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METASURFACE

METASURFACE TECHNOLOGIES HOLDINGS LIMITED

元续科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8637)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is made by Metasurface Technologies Holdings Limited (the "**Company**") pursuant to GEM Rule 17.12 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

Please refer to the attached for the preliminary offer document dated 28 September 2026 published by the Company on the website of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 28 September 2026 in relation to the proposed listing of the issued ordinary shares of the Company on Catalist of the SGX-ST.

Yours faithfully,
For and on behalf of the Board
Metasurface Technologies Holdings Limited
CHUA Chwee Lee (CAI Shuili)
Chief Executive Officer and Executive Director

Singapore, 28 September 2026

As at the date of this announcement, the executive Directors are Dato' Sri CHUA Chwee Lee (CAI Shuili), Ms. JEE Wee Jene and Mr. SOH Cheng Joo; the non-executive Director is Mr. THNG Chong Kim; and the independent non-executive Directors are Mr. TAN Chek Kian, Mr. ANG Yong Sheng, Jonathan (HONG Yongsheng) and Mr. CHAN Yang Kang.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement 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 announcement misleading.

This is a preliminary Offer Document. ("Preliminary Offer Document"). The information in this Preliminary Offer Document is not complete and is subject to further amendments and completion in the final Offer Document to be issued by our Company and registered by the SGX-ST, acting as agent on behalf of the Authority. Under no circumstances shall this Preliminary Offer Document constitute an offer to sell or any solicitation of an offer to buy, nor shall there be any sale of securities in any jurisdiction on the basis of this Preliminary Offer Document. This Preliminary Offer Document has been lodged with the SGX-ST, acting as agent on behalf of the Authority, who takes no responsibility for its contents. Certain information (including dates and times) and statements in this Preliminary Offer Document refer to events which have not occurred or been completed and may or may not have been completed by the time the final Offer Document is registered by the SGX-ST, acting as agent on behalf of the Authority, which may or may not occur. We may not sell any of the Shares until the Offer Document is delivered in final form. A person to whom a copy of this Preliminary Offer Document is issued must not circulate this copy to any other person. By accepting this Preliminary Offer Document, you agree to be bound by the restrictions set out herein.

IMPORTANT NOTE

THIS PRELIMINARY OFFER DOCUMENT IS DATED 28 SEPTEMBER 2026 AND HAS BEEN LODGED BY THE SPONSOR, ISSUE MANAGER AND PLACEMENT AGENT (AS DEFINED HEREIN) WITH THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST"), ACTING AS AGENT ON BEHALF OF THE MONETARY AUTHORITY OF SINGAPORE (THE "AUTHORITY"), ON 28 SEPTEMBER 2026. THIS PRELIMINARY OFFER DOCUMENT IS SUBJECT TO FURTHER AMENDMENTS AND COMPLETION IN THE FINAL OFFER DOCUMENT TO BE REGISTERED BY THE SGX-ST, ACTING AS AGENT ON BEHALF OF THE AUTHORITY, OR OTHER OFFER DOCUMENT WHICH MAY BE ISSUED BY METASURFACE TECHNOLOGIES HOLDINGS LIMITED (THE "COMPANY"), WHICH INFORMATION MAY BE DIFFERENT FROM THE INFORMATION CONTAINED IN THIS PRELIMINARY OFFER DOCUMENT. A PERSON TO WHOM A COPY OF THIS PRELIMINARY OFFER DOCUMENT HAS BEEN ISSUED SHALL NOT CIRCULATE IT TO ANY OTHER PERSON. BOTH THE AUTHORITY AND THE SGX-ST ASSUME NO RESPONSIBILITY FOR THE CONTENTS OF THIS PRELIMINARY OFFER DOCUMENT. THE LODGEMENT OF THIS PRELIMINARY OFFER DOCUMENT WITH THE SGX-ST, ACTING AS AGENT ON BEHALF OF THE AUTHORITY, DOES NOT IMPLY THAT THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, OR ANY OTHER LEGAL OR REGULATORY REQUIREMENTS, OR REQUIREMENTS UNDER THE CATALIST RULES, HAVE BEEN COMPLIED WITH.

NO OFFER OR AGREEMENT SHALL BE MADE ON THE BASIS OF THIS PRELIMINARY OFFER DOCUMENT TO SUBSCRIBE FOR ANY SECURITIES TO WHICH THIS PRELIMINARY OFFER DOCUMENT RELATES.

The Company is listed on GEM of The Stock Exchange of Hong Kong Limited ("HKSE"). An application will be made to the HKSE for the listing and quotation of the Placement Shares (as defined below). As at the date of this Preliminary Offer Document, such application has not been made. It is intended that the requisite listing approval from the HKSE will be completed before the registration of this Offer Document with the SGX-ST, acting as agent on behalf of the Authority.

Neither this Preliminary Offer Document nor any copy of it may be taken or transmitted to any country where distribution or dissemination of this Preliminary Offer Document is prohibited.

This Preliminary Offer Document is being furnished to you on a confidential basis and solely for your information and may not be reproduced, disclosed, circulated or otherwise distributed to any other person. By accepting this Preliminary Offer Document, you agree to be bound by the limitations and restrictions described herein. This Preliminary Offer Document does not constitute an offer or invitation to subscribe for or purchase any securities and neither this Preliminary Offer Document nor anything contained herein shall form the basis of any contract or commitment whatsoever. No person shall be bound to enter into any contract or binding legal commitment and no monies or other form of consideration is to be accepted on the basis of this Preliminary Offer Document. No offer or agreement shall be made on the basis of this Preliminary Offer Document to subscribe for any securities to which this Offer Document relates.

Any decision to subscribe for or purchase securities must be made solely on the basis of information contained in the final Offer Document or other offering document which may be issued by our Company, which information may be different from the information contained in this Preliminary Offer Document.

The final Offer Document may be registered by the SGX-ST, acting as agent on behalf of the Authority at least 14 days from the date of lodgement of this Preliminary Offer Document provided that the final Offer Document is registered by the SGX-ST, acting as agent on behalf of the Authority, and upon the provision of certain information by us to the SGX-ST unless the SGX-ST extends the period (the "**Exposure Period**") in accordance with the Catalist Rules (as defined herein).

During the Exposure Period, the Preliminary Offer Document will be posted on the SGX-ST's website, www.sgx.com, and exposed for public comment. The purpose of the Exposure Period is to enable the examination of this Preliminary Offer Document by investors and market participants prior to raising of funds. That examination may result in identification of deficiencies in this Preliminary Offer Document and in these circumstances, this Preliminary Offer Document may be amended. Any reference in this document to the term "Offer Document" shall, unless the context requires otherwise, refer to this Preliminary Offer Document.

OFFER DOCUMENT DATED [●] 2026

(Registered by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), acting as agent on behalf of the Monetary Authority of Singapore (the "**Authority**") on [●] 2026).

This document is important. Before making any investment in the securities being offered, you should consider the information provided in this document carefully, and consider whether you understand what is described in this document. You should also consider whether an investment in the securities being offered is suitable for you, taking into account your investment objectives and risk appetite. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser(s). You are responsible for your own investment choices.

UOB Kay Hian Private Limited ("**UOBKH**" or the "**Sponsor, Issue Manager and Placement Agent**") has on behalf of Metasurface Technologies Holdings Limited (the "**Company**") made an application to the SGX-ST, acting as agent on behalf of the Authority, for permission to deal in, and for the listing and quotation of, all the ordinary shares (the "**Shares**") in the capital of our Company already issued, the new Shares which are the subject of the Placement (the "**Placement Shares**"), the new Shares which may be issued upon the exercise of the options granted under the 2024 Share Option Scheme (the "**Option Shares**") and the new Shares which may be issued under the 2026 Share Award Scheme (the "**Award Shares**"), on the Catalist Board of the SGX-ST ("**Catalist**"). Such permission will be granted when our Company has been admitted to Catalist. Acceptance of applications for the Placement Shares will be conditional upon, among others, the issue of the Placement Shares and permission being granted by the SGX-ST for the listing and quotation of all our existing issued Shares, the Placement Shares, the Option Shares and the Award Shares on Catalist. Monies paid in respect of any application accepted will be returned to you, at your own risk, without interest or any share of revenue or other benefit arising therefrom, if the Placement is not completed because the said permission is not granted or for any other reason, and you will not have any right or claim against us and/or the Sponsor, Issue Manager and Placement Agent. The dealing in, and quotation of, our Shares will be in Singapore dollars.

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares or units of shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

This Placement is made in or accompanied by this Offer Document that has been lodged with and registered by the SGX-ST, acting as agent on behalf of the Authority. We have not lodged or registered this Offer Document in any other jurisdiction.

A copy of this Offer Document has been lodged with and registered by the SGX-ST, acting as agent on behalf of the Authority. Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Document. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Document, including the correctness of any of the statements or opinions made or reports contained in this Offer Document. The SGX-ST does not normally review the application for admission but relies on the Sponsor, Issue Manager and Placement Agent confirming that our Company is suitable to be listed and complies with the Catalist Rules (as defined herein). Neither the Authority nor the SGX-ST has in any way considered the merits of our existing issued Shares or the Placement Shares, as the case may be, being offered for investment. The registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority, does not imply that the Securities and Futures Act 2001 of Singapore, or any other legal or regulatory requirements, or requirements under the Catalist Rules, have been complied with.

Investing in our Shares involves risks which are described in the section entitled "RISK FACTORS" of this Offer Document.

After the expiration of six (6) months from the date of registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority, no person shall make an offer of our Shares, or allot, issue or sell any of our Shares, on the basis of this Offer Document; and no officer or equivalent person or promoter of our Company will authorise or permit the offer of any of our Shares or the allotment, issue or sale of any of our Shares, on the basis of this Offer Document.



METASURFACE TECHNOLOGIES HOLDINGS LIMITED

元续科技控股有限公司

(Company Registration No.: 384837)

(Incorporated in the Cayman Islands on 7 December 2021)

Placement in respect of [●] Placement Shares at S$[●] for each Placement Share by way of placement, payable in full on application

Sponsor, Issue Manager and Placement Agent

UOBKayHian

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CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Dato' Sri Chua Chwee Lee (Founder, Executive Director and Chief Executive Officer) Ms. Jee Wee Jene (Executive Director) Mr. Soh Cheng Joo (Executive Director) Mr. Thng Chong Kim (Non-Executive Director) Mr. Tan Chek Kian (Chairman, Independent Non-Executive Director) Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng) (Independent Non-Executive Director) Mr. Chan Yang Kang (Independent Non-Executive Director)
COMPANY SECRETARIES	:	Ms. Hou Jing (Member of the Institute of Singapore Chartered Accountants, Fellow of the Association of Chartered Certified Accountants) (a joint secretary of our Company) Mr. Yau Tsz Lun (Chartered Secretary and Chartered Governance Professional of both the Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom) (a joint secretary of our Company) Conyers Trust Company (Cayman) Limited (assistant secretary of our Company)
REGISTERED OFFICE	:	Cricket Square Hutchins Drive PO Box 2681 Grand Cayman KY1-1111 Cayman Islands
HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE	:	No. 43 Tuas View Circuit Singapore 637360
PRINCIPAL PLACE OF BUSINESS IN HONG KONG	:	Room 1917, 19/F Lee Garden One 33 Hysan Road Causeway Bay, Hong Kong
SPONSOR, ISSUE MANAGER AND PLACEMENT AGENT	:	**UOB Kay Hian Private Limited** 83 Clemenceau Avenue #10-01 UE Square Singapore 239920
SOLICITORS TO THE PLACEMENT AND LEGAL ADVISER TO OUR COMPANY AS TO SINGAPORE LAW	:	**Drew & Napier LLC** 10 Collyer Quay #10-01 Ocean Financial Centre Singapore 049315

LEGAL ADVISER TO OUR COMPANY AS TO HONG KONG LAW	:	**Deacons** 5th Floor, Alexandra House 18 Charter Road Central Hong Kong
LEGAL ADVISER TO OUR COMPANY AS TO MALAYSIA LAW	:	**Shearn Delamore & Co.** 7th Floor, Wisma Hamzah Kwong Hing No. 1 Leboh Ampang 50100 Kuala Lumpur, Malaysia
LEGAL ADVISER TO OUR COMPANY AS TO CAYMAN ISLANDS LAW	:	**Conyers Dill & Pearman** 29th Floor, One Exchange Square 8 Connaught Place Central Hong Kong
LEGAL ADVISER TO THE SPONSOR, ISSUE MANAGER AND PLACEMENT AGENT AS TO SINGAPORE LAW	:	**Dentons Rodyk & Davidson LLP** 80 Raffles Place #33-00 UOB Plaza 1 Singapore 048624
INDEPENDENT AUDITOR AND REPORTING ACCOUNTANT	:	**PricewaterhouseCoopers LLP** 7 Straits View Marina One, East Tower, Level 12 Singapore 018936 Partner-in-charge: Rebekah Khan (A member of the Institute of Singapore Chartered Accountants)
INDUSTRY CONSULTANT	:	**China Insights Industry Consultancy Limited** 10F, Block B, Jing'an International Centre 88 Puji Road, Jing'an District Shanghai PRC
PRINCIPAL BANKERS OF OUR COMPANY AND OUR GROUP	:	**United Overseas Bank Limited** 80 Raffles Place UOB Plaza Singapore 048624 **DBS Bank Limited** 12 Marina Boulevard Level 3 Marina Bay Financial Centre Tower 3 Singapore 018982

RECEIVING BANK	:	**The Bank of East Asia Limited, Singapore Branch** 60 Robinson Road BEA Building Singapore 068892
CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE	:	**Conyers Trust Company (Cayman) Limited** Cricket Square Hutchins Drive PO Box 2681 Grand Cayman KY1-1111 Cayman Islands
HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE	:	**Tricor Investor Services Limited** 17/F, Far East Finance Centre 16 Harcourt Road Hong Kong
SINGAPORE BRANCH SHARE REGISTRAR AND TRANSFER OFFICE	:	**Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)** 9 Raffles Place #26-01 Republic Plaza Singapore 048619

In this Offer Document and the accompanying Application Form, the following definitions apply where the context so admits:

Companies within our Group

"Company"	:	Metasurface Technologies Holdings Limited (元续科技控股有限公司), a company incorporated on 7 December 2021 in the Cayman Islands with limited liability
"Group"	:	Our Company and our subsidiaries as at the date of this Offer Document

Subsidiaries

"Metasurface Technologies"	:	Metasurface Technologies Pte. Ltd. (formerly known as Q'Son Precision Engineering Pte Ltd), a private company limited by shares incorporated on 6 January 2000 in Singapore and a direct wholly-owned subsidiary of our Company
"SGP Malaysia"	:	SGP 1st Engineering Sdn. Bhd., a private company limited by shares incorporated on 6 August 2013 in Malaysia and an indirect wholly-owned subsidiary of our Company
"SPW"	:	Singapore Precision Welding Pte. Ltd. (formerly known as Fluid Science (S.E.A.) Precision Engineering Pte. Ltd.), a private company limited by shares incorporated on 15 November 2006 in Singapore and an indirect wholly-owned subsidiary of our Company

Other Corporations and Agencies

"Accelerate"	:	Accelerate Technologies Pte. Ltd. (formerly known as Exploit Technologies Pte Ltd and NSTB Holdings Pte Ltd), a private company limited by shares incorporated on 8 May 1995 in Singapore, a Pre-IPO Investor in our Company
"ACRA"	:	Accounting and Corporate Regulatory Authority of Singapore
"Angelling"	:	Angelling Capital Holdings Limited, a company incorporated on 3 December 2021 in the BVI with limited liability. Angelling is wholly-owned by Mr. Thng
"ASME"	:	American Society of Mechanical Engineers
"Authority"	:	The Monetary Authority of Singapore

