work permit that the employer must provide a proper housing for its foreign employees. To meet this need, there is a self-owned property providing a total of 100 beds, and the Group has leased 48 units of property in Singapore, providing dormitory accommodation with a total of 432 beds for its foreign workers under three lease agreements (the "Current Leases") as at the Latest Practicable Date. Accordingly, the Group currently operates 532 beds of dormitory accommodation in total. However, the Current Leases will expire in October 2026, March 2027 and the end of 2027, respectively. The annualised rental expenses (the "**Rental Expenses**") under the Current Leases amounted to S$2,160,000 (equivalent to approximately HK$13,176,000) in aggregate.

Currently, the Group has borrowed 359 foreign workers from external sources to address the current tight project schedule. As the Group's project manpower has exceeded 900 foreign workers, who are currently engaged in steel reinforcement, formwork erection, and concrete works, prolonged reliance on temporary borrowing of foreign workers and accommodation has already given rise to operational risks and increased management burdens. Following the completion of the Acquisition, the Group is going to gradually introduce 10 to 15 foreign workers per month, with the target of increasing its directly employed workforce by 100 foreign workers and maintaining approximately 650 directly employed foreign workers in total. The Company will progressively return the 359 foreign workers currently borrowed, thereby reducing reliance on temporary external labour and enhancing employment stability as well as project controllability.

Taking into account the existing self-owned property providing 100 beds, and the Property, which is expected to accommodate up to 300 beds, the Group will have a total of 400 beds in self-owned dormitory accommodation after completion of the Acquisition. However, based on the Group's plan to maintain approximately 650 directly employed foreign workers, there will still be an estimated shortfall of 250 beds. In view of the Group's future manpower needs, the expiry of the current leases which had not been successfully renewed as at the Latest Practicable Date and the need to reduce reliance on rented accommodation, the Board considers that the Acquisition is consistent with the Group's current and future operational requirements and will support its long-term growth and cost efficiency. Based on annualised rental expenses under the Current Leases amounted to S$2,160,000 (equivalent to approximately HK$13,176,000) for 432 beds of dormitory accommodation and the expected capacity of the Property to accommodate up to 300 beds of dormitory accommodation, the Directors estimate that the Property may generate annual rental savings of approximately S$1.5 million (equivalent to approximately HK$9.2 million).

The Property at Changi South Avenue 2 offers a strategic industrial location with excellent transport connectivity via nearby MRT stations and major expressways. Its setting within the Changi South Industrial Estate makes it a practical and well-connected base for supporting and expanding the Group's construction business operations in Singapore. The Property consists of 3-storey warehouse building cum a 4-storey ancillary office. Based on the Purchaser's plans, the Purchaser will, following the Completion, apply for the relevant licences, permits and consents for the Property to be primarily utilized as a warehouse and dormitory, complemented by office space of approximately 7,232.0 sqm in GFA.

The Acquisition of the Property represents a rare opportunity, given its strategic location and large layout that is well-suited for both warehouse and dormitory use. The Directors are of the view that Acquisition is expected to be beneficial to the Group in terms of rental savings and relocation cost savings as the Property will be owned by the Group rather than leased, thereby eliminating the need for relocation upon lease expiry. Compared to the existing leased dormitory facilities, the Acquisition will enable the Group to avoid the risks associated with lease renewals, for which the Group has not obtained any guarantee on the current leases. In view of this uncertainty, when the Group identified a suitable property, it preferred to acquire it for use as dormitory accommodation for its foreign workers. Ownership of the Property provides long term cost efficiency, as the Group will incur only maintenance and operating expenses while eliminating certain rental outflows, considering approximately S$2.2 million (equivalent to approximately HK$13.2 million) under the Current Leases, as well as relocation cost. Accordingly, the Acquisition is anticipated to generate sustainable savings in accommodation costs and enhance the Group's overall financial stability.

By acquisition of the Property, the Group secures a strategic industrial location with excellent transport connectivity and avoid the uncertainty of lease renewals, rent escalations, or restrictions imposed by landlords. The ownership of the Property also allows the Group to customize the premises to suit the Group's operational needs. Following the Completion, the Purchaser intends to apply for a dormitory licence (the "Dormitory Licence") for the Property for the purposes of using the Property as dormitory space for its foreign workers. An independent consultant was engaged for the purpose of applying the Dormitory Licence from the National Environment Agency of Singapore (the "**NEA**"). The Dormitory Licence shall be subject to conditions set by the relevant authorities, including but not limited to JTC, NEA and Urban Redevelopment Authority of Singapore ("**URA**"), to be fulfilled by the Purchaser. As at the Latest Practicable Date, the Group has submitted a worker's dormitory proposal in relation to the application for the Dormitory Licence and the NEA and URA have confirmed, in writing, that they have no objection to the proposed dormitory use of the Property. For the avoidance of doubt, a formal application of the Dormitory Licence has not been made and will only be made to the relevant authorities, including JTC, NEA and URA, following completion of the Acquisition and the obtaining of the Dormitory Licence is not a condition precedent to the completion of the Acquisition. The Directors estimated that the cost required for the conversion of the Property to dormitory use amounted to approximately S$2.1 million (equivalent to approximately HK$12.8 million), mainly comprising renovation works and professional fees relating to applications to the relevant government departments.

In the event that the Dormitory Licence is not granted, the Group has prepared a site utilisation layout plan which sets out the intended alternative usage, mainly for office and warehouse purposes. The Directors are of the view that such alternative usage would mitigate any potential impact on the Group, as the Property would continue to contribute to the Group's business development and long-term strategic objectives.

The Directors considered that the Property can increase the capacity of accommodation for foreign workers and offer additional warehouse space necessary for the storage of materials. Additionally, it is more efficient for the Group to provide and manage good quality living conditions for foreign workers in a self-owned property. It is further considered that the Acquisition will be a good opportunity for capital investment in the long-run for the Group. In this regard, the Directors are of the view that the Acquisition is beneficial to the Group.

The Directors (including the independent non-executive Directors) are of the view that terms of the Acquisition are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Board confirms that none of the Directors had any material interests in the Acquisition and accordingly none of the Directors was required to abstain from voting on the resolutions in relation to the Acquisition.

IRREVOCABLE UNDERTAKING

On 22 July 2026, the Board has received the Irrevocable Undertaking from the Controlling Shareholder, namely Splendor. Mr. Chan, the executive Director, being the sole shareholder of Splendor, is interested in 20,516,000 Shares (representing approximately 50.28% of total issued Shares) as at the Latest Practicable Date. Pursuant to the Irrevocable Undertaking, each of Mr. Chan and Splendor has provided an irrevocable undertaking that he/it shall: (i) attend (in person, by its authorised representative or by proxy) the EGM and any adjournment thereof; and (ii) vote, or procure the voting of, all the Shares legally and/or beneficially owned or controlled by him/it as at the record date for the EGM (and any further Shares which he/it may acquire or control prior to the record date of the EGM), in favour of all resolution(s) necessary to approve, implement and give effect to the Acquisition and the Option Agreement and the transactions contemplated thereunder.

The Irrevocable Undertaking will be terminated if the Option Agreement is terminated or the Acquisition is completed.

POSSIBLE FINANCIAL EFFECTS OF THE ACQUISITION

Earnings

According to the unaudited pro forma financial information set out in the Appendix II of this circular, assuming Completion had already taken place on 1 January 2025, it stated that the profit for the year ended 31 December 2025 of the Group decreased from S$1,944,000 to S$904,000 which is attributable to (a) the administrative expenses will increase from approximately S$12,618,000 for the year ended 31 December 2025 to approximately S$13,402,000 which is mainly caused by the estimated annual depreciation and amortisation expenses of approximately S$576,000; (b) the finance costs will increase from approximately S$101,000 for the year ended 31 December 2025 to approximately S$443,000 which is mainly caused by the estimated interest expenses of approximately S$332,000 arising from the new bank borrowing which is assumed to be drawn down to finance the Acquisition; (c) the estimated annual property tax of approximately S$117,000 and the estimated professional service costs of S$91,000 directly attributable to the Circular; and (d) the estimated income tax credit, based on the estimated tax shield of S$76,000 as calculated based on pro forma deductible expenditures. Accordingly, the profit for the year ended 31 December 2025 of the Group will decrease by approximately $1,040,000.

The Group intends to apply for a dormitory license for the Property for the purposes of using the Property as dormitory space for its foreign workers. Therefore, no rental income will be generated by the Property.

Assets and liabilities

After completion of the Acquisition, the Property will be recognised as property, plants and equipment of the Group and will be stated at cost less accumulated depreciation and accumulated impairment losses.

Based on the unaudited pro forma financial information of the Group following the Completion as set out in the Appendix II to this circular, upon Completion, (i) the Group's property, plant and equipment and right-of-use assets will increase by approximately S$17,418,000 in total, comprising of the Consideration of S$16,588,000, the buyer's stamp duty of approximately S$799,000 and the estimated professional service costs of S$31,000 directly attributable to the Acquisition; (ii) the Group's repayments, deposits and other receivables will be increased by approximately S$1,493,000, representing 9% of the Consideration, which is recognised as a receivable based on assessment of the management of the Group that the relevant input GST is recoverable under applicable Singapore GST requirements, assuming the Acquisition had taken place on 31 December 2025; and (iii) the bank balances and cash of the Group will be decreased by S$5,641,000 and the bank borrowing of the Group will be increased by approximately S$13,270,000, representing total estimated cash outlay of approximately S$18,911,000 for the Consideration, GST and the relevant expenses incurred by the Acquisition. Accordingly, the total assets of the Group will increase by approximately S$13,270,000 and the total liabilities of the Group will increase by approximately S$13,270,000.

GEM LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Acquisition is more than 100%, the Acquisition constitutes a very substantial acquisition of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification, announcement, circular and shareholder's approval requirements under Chapter 19 of the GEM Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, as at the Latest Practicable Date, the Vendor and its ultimate beneficial owner(s) are Independent Third Parties.

WAIVER FROM STRICT COMPLIANCE WITH RULE 19.58(8) AND RULE 19.69(4)(b)(i) OF THE GEM LISTING RULES

Pursuant to Rule 19.69(4)(b)(i) of the GEM Listing Rules, the Company is required to include in the circular a profit and loss statement for the three preceding financial years on the identifiable net income stream of the Property in strict compliance with the requirements of Rule 19.69(4)(b)(i) of the GEM Listing Rules, and such profit and loss statement must be reviewed by the auditor or reporting accountants.