"AWS"	:	American Welding Society
"Baccini"	:	Baccini Capital Holdings Limited, a company incorporated on 3 December 2021 in the BVI with limited liability. Baccini is wholly-owned by Mrs. Chua
"BIS"	:	U.S. Department of Commerce, Bureau of Industry and Security
"CCASS"	:	The Central Clearing and Settlement System established and operated by HKSCC
"CDP"	:	The Central Depository (Pte) Limited
"CIC" or "Industry Consultant"	:	China Insights Industry Consultancy Limited, a market data research and consulting company
"EAR"	:	United States Export Administration Regulations, 15 C.F.R. Parts 730-774
"FVOCI"	:	Fair value through other comprehensive income
"HKSCC"	:	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"HKSE"	:	The Stock Exchange of Hong Kong Limited
"HK SFC"	:	The Securities and Futures Commission of Hong Kong
"Internal Auditor"	:	SHINEWING Risk Services Limited
"International Sanctions Legal Adviser"	:	Hogan Lovells Cadwalader International LLP, a Hong Kong-qualified law firm located at 11th Floor, One Pacific Place, 88 Queensway, Hong Kong
"Malaysia Legal Adviser"	:	Shearn Delamore & Co., the legal adviser to our Company as to Malaysia law
"MetaOptics Group"	:	MetaOptics Ltd and its subsidiaries
"MetaOptics Ltd"	:	MetaOptics Ltd (SGX: 9MT) is a company incorporated in the Cayman Islands and listed on Catalist, directly held by our wholly-owned subsidiary, Metasurface Technologies as to approximately 12.47% as the Latest Practicable Date

"MetaOptics Technologies"	:	MetaOptics Technologies Pte. Ltd. (formerly known as Q'Son Advanced Optics Pte. Ltd.), a private company limited by shares incorporated on 15 June 2021 in Singapore, a wholly-owned subsidiary of MetaOptics Ltd
"MMI"	:	MMI Holdings Limited (formerly known as Micro-machining Industries Pte Ltd), a public company limited by shares incorporated on 7 July 1989 in Singapore, a Pre-IPO Investor in our Company, and is also a shareholder in MetaOptics Technologies
"MOM"	:	The Ministry of Manpower of Singapore
"PDPC"	:	The Singapore Personal Data Protection Commission
"SEMI"	:	Semiconductor Equipment and Materials International
"SGP BVI"	:	SGP Capital Holdings Limited, a company incorporated on 3 December 2021 in the BVI with limited liability. SGP BVI is wholly-owned by Dato' Sri Chua and is a Controlling Shareholder
"SGX-ST" or "SGX"	:	Singapore Exchange Securities Trading Limited
"Singapore Special Counsel"	:	Sim Chong LLC, a Singapore-qualified law firm located at 30 Cecil Street, #11-03 Prudential Tower, Singapore 049712
"UOBKH" or the "Sponsor, Issue Manager and Placement Agent"	:	UOB Kay Hian Private Limited

General

"1st Pre-IPO Investment"	:	An investment in Metasurface Technologies by Zou Shuling, Hong Haicheng, Soo Siew Har and Ho Gim Hai, Chua Lee Chai, Tan Beng Kiat, Deborah Chua Wee Wei, Tan Kok Thye George and Poh Seng Kah (who subsequently became our Shareholders as part of the Reorganisation) on 28 December 2021
"2nd Pre-IPO Investment"	:	An investment in Metasurface Technologies by Accelerate (who subsequently became our Shareholder as part of the Reorganisation) on 14 October 2022
"3rd Pre-IPO Investment"	:	An investment in Metasurface Technologies by MMI (who subsequently became our Shareholder as part of the Reorganisation) on 30 January 2023
"6M2025"	:	Six-month financial period ended 30 June 2025

"6M2026"	:	Six-month financial period ended 30 June 2026
"Accelerate Products"	:	Diffractive optical lenses, flat lenses and nanoimprint masters for use within the optical field which incorporates the Accelerate Technology
"Accelerate Technology"	:	Know-how (such as for high resolution direct laser writing and flat optics design and manufacturing) and patents (such as optical devices and super oscillation lens) of Accelerate
"Anti-dilution Undertaking"	:	The undertaking by Dato' Sri Chua on 13 December 2021 to transfer, or procure the transfer of, such number of shares in Metasurface Technologies to Mr. Thng as may be necessary to maintain Mr. Thng's agreed shareholding proportion of 10.0% in Metasurface Technologies or a related corporation in the event that such shareholding is diluted below 10.0% prior to the submission of a listing application for the purpose of the listing on the HKSE
"Application Form"	:	The printed application form to be used for the purpose of the Placement and which form part of this Offer Document
"Application List"	:	The list of applications for subscription for the Placement Shares
"Articles of Association"	:	The second amended and restated articles of association of our Company conditionally adopted on [●] 2026 and which will take effect from the Listing Date, a summary of which is set out in Appendix D to this Offer Document, and as amended, supplemented or otherwise modified from time to time
"Associate"	:	(a) in relation to any individual, including a Director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30.0% or more; (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more

"Audit Committee"	:	The audit committee of our Company as at the date of this Offer Document, unless otherwise stated
"Board" or "Board of Directors"	:	The board of Directors of our Company as at the date of this Offer Document, unless otherwise stated
"Business Day"	:	Any day (other than a Saturday, Sunday or public holiday) on which banks in Singapore and Hong Kong are generally open for normal banking business
"BVI"	:	The British Virgin Islands
"CAGR"	:	Compound annual growth rate
"Catalist"	:	The Catalist of the SGX-ST, being the sponsor-supervised listing platform of the SGX-ST
"Catalist Rules"	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
"Cayman Companies Act"	:	The Companies Act, Cap. 22 (As Revised) of the Cayman Islands
"CEO"	:	Chief Executive Officer
"Code of Corporate Governance 2018"	:	The Singapore Code of Corporate Governance 2018, as amended, modified or supplemented from time to time
"Commissioner"	:	The Commissioner for Labour of Singapore under the EA
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	:	The Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, modified or otherwise supplemented from time to time
"Controlling Shareholder"	:	A person who: (a) directly or indirectly has an interest of 15.0% or more of the nominal amount of all the voting shares in our Company in issue (excluding Treasury Shares), unless otherwise determined by the SGX-ST; or (b) in fact exercises control over our Company

"Deed of AIC Confirmation"	:	The deed of confirmation dated 29 June 2023 executed by Dato' Sri Chua, Mrs. Chua and Mr. A Chua whereby they confirmed the existence of their acting in concert arrangements, which has been terminated by the parties on 17 September 2026. Please refer to the section entitled "Shareholders – Ownership Structure – Past Acting in Concert Arrangements" of this Offer Document for more details
"Directors"	:	The directors of our Company as at the date of this Offer Document, unless otherwise stated
"EA"	:	The Employment Act 1968 of Singapore, as amended, modified or supplemented from time to time
"Enterprise Road Property"	:	Our investment property at 10B Enterprise Road, Singapore 629828
"EPS"	:	Earnings per Share
"EU"	:	The European Union
"Executive Directors"	:	The executive Directors as at the date of this Offer Document, unless otherwise stated
"Executive Officers"	:	The executive officers of our Group as at the date of this Offer Document, who is each also a key executive as defined under the SFR, unless otherwise stated
"FY"	:	Financial year ended or, as the case may be, ending, 31 December
"FY2023"	:	Financial year ended 31 December 2023
"FY2024"	:	Financial year ended 31 December 2024
"FY2025"	:	Financial year ended 31 December 2025
"GEM"	:	The Growth Enterprise Market of the HKSE
"GEM Listing Rules"	:	The Rules Governing the Listing of Securities on GEM of the HKSE, as amended, modified or otherwise supplemented from time to time
"Group CFO"	:	Group Chief Financial Officer
"GST"	:	Goods and services tax of Singapore
"Hong Kong"	:	The Hong Kong Special Administrative Region of the PRC

"Hong Kong Branch Share Register"	:	The branch register of members established by our Company maintained by the Hong Kong Branch Share Registrar and Transfer Office
"Hong Kong Takeovers Code"	:	The Code on Takeovers and Mergers and Share Buy-backs of Hong Kong, as amended, modified or supplemented from time to time
"IFRS"	:	International Financial Reporting Standards, amendments and the related interpretations issued by the International Accounting Standards Board
"immediate family"	:	in relation to a person, means the person's spouse, child, adopted child, step-child, sibling and parent
"Independent Non-Executive Directors"	:	The independent Directors as at the date of this Offer Document, unless otherwise stated
"Independent Market Report"	:	A market research report commissioned by us and prepared by the Industry Consultant on the overview of the industry in which we operate, as referred to in this Offer Document
"International Sanctions"	:	Rules and regulations related to economic sanctions programs administered by the Relevant Jurisdictions
"Latest Practicable Date"	:	14 September 2026, being the latest practicable date prior to the lodgement of this Offer Document with the SGX-ST, acting as agent on behalf of the Authority
"Listing"	:	The proposed listing and quotation of our Shares, including the Placement Shares, the Option Shares and the Award Shares, on the Catalist
"Listing Date"	:	The date of the Listing
"Listing Manual"	:	The listing manual of the SGX-ST, as amended, modified or supplemented from time to time
"Macau"	:	The Macao Special Administrative Region of the PRC
"Malaysia Factory"	:	Our production facility located at No. 6, Jalan Laman Setia 7/4, Taman Laman Setia, 81550 Gelang Patah, Johor
"Management and Sponsorship Agreement"	:	The management and sponsorship agreement dated [●] 2026 entered into between our Company and UOBKH, pursuant to which UOBKH agreed to manage and sponsor the Placement, details as described in the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements" of this Offer Document

"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"Memorandum" or "Memorandum of Association"	:	The memorandum of association of our Company adopted on 7 June 2024, a summary of which is set out in Appendix D to this Offer Document, and as amended, supplemented or otherwise modified from time to time
"NAV"	:	Net asset value
"Nomination Committee"	:	The nomination committee of our Company as at the date of this Offer Document, unless otherwise stated
"Non-Executive Directors"	:	The non-executive Directors of our Company (including Independent Non-Executive Directors) as at the date of this Offer Document, unless otherwise stated
"NTA"	:	Net tangible assets
"Offer Document"	:	This offer document dated [●] 2026 issued by our Company in respect of the Placement
"PDPA"	:	The Personal Data Protection Act 2012 of Singapore, as amended, modified or supplemented from time to time
"PER"	:	Price earnings ratio
"Period Under Review"	:	The period which comprises FY2023, FY2024, FY2025 and 6M2026
"Placement"	:	The placement of Placement Shares to investors, including institutional and other investors in Singapore, subject to and on the terms of the Offer Document and Placement Agreement
"Placement Agreement"	:	The placement agreement dated [●] 2026 entered into between our Company and UOBKH, the details of which are set out in the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements" of this Offer Document
"Placement Price"	:	S$[●] for each Placement Share
"Placement Shares"	:	The [●] new Shares for which our Company invites applications to subscribe for pursuant to the Placement, subject to and on the terms and conditions set out in this Offer Document
"PRC" or "China"	:	The People's Republic of China, excluding, for the purpose of this Offer Document only, Hong Kong, Macau and Taiwan

"Pre-IPO Investments"	:	The 1st Pre-IPO Investment, the 2nd Pre-IPO Investment and the 3rd Pre-IPO Investment collectively
"Pre-IPO Investor(s)"	:	Collectively, Accelerate, MMI, Zou Shuling, Hong Haicheng, Soo Siew Har and Ho Gim Hai, Chua Lee Chai, Tan Beng Kiat, Deborah Chua Wee Wei, Tan Kok Thye George, and Poh Seng Kah
"Relevant Jurisdiction"	:	Any jurisdiction that is relevant to our Company and has sanctions related law or regulation restricting, among other things, its nationals and/or entities which are incorporated or located in that jurisdiction from directly or indirectly making assets or services available to or otherwise dealing in assets of certain countries, governments, persons or entities targeted by such law or regulation, including the U.S., EU, UN, UK and Australia
"Remuneration Committee"	:	The remuneration committee of our Company as at the date of this Offer Document, unless otherwise stated
"Reorganisation"	:	The reorganisation of our Group in preparation for the listing of the Shares on GEM, including the disposal of our Group's interest of approximately 33.3% in MetaOptics Technologies on 16 May 2023
"Sanctioned Person"	:	Certain person(s) and identity(ies) listed on OFAC's Specially Designated Nationals and Blocked Persons List or other restricted parties lists maintained by the U.S., EU, UK, UN or Australia
"Securities Account"	:	The securities account maintained by a CDP Depositor with CDP, but does not include a securities sub-account
"Securities and Futures Act" or "SFA"	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
"SFO"	:	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified or otherwise supplemented from time to time
"SFR"	:	The Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018, as amended, modified or supplemented from time to time
"Share(s)"	:	Ordinary share(s) of par value HK$0.001 each in the share capital of our Company

"Shareholder(s)"	:	Person(s) who are registered as holder(s) of Shares in the register of members of our Company, or where CDP is the registered holder, the term "**Shareholders**" shall, in relation to such Shares and where the context permits, mean CDP Depositors whose Securities Accounts are credited with Shares
"Singapore"	:	The Republic of Singapore
"Singapore Branch Share Register"	:	The branch register of members established by our Company maintained by the Singapore Branch Share Registrar and Transfer Office
"Singapore Companies Act"	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
"Singapore Factory"	:	Our production facility located at our Tuas Property
"Singapore Take-over Code"	:	The Singapore Code on Take-Overs and Mergers issued by the Authority, as amended, supplemented or otherwise modified from time to time
"Substantial Shareholder(s)"	:	Persons who have an interest in the Shares of not less than 5.0% of the aggregate of all the voting shares of our Company in issue (excluding Treasury Shares)
"Tuas Property"	:	Our leased property located at No. 43 Tuas View Circuit, Singapore 637360
"Treasury Shares"	:	Issued Shares in the capital of our Company held as treasury shares. As at the Latest Practicable Date, our Company holds 1,383,000 Treasury Shares and as at the date of this Offer Document, our Company holds [●] Treasury Shares
"UK"	:	The United Kingdom
"UN"	:	The United Nations
"U.S."	:	The United States of America, its territories, its possessions and all areas subject to its jurisdiction
"Weldment Production"	:	Refers to our Group's precision welding segment

Currencies, Units and Others

"HK$"	:	Hong Kong dollars, being the lawful currency of Hong Kong
"MYR"	:	Malaysian ringgit, being the lawful currency of Malaysia

"S$" and "cent"	:	Singapore dollars and cents, respectively, being the lawful currency of Singapore
"US$"	:	United States dollars, being the lawful currency of the United States of America
"%" or "per cent"	:	Percentage or per centum
"μm"	:	Micrometer, being a metric unit of length equal to one-millionth of a meter

Name used in this Offer Document		**Name in National Registration Identity Card (NRIC)/ Passport**
"Dato' Sri Chua"	:	Mr. Chua Chwee Lee, our Founder, Executive Director and CEO, is also a Controlling Shareholder. Dato' Sri Chua is the spouse of Mrs. Chua and uncle of Mr. A Chua
"Mr. A Chua"	:	Mr. Aloysius Chua Hao Peng, nephew of Dato' Sri Chua and Mrs. Chua
"Mr. Soh"	:	Mr. Soh Cheng Joo, our Executive Director, is also a Substantial Shareholder, and the spouse of Ms. Pang
"Mr. Thng"	:	Mr. Thng Chong Kim, our Non-Executive Director and a shareholder in MetaOptics Technologies
"Mrs. Chua"	:	Ms. Jee Wee Jene, our Executive Director, is the spouse of Dato' Sri Chua and aunt of Mr. A Chua
"Ms. Pang"	:	Ms. Pang Chen May, a Shareholder and the spouse of Mr. Soh

The expressions "entity", "associated company", "associated entity", "related corporation", "related entity", "Entity At Risk", "Interested Person", "Interested Person Transaction", "subsidiary" and "subsidiary entity" shall have the meanings ascribed to them respectively in the SFA, the SFR, the Singapore Companies Act and/or the Catalist Rules, as the case may be.

The expressions "CDP Depositor", "CDP Depository Agent" and "CDP Depository Register" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Any word defined under the Cayman Companies Act, the Singapore Companies Act, the SFA, the SFR, the Catalist Rules or any statutory modification thereof and used in this Offer Document and the Application Form shall, where applicable, have the meaning ascribed to it under the Cayman Companies Act, the Singapore Companies Act, the SFA, the SFR, the Catalist Rules or any statutory modification thereto, as the case may be.