CS Ceramiche has requested and MLT has not granted a permission for CS Ceramiche to gain full access to the underlying books and records of the individual legal entity of the MLT which hold the Property, given (i) MLT do not maintain a separate individual financial statements for the Property on individual basis; (ii) as such books and records contain other confidential information not relevant to the Acquisition. Besides, CS Ceramiche has requested MLT to provide the relevant tenancy agreements for the Property (the "**Tenancy Agreement**"). However, the Tenancy Agreement was entered into between the Vendor, as the current property owner, and its tenant, and is regarded by the Vendor as confidential business information, therefore, the Vendor has not agreed to provide the Tenancy Agreement to the Company. Having considered that (i) the Property is to be acquired for self-use by the Group; and (ii) the Vendor shall deliver vacant possession of the Property to the Purchaser on Completion, the Tenancy Agreement is not expected to have any continuing effect on the Group following completion of the Acquisition.

The Group has identified, with reasonable reliability, the property tax, land lease expenses and insurance expenses attributable to the Property from the information available to the Group amounted at approximately S$127,000, S$79,000 and S$9,000 per annum and the Group does not have available property-level expense information for the three preceding financial years and is therefore not in a position to derive a meaningful historical profit estimate for those periods. It is expected that the estimated annual expenses for the Property payable by the Group after Completion (the "**Estimated Annual Expenses**") shall be as follows:

	Estimated annual recurring expenses *Approximately S$'000*
Property tax	127
Land lease expense	79
Insurance	9
	215

Notes:

1. *The property tax expense is provided based on the property tax bill for the year 2026 issued by the Inland Revenue Authority of Singapore.*

2. *The land lease expense is provided based on the land premium imposed by JTC.*

3. *The insurance expense is provided based on the insurance premium quotation in relation to the Property received by the Purchaser.*

Notwithstanding that the net profits attributable to the Property for the three preceding financial years (as defined in the note to Rule 19.69(4)(b)(i) of the GEM Listing Rules) are not available, the Company also proposes to provide alternative disclosure in the announcement comprising the property-level information disclosed in MLT's Annual Reports, namely: (i) the gross revenue of the Property of S$1,035,000, S$866,000 and S$824,000 for the years ended 31 March 2024, 31 March 2025 and 31 March 2026, respectively; and (ii) the occupancy rate of the Property of 100%, 65% and 65% for the years ended 31 March 2024, 31 March 2025 and 31 March 2026, respectively. In addition, the Company has engaged Independent Valuer to perform an independent valuation of the Property, which has been disclosed in Appendix III in this circular; and (iii) the Estimated Annual Expenses.

The Company applied to the Stock Exchange, and the Stock Exchange has granted, waivers from strict compliance with Rule 19.69(4)(b)(i) of GEM Listing Rules for inclusion of a profit and loss statement for the three preceding financial years on the identifiable net income stream of the Property by the Company's auditors in the Circular.

EGM

An EGM will be convened at which an ordinary resolution will be proposed for the Independent Shareholders to consider, and if thought fit, to approve the Acquisition, the Option Agreement and the transactions contemplated thereunder. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholders or any of their respective close associates have any material interest in the Acquisition and thus, none of the Shareholders are required to abstain from voting in favour of the resolution approving the Acquisition, the Option Agreement and the transactions contemplated therein.

A notice convening the extraordinary general meeting ("**EGM**") of Indigo Star Holdings Limited (the "Company") to be held at Room 2703, 27/F, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong on Monday, 14 September 2026 at 5:00 p.m. is set out on pages V-1 to V-2 of this circular. A form of proxy for use at the EGM is also enclosed herewith. Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong share registrar, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event no later than Saturday, 5:00 p.m. on 12 September 2026, or in case of any adjournment of the EGM, not less than 48 hours before the time appointed for the holding of any adjournment meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM (or any adjournment thereof) should you so wish.

VOTING BY POLL

All resolutions to be proposed at the EGM will be voted on by poll.

An announcement on the poll results will be published by the Company after the EGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

RECOMMENDATION

The Board considers that the Acquisition is on normal commercial terms and that the terms of the Acquisition are fair and reasonable and in the interests of the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders should vote in favour of the ordinary resolution which will be proposed at the EGM to approve the Option Agreement and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information as set out in the appendices to this circular.

Yours faithfully,
By Order of the Board
Indigo Star Holdings Limited
Chan Ming
Chairman and Executive Director

1. AUDITED CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE THREE YEARS ENDED 31 DECEMBER 2023, 2024 AND 2025

The audited consolidated financial statements of the Group (a) for the year ended 31 December 2023 are set out from page 40 to page 111 in the 2023 Annual Report of the Company, which was published on 26 April 2024; (b) for the year ended 31 December 2024 are set out from page 62 to page 153 in the 2024 Annual Report of the Company, which was published on 24 February 2026; and (c) for the year ended 31 December 2025 are set out from page 64 to page 147 in the 2025 Annual Report of the Company, which was published on 28 April 2026.

The aforesaid Annual Reports are available on the website of the Stock Exchange (http://www.hkex.com.hk) and the website of the Company (https://indigostar.sg). In particular, the web links of the Annual Reports are as follows:

2023 Annual Report of the Company for the year ended 31 December 2023 (pages 40 to 112)

https://www1.hkexnews.hk/listedco/listconews/gem/2024/0426/2024042601432.pdf

2024 Annual Report of the Company for the year ended 31 December 2024 (pages 62 to 154)

https://www1.hkexnews.hk/listedco/listconews/gem/2026/0224/2026022400301.pdf

2025 Annual Report of the Company for the year ended 31 December 2025 (pages 61 to 148)

https://www1.hkexnews.hk/listedco/listconews/gem/2026/0428/2026042802113.pdf

2. STATEMENT OF INDEBTEDNESS AND CONTINGENT LIABILITIES

(i) Bank borrowings and other borrowings

As at the close of business on 30 June 2026, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, the other borrowings of the Group were approximately S$3.4 million, comprising the following:

	S$'000
Secured bank borrowings (Note 1)	1,168.8
Amount due to a shareholder (Note 2)	1,228.4
Other borrowings (Note 3)	1,041.1
	3,438.3

Notes

1. The bank borrowings of the Group are secured by (i) the pledge of investment property of the Group with net carrying amount of approximately S$213,000 as at 30 June 2026; (ii) the pledge of property, plant and equipment of the Group with net carrying amount of approximately S$4,274,000 as at 30 June 2026; (iii) the pledge of fixed deposits of the Group of approximately S$344,000 as at 30 June 2026; (iv) corporate guarantee provided by the Company; and (v) personal guarantee provided by the Director, namely Mr. Goh Cheng Seng.

2. The amount due to a shareholder was unsecured, unguaranteed and non-interest bearing.

3. The other borrowings were unsecured, unguaranteed and interest bearing.

(ii) Lease liabilities

As at the close of business on 30 June 2026, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, the Group had lease liabilities of approximately S$1.5 million of which S$0.3 million were classified as current liabilities and approximately S$1.2 million were classified as non-current liabilities.

Save as aforesaid or as otherwise disclosed above, at the close of business on 30 June 2026, the Group had no outstanding indebtedness in respect of any borrowings, mortgages, charges or debentures, loan capital, bank loans and overdrafts, term loans or other loans, debt securities or other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits or hire purchase commitments, finance lease commitments, guarantees or other contingent liabilities or indebtedness.

3. WORKING CAPITAL

After taking into account the expected completion of the Acquisition and the financial resources available to the Group including the present available banking facilities, the advance from Trillion Resources Limited and internal resources of the Group, the Directors are of the opinion that the Group will have sufficient working capital for its normal business and for at least the next 12 months from the date of this circular in the absence of unforeseeable circumstances.

The Company has obtained the relevant letter as required under Rule 19.66(13) of the GEM Listing Rules.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm that there has been no material adverse change in the financial or trading position or outlook of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up to, and including the Latest Practicable Date.

5. MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP

Set out below are the details of management discussion and analysis of the Group for each of the three financial years ended 31 December 2023, 2024 and 2025. The financial data in respect of the Group, for the purpose of this circular, is derived from the annual report of the Company for each of the three financial years ended 31 December 2023, 2024, and 2025.

(i) For the year ended 31 December 2023

Business Review

The Group is an established subcontractor in Singapore specialising in providing reinforced concrete work, comprising steel reinforcement works, formwork erection and concrete works. The Group may provide such services either individually or as a total package comprising all three, depending on the requirements of our customers. The Group has also ventured into projects as a main contractor. Our projects can be categorised into general building projects and civil engineering projects.

General building works refer to general construction and major repair works, piling works, finishing works, installation of doors, windows, sanitary products, curtain walling/cladding works, structural works, other special trade construction such as scaffolding and sandblasting, and production of pre-cast components. Our general building works relate primarily to the construction of hotels, hospitals, mixed development and court buildings. During the year ended 31 December 2023, we recorded revenue from general building projects of approximately S$19.1 million (2022: S$10.7), which accounted for approximately 43.1% of our total revenue (2022: 32.9%).

Civil engineering works refer to non-building construction such as the construction of roads, bridges, tunnels, railways, viaducts, water and gas pipelines, sewers, communications and power lines, marine construction as well as site-preparation and construction related landscaping works. Our civil engineering works relate primarily to the construction of MRT stations. During the year ended 31 December 2023, we recorded revenue from civil engineering projects of approximately S$10.9 million (2022: S$5.5 million), which accounted for approximately 24.5% of our total revenue (2022: 16.7%). As at 31 December 2023, we had 11 ongoing contracts with an aggregate outstanding contract value of approximately S$98.1 million (2022: S$96.3 million).

Financial Review

Revenue

For the year ended 31 December 2023 (the "**FY2023**"), the Group recorded revenue of approximately S$44.3 million (2022: S$32.6 million), representing an increase of approximately 35.8% compared with prior year. The increase was mainly attributable to completion of contracts in hand brought forward from the prior year, increase of projects revenue and labour supply related to contracts.

Direct costs

The Group recorded direct costs of approximately S$32.9 million for FY2023 (2022: S$24.6 million), representing an increase of approximately 34.0% compared with the prior year. Such increase was in line with the increase in revenue for FY2023.

Gross profit and gross profit margins

For each of the year ended 31 December 2022 and 2023, our Group recorded gross profits of approximately S$8.1 million and S$11.4 million, respectively, while our gross profit margin increased from approximately 24.8% for the year ended 31 December 2022 to approximately 25.8% for FY2023. The increase in gross profit margin was primarily attributable to the higher gross profits margin from labour supply and sales of tiles.

Other income, gain and (loss)

Other income was approximately S$0.06 million for FY2023 (2022: Other losses S$0.01 million). Other income mainly from government grants.

Administrative expenses

Administrative expenses were approximately S$9.6 million for FY2023 (2022: S$7.1 million). The increase was mainly attributable to the increase in salaries and other employee benefits paid and payable during FY2023.

Profit for the year

As a result of the foregoing, our profit for the year amounted to approximately S$1.0 million (profit for 2022: S$0.3 million)

Liquidity And Financial Resources

The current ratio of the Group, calculated based on the total current assets divided by the total current liabilities as at 31 December 2023, was 1.5 times (2022: 1.5 times).

As at 31 December 2023, the Group had net current assets of approximately S$8.1 million (2022: S$6.6 million), including cash and cash equivalents of approximately S$10.3 million (2022: S$5.8 million).

The gearing ratio, calculated based on the total debt (including borrowings and lease liabilities) divided by total equity, was approximately 20.2% as at 31 December 2023 (2022: 30.1%) decreased mainly due to repayment of bank borrowings of approximately S$2.1 million.

(ii) For the year ended 31 December 2024

Business Review

The Group is an established subcontractor in Singapore specialising in providing reinforced concrete work, comprising steel reinforcement works, formwork erection and concrete works. We may provide such services either individually or as a total package comprising all three, depending on the requirements of our customers. We have also ventured into projects as a main contractor. Our projects can be categorised into general building projects and civil engineering projects.

General building works refer to general construction and major repair works, piling works, finishing works, installation of doors, windows, sanitary products, curtain walling/cladding works, structural works, other special trade construction such as scaffolding and sandblasting, and production of pre-cast components. The Group's general building works relate primarily to the construction of hotels, hospitals, mixed development and court buildings. During the year ended 31 December 2024, we recorded revenue from general building projects of approximately S$20.4 million (2023: S$19.1 million), which accounted for approximately 23.6% of our total revenue (2023: 43.1%).

Civil engineering works refer to non-building construction such as the construction of roads, bridges, tunnels, railways, viaducts, water and gas pipelines, sewers, communications and power lines, marine construction as well as site-preparation and construction-related landscaping works. Our civil engineering works relate primarily to the construction of MRT stations. During the year ended 31 December 2024, we recorded revenue from civil engineering projects of approximately S$19.1 million (2023: S$10.9 million), which accounted for approximately 22.1% of our total revenue (2023: 24.5%).

As at 31 December 2024, we had 4 (2023: 11) ongoing contracts with an aggregate outstanding contract value of approximately S$87.5 million (2023: S$98.1 million).

In January 2024, the Group started the business of trading of mobile phones and accessories in Hong Kong. In general, the Group sourced mobile phones and accessories from suppliers and some of which are authorised distributors. The Group then sells the mobile phones and accessories to local resellers, which include wholesale customers, telecommunication services operators and chain retailers.

Financial Review

Revenue

For the year ended 31 December 2024 (the "FY2024"), our Group recorded revenue of approximately S$86.4 million (2023: S$44.3 million), representing an increase of approximately 95.0% compared with prior year. The increase was mainly attributable to completion of contracts in hand brought forward from the prior year, increase of projects revenue and labour supply related to contracts and the new business of sales of mobile phones and accessories.

Direct costs

Our Group recorded direct costs of approximately S$71.8 million for FY2024 (2023: S$32.9 million), representing an increase of approximately 118.4% compared with the prior year. Such increase was in line with the increase in revenue for FY2024.

Gross profit and gross profit margins

For each of the years ended 31 December 2023 and 2024, our Group recorded gross profits of approximately S$11.4 million and S$14.6 million, respectively, while our gross profit margin decreased from approximately 25.8% for the year ended 31 December 2023 to approximately 16.9% for FY2024. The decrease in gross profit margin was primarily attributable to the lower gross profits margin for the sales of mobile phones and accessories business.

Other income and gains and losses, net

Other income was approximately S$0.7 million for FY2024 (2023:S$0.1 million). Other income and gains and losses, net were mainly from government grants.

Administrative expenses

Administrative expenses were approximately S$11.7 million for FY2024 (2023: S$9.6 million). The increase was mainly attributable to the increase in salaries and other employee benefits paid and payable during FY2024.

Profit for the year

As a result of the foregoing, our profit for the year amounted to approximately S$3.2 million (profit for 2023: S$1.0 million).

Liquidity And Financial Resources

The current ratio of the Group, calculated based on the total current assets divided by the total current liabilities as at 31 December 2024, was 1.52 times (2023: 1.43 times).

As at 31 December 2024, the Group had net current assets of approximately S$11.8 million (2023: S$8.1 million), including cash and cash equivalents of approximately S$13.2 million (2023: S$10.3 million).

The gearing ratio, calculated based on the total debt (including borrowings and lease liabilities) divided by total equity, was approximately 16.9% as at 31 December 2024 (2023: 20.2%) decreased mainly due to repayment of bank borrowings of approximately S$1.1 million

(iii) For the year ended 31 December 2025

Business Review

Construction contracts

We are an established subcontractor in Singapore specialising in providing reinforced concrete works, comprising steel reinforcement works, formwork erection and concrete works. We may provide such services either individually or as a total package comprising all three, depending on the requirements of our customers. We have also ventured into projects as a main contractor. Our projects can be categorised into general building projects and civil engineering projects.

As at 31 December 2025, we had 22 (2024: 4) ongoing contracts with an aggregate outstanding contract value of approximately S$164.1 million (2024: S$82.1 million).

General Building Projects

General building works refer to general construction and major repair works, piling works, finishing works, installation of doors, windows, sanitary products, curtain walling/cladding works, structural works, other special trade construction such as scaffolding and sandblasting, and production of pre-cast components. Our general building works relate primarily to the construction of hotels, hospitals, mixed development and court buildings.

Civil Engineering Projects

Civil engineering works refer to non-building construction such as the construction of roads, bridges, tunnels, railways, viaducts, water and gas pipelines, sewers, communications and power lines, marine construction as well as site-preparation and construction-related landscaping works. Our civil engineering works relate primarily to the construction of MRT stations.

Sales of Mobile Phones and Accessories

The Group also engaged in the business of trading of mobile phones and accessories in Hong Kong. In general, the Group sourced mobile phones and accessories from suppliers and some of which are authorised distributors. The Group then sells the mobile phones and accessories to local resellers, which include wholesale customers, telecommunication services operators and chain retailers.

The Group formally commenced its mobile phone distribution operations in Hong Kong in January 2024, as part of the Group's planned diversification strategy.

The Group operates strictly as a pure distributor within this segment. The Group does not operate any retail outlets, does not own or develop proprietary mobile phone brands, and does not engage in manufacturing activities. The business model focuses primarily on sourcing products from suppliers and distributing them through established wholesale channels in Hong Kong.

From a value proposition perspective, the Group aims to create value for its customers by providing stable supply channels, efficient order fulfilment and commercially competitive sourcing solutions within a structured and compliant framework. By leveraging established relationships with suppliers and maintaining disciplined inventory management, the Group seeks to enhance product availability and reduce procurement uncertainty for its wholesale and channel partners. The Group's role as a distributor facilitates efficient matching of supply and demand across the distribution network, enabling telecommunications operators, wholesalers, chain retailers and SME resellers to manage their inventory cycles more effectively. The Board believes that reliability of supply, prudent credit management and operational responsiveness constitute the primary value drivers of the Group's distribution model.

The Group's customer base comprises local wholesalers, telecommunications service operators, chain retailers and SME resellers in Hong Kong. On the supply side, products are sourced from brand principals, authorised distributors and established regional trading houses. The Group conducts its operations under standard commercial arrangements and does not rely on exclusive territorial distribution rights. Revenue is recognised upon the transfer of control of goods to customers in accordance with applicable accounting standards.

The Board wishes to emphasise that the Group's entry into the mobile phone distribution sector was not speculative in nature. While mobile phone distribution was not previously the principal business of the Company, the management team overseeing this segment, including the General Manager, possesses relevant industry experience and established commercial networks within the mobile distribution sector. The Board considers that the Group's existing experience in trading operations, combined with management's sector-specific expertise, provides an operational foundation for this diversification initiative. The new segment operates within the Group's established internal control framework and remains subject to Board oversight.

The decision to enter this sector was made following assessment of market conditions in Hong Kong. After the gradual normalisation of economic activity and retail demand in the post-pandemic environment, the Board observed stabilisation in consumer purchasing cycles and channel restocking demand. The Board considered that such market developments presented a commercially reasonable opportunity for a distributor operating under a disciplined and risk-controlled approach.

The Group adopts a prudent operating strategy in managing this segment. Inventory levels are closely monitored to mitigate product obsolescence risk, and credit terms are granted based on internal credit assessment procedures. The Group does not undertake speculative trading activities and does not maintain excessive inventory positions. The Board will continue to monitor market conditions and supplier stability and will adopt a measured approach in scaling this segment to ensure that the Group maintains a conservative risk profile.

Looking forward, the Group will continue to evaluate the performance of the mobile phone distribution business in light of prevailing market conditions and operational efficiency. Any expansion of this segment will be aligned with prudent working capital management and risk control considerations. The Board remains committed to pursuing diversification opportunities that are consistent with the Group's operational capabilities and long term shareholder interests.

Financial Review

Revenue

For the year ended 31 December 2025 (the "FY2025"), the Group recorded revenue of approximately S$81.7 million (2024: S$86.4 million), representing a decrease of approximately 5.4% compared with the prior year. The decrease was mainly attributable to lower revenue contribution from civil engineering projects and the mobile phone trading segment, partially offset by increased labour supply revenue.
General Building Projects

During FY2025, revenue from general building projects amounted to approximately S$18.3 million (2024: S$20.4 million), representing approximately 22.4% of our total revenue (2024: 23.6%). The decrease was mainly attributable to the completion of certain major projects during 2024 and a lower contribution from newly secured general building contracts during FY2025.

Civil Engineering Projects

During FY2025, revenue from civil engineering projects amounted to approximately S$14.7 million (2024: S$19.1 million), representing approximately 18.0% of total revenue (2024: 22.1%). The decrease was mainly due to the progressive completion of MRT-related projects and timing differences in recognition of project milestones.

Labour Supply

During FY2025, revenue from labour supply services increased significantly to approximately S$15.7 million (2024: S$6.5 million), representing approximately 19.2% of total revenue (2024: 7.6%). The increase was mainly attributable to higher demand for manpower in ongoing infrastructure projects and expansion of our labour deployment capacity during the year.

Sales of Tiles

During FY2025, revenue from sales of tiles amounted to approximately S$10.7 million (2024: S$11.4 million), representing approximately 13.1% of total revenue (2024: 13.2%). The slight decrease was mainly due to softer demand in private residential renovation projects in Singapore.

Sales of Mobile Phones and Accessories

During FY2025, revenue from sales of mobile phones and accessories amounted to approximately S$22.3 million (2024: S$28.9 million), representing approximately 27.3% of total revenue (2024: 33.5%). The decrease was mainly attributable to intensified market competition in the Hong Kong retail distribution channel.