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

Any reference in this Offer Document and the Application Form to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted.

Any reference in this Offer Document and the Application Form to Shares being allotted to an applicant includes allotment and/or allocation to CDP for the Securities Account of that applicant.

Any reference to a date or a time of day in this Offer Document and the Application Form shall be a reference to Singapore time, unless otherwise stated.

References in this Offer Document to "our Company", "our Group", "we", "our", and "us" or any other grammatical variations thereof shall, unless otherwise stated, mean our Company, our Group or any member of our Group as the context requires.

The information on the website of the HKSE, our website, any website directly or indirectly linked to our website or the websites of any of our related corporations or other entities in which we may have an interest, or any website, is not incorporated by reference into this Offer Document and should not be relied on.

References in this Offer Document to Appendix or Appendices shall mean appendix or appendices respectively of this Offer Document.

References in this Offer Document to "issued Shares", Shares "in issue" and/or "issued share capital" shall exclude Shares held as Treasury Shares, unless stated otherwise.

Any discrepancies in the tables included herein between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them. Where applicable, figures and percentages are rounded off.

Our customers, suppliers, partners and competitors named in this Offer Document may be referred to in this Offer Document by their trade names. Each of our transactions with our customers and/or suppliers may be with an entity or entities in that customer's or supplier's group of companies.

GLOSSARY OF TECHNICAL TERMS

To facilitate a better understanding of the business of our Group, the following glossary provides an explanation and description of certain technical terms and abbreviations commonly used in our industry and used in this Offer Document. The terms and their meanings may not correspond to standard industry or common meaning or usage of these terms and should not be treated as definitive.

"AI"	:	Artificial intelligence
"build-to-print"	:	A type of contract manufacturing that refers to the process of building products to client work instructions. This is commonly used to manufacture components or pieces of equipment
"BPVC"	:	Boiler and Pressure Vessel Code
"CAD-CAM software"	:	CAD is a software used for computer-aided design and CAM is a software used for computer-aided manufacturing. The CAD-CAM software is used for translating computer-aided design to manufacturing workpieces with computer-aided manufacturing on CNC machines
"CNC"	:	The abbreviation for "computer numerical controls", where the functions and motions of a machine tool are controlled by means of a prepared programme containing alphanumeric data. CNC can control the motions of a workpiece or tool, the input parameters such as feed, depth of cut and the functions, such as turning the spindle on/off or coolant on/off
"CNC machine"	:	Automated machines operated by computers executing pre-programmed sequences of controlled commands
"components"	:	Machined parts, weldments and sub-assemblies
"contract manufacturers"	:	Third-party manufacturers which manufacture products, in whole or in parts based on the specifications provided by their customers. The products produced by the contract manufacturers are then sold under the brand name of their customers
"coordinate measuring machine"	:	A measuring device that measures the geometry of objects by establishing discrete point on a physical surface using a contact probe
"ESG"	:	Environment, social and governance
"ISO 9001:2015"	:	An internationally recognised standard for quality management systems
"milling"	:	The process of spinning a cutting tool against a stationary workpiece using primarily square or rectangular bar stock to produce components
"OEM"	:	Original equipment manufacturer

"orbital welding"	:	Automated welding of secured tubes or pipes with the electrode rotating (or orbiting) around the tube
"precision component engineering"	:	Precision component engineering involves the manufacturing of metal components, primarily through precision machining and precision welding
"precision engineering"	:	Precision engineering is comprised of two main segments: (i) precision component engineering; and (ii) system integration (full system and subsystems that are assembled together with components and/or subsystems)
"precision machining"	:	The machining process that removes material and creates machined components with a narrow range of tolerance. Types of precision machining include turning, milling, grinding and drilling
"precision welding"	:	The process in which welds are applied to a workpiece in a very precise and controlled manner. Dimensional tolerances are tight for both the position of the weld line as well as the depth of the weld. Precision welding is typically used for small parts, parts with tight dimensional tolerances, or parts requiring a barely visible line weld
"semiconductor(s)"	:	A substance that has specific electrical properties that enable it to serve as a foundation for computers and other electronic devices
"SSQA"	:	A framework for quality management system used in the semiconductor industry by leading semiconductor original equipment manufacturers when selecting suppliers
"sub-assembly"	:	A simple assembly of cable, wire, and other small parts, which can be joined to other sub-assembly processes and components to form a complete product
"surface treatment"	:	An additional process applied to the surface of material for the purpose of adding properties such as rust and wear resistance or improving the decorative properties to enhance its appearance
"TIG"	:	Tungsten Inert Gas
"TIG welding"	:	TIG welding produces the weld with a non-consumable tungsten electrode. In the TIG welding process, an arc is formed between a pointed tungsten electrode and the workpiece in an inert atmosphere of argon or helium
"TIG welding machines"	:	Arc welding machines that use a non-consumable tungsten electrode to produce high-quality welds
"turning"	:	The process in which a work piece is rotated against a cutting tool. The turning process is commonly used for machining components

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Document, statements made in press releases and oral statements that may be made by us or our Directors, Executive Officers, employees or authorised persons acting on our behalf, that are not statements of historical fact, constitute "forward-looking statements". You can identify some of these forward-looking statements by terms such as "anticipate", "believe", "could", "estimate", "profit estimate", "expect", "intend", "may", "plan", "will" and "would" or similar words. However, you should note that these words are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial position, trend information, business strategies, plans and prospects are forward-looking statements.

These forward-looking statements, including without limitation, statements as to our revenue and profitability, cost measures, planned strategy and anticipated expansion and development plans, expected growth in demand, expected industry trends and any other matters discussed in this Offer Document regarding matters that are not historical fact, are only predictions. These forward-looking statements reflect our current views with respect to future events and are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by these forward-looking statements. These risks, uncertainties and other factors include, among others, the following:

(a) our ability to successfully implement our business plans and strategies;

(b) future developments, trends and conditions affecting the industries and markets in which we operate or into which we intend to expand;

(c) our business operations and prospects;

(d) our capital expenditure plans;

(e) changes in currency exchange or interest rates;

(f) the actions and developments of our competitors resulting in changes in competitive conditions and our ability to compete under these conditions from time to time;

(g) our financial condition and performance;

(h) capital market developments and stock or securities market conditions;

(i) changes in the regulatory environment, as well as laws, regulations, licensing requirements and policies, in the countries in which we operate or intend to operate;

(j) our ability to execute our business strategies and plans and to achieve our anticipated growth;

(k) changes in political, economic, social, business, financial and competitive conditions in the countries in which we operate or intend to operate;

(l) changes in our future capital needs and the availability of financing and capital to fund these needs;

(m) changes in customers' preferences;

(n) changes in the availability and prices of our products and services;

(o) other factors beyond our control; and

(p) the factors described in the section entitled "Risk Factors" of this Offer Document.

The list of factors is not exhaustive. Some of these risk factors are discussed in greater detail in this Offer Document, in particular, but not limited to, the discussions under the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Position and Results of Operations" of this Offer Document. All forward-looking statements by or attributable to us, the Sponsor, Issue Manager and Placement Agent or persons acting on our or their behalf, contained in this Offer Document are expressly qualified in their entirety by such factors. These forward-looking statements are applicable only as of the date of this Offer Document.

The sections entitled "General Information on our Group – Prospects" and "General Information on our Group – Trend Information" of this Offer Document as well as other parts of this Offer Document may (to the extent applicable) contain data, information, financial analysis, forecast, figures and statements (including market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications) which are forward-looking and based on certain assumptions and projections. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. Neither our Company, the Sponsor, Issue Manager and Placement Agent, nor any person(s) acting on our or their behalf have conducted an independent review or verified the accuracy or veracity of such data, information, financial analysis, forecast, figures and statements, assumptions and projections (the "**Third-Party Data**"). Where any of the Third-Party Data or any information in this Offer Document has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of our Directors, the Sponsor, Issue Manager and Placement Agent, or any person(s) acting on our or their behalf has been to ensure that such Third-Party Data or information has been accurately and correctly extracted from these sources and/or reproduced in this Offer Document in its proper form and context. No representation is made by us, the Sponsor, Issue Manager and Placement Agent, or any person(s) acting on our or their behalf in respect of any such Third-Party Data or information, and neither we, the Sponsor, Issue Manager and Placement Agent, nor any person(s) acting on our or their behalf take any responsibility for any of such Third-Party Data or information.

Given the risks and uncertainties that may cause our actual future results, performance or achievements to be materially different from those expected, expressed or implied by the forward-looking statements in this Offer Document, undue reliance must not be placed on these statements. None of us, the Sponsor, Issue Manager and Placement Agent or any other person represents or warrants that our actual future results, performance or achievements will be as discussed in those statements.

Our actual future results may differ materially from those anticipated in these forward-looking statements as a result of the risks faced by us. We, the Sponsor, Issue Manager and Placement Agent, disclaim any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances, even if new information becomes available or other events occur in the future. We are, however, subject to the provisions of the SFA and the Catalist Rules regarding corporate disclosure.

In particular, pursuant to Section 241 of the SFA, if after this Offer Document is registered but before the close of the Placement, we become aware of (a) a false or misleading statement or matter in this Offer Document; (b) an omission from this Offer Document of any information that should have been included in it under Section 243 of the SFA, the Securities and Futures Regulations or the Catalist Rules; or (c) a new circumstance that has arisen since this Offer Document was lodged with the SGX-ST, acting as agent on behalf of the Authority, which would have been required by Section 243 of the SFA, the Securities and Futures Regulations or the Catalist Rules to be included in this Offer Document, if it had arisen before this Offer Document was lodged, and that is materially adverse from the point of view of an investor, we may, in consultation with the Sponsor, Issue Manager and Placement Agent, lodge a supplementary or replacement offer document with the SGX-ST, acting as agent on behalf of the Authority.

For the avoidance of doubt, notwithstanding that the Placement is subject to and on the terms and conditions of this Offer Document, the rights and obligations of the Placement Agent in relation to the Placement are governed by the terms and conditions of the Placement Agreement.

INDUSTRY AND MARKET DATA

This Offer Document includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information.

We have commissioned the Industry Consultant to prepare a report (the "**Independent Market Report**") on the precision engineering industry, for the purpose of inclusion in this Offer Document. Please refer to "Appendix E – Independent Market Report of the Industry Consultant" of this Offer Document for further details. The Independent Market Report contains certain statements that are "forward-looking" and are based on underlying assumptions containing variables that may have changed since the date of issue. The data extracted in this Offer Document shall be qualified by and subject to the assumptions, qualifications and/or disclaimers set out in the Independent Market Report and the Independent Market Report should be read in its entirety. Please refer to the assumptions, qualifications and/or disclaimers set out in the Independent Market Report in Appendix E to this Offer Document for further details. By their nature, forward-looking statements are subject to risks and uncertainties because they relate to events and depend on circumstances that may occur in the future. No forward-looking statements contained herein should be relied upon as predictions of future events. No assurance can be given that the expectations expressed in these forward-looking statements will prove to be correct. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document for more details. The data extracted from the Independent Market Report may have been re-classified by us for the purpose of presentation. While we, the Sponsor, Issue Manager and Placement Agent, have taken reasonable steps to ensure that the information is extracted accurately and in its proper context, we cannot ensure the accuracy of the information or data and we, the Sponsor, Issue Manager and Placement Agent, and any of our or their respective officers, agents, employees and advisors have not independently verified any of the information or data from third-party sources or ascertained the underlying assumptions relied upon therein. Consequently, none of us, the Sponsor, Issue Manager and Placement Agent, or our or their respective officers, agents, employees and advisers makes any representation as to the accuracy or completeness of such information or data and shall not be obliged to provide any updates on the same.

SINGAPORE

This Offer Document does not constitute an offer, solicitation or invitation to subscribe for the Placement Shares in any jurisdiction in which such offer, solicitation or invitation is unlawful or is not authorised or to any person to whom it is unlawful to make such offer, solicitation or invitation.

No action has been or will be taken under the requirements of the legal or regulatory requirements of any jurisdiction, except for the lodgement and/or registration of this Offer Document in Singapore in order to permit a public offering of the Placement Shares and the public distribution of this Offer Document in Singapore. The distribution of this Offer Document and the offering of the Placement Shares in certain jurisdictions may be restricted by the relevant laws in such jurisdictions. Persons who may come into possession of this Offer Document are required by us, and the Sponsor, Issue Manager and Placement Agent, to inform themselves about, and to observe and comply with, any such restrictions at their own expense and without liability to us and the Sponsor, Issue Manager and Placement Agent.

Persons to whom a copy of this Offer Document has been issued shall not circulate to any other person, reproduce or otherwise distribute this Offer Document or any information herein for any purpose whatsoever nor permit the same to occur.

By accepting this Offer Document, you agree to be bound by the foregoing limitations. No part of this Offer Document may be (i) copied, photocopied or duplicated in any form by any means, or (ii) distributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose.

Hong Kong

The Placement is not an offer for sale to the public in Hong Kong and it is not our intention that the Placement Shares be offered for sale to the public in Hong Kong.

The contents of this Offer Document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Placement. If you are in any doubt about any of the contents of this Offer Document, you should obtain independent professional advice. The Placement has not been authorised by the HKSE and the HK SFC in Hong Kong pursuant to section 104 of SFO nor has this Offer Document been registered by the Registrar of Companies in Hong Kong pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, nor is this Offer Document required to be registered under section 103 of the SFO.

Accordingly, the Shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, or (ii) to "professional investors" within the meaning of the SFO and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance and no advertisement, invitation or document relating to the Shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made thereunder.

Cayman Islands

No invitation, whether directly or indirectly may be made to the public in the Cayman Islands to subscribe for the Placement Shares. This Offer Document does not constitute a public offer of the Placement Shares, whether by way of sale or subscription, in the Cayman Islands. The Placement Shares have not been offered or sold, and will not be offered or sold, directly or indirectly, in the Cayman Islands.

LISTING ON CATALIST

The Sponsor, Issue Manager and Placement Agent has applied to the SGX-ST, acting as agent on behalf of the Authority, for permission to deal in, and for the listing and quotation of, all our Shares already issued, the Placement Shares, the Option Shares and the Award Shares on Catalist. Such permission will be granted when our Company has been admitted to Catalist. Our acceptance of applications and the allotment and allocation of the Placement Shares will be conditional upon, among others, the completion of the Placement, which is subject to certain conditions, including permission being granted by the SGX-ST to deal in, and for the listing and quotation of, all our Shares, including the Placement Shares, the Option Shares and the Award Shares, on Catalist. Monies paid in respect of any application accepted will be returned, without interest or any share of revenue or other benefit arising therefrom and at the applicant's own risk, if the completion of the Placement does not occur because the said permission is not granted or for any reason, and the applicant will not have any claim against us and the Sponsor, Issue Manager and Placement Agent.

After the expiration of six (6) months from the date of registration of this Offer Document, no person shall make an offer of our Shares, or allot, issue, allocate or sell any of our Shares, on the basis of this Offer Document, and no officer or equivalent person or promoter of our Company will authorise or permit the offer of any of our Shares or the allotment, allocation, issue or sale of any of our Shares, on the basis of this Offer Document.

Companies listed on Catalist may carry higher investment risk when compared with larger or more established companies listed on the Main Board of the SGX-ST. In particular, companies may list on Catalist without a track record of profitability and there is no assurance that there will be a liquid market in the shares or units of shares traded on Catalist. You should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with your professional adviser(s).

The Placement is made in or accompanied by this Offer Document that has been registered by the SGX-ST, acting as agent on behalf of the Authority. We have not lodged or registered this Offer Document in any other jurisdiction.

Neither the Authority nor the SGX-ST has examined or approved the contents of this Offer Document. Neither the Authority nor the SGX-ST assumes any responsibility for the contents of this Offer Document, including the correctness of any of the statements or opinions made or reports contained in this Offer Document. The SGX-ST does not normally review the application for admission but relies on the Sponsor, Issue Manager and Placement Agent confirming that our Company is suitable to be listed and complies with the Catalist Rules. Neither the Authority nor the SGX-ST has in any way considered the merits of our existing issued Shares or the Placement Shares being offered for investment.