Direct costs

The Group recorded direct costs of approximately S$66.7 million (2024: S$71.8 million), representing a decrease of approximately 7.1% compared with the prior year. The decrease was generally in line with the reduction in revenue.

Gross profit and gross profit margins

The Group recorded gross profit of approximately S$15.1 million (2024: $14.6 million). Gross profit margin slightly improved to approximately 18.5% (2024: 16.9%). The improvement was mainly attributable to a higher proportion of labour supply services, which generally carry relatively higher margins compared with mobile phone trading.

Other income and gains and losses, net

Other income and gains and losses, net, amounted to approximately S$0.9 million (2024: S$0.7 million). The increase was mainly attributable to net fair value gain on financial assets at FVTPL and Government grants.

Administrative expenses

Administrative expenses increased to approximately S$12.6 million (2024: S$11.7 million), representing an increase of approximately 7.7%. The increase was mainly attributable to higher staff costs, increased compliance and professional fees; and expansion of the Hong Kong trading operations.

(Impairment losses) / reversal of impairment losses on trade and other receivables and contract assets, net

During FY2025, the Group recorded impairment losses of approximately S$0.8 million (2024: reversal of impairment loss of S$0.2 million).

Finance Costs

Finance costs remained broadly stable at approximately S$0.1 million (2024: S$0.1 million), mainly attributable to increased lease liabilities.

Profit for the year

As a result of the foregoing, profit for the year attributable to owners of the Company amounted to approximately S$1.9 million (2024: S$3.2 million), representing a decrease of approximately 40.6%. The decrease was mainly attributable to lower overall revenue and higher administrative expenses during FY2025.

Liquidity And Financial Resources

The current ratio of the Group, calculated based on the total current assets divided by the total current liabilities as at 31 December 2025, was 1.52 times (2024: 1.52 times).

As at 31 December 2025, the Group had net current assets of approximately S$13.1 million (2024: S$11.8 million), including cash and cash equivalents of approximately S$11.7 million (2024: S$13.2 million).

The gearing ratio, calculated based on the total debt (including borrowings and lease liabilities) divided by total equity, was approximately 14.4% as at 31 December 2025 (2024: 16.9%). The decrease was mainly due to reduction in borrowings and growth in total equity.

6. FINANCIAL AND TRADING PROSPECTS OF THE ENLARGED GROUP

Following Completion of the Acquisition, the Enlarged Group will continue to principally engage in (i) the provision of reinforced concrete works, including steel reinforcement works, formwork erection and concrete works; (ii) labour supply for the construction industry; (iii) trading in ceramic tiles and acting as ceramic tiles contractor for building-related works in Singapore; and (iv) trading of mobile phones and accessories in Hong Kong. The Acquisition represents a strategic enhancement to the Group's operational infrastructure in Singapore and is expected to strengthen the Group's long-term financial and trading prospects.

Strengthening Operational Stability and Workforce Management

As disclosed in the Circular, the Group has employed 548 foreign workers as at the Latest Practicable Date and has additionally borrowed 359 foreign workers from external sources to meet current project requirements. The provision of proper housing for foreign workers is a mandatory condition under the Employment of Foreign Manpower Act and its subsidiary regulations in Singapore.

Upon Completion, the Property is intended to be utilised primarily as a warehouse and workers' dormitory (subject to obtaining the relevant licences and approvals), with an expected accommodation capacity of up to 300 beds. Together with the Group's existing self-owned dormitory providing 100 beds, the Enlarged Group will have approximately 400 beds of self-owned accommodation. This will reduce reliance on leased dormitory units and temporary external labour arrangements, enhance employment stability, improve workforce retention and project execution capability, and reduce operational risks associated with short-term labour sourcing.

The Directors consider that the Acquisition will enable the Enlarged Group to progressively increase its directly employed foreign workforce to approximately 650 workers while reducing reliance on borrowed labour, thereby improving project controllability and operational efficiency.

Cost Savings and Improved Cost Structure

As at the Latest Practicable Date, the Group leases 48 units of dormitory accommodation under three lease agreements, with aggregate annualised rental expenses of approximately S$2,160,000. Based on the expected capacity of the Property to accommodate up to 300 beds, the Directors estimate that the Enlarged Group may achieve annual rental savings of approximately S$1.5 million upon full utilisation of the Property as dormitory accommodation, the Group will also incur ongoing maintenance and operating expenses in respect of the Property. Such maintenance and operating expenses are expected to be of a recurring nature and will be borne by the Group as part of its overall cost structure. Taking into account both the estimated rental savings and the anticipated maintenance and operating expenses, the Directors consider that the Acquisition will nevertheless result in an improved cost structure and provide long-term cost efficiency to the Group.

Ownership of the Property will eliminate uncertainties relating to lease renewals, rental escalations and relocation costs upon lease expiry. In the long term, the Enlarged Group will incur mainly maintenance and operating expenses in respect of the Property, thereby enhancing cost visibility and supporting sustainable margin management.

The Directors are of the view that the anticipated rental savings and operational efficiencies will contribute positively to the financial performance of the Enlarged Group over time, although the actual financial impact will depend on the timing of completion, licence approvals, utilisation rate and overall business conditions.

Asset Base and Financial Position

Upon Completion, the Property will be recognised as property, plant and equipment of the Enlarged Group at cost less accumulated depreciation and impairment losses. The Acquisition will increase the asset base of the Enlarged Group and strengthen its long-term asset backing.

The Consideration will be financed by a combination of internal resources, including unutilised net proceeds from the initial public offering, and a term loan facility. While the Acquisition will result in an increase in interest-bearing borrowings and finance costs, the Directors consider that the Enlarged Group will maintain a sound financial position and sufficient working capital for its normal business operations for at least the next 12 months from the date of the Circular, in the absence of unforeseeable circumstances.

The Directors believe that the long-term benefits of cost savings, operational control and asset appreciation potential outweigh the incremental finance costs arising from the Acquisition.

Strategic Location and Business Expansion

The Property is strategically located at Changi South Avenue 2 within an established industrial estate in Singapore, with convenient access to major expressways and transport infrastructure. In addition to dormitory use (subject to obtaining the Dormitory Licence), the Property comprises warehouse and ancillary office space with a gross floor area of approximately 7,232.0 sq. m., which may support the Group's storage, logistics and administrative functions.

The Enlarged Group intends to apply for the relevant licences and approvals to use the Property primarily as warehouse and dormitory space. In the event that the Dormitory Licence is not granted, the Enlarged Group intends to utilise the Property mainly for office and warehouse purposes. The Directors consider that such alternative usage would continue to support the Group's construction operations and mitigate potential downside risks. Specifically, the Property may be configured to provide office space to support the Group's administrative and operational functions, while the remaining floor areas may be used as warehouse facilities for storage and logistics to accommodate the Group's business expansion. The Directors are of the view that such alternative usage would enable the Group to continue deriving economic benefits from the Property and mitigate any potential adverse impact on the Group's operations and financial position.

Outlook

Looking ahead, the Directors remain cautiously optimistic about the prospects of the construction and building-related sectors in Singapore, supported by ongoing infrastructure and development projects. The Acquisition aligns with the Group's strategy to enhance operational resilience, secure critical infrastructure for its workforce, and improve long-term cost efficiency.

The Directors believe that the Acquisition will strengthen the Enlarged Group's competitive position in the Singapore construction market, enhance operational flexibility, and provide a stable platform for sustainable growth. Accordingly, the Directors are of the view that the financial and trading prospects of the Enlarged Group are positive in the medium to long term.

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

In connection with the very substantial acquisition in relation to the acquisition of a property (the "**Property**") (the "**Acquisition"**) by Indigo Star Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**"), the unaudited pro forma financial information is prepared to provide information on the Group as a result of the completion of the Acquisition on the basis of notes set out below for illustrating the effect of the Acquisition, as if the Acquisition had taken place on 31 December 2025 for the preparation of the unaudited pro forma consolidated statement of net assets and as if the Acquisition had taken place on 1 January 2025 for the preparation of the unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025.

The unaudited pro forma consolidated statement of net assets of the Group is prepared based on the information on the audited consolidated statement of financial position of the Group as at 31 December 2025 which has been extracted from the published annual report of the Group for the year ended 31 December 2025, after making pro forma adjustments relating to the Acquisition that are (i) directly attributable to the Acquisition; and (ii) factually supportable as if the Acquisition had been undertaken on 31 December 2025.

The unaudited pro forma consolidated statement of profit or loss and other comprehensive income of the Group is prepared based on the information on the audited consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2025 which has been extracted from the published annual report of the Group for the year ended 31 December 2025, after making pro forma adjustments relating to the Acquisition that are (i) directly attributable to the Acquisition; and (ii) factually supportable as if the Acquisition had been undertaken on 1 January 2025.

The unaudited pro forma consolidated statement of net assets and unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025 of the Group have been prepared by the Directors of the Company in accordance with paragraph 7.31 of the GEM Listing Rules and is solely for the purpose to illustrate the financial position of the Group as if the Acquisition had taken place on 31 December 2025 and the financial performance of the Group as if the Acquisition had taken place on 1 January 2025.

The information is prepared for illustrative purposes only and because of its hypothetical nature, it does not purport to represent what the financial position of the Group would have been upon completion of the Acquisition in any future periods or on any future dates.

Accordingly, it does not purport to describe the financial position and the financial performance of the Group that would have been attained had the Acquisition been completed on 31 December 2025 and 1 January 2025 respectively, nor to predict the future financial position and financial performance of the Group.

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF NET ASSETS OF THE GROUP

	Consolidated statement of net assets of the Group as at 31 December 2025	Pro forma adjustment	Unaudited pro forma adjusted consolidated statement of net assets of the Group
	S$'000	S$'000	S$'000
	Note (1)	Note (2)	
NON-CURRENT ASSETS			
Investment property	216	-	216
Property, plant and equipment	5,730	10,803	16,533
Right-of-use assets	1,821	6,615	8,436
Deferred tax assets	59	-	59
	7,826	17,418	25,244
CURRENT ASSETS			
Trade receivables	6,240	-	6,240
Contract assets	13,114	-	13,114
Prepayments, deposits and other receivables	2,856	1,493	4,349
Inventories	2,515	-	2,515
Financial assets at fair value through profit or loss	1,155	-	1,155
Pledged bank deposits	344	-	344
Cash and cash equivalents	11,740	(5,641)	6,099
	37,964	(4,148)	33,816
CURRENT LIABILITIES			
Trade and retention sum payables	5,135	-	5,135
Contract liabilities	7,960	-	7,960
Other payables and accruals	8,317	-	8,317
Amount due to a shareholder	1,255	-	1,255
Bank borrowings	719	13,270	13,989
Other borrowings	398	-	398
Lease liabilities	270	-	270
Income tax payable	842	-	842
	24,896	13,270	38,166
Net current assets/(liabilities)	13,068	(17,418)	(4,350)
Total assets less current liabilities	20,894	-	20,894

	Consolidated statement of net assets of the Group as at 31 December 2025	Pro forma adjustment	Unaudited pro forma adjusted consolidated statement of net assets of the Group
	S$'000		
	Note (1)	S$'000	S$'000
		Note (2)	
NON-CURRENT LIABILITY			
Lease liabilities	1,417	-	1,417
Total non-current liability	1,417	-	1,417
Net assets	19,477	-	19,477
Capital and reserves			
Share capital	695	-	695
Reserves	18,782	-	18,782
Total equity	19,477	-	19,477

Notes:

(1) The amounts are extracted from the audited consolidated statement of financial position of the Group as at 31 December 2025 as set out in the published 2025 annual report of the Company.