Admission to Catalist is not to be taken as an indication of the merits of the Placement, our Company, our subsidiaries, our existing issued Shares, the Placement Shares, the Option Shares and the Award Shares. As a foreign issuer, the Company has undertaken to comply with the relevant requirements under Rule 412 of the Catalist Rules.

A copy of this Offer Document has been lodged with and registered by the SGX-ST, acting as agent on behalf of the Authority. Registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority, does not imply that the SFA, the SFR, the Catalist Rules or any other legal or regulatory requirements, have been complied with.

Notification under Section 309B(1) of the SFA: Our Shares, which are stocks or shares issued or proposed to be issued by a corporation or body unincorporate (other than a corporation or body unincorporate that is a collective investment scheme), are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in the MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

We are subject to the provisions of the SFA, the SFR and the Catalist Rules regarding corporate disclosure. In particular, pursuant to Section 241 of the SFA, if after the registration of this Offer Document but before the close of the Placement, we become aware of:

(a) a false or misleading statement in this Offer Document;

(b) an omission from this Offer Document of any information that should have been included in it under the requirements of Section 243 of the SFA, the SFR or the Catalist Rules; or

(c) a new circumstance that has arisen since this Offer Document was lodged with the SGX-ST, acting as agent on behalf of the Authority, and which would have been required by Section 243 of the SFA, the SFR or the Catalist Rules, to be included in this Offer Document if it had arisen before this Offer Document was lodged,

that is materially adverse from the point of view of an investor, we may, in consultation with the Sponsor, Issue Manager and Placement Agent, lodge a supplementary or replacement offer document pursuant to Section 241 of the SFA with the SGX-ST, acting as agent on behalf of the Authority.

In the event that a supplementary or replacement offer document is lodged with the SGX-ST, acting as agent on behalf of the Authority, the Placement shall be kept open for at least 14 days after the lodgement of such supplementary or replacement offer document.

Where prior to the lodgement of the supplementary or replacement offer document, applications have been made under this Offer Document to subscribe for the Placement Shares and:

(a) where the Placement Shares have not been issued to the applicants, we shall either:

    (i) (A) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, as the case may be, give the applicants notice in writing of how to obtain, or arrange to receive, a copy of the supplementary or replacement offer document, as the case may be, and provide the applicants with an option to withdraw their applications; and (B) take all reasonable steps to make available within a reasonable period the supplementary or replacement offer document, as the case may be, to the applicants who have indicated they wish to obtain, or who have arranged to receive, a copy of the supplementary or replacement offer document;

    (ii) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, give the applicants the supplementary or replacement offer document, as the case may be, and provide the applicants with an option to withdraw their applications; or

(iii) (A) treat the applications as withdrawn and cancelled, in which case the applications shall be deemed to have been withdrawn and cancelled; and (B) we shall within seven (7) days from the date of lodgement of the supplementary or replacement offer document, return all monies paid on account of any application for the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk; or

(b) where the Placement Shares have been issued to the applicants, we shall either:

(i) (A) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, as the case may be, give the applicants notice in writing of how to obtain, or arrange to receive, a copy of the same and provide the applicants with an option to return to us the Placement Shares which they do not wish to retain title in; and (B) take all reasonable steps to make available within a reasonable period the supplementary or replacement offer document, as the case may be, to the applicants who have indicated they wish to obtain, or who have arranged to receive, a copy of the supplementary or replacement offer document;

(ii) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, as the case may be, give the applicants the supplementary or replacement offer document, as the case may be, and provide the applicants with an option to return to us the Placement Shares which they do not wish to retain title in; or

(iii) subject to compliance with the Cayman Companies Act and our Memorandum and Articles of Association, we shall as required by the SFA, (A) deem the issue of the Placement Shares as void pursuant to the SFA, in which case the issue of the Placement Shares shall be treated as void; and (B) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, return all monies paid on account of any application, without interest or any share of revenue or other benefit arising therefrom and at the applicants' own risk. In such case, the applicants shall cease to have any rights to the Placement Shares immediately and each applicant agrees that, subject to the compliance with the Cayman Companies Act, the GEM Listing Rules, the Hong Kong Takeovers Code (including, if applicable, the approval of the HK SFC and the satisfaction of all conditions of such approval, which normally includes the approval by at least three-fourths of the votes of disinterested Shareholders at a general meeting ("**HK Share Buy Back Requirements**")) and our Articles of Association, we shall buy back the Placement Shares at nil consideration, and we shall cancel the Placement Shares upon repurchase.

Any applicant who wishes to exercise his option under paragraph (a)(i) or (a)(ii) to withdraw his application shall, within fourteen (14) days from the date of lodgement of the supplementary or replacement offer document, as the case may be, notify us of this, whereupon we shall, within seven (7) days from the receipt of such notification, pay to him all monies paid by him on account of his application for the Placement Shares without interest or any share of revenue or other benefit arising therefrom and at the applicant's own risk and the applicant shall not have any claim against us, the Sponsor, Issue Manager and Placement Agent.

Any applicant who wishes to exercise his option under paragraph (b)(i) or (b)(ii) to return the Placement Shares issued to him shall, within fourteen (14) days from the date of lodgement of the supplementary or replacement offer document, notify us of this and return all documents, if any, purporting to be evidence of title to those Placement Shares, to us, whereupon we shall, subject to compliance with the Cayman Companies Act, the GEM Listing Rules, the Hong Kong Takeovers

Code (including, if applicable, the HK Share Buy Back Requirements) and our Memorandum and Articles of Association, within seven (7) days from the receipt of such notification and documents, if any, return to him all monies paid by him on account of the application for those Placement Shares without interest or any share of revenue or other benefit arising therefrom and at his own risk, and the issue of those Placement Shares shall be deemed to be void pursuant to the SFA, and he shall not have any claim against us and the Sponsor, Issue Manager and Placement Agent. In such case, the applicants shall cease to have any rights to the Placement Shares immediately and each applicant agrees that subject to compliance with the Cayman Companies Act, the GEM Listing Rules, the Hong Kong Takeovers Code (including, if applicable, the HK Share Buy Back Requirements) and our Articles of Association, we shall buy back the Placement Shares at nil consideration, and we shall cancel the Placement Shares upon repurchase.

The Cayman Companies Act provides that the repurchase of shares by a Cayman company may be effected in such manner and upon such terms as may be authorised by or pursuant to the company's articles of association. Article 3(2) of our Articles of Association provides that subject to the Cayman Companies Act, our Memorandum and Articles of Association and, where applicable, the GEM Listing Rules, the Hong Kong Takeovers Code and/or the rules of any competent regulatory authority, our Company shall have the power to purchase or otherwise acquire its own shares and such power shall be exercisable by our Board in such manner, upon such terms and subject to such conditions as it in its absolute discretion thinks fit and any determination by our Board of the manner of purchase shall be deemed authorised by our Articles of Association for the purposes of the Cayman Companies Act.

Pursuant to Section 242 of the SFA, the Authority and/or the SGX-ST, acting as agent on behalf of the Authority, may, in certain circumstances issue a stop order (the "**Stop Order**") to our Company, directing that no or no further Shares to which this Offer Document relates, be allotted, issued or allocated. Such circumstances will include a situation where this Offer Document (i) contains any statement or matter which, in the Authority's opinion, is false or misleading, (ii) omits any information that should have been included in it under the SFA, (iii) does not, in the Authority's opinion, comply with the requirements of the SFA, or (iv) the Authority is of the opinion that it is in the public interest to do so, and the applicants shall not have any right or claim against our Company, our Directors, the Sponsor, Issue Manager and Placement Agent and/or our or their respective officers, agents, employees or advisors.

In the event that the Authority or the SGX-ST, acting as agent on behalf of the Authority, issues a Stop Order and applications to subscribe for the Placement Shares have been made prior to the Stop Order, then:

(a) where the Placement Shares have not been issued to the applicants, the applications for the Placement Shares pursuant to the Placement shall be deemed to have been withdrawn and cancelled and we shall, within fourteen (14) days from the date of the Stop Order, pay to the applicants all monies the applicants have paid on account of their applications for the Placement Shares; or

(b) where the Placement Shares have been issued to the applicants, the issue of the Placement Shares pursuant to the Placement shall be deemed to be void pursuant to the SFA and we shall, within fourteen (14) days from the date of the Stop Order pay, to the applicants all monies paid by them on account of their applications for the Placement Shares.

Such monies (if applicable) paid in respect of an application will be returned to the applicants at their own risk, without interest or any share of revenue or other benefit arising therefrom, and they will not have any claim against our Company and the Sponsor, Issue Manager and Placement

Agent. In such case, the applicants shall cease to have any rights to the Placement Shares immediately and each applicant agrees that, subject to compliance with the Cayman Companies Act, the GEM Listing Rules, the Hong Kong Takeovers Code (including, if applicable, the HK Share Buy Back Requirements) and our Articles of Association, we shall buy back the Placement Shares at nil consideration and we shall cancel the Placement Shares upon repurchase.

If our Company is required by applicable Singapore laws to cancel issued Placement Shares and repay application monies to applicants (including instances where a Stop Order is issued), subject to compliance with the Cayman Companies Act, the GEM Listing Rules, the Hong Kong Takeovers Code (including, if applicable, the HK Share Buy Back Requirements) and our Articles of Association, we will buy back the Placement Shares at nil consideration, and we shall cancel the Placement Shares upon repurchase. Information relating to the purchase of our Shares by our Company is also set out in "Appendix D – Summary of Certain Provisions of the Memorandum and Articles of Association of our Company and the Cayman Companies Act" of this Offer Document.

Where moneys are to be returned to applicants for the Placement Shares, it shall be paid to the applicants without any interest or share of revenue or benefit arising therefrom at the applicants' own risk, and the applicants will not have any claim against us and the Sponsor, Issue Manager and Placement Agent.

Neither our Company, the Sponsor, Issue Manager and Placement Agent, nor any other parties involved in the Placement is making any representation to any person regarding the legality of an investment by such person under any investment or other laws or regulations. No information in this Offer Document should be considered as being business, legal or tax advice regarding an investment in our Shares. Each prospective investor should consult his own professional or other advisers for business, legal or tax advice regarding an investment in our Shares. The Placement Shares are offered for subscription solely on the basis of the information contained and the representations made in this Offer Document.

No representation, warranty or covenant, expressed or implied, is made by us, the Sponsor, Issue Manager and Placement Agent or any of our or their respective affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information contained herein, and nothing contained in this Offer Document is, or shall, to the extent permitted by law, be relied upon as a promise, representation or covenant by us, the Sponsor, Issue Manager and Placement Agent or any of our or their respective affiliates, directors, officers, employees, agents, representatives or advisers.

No person has been or is authorised to give any information or to make any representation not contained in this Offer Document in connection with the Placement and, if given or made, such information or representation must not be relied upon as having been authorised by us, the Sponsor, Issue Manager and Placement Agent. Neither the delivery of this Offer Document and the Application Form and/or any documents relating to the Placement, nor the Placement shall, under any circumstances, constitute a continuing representation or create any suggestion or implication that there has been no change in the affairs of our Company or our subsidiaries or in any statements of fact or information contained in this Offer Document since the date of this Offer Document. Where such changes occur and are material or required to be disclosed by law, the SGX-ST and/or any other regulatory or supervisory body or agency, we will comply with the relevant provisions and, if required, promptly make an announcement of the same to the SGX-ST and to the public and/or lodge a supplementary or replacement offer document with the SGX-ST, acting as agent on behalf of the Authority. You should take note of any such announcement, and/or

supplementary or replacement offer document and, upon release such an announcement, and/or supplementary or replacement offer document, you shall be deemed to have been given notice of such changes.

Nothing herein is, or may be, relied upon as a promise or representation as to our future performance or policies. The Placement Shares are offered for subscription solely on the basis of the information contained and representations made in this Offer Document.

This Offer Document has been prepared solely for the purpose of the Placement and may not be relied upon by any persons other than the applicants in connection with their application for the Placement Shares or for any other purpose.

This Offer Document does not constitute an offer, solicitation or invitation to subscribe for and/or purchase the Placement Shares in any jurisdiction in which such offer, solicitation or invitation is unlawful or unauthorised nor does it constitute an offer, solicitation or invitation to any person to whom it is unlawful to make such offer, solicitation or invitation.

Copies of this Offer Document and the Application Form may be obtained on request, subject to availability, during office hours, from:

UOB Kay Hian Private Limited
83 Clemenceau Avenue
#10-01 UE Square
Singapore 239920

An electronic copy of this Offer Document is also available on the SGX-ST's website at http://www.sgx.com.

The Placement will be open immediately upon the registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority (the "Registration") and will remain open until [●] 2026.

The Application List will open immediately upon the Registration and will remain open until 12.00 noon on [●] 2026, or for such further period or periods as our Directors may, in consultation with the Sponsor, Issue Manager and the Placement Agent, in their absolute discretion decide, subject to any limitation under all applicable laws and regulations. In the event a supplementary offer document or replacement offer document is lodged with the SGX-ST, acting as agent on behalf of the Authority, the Application List will remain open for at least 14 days after the lodgement of the supplementary or replacement offer document.

Details of the procedures to subscribe for the Placement Shares are set out in "Appendix F – Terms, Conditions and Procedures for Application and Acceptance" of this Offer Document.

INDICATIVE TIMETABLE FOR LISTING

An indicative timetable for the Placement and trading in our Shares is set out below:

Indicative date/time	Event
[●] 2026 (immediately upon registration of this Offer Document)	Application List opens
[●] 2026 at 12.00 noon	Close of Application List
[●] 2026 at 9.00 a.m.	Commence trading on a "ready" basis
[●] 2026	Settlement date for all trades done on a "ready" basis

The above timetable is indicative only and is subject to change (whether in relation to the Placement Shares or any mode of application thereof) at our discretion, with the agreement of the Sponsor, Issue Manager and Placement Agent. It assumes that the date of closing of the Application List is [●] 2026, the date of admission of our Company to Catalist is [●] 2026, the SGX-ST's shareholding spread requirement will be complied with, and the Placement Shares will be allotted, issued and fully paid-up prior to [●] 2026. The actual date on which our Shares will commence trading on a "ready" basis will be announced when it is confirmed by the SGX-ST. All dates and times referred to above are Singapore dates and times.

The above timetable and procedures may also be subject to such modifications as the SGX-ST may, in its discretion, decide, including the Listing Date. The commencement of trading on a "ready" basis will be entirely at the discretion of the SGX-ST. All persons trading in the Shares before their Securities Accounts with CDP are credited with the relevant number of Shares do so at the risk of selling Shares which neither they nor their nominees, as the case may be, have been allotted or are otherwise beneficially entitled to.

We may, at our discretion, with the agreement of the Sponsor, Issue Manager and Placement Agent and subject to all applicable laws and regulations and the rules of the SGX-ST, agree to extend or shorten the period during which the Placement is open, provided that the Placement period may not be less than two (2) Market Days.

In the event of any changes in the closure of the Application List or the time period during which the Placement is open, we will publicly announce the same:

(a) through a SGXNET announcement to be posted on the Internet at the SGX-ST's website, http://www.sgx.com; and

(b) in a major English language newspaper(s) in Singapore.

We reserve the right to reject or accept, in whole or in part, or to scale down any application for the Placement Shares, without assigning any reason therefrom, and no enquiry and/or correspondence on our decision will be entertained. In deciding the basis of allotment and/or allocation, due consideration will be given to the desirability of allotting and/or allocating our Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.

We will publicly announce the level of subscription for the Placement Shares and the basis of allotment and/or allocation of the Placement Shares as soon as it is practicable after the close of the Application List through the channels described in (a) and (b) above.

INDICATIVE TIMETABLE FOR LISTING

The manner and method of applications and acceptances under the Placement will be determined by our Company, the Sponsor, Issue Manager and Placement Agent. See "Appendix F – Terms, Conditions and Procedures for Application and Acceptance" of this Offer Document for further information.

Investors should consult the SGX-ST's announcement on the "ready" trading date released on the Internet (at the SGX-ST's website, http://www.sgx.com) or the local newspapers, or check with their brokers on the date on which trading on a "ready" basis will commence.

PLAN OF DISTRIBUTION

THE PLACEMENT

The Placement is in respect of [●] Placement Shares offered in Singapore by way of placement at the Placement Price.

Prior to the Placement, there has been no public market for our Shares in Singapore. The Placement Price is determined by our Company following consultation with the Sponsor, Issue Manager and Placement Agent, taking into consideration, among others, the prevailing market conditions and estimated market demand for our Shares (including the Placement Shares) determined through a book-building process. The Placement Price is the same for all Placement Shares and is payable in full on application.

Investors may apply to subscribe for any number of the Placement Shares in lots of 100 Placement Shares or integral multiples thereof subject to a minimum of 1,000 Placement Shares. In order to ensure a reasonable spread of Shareholders, we have the absolute discretion to prescribe a limit to the number of Placement Shares to be allotted to any single applicant and allot the Placement Shares above or under such prescribed limit as we shall deem fit.

PLACEMENT SHARES

The Placement Shares are made available to retail and institutional investors in Singapore for subscription at the Placement Price. Applications for the Placement Shares may only be made by way of printed Application Form or such other forms of application as the Sponsor, Issue Manager and Placement Agent deem appropriate. The terms and conditions and procedures for application and acceptance are set out in "Appendix F – Terms, Conditions and Procedures for Application and Acceptance" of this Offer Document.

Pursuant to the terms and conditions contained in the Placement Agreement as disclosed in the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements" of this Offer Document, the Placement Agent has agreed to subscribe for, or procure subscribers for, the Placement Shares, at the Placement Price.

Subscribers for the Placement Shares may be required to pay a brokerage of up to [●]% of the Placement Price (and the prevailing GST thereon, if applicable) to the Placement Agent or any sub-placement agent(s) that may be appointed by the Placement Agent as well as stamp duties and other charges.

The Placement Agreement is conditional upon the Management and Sponsorship Agreement not having been terminated or rescinded pursuant to the provisions of the Management and Sponsorship Agreement. Please refer to the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements" of this Offer Document for further details.

SUBSCRIPTION FOR THE PLACEMENT SHARES

To the best of our knowledge and belief, none of our Directors or Substantial Shareholders intends to subscribe for the Placement Shares in the Placement. If such person(s) and/or their respective Associates were to make an application for the Placement Shares and are subsequently allotted such number of Placement Shares, we will make the necessary announcements in accordance with Rule 428 of the Catalist Rules.

To the best of our knowledge and belief, none of the members of our management or employees intends to subscribe for 5.0% or more of the Placement Shares pursuant to the Placement. To the best of our knowledge and belief, we are not aware of any person who intends to subscribe for Shares amounting to 5.0% or more of the Placement Shares in the Placement.

However, through a book-building process to assess market demand for our Shares, there may be person(s) who may indicate an interest to subscribe for more than 5.0% of the Placement Shares. If such person(s) were to make an application for more than 5.0% of the Placement Shares and are subsequently allotted such number of Shares, we will make the necessary announcements at an appropriate time. The final allotment of Shares will be in accordance with the shareholding spread and distribution guidelines as set out in Rule 406(1) of the Catalist Rules.

No Shares shall be issued and allotted on the basis of this Offer Document later than six (6) months after the date of registration of this Offer Document by SGX-ST, acting as agent on behalf of the Authority.

SPONSORSHIP, MANAGEMENT AND PLACEMENT ARRANGEMENTS

Management and Sponsorship Agreement

Pursuant to the Management and Sponsorship Agreement, our Company has appointed UOBKH to sponsor and manage the Listing and Placement. UOBKH will receive a management fee from our Company for such services rendered in connection therewith.

UOBKH may in its absolute discretion, by notice in writing to our Company, rescind or terminate the Management and Sponsorship Agreement if, at any time prior to the date and time of the commencement of trading of our Shares on Catalist, among others, the following events occur:

(a) UOBKH becomes aware of any breach by the Company and/or their agent(s) of the representations and warranties or undertakings given by the Company to UOBKH in the Management and Sponsorship Agreement;

(b) any occurrence of a specified event (as described in the Management and Sponsorship Agreement) which comes to the knowledge of UOBKH;

(c) any material adverse change, or any development involving a prospective material adverse change, in the conditions (business, trading, operational, financial or otherwise), performance or general affairs of our Company or of our Group as a whole;

(d) any change or prospective change in or any introduction or prospective introduction of any legislation, regulation, policy, directive, guideline, rule or bye-law by any relevant government or regulatory body, whether or not having the force of law, or any other occurrence of similar nature that would materially change the scope of work, responsibility or liability required of the Sponsor;

(e) the issue by the SGX-ST of a notice of refusal to admit our Company to Catalist; or

(f) prior to the closing date of the Application List:

(i) any change or development involving a prospective change, in local, national, regional or international financial (including stock market, foreign exchange market, inter-bank market or interest rates or money market), political, industrial, economic, legal or monetary conditions, taxation or exchange controls (including without limitation, the imposition of any moratorium, suspension or restriction on trading in securities generally on the SGX-ST due to exceptional financial circumstances or otherwise, adverse changes in foreign exchange controls in Singapore and overseas or any combination of any such changes or developments or crisis, or any deterioration of any such conditions);

(ii) any imminent threat or occurrence of any local, national, regional or international outbreak or escalation of hostilities, insurrection, terrorist attacks or armed conflict (whether or not involving financial markets) in any jurisdiction;

(iii) any regional or local outbreak of disease that may have an adverse effect on the financial markets; and/or

(iv) any other occurrence of any nature whatsoever,

which in the opinion of UOBKH, results or is likely to result in a material adverse fluctuation or material adverse conditions in the stock market in Singapore or overseas, or is likely to materially prejudice the success of the Placement, or makes it impracticable, inadvisable, inexpedient or uncommercial to proceed with any of the transactions contemplated under the Management and Sponsorship Agreement, or is likely to have a material adverse effect on the business, trading position, operations or prospects of our Group.

Placement Agreement

Pursuant to the Placement Agreement, our Company has appointed UOBKH as the Placement Agent to procure subscriptions for the Placement Shares at the Placement Price, for a placement commission of [●]% of the Placement Price for each Placement Share, payable by our Company. Subject to any applicable laws and regulations, the Placement Agent may, at their absolute discretion, appoint sub-placement agents for the Placement Shares.

The Placement Agreement and the obligations of the Placement Agent under the Placement Agreement are conditional upon, among others:

(a) the Offer Document having been registered by the SGX-ST, acting as agent on behalf of the Authority, by the date on which the Offer Document shall be registered by the SGX-ST, acting as agent on behalf of the Authority, or such other date as our Company and UOBKH shall decide in accordance with the Catalist Rules and the SFA;

(b) the registration notice being issued or granted by the SGX-ST, acting as agent on behalf of the Authority, and such registration notice not being revoked or withdrawn on or prior to the date of commencement of trading of the Shares on Catalist;

(c) the compliance by the Company to the satisfaction of the SGX-ST with all the conditions imposed by the SGX-ST in granting the registration notice (if any), where such conditions are required to be complied with by the Closing Date or Trading Date, as the case may be;

(d) such approvals or relevant authorities as may be required for the transactions described in the Placement Agreement and in the Offer Document in relation to the Listing and the Placement being obtained, and not withdrawn or amended, on or before the date on which our Company is admitted to Catalist (or such other date our Company and UOBKH may agree in writing) and the compliance in full to the satisfaction of all the relevant authorities granting such approvals of all conditions (if any) attaching or in relation thereto on or before the date on which our Company is admitted to Catalist (or such other date as our Company and UOBKH may agree in writing);

(e) there having been, in the opinion of UOBKH, no material adverse change or any development likely to result in a material adverse change in the business, trading, operational, financial or other condition of our Group between the date of the Placement Agreement and the date of commencement of trading of Shares on Catalist nor the occurrence of any event nor the discovery of any fact rendering untrue, incorrect or misleading in any respect, as at the date of commencement of trading of Shares on Catalist, any of the warranties or representations nor any breach by our Company of any of its obligations under the Placement Agreement;

(f) the compliance by our Company with all applicable laws and regulations concerning the Placement, the admission of our Company to Catalist and the listing and quotation of all the existing issued Shares, the Placement Shares, the Option Shares and the Award Shares on Catalist and the transactions contemplated in the Placement Agreement and the Offer Document and no new laws, regulations and directives having been promulgated, published and/or issued and/or having taken effect or any other similar matter having occurred which, in the reasonable opinion of the Placement Agent, has or may have an adverse effect on the Placement and the Listing;

(g) there being no amendment or supplement to the Offer Document announced, issued, published or delivered to investors without the prior approval of the Placement Agent;

(h) the representations, warranties and undertakings in the Placement Agreement remaining true and accurate in all respects as at the date of commencement of trading of Shares on Catalist; and

(i) there being no stop order or similar order served by the Authority or any court or judicial, governmental, legislative, executive, regulatory or other body or authority in Singapore (including, without limitation, the SGX-ST) in relation to the Listing and the subscription, allotment or issue, and delivery of the Shares in accordance with the provisions of the Placement Agreement not being prohibited by any statute, order, rule, regulation or directive issued by, or objected to, by any judicial, governmental, legislative, executive, regulatory or other body or authority in Singapore (including, without limitation, the Authority and the SGX-ST).

In the event that the Placement Agreement is terminated, the parties shall be released from their respective obligations under the Placement Agreement, and our Company shall reimburse UOBKH for all relevant expenses incurred by it in connection with the carrying out of its responsibilities under the Placement Agreement and shall hold the Placement Agent and its respective directors, employees, agents and advisers fully and effectively indemnified against all liabilities, costs and expenses arising out of any claim which may be brought or threatened to be brought against any of them in relation to Listing and/or the Placement.

In the event that the Management and Sponsorship Agreement and/or the Placement Agreement are terminated, our Company reserves the right, at the absolute discretion of our Directors, to cancel the Listing and the Placement.

Other than pursuant to the Placement Agreement, there are no contracts, agreements or understandings between our Company, and any person or entity that would give rise to any claim for brokerage commission, finder's fees or other payments in connection with the subscription of the Placement Shares.

NO INTRODUCERS AND CONSULTANTS

There are no introducers to the Placement and no consultants have been engaged by our Group to assist in (i) our application for the Listing; or (ii) the issue of securities or securities-based derivatives contracts to investors during the period of twelve (12) months prior to the date of lodgement of this Offer Document, for the purposes of facilitating the Placement and our application for the Listing.

INTERESTS OF THE SPONSOR, ISSUE MANAGER AND PLACEMENT AGENT

In the reasonable opinion of our Directors, our Company does not have any material relationship with the Sponsor, Issue Manager and Placement Agent, save as disclosed below and in the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements" of this Offer Document:

(a) UOBKH is the Sponsor, Issue Manager and Placement Agent in relation to the Listing and Placement; and

(b) UOBKH will be the continuing sponsor of our Company for a period of at least three (3) years from the date our Company is admitted and listed on Catalist.

The information contained in this summary is derived from, and should be read in conjunction with, the full text of this Offer Document. As it is a summary, it does not contain all of the information that prospective investors should consider before investing in our Shares. Prospective investors should read this entire Offer Document carefully, especially the section entitled "Risk Factors" of this Offer Document and our financial statements and related notes before deciding on whether or not to invest in our Shares.

OUR COMPANY

Our Company was incorporated in the Cayman Islands on 7 December 2021 under the Cayman Companies Act as an exempted company with limited liability.

Our Shares have been listed on GEM since 2 July 2024.

Our Company is the investment holding company of our Group. Our Group mainly operates through our subsidiaries, Metasurface Technologies and SPW in Singapore and SGP Malaysia in Malaysia.

OUR BUSINESS OVERVIEW

Our Group is one of the leading precision component engineering services providers headquartered in Singapore, specialising in the provision of precision machining services and precision welding services for customers primarily in the semiconductor industry, as well as the aerospace and data storage segments. Precision machining services involve machining processes for removing materials from a workpiece with high accuracy to create parts and components with tight tolerance, with accuracy in the range of hundreds of micrometres. Precision welding services involve the application of weldment equipment and specialised welding technique on a workpiece in a very precise and controlled manner.

Please refer to the section entitled "General Information on our Group – Business Overview" of this Offer Document for further details on our business.

OUR COMPETITIVE STRENGTHS

We believe we have the following competitive strengths:

(a) **Established and enduring business relationships with reputable international customers**. We have over 20 years of operating history and have built a solid customer base comprising reputable international companies in the semiconductor, aerospace and data storage industries and segments, and working relationships with some of our major customers for approximately seven (7) to seventeen (17) years. Our proven track record in delivering quality and efficient precision component engineering services, combined with the high entry barriers of our industry, underpins our ability to retain customers and secure new business.

(b) **Advanced production technologies and manufacturing capabilities to fulfil customer product specifications**. We operate an extensive and diverse fleet of advanced machinery, including approximately 70 CNC machines comprising large-format and multi-axis CNC machines, enabling us to provide highly customised build-to-print services. Our machinery can manufacture large-format parts exceeding one metre in size and up to two feet in thickness, while achieving an accuracy of ±5μm. We continuously invest in advanced equipment to enhance our production capability and keep pace with the evolving requirements of our customers.

(c) **Industry-specific qualifications and certifications for precision machining and precision welding**. In recognition of our stringent production processes and proven quality management capabilities, we have been awarded ISO 9001:2015 quality management system certification for the fabrication of precision machinery parts since 2019, as well as ISO 14001:2015 certification for environmental management systems since 2018. We have welders certified under the ASME BPVC Section IX:2017 and are qualified to perform welding work in accordance with the required standards. In addition, we possess AWS and SEMI welding qualifications. For precision machining services in the semiconductor industry, we also satisfy the relevant criteria under SSQA of our relevant customer(s), a widely recognised quality assessment standard for industry suppliers, as required by our customers.

(d) **Experienced management team supported by high-calibre engineers with advanced technical expertise**. Our Group is led by Dato' Sri Chua, our Founder, Executive Director and CEO, who has over 30 years of experience in high-precision manufacturing. Mr. Soh, our Executive Director and Managing Director of Weldment Production, brings broad experience across a range of welding processes, including electron beam welding, TIG welding, and orbital welding. Additionally, our management and production teams comprise well-trained and qualified professionals, each with over ten (10) years of experience in the precision component engineering industry.

Please refer to the section entitled "General Information on our Group – Competitive Strengths" of this Offer Document for further details.

OUR BUSINESS STRATEGIES AND FUTURE PLANS

Our business strategies and future plans include:

(a) **Maintaining and strengthening long-term relationships with reputable international customers while expanding and diversifying our customer base**. We intend to strengthen and maintain long-term relationships with our reputable international customers through proactive engagement and consistent delivery of high-quality services, while leveraging our established track record in the semiconductor industry to expand our customer base in the data storage, aerospace and oil and gas segments, and further diversify into the module assembly services segment, supported by enhanced marketing initiatives and broader service offerings to drive long-term sustainable growth.

(b) **Continuing to pursue business expansion and scale up operations**. We intend to continue scaling up our operations by enhancing our production capabilities through investments in new CNC machines, cashflow and supply chain management, and human resources framework to capitalise on the growing demand for precision component engineering services, particularly within the semiconductor industry, while leveraging our technical expertise, operational synergies, expanding workforce, and strengthened operational efficiency to support long-term sustainable growth.

(c) **Enhancing quality assurance capabilities and optimising operational efficiency**. We intend to enhance our quality assurance capabilities and optimise operational efficiency through investments in coordinate measuring machines, production planning and monitoring systems, ERP integration, and upgraded CNC programming software to strengthen quality control, improve real-time production oversight and data analytics, increase production efficiency, and support the continued growth of our precision component engineering operations.

(d) **Joint ventures, acquisitions and strategic alliances**. We may pursue joint ventures, acquisitions, and strategic alliances to achieve vertical integration, expand into new markets and customers bases, and gain economies of scale for future growth.

Please refer to the section entitled "General Information on our Group – Business Strategies and Future Plans" of this Offer Document for further details.