(2) The adjustment represents the initial recognition of the Target Property as a result of the Acquisition. The Target Property comprises a building component recognised as property, plant and equipment and an assigned leasehold-land interest recognised as a right-of-use asset in accordance with the Group's accounting policy. Management has assessed that the acquired leasehold-land interest represents a prepaid leasehold interest and that no material additional lease liability is required to be recognised at completion.

The total initial capitalised cost of the Target Property of S$17,418,000 comprises the purchase consideration of S$16,588,000, the buyer's stamp duty of S$799,000 and the estimated professional service costs of S$31,000 directly attributable to the Acquisition, assuming the Acquisition had taken place on 31 December 2025.

The adjustment also includes refundable GST of approximately S$1,493,000, calculated at 9% of the purchase consideration, which is recognised as a receivable based on management's assessment that the relevant input GST is recoverable under applicable Singapore GST requirements, assuming the Acquisition had taken place on 31 December 2025.

The total estimated cash outlay of approximately S$18,911,000 is assumed to be financed by new bank borrowing of approximately S$13,270,000 and internal cash resources of approximately S$5,641,000. The new bank borrowing is presented as current liabilities based on the inclusion of a repayment on demand clause.

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OF THE GROUP

	Consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 December 2025	Pro forma adjustment				Unaudited pro forma adjusted consolidated statement of profit or loss and other comprehensive income of the Group
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
	Note (1)	Note (2)	Note (3)	Note (4)	Note (5)	
Revenue	81,731	-	-	-	-	81,731
Cost of sales	(66,674)	-	-	-	-	(66,674)
Gross profit	15,057	-	-	-	-	15,057
Other income and gains and losses, net	924	-	-	-	-	924
Administrative expenses	(12,618)	-	(576)	(208)	-	(13,402)
Impairment losses of trade and other receivables and contract assets, net	(766)	-	-	-	-	(766)
Finance costs	(101)	(332)	-	-	-	(433)
Profit before tax	2,496	(332)	(576)	(208)	-	1,380
Income tax expense	(552)	-	-	-	76	(476)
Profit for the year	1,944	(332)	(576)	(208)	76	904
Other comprehensive income for the year:						
Item that may be reclassified subsequently to profit or loss:	-	-	-	-	-	-
Exchange differences arising on translation of financial statements of foreign operations	10	-	-	-	-	10
Other comprehensive income for the year	10					10
Total comprehensive income for the year	1,954	(332)	(576)	(208)	76	914

Notes:

(1) The amounts are extracted from the audited consolidated statement of profit or loss of the Group for the year ended 31 December 2025 as set out in the published 2025 annual report of the Company.

(2) The adjustment represents the estimated interest expenses of approximately S$332,000 arising from the new bank borrowing which is assumed to be drawn down to finance the Acquisition, assuming the Acquisition had taken place on 1 January 2025.

(3) The adjustment represents the estimated annual depreciation and amortisation expenses of approximately S$576,000 attributable to the Target Property, as if the Acquisition had been completed on 1 January 2025. The depreciation and amortisation expenses are calculated on a straight-line basis over the relevant estimated useful life and remaining lease term, whichever is shorter.

(4) The adjustment represents the estimated annual property tax of approximately S$117,000 and the estimated professional service costs of S$91,000 directly attributable to the Circular, assuming the Acquisition had taken place on 1 January 2025.

(5) The adjustment represents the estimated income tax credit, based on the estimated tax shield of S$76,000 as calculated based on pro forma deductible expenditures, assuming the Acquisition had taken place on 1 January 2025.

B. ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the purpose of incorporation in this circular, received from our reporting accountants, Beijing Xinghua Caplegend CPA Limited, Certified Public Accountants, Hong Kong.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

北京兴华
BEIJINGXINGHUA

To the Directors of Indigo Star Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Indigo Star Holdings Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") by the directors of the Company (the "Directors") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated statement of financial position as at 31 December 2025, the unaudited pro forma consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025 and related notes (the "**Unaudited Pro Forma Financial Information**") as set out on pages II-2 to II-5 of the Company's circular dated 25 August 2026, in connection with the acquisition of property in Singapore (the "**Transaction**") by the Company. The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 of the Circular.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the Transaction on the Group's financial position as at 31 December 2025 and the Group's financial performance for the year ended 31 December 2025 as if the Transaction had taken place at 31 December 2025 and 1 January 2025 respectively. As part of this process, information about the Group's financial position and the Group's financial performance has been extracted by the Directors from the Group's financial statements for the year ended 31 December 2025, on which an audit report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars ("**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Transaction at 31 December 2025 or 1 January 2025 respectively would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and

- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the Directors on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the Listing Rules.

Beijing Xinghua Caplegend CPA Limited
1/F, GR8 Inno Tech Centre
No. 46 Tsun Yip Street
Kwun Tong
Hong Kong
Certified Public Accountants
Yeung Chun Wa
Practising Certificate Number P08421 Hong Kong

25 August 2026

The following is the text of a letter and valuation report dated 29 May 2026 prepared for the purpose of incorporation in this circular received from GB Global Pte Ltd (the "Independent Valuer") in connection with their valuation of the Property as at 29 May 2026.

1. EXECUTIVE SUMMARY

Date of Valuation — 29 May 2026

Purpose of Valuation — Intended purchase and public circular only

Property Address — 39 Changi South Avenue 2
Singapore 486352

Registered Proprietor — Held in trust by HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED

Brief Description of Development — A part 2/part 3-storey conventional warehouse with an ancillary office block.

Land Area — 5,212.1 square metres (56,103 square feet)
According to Title Deed

Floor Area — 7,232.12 square metres (77,847 square feet)
According to Architectural Floor Plans

Tenure — Leasehold 30+30 years commencing from 1 April 1995

Date of Property Inspection — 29 January 2026

Valuation — Direct Comparison Method

Methodology	
Market Value	S$16,600,000
Market Value on Gross Floor Area	S$213 psf

2. INTRODUCTION

2.1 Instructions

GB Global Pte Ltd ("**GB Global**") has been appointed by Indigo Star Holdings Limited (the "**Client**") to provide an independent valuation as at 29 May 2026 in relation to the acquisition of 39 Changi South Avenue 2 Singapore 486352 (the "**Property**") for intended purchase and public circular purpose.

This report is provided subject to the assumptions, disclaimers, limitations, qualifications detailed throughout and the Limiting Conditions herein.

2.2 Basis of Value

As stated by the Singapore Institute of Surveyors and Valuers (SISV) in the updated Valuation Standards and Practice Guidelines (2022 Edition), Market Value (the "**Market Value**") is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

The valuation has been prepared in accordance with Singapore Institute of Surveyors and Valuers (SISV) Valuation Standards and Practice Guidelines (2022 Edition), which is in compliance with the International Valuation Standards (IVSC) on the definition of Market Value.

It is also in compliance with Hong Kong Institute of Surveyors (HKIS) Valuation Standards (2024 edition), which provides an unified framework for property and asset management in Hong Kong, incorporating International Valuation Standards (IVS).

The valuation is conducted in full compliance with Chapter 8 (Valuation of and Information on Properties) of the GEM Listing Rules.

2.3 Assumptions

Our valuation is made without any special instructions.

We have made no special assumptions.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property or for any expenses or taxation which may be incurred in effecting a sale or lease. Unless otherwise stated, it is assumed that the property is free from and clear of any and all charges, liens, encumbrances, restrictions and outgoings of an onerous nature which could affect value.

We have assumed that all the leases are legally valid and enforceable, and the Property has a proper legal title that can be freely transferable, leased and sub-leased in the market. We have assumed that all information, estimates and opinions furnished to us and contained in this report have obtained from sources considered reliable and believed to be true and correct, but we can assume no responsibility for their accuracy.

We have assumed that the Property and any works thereto has been constructed, occupied and used in full compliance with and without contravention of, all relevant laws, ordinances and statutory requirements except where otherwise stated.

Unless otherwise stated, all money amounts are in Singapore Dollars.

2.4 GST Assumptions

Our valuation has been undertaken on a Goods & Services Tax ("**GST**") exclusive basis. Any incomes and expenses adopted in the valuation are exclusive of GST.

2.5 Extension of Liability and Confidentiality

This report may be only relied upon by the Client for the specific purpose to which it refers. Our valuation is confidential to the Client, for their sole use and for the specific purpose stated. GB Global Pte Ltd ("GB Global") is not liable for any unauthorised use or reliance. No responsibility is accepted to any third party who may use or rely on the whole or any part of the content of this report. GB Global will only attend to queries and provide clarifications raised by the Client in relation to our valuation. This report should not be produced without our prior written consent.

2.6 Qualifications of Valuer

The valuer(s) who have undertaken this report are Licensed Appraisers under the lnland Revenue Authority of Singapore (IRAS) and members with the Singapore Institute of Surveyors & Valuers (SISV) with over 10 years of experience. They are suitably qualified to carry out such valuation work and have the necessary expertise and experience in valuing properties of this type and in the relevant area.

2.7 Valuer's Interest

Neither the valuers nor GB Global Pte Ltd are aware of any pecuniary interest that could reasonably be regarded as being capable of affecting their ability to give an independent and professional opinion or that could conflict with a proper evaluation of the Property.

2.8 Inspection And Investigations

We have carried out an inspection of the subject property and made independent investigations as necessary for conducting this valuation.

All information used have been verified as far as reasonable and has included information and data provided by you, your marketing agents, from government departments, in the public domain, and our own internal database.

In the absence of readily available and verifiable information from other sources for valuation purposes, and as agreed, we have relied on the information provided by you/your agent for the purposes of valuation. We have assumed all such information provided to be true and accurate.