OUR PROSPECTS

Our Directors believe that the prospects of our Company are encouraging for the following reasons:

(a) **Expanding market size of the global precision engineering industry**. According to the Independent Market Report, the global market size of the precision engineering industry is projected to reach S$708.8 billion, representing a CAGR of 5.3% from 2025 to 2030. Semiconductor and aerospace sectors are expected to remain the dominant sectors, followed by the oil and gas and data storage sectors. Further, as semiconductor OEMs and equipment manufacturers continue to require components with tighter tolerances, higher cleanliness standards and greater reliability, we believe that demand for precision component engineering services with the relevant technical capabilities and quality systems is expected to increase;

(b) **Semiconductor sector growth, supported by AI-driven demand**. According to the Independent Market Report, the global output of the semiconductor segment in the global precision engineering industry is projected to reach S$118.6 billion by 2030, representing a CAGR of 11.9% from 2025 to 2030. The increasing adoption of AI technologies represents an important structural demand driver for the semiconductor value chain. The growth of AI applications, including generative AI and large language models, has increased demand for more advanced and higher-performance semiconductor chips. These chips generally involve more complex manufacturing processes, which in turn require advanced wafer fabrication equipment and highly precise equipment components; and

(c) **Singapore's position as a strategic advanced manufacturing and semiconductor hub**. According to the Independent Market Report, Singapore is a regional leader in the precision engineering industry, supported by favourable policies, a strong research and development ecosystem and advanced precision engineering deployment. The output value of Singapore's precision engineering industry is projected to reach S$15.3 billion by 2030, representing a CAGR of 6.0% from 2025 to 2030. The Singapore government recognises the strategic importance of the precision engineering industry and has implemented supportive policies and initiatives. As our Group is headquartered in Singapore and operates within the semiconductor precision component engineering value chain, we believe that Singapore's position as an advanced manufacturing and semiconductor hub will continue to support opportunities for precision component engineering service providers such as our Group.

Please refer to the section entitled "Our Business – Prospects" of this Offer Document for further details.

FINANCIAL HIGHLIGHTS

You should read the following summary financial information in conjunction with the full text of this Offer Document, including the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" as set out in Appendix A to this Offer Document, the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendix B to this Offer Document, and the section entitled "Management's Discussion and Analysis of Financial Position and Results of Operations" of this Offer Document.

Selected Items from the Consolidated Statement of Comprehensive Income

	← Audited →			← Unaudited →	
(S$'000)	**FY2023**	**FY2024**	**FY2025**	**6M2025**	**6M2026**
Revenue	38,769	37,722	47,598	24,766	26,978
Gross profit	14,415	12,866	17,692	10,411	10,273
Profit before tax	3,345	4,704[(1)]	11,580	9,577[(2)]	4,548
Profit for the year/period attributable to owners of the Company	4,607	3,193[(1)]	10,103	8,756[(2)]	3,705
Fair value gain/(loss) of financial assets at FVOCI	–	–	28,660[(3)]	–	(13,873)[(3)]
Total comprehensive income/(loss) attributable to owners of the Company	**4,598**	**3,083[(1)]**	**38,785**	**8,762**	**(10,180)**
Pre-Placement EPS (cents)[(4)]	3.7	2.3	6.7	5.8	2.5
Post-Placement EPS (cents)[(5)]	[●]	[●]	[●]	[●]	[●]

Notes:

(1) Excluding the one-off expenses in relation to our listing on the HKSE amounting to S$2.6 million in FY2024, our Group's profit before tax, profit attributable to the owners of the Company and total comprehensive income attributable to the owners of the Company for FY2024 would have been approximately S$7.3 million, S$5.8 million and S$5.7 million, respectively.

(2) Excluding the one-off other gain in relation to the remeasurement gain arising from loss of significant influence over an associate and reclassification of the investment to FVOCI amounting to S$6.4 million in 6M2025, our Group's profit before tax and profit attributable to the owners of the Company for 6M2025 would have been approximately S$3.2 million and S$2.4 million, respectively.

(3) The fair value gain/(loss) of financial assets at FVOCI was due to the reclassification of our investment in MetaOptics Ltd following the Group's loss of significant influence and MetaOptics Ltd ceased to be an associate of the Group on 27 June 2025. Please refer to the section entitled "Risk Factors – Risks relating to our Business and Industry – Investments classified as financial assets at FVOCI are subject to market and valuation risks" of this Offer Document for more details.

(4) For illustrative purposes, pre-Placement EPS for the Period Under Review have been computed based on the profit attributable to the owners of the Company and our pre-Placement issued Share capital of 123,000,000 Shares, 136,500,000 Shares and 150,000,000 Shares for the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025, respectively, and 150,000,000 Shares for the period ended 30 June 2025 and 149,902,000 Shares (excluding 98,000 Treasury Shares as at 30 June 2026) for the period ended 30 June 2026.

(5) For illustrative purposes, post-Placement EPS have been computed based on the profit attributable to the owners of the Company and our post-Placement issued Share capital of [●] Shares (excluding [●] Treasury Shares as at the date of this Offer Document).

Selected Items from the Consolidated Statement of Financial Position

	← Audited →			← Unaudited →
(S$'000)	**As at 31 December 2023**	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
Non-current assets	44,345	43,470	76,951	62,222
Current assets	25,515	33,030	38,590	46,097
Total assets	**69,860**	**76,500**	**115,541**	**108,319**
Current liabilities	16,104	11,656	11,705	15,202
Non-current liabilities	26,759	25,432	23,935	23,260
Total liabilities	**42,863**	**37,088**	**35,640**	**38,462**
Total equity	**26,997**	**39,412**	**79,901**	**69,857**
NAV per Share (cents)(1)	**21.9**	**28.9**	**53.3**	**46.6**

Note:

(1) For illustrative purposes, our NAV per Share have been computed based on the total equity and our pre-Placement issued Share capital of 123,000,000 Shares, 136,500,000 Shares, 150,000,000 Shares and 149,902,000 Shares (excluding 98,000 Treasury Shares as at 30 June 2026) for FY2023, FY2024, FY2025 and 6M2026, respectively.

OUR CONTACT DETAILS

Our principal places of business in Singapore and Hong Kong is at No. 43 Tuas View Circuit, Singapore 637360 and Room 1917, 19/F, Lee Garden One, 33 Hysan Road, Causeway Bay, Hong Kong respectively, and our registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The telephone number for our principal place of business in Singapore is +65 6475 9008 and our facsimile number is +65 6475 9007. Our Cayman Islands Company Registration Number is 384837. Our Internet address is www.metatechnologies.com.sg and our email address is info@metatechnologies.com.sg.

Information contained in our website does not constitute part of this Offer Document and should not be relied upon.

The Placement	:	[●] Placement Shares, subject to and on the terms and conditions set out in this Offer Document. The Placement Shares, upon issue and allotment, will rank *pari passu* in all respects with the existing issued Shares.
Placement Price	:	S$[●] for each Placement Share, payable in full on application.
Purpose of the Placement	:	Our Directors believe that the listing of our Company and the quotation of our Shares on Catalist will enhance our public image locally and overseas and enable us to raise funds from the capital markets in Singapore for the expansion of our business operations. The Placement will also provide members of the public and others who have contributed to the success of our Group with an opportunity to participate in the equity of our Company. In addition, the proceeds from the issuance of Placement Shares will provide us with additional capital to finance our future plans and for the general working capital of our Group.
Listing Status	:	Our Shares are currently listed on GEM. Upon listing and quotation on Catalist, our Shares will be traded on the HKSE and SGX-ST. Our Shares are quoted on HKSE in HK$. Our Shares will be quoted in S$ on Catalist, subject to admission of our Company to Catalist and permission for dealing in, and for quotation of, all of our Shares that are already issued as well as the Placement Shares, the Option Shares and the Award Shares being granted by the SGX-ST.
Use of Proceeds	:	Please refer to the section entitled "Use of Proceeds and Expenses of the Placement" of this Offer Document for more details.
Risk Factors	:	Investing in our Shares involves risks which are described in the section entitled "Risk Factors" of this Offer Document.

PLACEMENT STATISTICS

Placement Price	[●] cents
NAV	
NAV per Share based on the unaudited condensed interim consolidated statement of financial position of our Group as at 30 June 2026:	
(a) before adjusting for the estimated net proceeds from the Placement and based on the pre-Placement issued Share capital of 148,617,000 Shares (excluding Treasury Shares)	47.0 cents
(b) after adjusting for the estimated net proceeds from the Placement and based on the post-Placement issued Share capital of [●] Shares (excluding Treasury Shares)	[●] cents
Premium of Placement Price over the NAV per Share based on the unaudited condensed interim consolidated statement of financial position of our Group as at 30 June 2026:	
(a) before adjusting for the estimated net proceeds from the Placement and based on the pre-Placement issued Share capital of 148,617,000 Shares (excluding Treasury Shares)	[●]%
(b) after adjusting for the estimated net proceeds from the Placement and based on the post-Placement issued Share capital of [●] Shares (excluding Treasury Shares)	[●]%
EPS	
EPS based on the audited consolidated statement of comprehensive income of our Group for FY2025 and the pre-Placement issued Share capital of 148,617,000 Shares (excluding Treasury Shares)	6.8 cents
EPS based on the audited consolidated statement of comprehensive income of our Group for FY2025 and the post-Placement issued Share capital of [●] Shares (excluding Treasury Shares)	[●] cents
PER	
PER based on the Placement Price, the EPS for FY2025 and the pre-Placement issued Share capital of 148,617,000 Shares (excluding Treasury Shares)	[●] times
PER based on the Placement Price, the EPS for FY2025 and the post-Placement issued Share capital of [●] Shares (excluding Treasury Shares)	[●] times

PLACEMENT STATISTICS

Net Operating Cash Flow

Net cash flows used in operating activities per Share of our Group for FY2025 based on the audited consolidated statement of cash flows and the pre-Placement issued Share capital of 148,617,000 Shares (excluding Treasury Shares)	7.3 cents

Placement Price to Net Operating Cash Flow per Share Ratio

Ratio of Placement Price to net cash flows used in operating activities per Share of our Group for FY2025 based on the pre-Placement issued Share capital of 148,617,000 Shares (excluding Treasury Shares)	[●] times

Market Capitalisation

Market capitalisation based on the Placement Price and the post-Placement issued Share capital of [●] Shares (excluding Treasury Shares)	S$[●] million

We are exposed to a number of possible risks that may arise from economic, business, market, financial, political, social, technological and other factors and developments that may have an adverse impact on our future performance. The trading price and value of our Shares could fluctuate and decline due to any of these risks and investors may lose a part or all of their investments in our Shares. The following does not state risks unknown to us now but which could occur in future and risks which we currently believe to be immaterial, which could turn out to be material. Should such risks occur or turn out to be material, they may materially and adversely affect our business, results of operations and financial condition.

An investment in our Shares involves risks. Prospective investors should carefully consider and evaluate the following considerations and all other information contained in this Offer Document before deciding to invest in our Shares. Before deciding to invest in our Shares, you should seek professional advice from the relevant advisers about your particular circumstances. To the best of our Directors' knowledge and belief, all risk factors which could directly and/or indirectly affect us and are material to investors in making an informed judgement of our Company have been set out below. Some of the following risk factors relate principally to the industry in which we operate and our business in general. Other considerations relate principally to general economic, social and political conditions, the securities market and ownership of the Shares, including possible future sales of our Shares. The following describes some of the significant risks known to us now that could directly or indirectly affect us and any investments in, or the value or trading prices of our Shares. The following risk factors may not be exhaustive, and there may be additional risks not presently known to us or that we currently believe to be immaterial, which could turn out to be material. Our business, financial condition, results of operations and/or prospects could be materially and adversely affected by any of these risks, should they occur or turn out to be material. The market price of our Shares could decline due to any of these risks, and investors may lose part or all of their investments in our Shares.

This Offer Document also contains forward-looking statements which involve risks and uncertainties. Our actual results of operations could differ materially from those anticipated in these forward-looking statements due to a variety of factors, including the risks described below and elsewhere in this Offer Document. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

We derive a significant portion of our revenue from our major customers.

During the Period Under Review, a significant portion of our revenue was derived from our major customers. Our major customers accounted for approximately 88.6%, 88.6%, 86.4% and 85.0% of our total revenue for FY2023, FY2024, FY2025 and 6M2026, respectively. In particular, *Customer A* (as described in the section entitled "General Information on our Group – Major Customers" of this Offer Document) contributed approximately 21.7%, 25.6%, 26.8% and 27.2% to our total revenue in the same periods.

To the best knowledge of our Directors, *Customer B*, *Customer C* and *Customer D* (as described in the section entitled "General Information on our Group – Major Customers" of this Offer Document) are contract manufacturers and/or service providers of *Customer A*, and certain products manufactured by us for these customers may have been supplied, directly or indirectly, to *Customer A*. Our Group commenced our business relationships with *Customer A, Customer B, Customer C and Customer D* in 2009, 2011, 2019 and 2015, respectively. *Customer A* directs our Group to procure materials from specific suppliers designated by *Customer A*. In order to supply products and/or services to *Customer A, Customer B, Customer C and Customer D*, our Group is required to, and has, obtained the requisite customer certifications from such customers.

According to the Independent Market Report, a highly concentrated customer base is not uncommon among market participants in the semiconductor segment of the precision component engineering industry. This is attributable to the end-use semiconductor manufacturing equipment industry being concentrated and dominated by a limited number of advanced semiconductor OEMs, with the top three market players accounting for more than 40.0% of global market share by revenue in the semiconductor segment in 2025.

We expect that revenue derived from our major customers, including *Customer A*, will continue to represent a significant portion of our total revenue. As we do not enter into long-term contracts or framework sales agreements with our major customers, there can be no assurance that we will be able to maintain business relationships with all of our major customers or secure new orders of similar value from other customers. If any of our major customers, in particular *Customer A*, were to discontinue their business relationship with us, whether due to our removal as their approved supplier or a deterioration in their business or financial performance, our business, financial condition, and results of operations will be materially and adversely affected.

We have limited customer diversification and may not be able to expand into new markets.

We have strategically focused our business on providing precision component engineering services for the semiconductor industry. This exposes us to industry cyclicality and limits diversification. In FY2023, FY2024, FY2025 and 6M2026, approximately 87.9%, 89.2%, 92.1% and 95.4% of our revenue, respectively, was derived from customers in the semiconductor industry. The global semiconductor and semiconductor equipment industries are subject to short-term demand volatility driven by fluctuating inventory cycles and global economic conditions. According to the Independent Market Report, the semiconductor segment of the global precision engineering industry recorded a CAGR of 14.5% from S$34.2 billion in 2020 to S$67.4 billion in 2025. Although long-term growth is expected, any downturn or failure to achieve projected industry growth could materially and adversely affect our business, financial condition, and results of operations. The volatility and uncertainty in the global semiconductor industry and the global semiconductor manufacturing equipment industry are driven by systemic economic, political, or financial crises, as well as the impact of tariffs and other trade barriers. We cannot assure that the favourable development of the global semiconductor industry and the global semiconductor manufacturing equipment industry will continue or grow as projected, or at all. If the global semiconductor industry and the global semiconductor manufacturing equipment industry is unable to achieve the projected growth as disclosed in this Offer Document, our Group's business expansion plans, financial condition, and results of operations may be materially and adversely affected.

We plan to expand our customer base in our current segments, including deepening our presence in the data storage, aerospace and oil and gas segments. However, there can be no assurance that we will be able to successfully expand into new segments. This is due to the presence of established international and local precision component engineering service providers in these markets, which may have more extensive experience, stronger customer relationships, greater technical expertise and know-how, and stronger financial resources to implement competitive pricing strategies and offer more comprehensive services, thereby gaining a competitive advantage over us. If we are unable to successfully enter into new industries, or further grow our business in the semiconductor segment, our financial condition and results of operations may be materially and adversely affected. Please refer to the section entitled "General Information on our Group – Business Strategies and Future Plans" of this Offer Document for more information.

Demand for our precision component engineering services is influenced by various factors, including trends and developments in downstream segments such as semiconductor, aerospace and data storage, as well as overall global economic conditions.

We primarily provide precision component engineering services to customers engaged in the manufacturing of equipment for the semiconductor, aerospace and data storage industries. Accordingly, demand for our services is closely linked to developments in these market segments, which are in turn driven by demand for their end products. In addition, we mainly manufacture parts and components that are integrated into our customers' manufacturing equipment. As a result, the product lifecycle of our customers' manufacturing machinery and equipment also directly affects demand for our precision component engineering services.

Factors affecting our end-markets are largely beyond our control. Any material slowdown in one or more of our key end-markets, or an inability to sustain growth in these markets, could materially and adversely affect our business, financial condition, results of operations and prospects. In particular, a decline in demand for semiconductor-related products may lead to reduced demand for manufacturing equipment by *Customer A* and other customers in the semiconductor sector, which could in turn materially reduce demand for our precision component engineering services and adversely affect our business, financial condition and results of operations.

Our customers typically place orders only on an order-by-order basis.

We do not enter into long-term agreements or framework sales agreements with all of our customers, who typically place orders on an order-by-order basis. Accordingly, there is no assurance that they will continue to place orders with us at levels comparable to those during the Period Under Review, or at all. However, according to the Independent Market Report, suppliers who have obtained the relevant industry-specific (such as the semiconductor and aerospace industries) and/or customer certifications are generally in a better position to secure repeat orders and maintain customer relationships across multiple product lifecycles as the customers tend to have greater trust and confidence in suppliers with such certifications. For more details of our industry-specific certifications, please refer to the section entitled "General Information on Our Group – Competitive Strengths – (c) Industry-specific qualifications and certifications for precision machining and precision welding" of this Offer Document. Such industry-specific certifications are generally subject to renewal, and the length of the certification process ranges from 6 to 18 months. On top of industry-specific certifications, we have also obtained customer certifications after meeting the relevant requirements and specifications of our customers, which enable us to be on the approved list of suppliers for our customers. Such customer certifications are generally not subject to renewal and the length of certification process ranges from 9 to 18 months. As a supplier that has passed and maintained stringent industry-specific and customer certifications, this places us in a relatively stronger position despite the absence of long-term arrangements.

The volume of purchase orders from our customers may fluctuate significantly from time to time, and we cannot guarantee that our business will grow or remain stable as it did during the Period Under Review. Any reduction in orders from, or cessation of orders by our customers could materially and adversely affect our business, financial condition and results of operations.

We may not be able to effectively and efficiently manage the supply and quality of our raw materials or our third-party service providers, and we typically do not maintain long-term supply agreements with our suppliers.

Our manufacturing process involves precision machining and precision welding of components and parts using raw materials specified by our customers in accordance with product requirements. We source and purchase raw materials from third-party suppliers, some of whom are designated by our customers, and we may also outsource certain production processes to third-party service providers. While we have implemented stringent controls over the procurement, inspection and acceptance of raw materials, as well as over outsourced processes, there is no assurance that we will always be able to secure an adequate supply of raw materials or third-party service providers will be able to consistently meet our quality standards.

We generally do not maintain long-term supply arrangements with our major suppliers or hold significant inventories of raw materials in excess of our immediate requirements. If any of our major raw material suppliers were to reduce or cease supplying us with sufficient raw materials or our third-party service providers cease providing processing services for any reason, our production operations could be disrupted and we may experience material production delays. During the Period Under Review, our Group had not experienced any such events. However, the occurrence of any such events could materially and adversely affect our business, financial condition, results of operations and prospects.

Our business and results of operations may be materially and adversely affected if we are unable to retain existing qualified engineering staff or recruit additional skilled production personnel.

We regard the knowledge, skills and experience of our engineers as a key competitive advantage and believe that the continued service of our core team of experienced employees is a significant contributor to our success. Our manufacturing processes primarily involve the operation of CNC machines and specialised welding techniques, which require a high level of technical expertise to meet the stringent standards and precision demanded by our customers. Our production team prepares internal production work instructions that set out the manufacturing processes for different orders, and the expertise of this team directly affects the quality of our products. These personnel have strong engineering backgrounds, skills and experience which may not be readily available in the labour market.

Our future success depends on our ability to retain our skilled engineering personnel and to attract and recruit additional skilled engineering staff. As at 30 June 2026, we employed a total of 156 production (including quality control) staff across our Singapore Factory and Malaysia Factory. According to the Independent Market Report, competition for technicians in advanced manufacturing in Singapore is intense, and manufacturers are subject to manpower regulations and foreign worker quotas.

If we are unable to retain or recruit suitably qualified engineering personnel, we may encounter difficulties in adopting new production techniques, expanding our production capacity or maintaining product quality, which could materially and adversely affect our business, results of operations and reputation. Furthermore, skilled and experienced engineers who are accustomed to our complex production processes are not readily or quickly replaceable. Any significant loss of such personnel within a short period without suitable replacements could disrupt our production operations and materially and adversely impact our business and results of operations.

A portion of our workforce for the support functions of our operations comprises foreign workers, and any difficulty in recruiting or retaining such workers could have a material adverse impact on our operations and financial performance.

We engage foreign workers for certain support functions due to the limited availability and relatively higher cost of the local manufacturing labour force. The employment of foreign workers in Singapore and Malaysia is subject to various laws and regulations. Any shortage in the supply of foreign labour or increase in foreign labour costs or any additional restrictions on the number of foreign workers we are permitted to employ, may materially and adversely affect our operations and financial performance.

In particular, employers in the manufacturing sector in Singapore are subject to foreign worker quotas and levies imposed by the MOM. Any tightening of these quotas, or an increase in the levies, may result in an increase in costs and adversely affect our business and financial performance. In Malaysia, non-citizens must hold valid employment permits or any other pass issued by the immigration authorities authorising employment (including, but not limited to, a residence pass) in order to be lawfully employed. Any changes in policies governing the employment of foreign workers in Singapore or Malaysia may affect the supply of foreign labour, disrupt our operations, cause delays in our productions and adversely affect our financial performance. There were no past instances of breaches or non-compliances with the relevant laws and regulations on our Group's employment of foreign workers in Singapore and Malaysia which had a material adverse impact on our Group's financials or operations.

Fluctuations in labour costs and raw material prices may negatively affect our profitability and financial position.

For FY2023, FY2024, FY2025 and 6M2026, our direct labour costs amounted to approximately S$5.3 million, S$5.7 million, S$6.9 million and S$3.9 million, respectively, representing approximately 22.0%, 23.1%, 23.0% and 23.1% of our total cost of sales for the respective periods. In addition, employers in Singapore are required to pay levies imposed by the MOM for each foreign worker employed. According to the Independent Market Report, average monthly wages in the manufacturing sector in both Singapore and Malaysia increased between 2020 and 2025. In particular, average monthly manufacturing wages rose by a CAGR of 5.0% in Singapore and 6.1% in Malaysia between 2020 and 2025, driven by post-COVID-19 economic recovery and the development of the economy in both countries. Any significant increase in staff costs arising from higher foreign worker levies or increases in minimum wage rates could increase our operating expenses and place pressure on our operating cash flows, and materially and adversely affect our results of operations and financial position.

During the Period Under Review, we sourced raw materials primarily comprising aluminium and steel for our production processes. According to the Independent Market Report, prices of aluminium, iron and steel in Malaysia, the U.S., the EU and South Africa recorded CAGR ranging from 0.4% to 9.4% between 2020 and 2025, and are forecast to increase at CAGR ranging from 1.0% to 8.0% between 2025 and 2030. Any substantial increase in raw material prices may result in higher procurement costs and result in an increase in cost of sales. We may not be able to effectively pass on increased raw material costs to our customers. If we are unable to adjust our product pricing in a timely manner to offset such cost increases, our profit margins and results of operations may be materially and adversely affected.

In addition, if raw materials are unavailable from customer-designated suppliers at acceptable prices or in the required quantities or quality, or are unavailable altogether, we may be required to source from alternative suppliers. If there is any increase in prices from suppliers, this may be passed on by us to our customers. If we are unable to identify suitable alternative sources on

commercially acceptable terms or with the required specifications, any resulting reduction in production volume may materially and adversely affect our ability to deliver products to our customers on a timely basis, or at all, and consequently have a material adverse effect on our business, financial condition, results of operations and prospects.

Our business could be adversely affected by long lead times for the procurement of machinery and equipment, the shortened useful life cycle of our machinery and equipment, and our reliance on machinery suppliers with whom we generally do not enter into long-term agreements.

The success of our business depends on our ability to procure sufficient quantities of high-quality machinery and equipment, such as the 5-axis CNC machines, welding machines, coordinate measuring machines and helium leak detectors, on commercially acceptable terms and in a timely manner. We maintain a list of approved suppliers from which we source our machinery and equipment. Most of the machinery and equipment used in our precision component engineering processes are manufactured by overseas suppliers, primarily located in Germany, Japan and Taiwan.

In the event of machinery or equipment breakdowns, we are required to procure spare parts from our machinery suppliers or rely on such suppliers to provide on-site maintenance services. If the lead time for sourcing the relevant machinery, equipment or spare parts, or for the provision of maintenance services, is longer than expected, we may be unable to deliver our precision component engineering services to customers on schedule, or we may be required to source replacement machinery or equipment at higher prices than anticipated.

In addition, the useful life of our machinery and equipment may be shorter than expected, as we may replace existing machinery with more advanced versions before the end of their originally expected useful life. We have invested and expect to continue to invest in machinery and equipment for our production operations, and we depreciate the cost of such machinery and equipment over their estimated useful lives. Investments in new machinery and equipment will result in an increase in depreciation expenses. For FY2023, FY2024, FY2025 and 6M2026, we incurred depreciation expenses on property, plant and equipment of approximately S$1.3 million, S$1.0 million, S$1.0 million and S$0.6 million, respectively, which were recorded in our cost of sales and administrative expenses. There is no certainty that investments in new machinery and equipment will result in a corresponding increase in revenue and may result in a decrease in our gross profit margin, and our results of operations and financial position may be materially and adversely affected. In addition, manufacturing technologies evolves rapidly and we may decide to upgrade our manufacturing processes with more advanced equipment sooner than expected. Any equipment retired early and disposed may lead to a loss on disposal of equipment which may materially and adversely affect our results of operations and financial position.

We also primarily source our machinery and equipment from a limited number of suppliers. However, we generally do not enter into long-term agreements with our major machinery and equipment suppliers, as we seek to retain flexibility to source machinery and auxiliary tools of different models or from different suppliers in accordance with our customers' requirements. As a result, our business operations are dependent on our relationships with these suppliers and their continued willingness to supply machinery and auxiliary tools to us. If any of our major suppliers cease or reduce their supply to us, and we are unable to source suitable alternatives on competitive terms, or at all, our business, financial condition and results of operations could be materially and adversely affected.

We may fail to maintain and renew our industry-specific certifications in relation to our quality control and production technologies.

Our production of precision parts and components requires a high degree of accuracy, repeatability and efficiency. Accordingly, the effectiveness of our quality control system is critical to our business. To ensure product quality, we adopt a stringent quality control system that requires significant capital investment and human resources to closely monitor every stage of the production process.

If we are unable to maintain the effectiveness of our quality control system or renew our quality control certifications, demand for our products and services may decline, which could adversely affect our competitiveness in the precision component engineering market. In addition, we may risk delivering products or services that are defective, inconsistent or ineffective, which could expose us to product liability claims or other forms of litigation.

Certain existing and potential customers require their suppliers to hold specific industry and technological certifications. These customers may also impose their own internal procedures and standards that suppliers must satisfy in order to qualify as approved vendors. Such requirements may include satisfying criteria under SSQA of our relevant customer(s) and ASME BPVC Section IX: 2017 qualifications, passing specific internal procedures such as copy exact training and assessment, obtaining certifications including ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018. These industry-specific certifications are essential to our operations and are generally subject to periodic review and renewal by the relevant issuing authorities.

During the Period Under Review, our Group did not face any issues with maintaining or renewing the aforementioned certifications. However, we cannot assure you that we will be able to successfully maintain or renew these certifications on a timely basis or at all, or that our existing certifications will be sufficient to support all of our current or future business activities. For the avoidance of doubt, save as disclosed under the section entitled "General Information on Our Group – Material Licences, Permits, Registrations and Approvals" of this Offer Document, there are no material approvals, licences, permits or certifications of our Group which are due for renewal in the next twelve (12) months, and we do not foresee any difficulties in obtaining the relevant renewals. As we expand and develop our operations, we may also be required to obtain additional approvals, permits, licences and/or certifications. Furthermore, new or more stringent laws and regulations may be introduced from time to time by the authorities in the jurisdictions in which we operate, which may require us to obtain further approvals, permits, licences and/or certifications to remain compliant. Any failure to obtain or maintain the required licences, approvals or certifications may result in interruptions or restrictions to our operations, or expose us to penalties, any of which could materially and adversely affect our business, financial condition and results of operations.

We may not be able to respond effectively to changes in technical requirements and maintain engineering, technological and manufacturing expertise.

The downstream industries served by our customers, including the semiconductor, aerospace and data storage industries, are subject to rapid technological advancements and continuous innovation. The precision component engineering industry is increasingly driven by evolving customer requirements, the adoption of advanced materials and the integration of more sophisticated manufacturing technologies resulting in rising technical complexity and higher performance expectations for precision-engineered components.

Developments in the precision component engineering industry involve the increasing use of new and advanced materials (such as titanium alloys and other high-performance alloys), more complex component designs and manufacturing processes, as well as the growing integration of intelligent, automated and data-driven technologies into production workflows. As a result, the technical requirements and product specifications applicable to precision component engineering are constantly evolving. Given our strategic focus on the manufacture of high-precision and highly complex machined components, our products are increasingly required to meet more stringent specifications and tighter precision parameters. Accordingly, our ability to respond effectively and in a timely manner to such changes is critical to maintaining our competitiveness.

In the past, our efforts to enhance our manufacturing technologies and processes have contributed to our competitive positioning. We believe that our continued investment in and enhancement of our engineering capabilities, manufacturing technologies and production processes will remain essential to improving the quality and performance of our products and services and to meeting our customers' expectations. However, we cannot assure you that we will be able to successfully or timeously adapt to future changes in product specifications, technical requirements or performance parameters.

If we fail to respond efficiently or at all to changes in customer requirements, or if our engineering expertise, manufacturing technologies or production processes become outdated or obsolete, we may be unable to manufacture products or provide services that meet our customers' evolving needs or prevailing market trends, or to compete effectively with our competitors. Any such failure could materially and adversely affect our business, financial position, results of operations and future prospects.

Failure to protect our technical know-how or infringement of third-party intellectual property rights may adversely affect our business and reputation.

We rely significantly on our accumulated expertise and technical know-how in the conduct of our business. Our success depends on our ability to protect, apply and further develop such expertise in relation to our production processes without infringing the proprietary or intellectual property rights of third parties. However, we cannot assure you that we will be able to continue to effectively apply our technical know-how to design internal production work instructions or to programme such instructions into our machinery and equipment in a manner that meets our customers' requirements. Any failure to do so could weaken our competitive advantages and may materially and adversely affect our business.

Although we are not aware that our Group is currently using any intellectual property rights belonging to third parties, there is no assurance that we will not be subject to claims by third parties alleging infringement of their intellectual property rights. Such claims, whether or not ultimately successful, may require us to incur significant costs to defend, settle or resolve the disputes.

We may also be required to develop non-infringing alternatives or obtain the required licences to continue our operations. There is no assurance that we will be able to successfully develop such alternatives or obtain the necessary licences on commercially reasonable terms, or at all. Any failure to do so could disrupt our design and production processes, damage our reputation and materially and adversely affect our results of operations.

Leakage of confidential technical information could damage our reputation and substantially harm our business and results of operations.

During the course of our operations, we are routinely entrusted with confidential and proprietary information, including customer production drawings that contain highly sensitive technical designs and know-how. Our customers require us to maintain strict confidentiality over such information. To safeguard confidential information, we rely on a combination of measures, including the security of our computer systems, non-disclosure agreements, anonymisation of product drawings, the integrity of our personnel and physical security controls at our premises. In addition, our technicians are not provided with access to our email systems in order to reduce the risk of unauthorised electronic dissemination of confidential information.

Despite these measures, our information technology systems and servers may remain vulnerable to cyber-attacks, hacking, data theft or other security breaches, which could result in the unauthorised access to, disclosure of, or loss of confidential information. We are contractually obligated to our customers to preserve the confidentiality of such sensitive information. Any breach, leakage or loss of confidential data may expose us to potential liabilities, including complaints, claims or legal proceedings initiated by our customers, as well as the possible termination of customer relationships.