No structural survey, soil test or environmental survey of the Property has been carried out.

2.9 Limitations of Liability

This report is subject to our Limiting Conditions as set out in Appendix I at the end of this report, as well as our agreed terms of our engagement.

3. SITE DETAILS

3.1 Address

39 Changi South Avenue 2
Singapore 486352

3.2 Property Type

A part 2/part 3-storey conventional warehouse with an ancillary office block.

3.3 Legal Details

Legal Description	MK27-9962M
Land Area	5,212.1 square metres (56,103 square feet), *According to Land Title*
Tenure	Leasehold 30+30 years from 1 April 1995 *According to JTC Customer Service Portal*
Registered Proprietor	Held in trust by HSBC Institutional Trust Services (Singapore) Limited
Interest/Encumbrance	Nil
Other Details	Any other searches with regards to proposed road, drainage or public schemes have not been applied for and/or made available to us. We recommend that they be carried out through your solicitors.

Land Lot

Source: onemap.gov.sg

3.4 Location

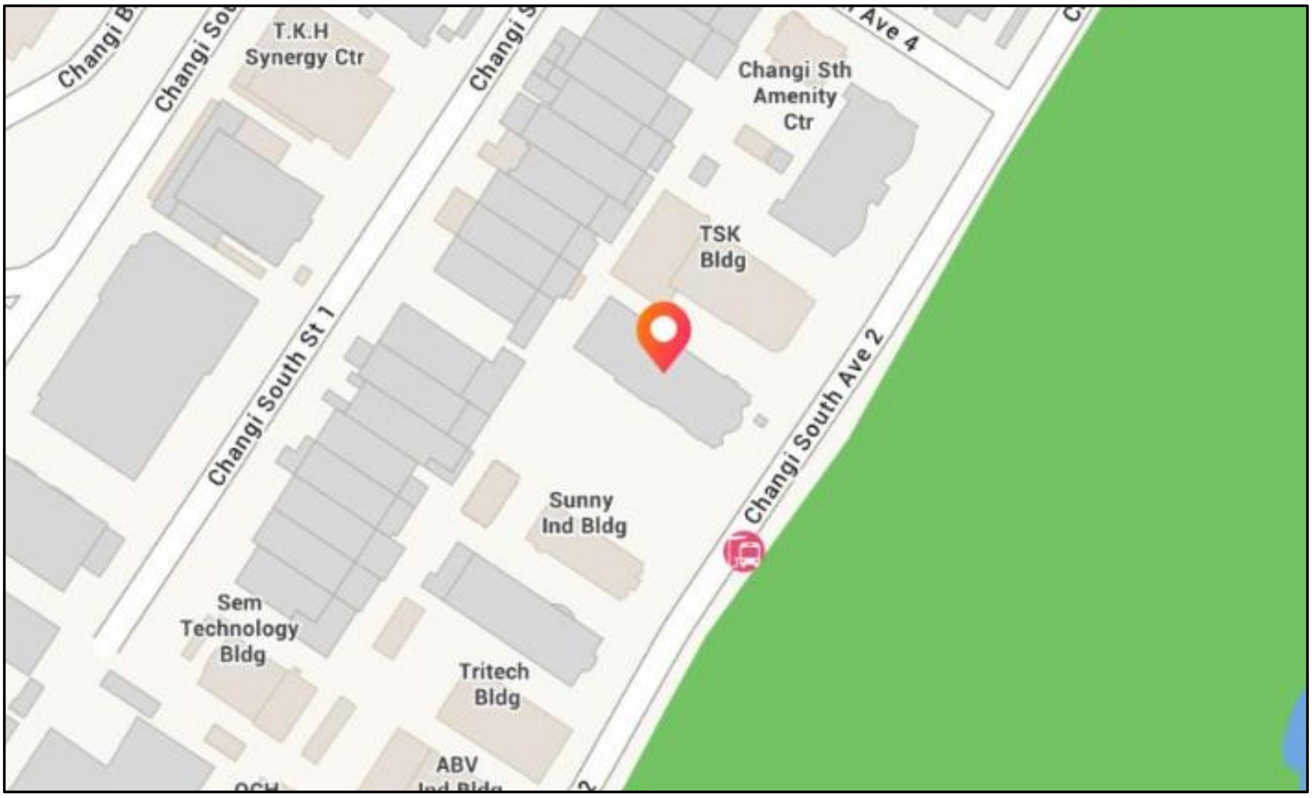
The Property is situated along Changi South Avenue 2, off the major roads of Upper Changi Road East and Xilin Avenue. It is approximately 19.0 km from the city centre at Collyer Quay.

The immediate locality is predominantly industrial and commercial in nature, comprising Business 2-zoned industrial developments and Business Park-zoned commercial developments. Prominent developments in the area include UPS Hse, Xilin Districentre A, B and C, Storhub Changi 2, Standard Chartered @ Changi, Plaza 8 @ CBP and Changi City Point.

Amenities and other facilities can be found at Changi City Point and Singapore Expo.

The Property is well served by major roads like Upper Changi Road East and expressways like East Coast Parkway (ECP) and Pan-Island Expressway (PIE), which provide efficient connectivity to other parts of Singapore. Public bus transportation is available along the main roads. The Expo MRT station and upcoming Xilin MRT station (under construction) is located a short drive away.

Location Map



Source: onemap.gov.sg

3.5 Town Planning

Master Plan Zoning (2025 Edition)	Business 2
Permissible Gross Plot Ratio	Maximum 1.6

Master Plan 2019

Source: ura.gov.sg/maps

4. PROPERTY DETAILS

The Property is a part 2/part 3-storey conventional warehouse with an ancillary office block. The Gross Floor Area of the Property is 7,232.12 square metres (77,847 square feet), according to the architectural floor plans provided to us.

4.1 Construction of Property

The building is constructed of reinforced concrete framework with infill brickwalls, reinforced concrete floors and a concrete flat roof. Vertical access is facilitated via 1 passenger lift (11 persons/750 kg), 2 cargo lifts (2,500 kg) and 4 sets of staircases. The building is protected against fire by sprinklers, hose reels, extinguishers and a smoke detection system. The building is secured via concrete walls along the perimeter, barrier system manned by security personnel and close—circuit television cameras.

Solar panels have been installed on the roof.

4.2 Accommodation

Level 1	Ancillary office, production area, switch room, transformer room, store, loading/unloading bays with dock levellers, toilets
Level 2	Ancillary office, production area, toilets
Level 3	Ancillary office, toilets

4.3 Condition and Repair

The Property is in an average state of repairs and maintenance as at the date of our inspection on 29 January 2026. The inspection was conducted by Ko Sheng Jie Jansen, licensed appraiser with IRAS since 2015.

Our inspection was an external survey and not a structural survey of the building or a testing of its service installations. The building and its components are considered to be in a serviceable and operational condition, having been subject to routine maintenance and upkeep, with associated wear and tear typically expected of property of a similar vintage. Such condition does not exhibit any unusual deterioration, structural issues, or material disrepair that would warrant substantial immediate capital expenditure, although periodic repairs and replacements consistent with prudent property management practices may be required over time. There are no known issues or defects relating to the property that would materially affect its functionality, safety or value.

4.4 Occupancy

The Property is multi-tenanted at the time of inspection. We were informed that it will be handed over on a vacant possession basis.

4.5 Property Tax

The annual values of the various property tax accounts within the Property assessed by IRAS for the period 1 January 2026 to 31 December 2026 are provided below.

Property Tax Account	Annual Value (2026)
#01-01	$20,900
#01-01A	$20,500
#01-02	$145,000
#01-03	$152,000
Carpark	$19,800
#02-01	$46,500
#02-02	$332,000
#03-01	$46,500
#04-01	$53,200
#04-02	$334,000
Total	$1,170,000

Property tax is payable at the current rate of 10% per annum.

4.6 Land Rent

Upfront Land Lease Premium of S$2,584,891.40/- was paid for the extension of the land lease from 1 April 2025 to 31 March 2055. There is no further land rent payable.

Photographs


The Property


Surface Parking Lots

Ancillary Office

Passenger Lift Lobby

Loading/Unloading Bays

Production Area

Toilet

Cargo Lift Lobby

Production Area

Roof

Frontage

Entrance

5. MARKET COMMENTARY

JTC Quarterly Market Report 2025 Q4

In 4Q 2025, the occupancy rate for all industrial space declined by 0.4 percentage points (pp) from the previous quarter, settling at 88.7%. This decline was primarily driven by strong completions, leading to an increase in total industrial stock by 345,000 sqm and reversing the decrease in industrial stock in previous quarter. For the full year of 2025, the overall occupancy rate dropped slightly by 0.3 pp, as strong completions added 0.9 million sqm of total available stock and outpaced the 0.7 million sqm increase in occupied stock.

The rental index for all industrial space continued to moderate in 4Q 2025, recording a slower growth of 0.5% compared to the previous quarter. For the entire year of 2025, the rental index rose by 2.4%, slower than the 3.5% increase in 2024 and marked the slowest annual growth since 2021. Meanwhile, the price index for all industrial space rose by 1.4% compared to the previous quarter and 5.0% for the year.

To ensure sufficient supply and support the demand from industrialists, the Government has been increasing the supply of land in the Industrial Government Land Sales (IGLS) programme. In 2025, 10 IGLS sites totalling 12.8 ha was successfully awarded, higher than the 5 sites totalling 10.5 ha in 2024.

As at end December 2025, around 1.0 million sqm of new industrial space is expected to be completed in 2026, with a further 1.6 million sqm of space expected to come onstream in 2027. In comparison, the average annual supply and demand of industrial space were around 0.8 million sqm and 0.6 million sqm respectively over the past three years. Barring a sharp economic downturn, occupancy is likely to remain stable and rental rates are expected to continue to moderate. JTC will continue to monitor the market closely and support the needs of industrialists.

6. VALUATION METHODOLOGY

In arriving at our opinion of value, we have considered relevant general and economic factors and researched recent sales transactions of comparable properties that have occurred in the vicinity. The Direct Comparison Method is a typical method used and we consider this to be the most appropriate because of the nature of the property, market practice and availability of market evidence.

The Direct Comparison Method has been adopted as the sole method of valuation, as the Property is a JTC-leased single-user factory intended principally for occupation and use by an approved industrialist for its own business operations, rather than as an investment property held to generate rental income. This is consistent with JTC's prevailing subletting policy, which requires lessees to occupy and utilise 100% of the gross floor area for their own business needs, while permitting the subletting of only temporarily surplus space generally up to 30% of the gross floor area, subject to JTC's prior approval and for a limited duration. As the generation of rental income is ancillary, restricted and not the principal economic purpose of such properties, the capitalisation of a hypothetical rental stream would not reliably reflect the legal and economic characteristics of the Property or the basis upon which market participants assess it. Accordingly, its value is most appropriately determined by reference to transactions involving comparable JTC factories, with appropriate adjustments for differences in location, tenure, size, age, condition and other relevant property attributes.

The Cost Method has not been adopted, as the Direct Comparison Method is generally the primary approach for valuing properties where sufficient and reliable market transaction evidence is available, since it most directly reflects the prices that market participants are prepared to pay. The Cost Method is more commonly applied to highly specialised properties, such as schools, shipyards or purpose-built infrastructure, for which there is a dearth of comparable transactions and value must therefore be estimated by reference to the cost of replacing the improvements, after allowing for depreciation and obsolescence. The Property is a logistics facility within an established and actively transacted industrial market, for which adequate evidence of comparable transactions is readily available. Accordingly, the Direct Comparison Method provides a more direct and market-supported indication of value, while the application of the Cost Method would introduce additional assumptions concerning construction costs, depreciation and obsolescence without providing a more reliable valuation conclusion.

Direct Comparison Method

A comparison is made with transactions of properties in the subject or comparable localities. Adjustments are made for differences in location, size, tenure, age/condition, standard of finishes, use, facilities, date of transaction, other relevant factors and the prevailing economic conditions affecting the property market, to arrive at the market value of the Property.

The selection criteria for comparable transactions are detailed below:

- As the Property is located at the Changi locale, we identified comparable transactions that are in the same location.
- As the Property has a land area of 5,212.1 sqm, we identified comparable transactions with land area of between 4,000 and 6,000 sqm.
- As the Property has a gross floor area of 7,232.12 sqm, we identified comparable transactions with gross floor area between 3,000 and 11,000 sqm.
- As the Property has a tenure of 30+30 years from 1 April 1996, we identified comparable transactions with tenure expiring between year 2050 to 2060.
- As the Property has an effective date of valuation of 29 May 2026, we identified comparables that traded within an 18-month period from the effective date of valuation.
- As the Property is built in the late 1990s and renovated along the way, we identified comparable transactions also built in the same time period between 1990 to 2010.

The comparable transactions identified are selected from an exhaustive list of transactions within the relevant time period.

Sale Transactions Considered

Property	Land Area (sqm)	Approximate Floor Area (sqm)	Price Rate	Tenure	Sale Date
7 Changi South Street 1	5,235	4,712	$12,500,000	30+30 yrs from 1996	5 Feb 2025
47 Changi South Avenue 2	5,453	9,520	$15,000,000	30+30 yrs from 1996	14 Jan 2025
1 Changi South Street 1	5,235	3,104	$12,480,000	30+30 yrs from 1997	16 Dec 2024

Source: JTC Caveats and URA Realis

Working Matrix

	The Property	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3
PROPERTY INFORMATION				
Address	39 Changi South Avenue 2	7 Changi South Street 1	47 Changi South Avenue 2	1 Changi South Street 1
Brief Description	A part 2/part 3-storey conventional warehouse with an ancillary office block	2-storey single user detached factory with 1st storey extension	4-storey single user factory	2-storey single user light industrial detached standard JTC factory (Type D8)
Tenure	30+30 years wef 1 Apr 1995	30+30 years wef 1996	30+30 years wef 1996	30+30 years wef 1997
Lease Expiry Year	2055	2056	2056	2057
Land Area	5212 sq.m.	5235 sq.m.	5453 sq.m.	5235 sq.m.
Floor Area (estimated)	7232 sq.m.	4712 sq.m.	9520.0 sq.m.	3104 sq.m.
Difference in Floor Area	N/A	-2521 sq.m.	2288 sq.m.	-4128 sq.m
Existing Plot Ratio	1.39	0.90	1.75	0.59
URA Master Plan (2025)	Business 2	Business 2	Business 2	Business 2
Maximum Permissible Plot Ratio	N/A	1.6	1.6	1.6
Age (Approximate)	Circa late 1990s	Circa late 1990s	Circa late 1990s	Circa late 1990s
Date of Transaction	N/A	5-Feb-25	14-Jan-25	16-Dec-24
Contract Price	N/A	$12,500,000	$15,000,000	$12,480,000
JTC Single User Factory Price Index	94.1	92.2	92.2	91.8
ADJUSTMENT FACTORS				
Location	N/A	0%	0%	0%
Land Area	N/A	0%	0%	0%
Floor Area	N/A	25%	-20%	40%
Tenure	N/A	0%	0%	0%
Time Factor	N/A	1%	1%	1%
Condition/Age	N/A	10%	20%	0%
Total Percentage Adjustments	N/A	36%	1%	41%
Adjusted Value	N/A	$17,005,155	$15,156,186	$17,601,383

<u>Location</u>

As all of the comparables are located within the same locality, no adjustments were made for location.

<u>Land Area</u>

As all of the comparables share a similar land area with the Property, no adjustments were made for land area.

Floor Area

For the Floor Area variable, the adjustment is made based on 5% for every 500 sqm difference. In the case of Comparable 1, an upward adjustment of 25% was made because the gross floor area is 2,521 sqm smaller. In the case of Comparable 2, a downward adjustment of 20% was made because the gross floor area is 2,288 sqm larger. In the case of Comparable 3, an upward adjustment of 40% was made because the gross floor area is 4,128 sqm smaller.

Tenure

As the comparables share a similar lease expiry profile with the Property, no adjustments were made to tenure.

Time Factor

For the Time Factor variable, the adjustment is made based off the JTC Single User Factory Price Index. The Price Index for the Property as at the effective date of valuation is 94.1. In the case of Comparable 1, it was transacted in Feb 2025 and the price index was 92.2 at that point in time, so an upward adjustment of 1% was made to reflect the upward movement in prices. In the case of Comparable 2, it was transacted in Jan 2025 and the price index was 92.2 at that point in time, so an upward adjustment of 1% was made to reflect the upward movement in prices. In the case of Comparable 3, it was transacted in Dec 2024 and the price index was 91.8 at that point in time, so an upward adjustment of 1% was made to reflect the upward movement in prices.

Condition/Age

The adjustment for Condition/Age was determined having regard to the observed external condition of each comparable property relative to the Property. The Property is owned and maintained by a listed real estate investment trust and was observed to be in an above-average state of maintenance commensurate with its age. The condition of the comparable properties was assessed based on external kerbside inspections.

Comparable 1 was observed, based on an external kerbside inspection, to be in a relatively inferior condition compared with the Property. Accordingly, an upward adjustment of 10% was applied to reflect the difference in condition and state of maintenance.

The 10% adjustment is equivalent to approximately $25 per sq ft of gross floor area ("**GFA**"). As a reasonableness cross-check, this was considered against published construction cost benchmarks by professional quantity surveyors for new light industrial buildings, which are in the region of approximately $228 to $269 per sq ft of GFA. The adjustment represents only a relatively modest proportion of the cost of constructing a new light industrial building and is considered reasonable having regard to the observed difference in condition between Comparable 1 and the Property.

Comparable 2 was observed, based on an external kerbside inspection, to be in a comparatively poorer condition than both the Property and Comparable 1. Accordingly, a higher upward adjustment of 20% was applied to reflect the greater difference in condition and state of maintenance. The 20% adjustment is equivalent to approximately $29 per sq ft of GFA. As a reasonableness cross-check, this was similarly considered against the published construction cost benchmarks of approximately $228 to $269 per sq ft of GFA for new light industrial buildings. The adjustment remains a relatively modest proportion of the replacement cost of a new building and is considered reasonable in the context of the observed difference in condition between Comparable 2 and the Property.

The adjustments of 10% and 20% were therefore not derived by applying construction or renovation costs directly. Rather, they represent our professional assessment of the relative differences in condition and maintenance observed between the respective comparable properties and the Property, with the construction cost benchmarks serving as an additional reasonableness cross-check.

Conclusion

After making relevant adjustments to reflect the difference in characteristics between the Property and the comparables, we arrive at adjusted values of $17,005,155, $15,156,186 and $17,601,383 for Comparables 1, 2 and 3 respectively. The average of the adjusted values is $16,587,575. We have therefore arrived at $16,600,000 as our opinion of Market Value.

7. VALUATION

In view of the aforementioned and having taken into consideration prevailing market conditions, we are of the opinion that the Market Value of the Property, with vacant possession and free from all encumbrances, is as follows:

Valuation as at	:	29 May 2026
Market Value	:	S$16,600,000/- Singapore Dollars Sixteen Million and Six Hundred Thousand Only
Market Value on Gross Floor Area	:	S$213 psf

Yours faithfully,
For and on behalf of
GB Global Pte Ltd
60 Paya Lebar Rd #07-55,
Paya Lebar Square, Singapore 409051

Yick E-Ling
Director

BSc (Real Estate)(Hons), MSISV
Appraiser's Licence No. AD041-2009922C

The Independent Valuer responsible for this valuation report is a Licensed Appraiser registered with the Inland Revenue Authority of Singapore ("IRAS") and a member of the Singapore Institute of Surveyors and Valuers ("SISV"), with over 20 years of professional experience. The Independent Valuer is suitably qualified to undertake the valuation work and possesses the necessary expertise and experience in valuing properties of a similar type and in the relevant area comparable to the Property.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information regarding the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this supplemental circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this supplemental circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of Directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporation

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company and/or its associated corporations which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were deemed or taken to have under such provisions of the SFO); (b) to be and were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, supervisors and chief executives of the Company to be notified to the Company and the Stock Exchange were as follows:

Interests in the Company

Name of Director	Capacity	Number of shares held	Approximate percentage of total issued shares *(note 1)*
Mr. Chan Ming	Interest of controlled corporation	20,516,000 (L)	50.28%

Notes

1. *As at the Latest Practicable Date, the Company's issued ordinary share capital was HK$4.0 million divided into 40,800,000 ordinary shares of HK$0.1 each.*

2. *As at the Latest Practicable Date, Splendor Investment Limited ("**Splendor**") holds 20,516,000 Shares, representing 50.28% of the Company's issued share capital. Mr. Chan holds the entire issued share capital of Splendor. Therefore, pursuant to the SFO, Mr. Chan is deemed to be interested in the Shares held by Splendor.*

3. *Abbreviation "L" stands for long position.*

Interests in associated corporation(s) of the Company

Name of Director	Name of associated corporation	Capacity/Nature of interest	Number of share(s) held in the associated corporation	Approximate percentage of issued share capital of the associated corporation
Mr. Chan Ming	Splendor	Beneficial owner	1	100%

Note

1. *As at the Latest Practicable Date, Splendor holds more than 50% of the issued share capital of the Company. Therefore, Splendor is the holding company and an associated corporation of the Company.*

(b) Interests and short positions of substantial shareholders in the shares, underlying shares and debentures of the Company

Name of substantial Shareholders	Nature of interest/ holding capacity	Percentage of issued share capital of the Company	Approximate percentage of issued share capital of the Company *(note 1)*
Splendor	Beneficial owner	20,516,000 (L) (Notes 2 and 3)	50.28%
Mr. Chan	Interest of a controlled corporation	20,516,000 (L) (Notes 2 and 3)	50.28%

Notes:

1. *As at the Latest Practicable Date, the Company's issued ordinary share capital was HK$4.0 million divided into 40,800,000 ordinary shares of HK$0.1 each.*

2. *As at the Latest Practicable Date, Splendor Investment Limited ("**Splendor**") holds 20,516,000 Shares, representing 50.28% of the Company's issued share capital. Mr. Chan holds the entire issued share capital of Splendor. Therefore, pursuant to the SFO, Mr. Chan is deemed to be interested in the Shares held by Splendor.*

3. *Abbreviation "L" stands for long position.*

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any interests or short positions owned by any persons (other than the Directors or chief executive of the Company) in the Shares or underlying Shares which fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

3. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors had any direct or indirect interests in any assets which have been, since 31 December 2025, being the date to which the latest published audited financial statements of the Group were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

4. DIRECTORS' INTERESTS IN CONTRACTS AND ARRANGEMENTS

As at the Latest Practicable Date, none of the Directors was materially interested, whether directly or indirectly, in any contract or arrangement subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors have any existing or proposed service contracts with the Company or any member of the Group (excluding contracts expiring or which may be terminated by the Company or the relevant Group member within one year without payment of compensation other than statutory compensation).

6. DIRECTORS' INTERESTS IN COMPETING BUSINESS

To the best knowledge of the Directors, as at the Latest Practicable Date, none of the Directors, Controlling Shareholders and employees of the Company nor their respective close associates had any interest in a business, which competes or may compete, either directly or indirectly, with the business of the Group or any other conflict of interest which any such person has or may have with the Group which would be required to be disclosed under Rule 11.04 of the GEM Listing Rules.

7. MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, there has been no material adverse change in the financial or trading position or outlook of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up to, and including the Latest Practicable Date.

8. MATERIAL CONTRACTS

The following material contracts, not being contracts entered into in the ordinary course of business of the Group, have been entered into by members of the Group within two years immediately preceding the date of this circular:

(a) the capitalisation agreement dated 30 July 2026 (the "**Capitalisation Agreement**") in relation to the capitalisation of the unsecured, interest-free shareholder's loan in the principal amount of HK$7,444,800 as at 30 June 2026 advanced by Splendor to the Company;

(b) the deed of settlement dated 27 July 2026 (the "**Deed of Settlement**") entered between the Company and Red Sun Capital Limited in relation to the settlement of the outstanding indebtedness by way of allotment and issue of the shares of the Company; and

(c) the Option Agreement.

9. QUALIFICATION AND CONSENT OF EXPERTS

The following is the qualification of the experts who have given opinion or advice, contained in this circular:

Name	**Qualification**
Beijing Xinghua Caplegend CPA Limited ("**Beijing Xinghua**")	Certified Public Accountant
GB Global Pte Ltd ("**GB Global**")	Independent valuer

Each of Beijing Xinghua and GB Global has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter, report and/or references to its name in the form and context in which they appear.

As at the Latest Practicable Date, each of Beijing Xinghua and GB Global did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, each of Beijing Xinghua and GB Global did not have any direct or indirect interest in any assets which have been, since 31 December 2025, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

10. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries were engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

11. AUDIT COMMITTEE

An audit committee of the Company ("**Audit Committee**") was established on 24 October 2017 in accordance with Rule 5.28 of the GEM Listing Rules with written terms of reference in compliance with the CG Code. The principal responsibilities of the Audit Committee include: (a) reviewing the Company's annual financial statements; (b) reviewing and monitoring the extent of the non-audit work undertaken by external auditors; (c) advising on the appointment of external auditors; (d) reviewing the effectiveness of the Company's internal audit activities, internal control and risk management systems; and (e) reviewing the whistleblowing policy. As at the Latest Practicable Date, the Audit Committee comprises three members, namely, Mr. Lam Yu Hon (chairman), Dato' KOH Yee Keng and Mr. Clay Huen.

Biographical information of each member of the Audit Committee is set out below:

Mr. Lam Yu Hon (chairman)

Mr. Lam Yu Hon (林鋭康先生) ("**Mr. Lam**"), aged 44, has over 18 years of relevant experience obtained from accounting firms and publicly listed companies in Hong Kong. He is currently the Managing Director of Loyal Honour CPA Limited. Mr. Lam was the Chief Financial Officer and Company Secretary at 51 Credit Card Inc. (stock code: 2051, currently Vala Inc.) before his resignation on 31 July 2023, managing the finance, compliance and corporate governance functions. He is a practising Certified Public Accountant and a fellow member of the Hong Kong Institute of Certified Public Accountants, a Chartered Secretary and a Certified Internal Auditor. His educational background includes a Master of Science in Professional Accounting and Corporate Governance from the City University of Hong Kong and a Bachelor of Applied Science in Computer Engineering from the University of British Columbia.

Dato' KOH Yee Keng

Dato' KOH Yee Keng ("**Dato' Koh**") aged 42, was appointed as an independent nonexecutive Director on 10 May 2024. He is the chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee. Dato' Koh has about 21 years of experience in the business of wholesale and retail. He was the group managing director of 98 Group Leisure Sdn Bhd. Dato' Koh is Darjah Sultan Ahmad Shah Pahang (D.S.A.P) in Malaysia, the Honourable Advisor for Johor Old Temple Association in Malaysia and the Honourable Advisor to Teochew Eight District Association Johor Bahru Johor Malaysia.

Mr. Clay Huen.

Mr. Clay HUEN（禤孝廉先生）("**Mr. Huen**") aged 53, was appointed as an independent non-executive Director on 10 May 2024. He is the chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee. Mr. Huen obtained his bachelor's degree of environmental science and master's degree in environmental management from The University of Hong Kong in 1995 and 1998 respectively. Mr. Huen subsequently obtained a Postgraduate Certificate in Laws from City University of Hong Kong in 2007 and was admitted as a barrister in Hong Kong in 2009.

12. MISCELLANEOUS

(a) The registered office of the Company is situated at Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111 Cayman Islands.

(b) The head office of the Company is situated at 5, Upper Aljunied Link #03–08 Quartz Industrial Building, Singapore 367903.

(c) The principal place of business in Hong Kong of the Company is situated at Room 1704, 17/F, Far East Consortium Building, 121 Des Voeux Road Central, Hong Kong.

(d) The Company's branch share registrar in Hong Kong is Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.

(e) The company secretary of the Company is Mr. Wong Chi Kong, a member of The Hong Kong Institute of Certified Public Accountants and the associate of the Hong Kong Chartered Governance Institute and the Chartered Governance Institute.

(f) The English text of this circular shall prevail over the Chinese text, in case of any inconsistency.

13. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.indigostar.sg) for a period of fourteen (14) days from the date of this circular:

(a) this circular;

(b) the memorandum of association and articles of association of the Company;

(c) the annual reports of the Company for each of the financial year ended 31 December 2023, 2024 and 2025;

(d) the letters of consent referred to in the section headed "Qualification and consent of experts" in this appendix;

(e) the accountants' report from Beijing Xinghua in respect of the unaudited pro forma financial information of the Group as set out in Appendix II to this circular;

(f) the Option Agreement;

(g) the Deed of Settlement;

(h) the Capitalisation Agreement;

(i) the Irrevocable Undertaking; and

(j) the property valuation report of GB Global in respect of the Property, the text of which is set out in Appendix III to this circular.

INDIGO STAR HOLDINGS LIMITED
靛藍星控股有限公司
(Incorporated in Cayman Islands with limited liability)
(Stock code: 8373)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Indigo Star Holdings Limited (the "**Company**") will be held at Room 2703, 27/F, China Insurance Group Building, 141 Des Voeux Road Central , Hong Kong on Monday, 14 September 2026 at 5:00*p.m.*for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

"**THAT**

(a) the Option Agreement (as defined and described in the circular of the Company dated 25 August 2026 (the "**Circular**"), a copy of the Option Agreement marked "**A**" together with a copy of the Circular marked "**B**" are produced to the meeting and initialled by the chairman of the meeting for the purpose of identification) and the transactions contemplated thereunder and in connection therewith be and are hereby approved, confirmed and ratified; and

(b) any one director of the Company, or any two directors of the Company if the affixation of the common seal is necessary, be and is/are hereby authorised for and on behalf of the Company to sign, execute, perform and deliver all such other instruments, deeds, documents and agreements and do such acts or things and take all such steps as he or they may in his or their absolute discretion consider to be necessary, desirable, appropriate or expedient to implement and/or give effect to the Option Agreement and the transactions contemplated thereunder and all matters incidental to, ancillary to or in connection with the matters contemplated therein."

By Order of the Board
Indigo Star Holdings Limited
Chan Ming
Chairman and Executive Director

Hong Kong, 25 August 2026

Registered office:
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

Principal place of business in Hong Kong:
Room 1704, 17/F,
Far East Consortium Building,
121 Des Voeux Road Central,
Hong Kong

Notes:

(1) Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote in his/her stead. A proxy may not be a member of the Company.

(2) In order to be valid, the completed form of proxy together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or other authority, must be deposited at the Company's share registrar, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong no later than 5:00 *p.m.* on 12 September 2026 , or in case of any adjournment of the meeting, not less than 48 hours before the time appointed for the holding of any adjournment meeting. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting.

(3) Where there are joint registered holders of any shares, any one of such persons may vote at the meeting (or at any adjournment thereof), either personally or by proxy in respect of such shares as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the meeting personally or by proxy, that one of such joint holders so present whose name stands first on the register of members of the Company shall alone be entitled to vote in respect of such shares.

(4) The register of members of the Company will be closed from 9 September 2026 (Wednesday) to 14 September 2026 (Monday), both days inclusive, during which period no transfer of shares will be registered. The record date of meeting will be 14 September 2026 (Monday) and in order to determine the entitlement to attend and vote at the meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point , Hong Kong, not later than 4:30 p.m. on 8 September 2026 (Tuesday).

(5) The resolution set out in this notice will be decided by poll.

As at the date of this notice, the Board comprises six Directors, of which Mr. Chan Ming is the Chairman and executive Director; Mr. Goh Cheng Seng and Ms. Tan Soh Kuan are the executive Directors; Dato' Koh Yee Keng, Mr. Clay Huen and Mr. Lam Yu Hon are the independent non-executive Directors.