During the Period Under Review, we have not experienced any breach, leakage or loss of confidential data. However, any such incidents could damage our reputation, disrupt our business operations and materially and adversely affect our business, financial condition and results of operations.

We rely substantially on our senior management and key personnel.

In order to keep pace with the evolving technological advancements, we rely on our key personnels to gather industry intelligence and insights to stay tuned with the highly dynamic end-use industries. Also, we rely on our key personnel and senior management to provide our Group with long term strategic planning and direction as well as to maintain relationships with our customers. As such, our operational performance substantially depends on our ability to retain our senior management and key personnel. We cannot assure you that we will be able to retain members of our senior management and key personnel in the future. In the event of their departure or absence and if we are unable to recruit suitable replacement in a timely manner and on acceptable terms or at all, our business, financial condition and results of operations will be materially and adversely affected.

A material disruption of our operations could adversely affect our business.

Our production facilities are subject to various operational risks, including the breakdown or failure of major equipment, power supply shortages or interruptions arising from maintenance, natural disasters, industrial accidents, and the need to comply with requirements imposed by relevant government authorities. The occurrence of any of these events may result in temporary, permanent, partial or complete shutdowns of our operations.

Any such disruption could have a material adverse effect on our results of operations and, if prolonged, on our business prospects. In addition, we may be required to implement planned shutdowns of our production facilities from time to time for maintenance, statutory inspections and testing. Any interruption or disruption to operations at our production facilities, whether arising from the factors described above or otherwise, may materially and adversely affect our business, financial condition and results of operations.

We may not be able to renew our current leases or secure suitable alternative premises for our production facility in Singapore.

Our headquarters in Singapore, which also serves as one of our production facilities, is currently located at premises leased from Jurong Town Corporation (as the head lessor) and Perpetual (Asia) Limited (in its capacity as trustee of 43TVC Trust) (as the lessor). The lease is expected to expire on 31 January 2038. Upon expiry, we may not be able to successfully negotiate a renewal of the lease, or the rental payable may increase significantly. In addition, any material breach of the lease agreement by us could result in the early termination of the lease. During the Period Under Review, there were no breaches of the lease agreement which had a material adverse impact on our Group's operations. However, we could be affected by any material breach by the lessor of the head lease agreement entered into between the head lessor and the lessor, which may result in the early termination of the lease for us. As at the Latest Practicable Date, we are not aware of any material breach by the lessor of the head lease agreement. In the event of any early termination of the lease arising out of any of the above-mentioned reasons, we may be required to relocate our production facility, which could disrupt our operations and adversely affect our business, financial condition and results of operations. Nevertheless, we do not foresee material difficulties in securing suitable alternative premises for our operations in a timely manner as we do not require such alternative premises to be purpose-built for our operations.

Furthermore, we may not be able to secure new leases at desirable locations or on commercially acceptable terms to support our existing operations or future expansion, or at all. Inability to renew our existing leases or secure the lease of suitable alternative premises may materially and adversely affect our business, financial condition and results of operations.

Our limited insurance coverage may expose us to significant costs and business disruption.

During the Period Under Review and up to the Latest Practicable Date, we maintained various insurance policies in line with industry practice, including business insurance (covering property, business interruption, public and production broadform liability), work injury compensation insurance, hospital and surgical insurance for foreign workers, industrial all-risks insurance, public liability insurance, combined general liability insurance and keyman insurance.

However, we cannot assure you that our existing insurance coverage is sufficient to cover all risks associated with our operations, or that any claims made under our insurance policies will be successfully settled for adequate compensation, on a timely basis, or at all. If we suffer losses that are not covered by our insurance policies, or if the compensation received is materially less than our actual losses, our financial condition and results of operations could be materially and adversely affected.

We are exposed to the risk of inventory obsolescence.

As at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, we recorded inventories amounted to approximately S$6.6 million, S$6.1 million, S$7.0 million and S$11.7 million, respectively. Our inventories primarily comprise raw materials, work in progress, finished goods and production consumables.

Demand for our precision engineering services is influenced by trends and developments in the downstream industries or segments served by our customers. Any unexpected decline in economic conditions or in the level of economic activity of our customers may reduce demand for our products and services and result in certain inventories becoming obsolete. We measure inventories at the lower of cost and net realisable value, and inventory write-downs are recognised where costs are not recoverable or selling prices decline.

For FY2023, FY2024, FY2025 and 6M2026, we did not write off any costs of inventories, however, we made allowance for our inventory of finished goods of approximately S$0.4 million, S$0.1 million, S$0.1 million and S$0.3 million, respectively. There can be no assurance that the amount or proportion of inventory write-offs or provisions will not increase in the future. Any failure to manage our inventory effectively resulting in an increase in inventories written off or allowance for inventory obsolescence may materially and adversely affect our financial condition and results of operations.

Our cash flows and working capital may be adversely affected by timing mismatches between customer receipts and supplier payments, as well as delays or defaults in customer payments.

To remain competitive, we must maintain sufficient working capital to support our day-to-day operations and meet growing demand for our products. During the Period Under Review, we typically granted our customers credit terms ranging from 30 to 60 days from the invoice date, while our suppliers generally offered similar credit terms for our purchases. However, certain overseas suppliers require advance payments, either in full or in the form of a partial down payment of up to 50.0% upon order placement.

As our revenue continues to grow, any mismatch in the timing of cash inflows and outflows arising from production lead times or advance payment requirements may expose us to liquidity risk. In addition, any delay or default by our customers in settling amounts owed to us, or any failure by us to collect trade receivables in a timely manner or at all, may exacerbate such cash flow mismatches. This could result in cash flow shortfalls and materially and adversely affect our ability to grow our business, our results of operations and financial condition.

During the Period Under Review, we primarily met our working capital requirements through cash generated from operating activities, borrowings and funds from our shareholders and investors. However, there can be no assurance that cash flows from our operations will be sufficient to fund our future development and expansion plans. We also cannot assure you that we will be able to obtain additional external financing in a timely manner, on commercially acceptable terms, or at all. Our ability to secure external financing depends on various factors, including our financial performance, as well as factors beyond our control, such as global and regional economic conditions, prevailing interest rates, and applicable laws, regulations and industry conditions in the markets in which we operate. Any failure to obtain adequate financing on acceptable terms may delay the implementation of our business plans and adversely affect our business and operations.

Share-based payments may have a material adverse effect on our financial performance, and share-based payments will dilute the shareholdings of existing Shareholders.

During the Period Under Review, we incurred share-based payments arising from the grant of shares and the exercise of anti-dilution rights granted pursuant to the Anti-dilution Undertaking (which was terminated in April 2023). In particular, such share-based payments were implemented to reward our key executives and employees for their continued contributions to our Group.

We recognised share-based payment expenses of approximately S$3.3 million, S$Nil, S$1.7 million and S$0.2 million in FY2023, FY2024, FY2025 and 6M2026, respectively. These expenses increased our operating expenses and had a material adverse effect on our financial performance during the Period Under Review. In addition, the grant of shares pursuant to our 2024 Share Option Scheme and 2026 Share Award Scheme will increase our operating expenses and result in dilution of the shareholdings of our existing Shareholders.

An increase in interest rates could increase our borrowing costs and adversely affect our financial condition and results of operations.

As at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, we had total borrowings of approximately S$4.2 million, S$2.5 million, S$2.3 million and S$2.1 million, respectively. Certain of our borrowings bear interest at variable rates, and we are therefore exposed to interest rate risk. We expect that a portion of our bank borrowings will continue to be subject to variable interest rates in the future.

As a result, our interest expenses may fluctuate in line with changes in prevailing interest rates and the funding costs of our lenders. We have not entered into any hedging arrangements to mitigate interest rate risk. Any significant increase in interest rates could lead to higher borrowing costs, adversely affect our cash flows, and materially and adversely impact our financial condition and results of operations.

We may record impairment losses on goodwill and/or other intangible assets in the future.

Goodwill arising from the acquisition of a subsidiary represents the excess of the sum of the consideration transferred over the fair value of the identifiable net assets acquired. As at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, the carrying amount of our goodwill was approximately S$4.4 million each financial year/period, which arose from the acquisition of SPW.

Our intangible assets primarily comprise customer relationships and customer contracts recognised from the acquisition of SPW. As at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, the carrying amounts of our intangible assets were approximately S$2.3 million, S$2.0 million, S$1.7 million and S$1.6 million, respectively.

No impairment loss on goodwill or intangible assets was recognised for FY2023, FY2024, FY2025 and 6M2026. We are required to conduct annual impairment testing on goodwill and intangible assets with indefinite useful lives, and to assess intangible assets with finite useful lives for impairment whenever impairment indicators arise. If the carrying amounts of our goodwill and/or intangible assets exceed their respective recoverable amounts, we may be required to recognise impairment losses. Any material impairment loss could materially and adversely affect our financial condition and financial performance.

Investments classified as financial assets at FVOCI are subject to market and valuation risks.

MetaOptics Ltd was incorporated on 21 March 2025 in the Cayman Islands under the Cayman Islands Companies Act. Subsequently on 30 April 2025, MetaOptics Ltd acquired the entire issued and paid-up share capital of MetaOptics Technologies pursuant to a sale and purchase agreement with all the then shareholders of MetaOptics Technologies. Following the completion of the sale and purchase agreement, all the shareholders, including Metasurface Technologies, became the shareholders of MetaOptics Ltd.

Following MetaOptics Ltd's public listing on Catalist, Metasurface Technologies' shareholding in MetaOptics Ltd was further diluted and decreased to 12.9%, with a change in the composition of its board of directors as well. Metasurface Technologies lost significant influence in MetaOptics Ltd, and MetaOptics Ltd ceased to be an associate of the Group on 27 June 2025 and was reclassified as an investment carried at FVOCI. As at 30 June 2026, Metasurface Technologies held 12.57% of shareholding in MetaOptics Ltd.

Upon the loss of significant influence, the investment in MetaOptics Ltd was first recognised at a base amount of approximately S$0.92 million and remeasured to its fair value, giving rise to a one-off remeasurement gain of approximately S$6.4 million recognised in profit or loss in FY2025. Subsequent changes in the share price of MetaOptics Ltd resulted in unrealised fair value gain of approximately S$28.7 million and fair value loss of approximately S$13.9 million, recognised in other comprehensive income rather than profit or loss, in accordance with the FVOCI classification in FY2025 and 6M2026, respectively. As a result of these combined movements, the investment in MetaOptics Ltd was carried at a total fair value of approximately S$22.1 million based on the quoted price of S$0.725 as at 30 June 2026.

As at the Latest Practicable Date, Metasurface Technologies held 12.47% of the shareholding in MetaOptics Ltd.

Investments classified as financial assets at FVOCI are subject to market and valuation risks. The fair value of such investments may fluctuate due to changes in the quoted share price, interest rates, credit quality, liquidity, economic conditions and other factors beyond our control. Adverse movements in the fair value of these investments may result in fair value losses being recognised in other comprehensive income, which could adversely affect our Group's financial position and net asset value. In addition, there can be no assurance that our Group will be able to realise such investments at their carrying values.

We are subject to credit risk in respect of trade and other receivables.

We are exposed to credit risk arising from trade and other receivables due from our customers and other counterparties. Failure to collect such receivables in full or on a timely basis may have a material adverse effect on our business operations and financial condition. We generally grant our customers credit terms ranging from 30 to 60 days. As at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, our current portion of trade and other receivables amounted to approximately S$7.7 million, S$9.0 million, S$9.2 million and S$13.6 million, respectively.

Please refer to the section entitled "General Information on our Group – Credit Management" of this Offer Document for our average trade receivables turnover for FY2023, FY2024, FY2025 and 6M2026. Based on the impairment assessments conducted by our management, there was no loss arising from non-performance by counterparties during the Period Under Review and hence, there was no loss allowance recognised for trade receivables during the Period Under Review. Accordingly, no bad debts or provisions for impairment of trade receivables were recognised during the Period Under Review.

However, there can be no assurance that our receivables will remain fully recoverable in the future. In addition, if any of our customers experience financial difficulties, this may result in payment delay, reduce the likelihood of full recovery, thereby increasing the risk of uncollectible receivables. If the actual recoverability of our trade and other receivables is lower than expected, we may be required to make impairment provisions, which could materially and adversely affect our financial condition and results of operations.

We are exposed to general risks associated with conducting business internationally.

We have expanded our business through operations in Malaysia and may continue to expand in other jurisdictions in the future. Conducting business internationally exposes us to a range of risks that may differ from those encountered in our domestic operations. These risks include, among others, competition from established local players, our relative lack of familiarity with foreign legal and regulatory regimes, changes in regulatory requirements, difficulties in recruiting, managing and retaining personnel for overseas operations, social and political instability, foreign exchange fluctuations, potentially adverse tax consequences, legal uncertainty in relation to liability, weaker protection of intellectual property rights in certain jurisdictions, tariffs and other trade barriers, unexpected changes in local laws, and restrictions on the repatriation of capital or profits.

As we expand our overseas operations, our exposure to these risks is expected to increase. These risks may also complicate or delay the integration of overseas operations into our existing business. Managing such risks may require significant management time and resources, which could divert attention from our core operations. Any failure to effectively address these challenges could delay, prevent or increase the cost of future overseas expansions and may have a material adverse effect on our business, operations, financial performance and prospects.

Our business may also be adversely affected by social, economic and political developments in the countries in which we operate, as well as globally. Such developments may include financial crises, inflation, terrorist acts and civil unrest. We have no control over such events, and there can be no assurance that such developments, when they occur, will not have a material adverse effect on our business, results of operations and prospects.

We are exposed to general risks associated with enforcement of contracts in foreign jurisdictions.

Certain of our contracts and business relationships involve counterparties, assets or operations in foreign jurisdictions. As a result, we may encounter difficulties in enforcing our contractual rights or enforcing court judgements against assets located outside our home jurisdiction. In circumstances where reciprocal arrangements for the recognition and enforcement of judgements do not exist between jurisdictions, it may be difficult or impossible for our Group to enforce contractual obligations against counterparties. In addition, the legal systems in certain jurisdictions may be less developed or less predictable, and enforcement practices may be inconsistent. These factors, together with changes in laws, regulations or their interpretation and enforcement, may render the outcome of enforcement actions uncertain.

Litigation or enforcement proceedings in foreign jurisdictions may be time-consuming, costly and complex, and may result in a diversion of management time and resources. Any inability to effectively enforce our contractual rights could have an adverse effect on our business, prospects and results of operations.

We are also subject to the laws and regulations of multiple jurisdictions in which we operate or have contractual relationships. Such laws and regulations may vary significantly across jurisdictions and may change over time. In some cases, they may be complex, loosely defined, conflicting or subject to differing interpretations by courts or regulatory authorities, even within the same jurisdiction. The application and enforcement of such laws may also be inconsistent, and many such laws remain untested in judicial proceedings.

Changes in applicable laws, regulations or guidelines in the jurisdictions in which our customers or suppliers are located may impose additional obligations on us, modify existing contractual arrangements, or alter the nature of our contractual rights and obligations. We may incur

additional compliance costs, including costs associated with obtaining legal or regulatory advice to assess the impact of such changes. Any failure to comply with applicable laws and regulations, or any adverse development relating to the foregoing risks, could materially and adversely affect our business, financial position, results of operations and prospects.

We are subject to risks arising from foreign currency fluctuations and foreign exchange risks.

During the Period Under Review, our sales and purchases were mainly denominated in S$ and US$. Our reporting and functional currency is S$. In addition, we operate production facilities and/or offices in Singapore and Malaysia, and our overhead expenses are settled in the respective local currencies, which exposes us to foreign exchange risks. Please refer to Note 35 in the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" as set out in Appendix A to this Offer Document for details of our foreign currency risks.

For FY2023, FY2025 and 6M2026, we had net foreign exchange losses of approximately S$0.5 million, S$1.3 million and S$0.1 million, respectively, while for FY2024 we had net foreign exchange gains of approximately S$0.6 million. Foreign exchange rate movements are subject to various unforeseen and unpredictable factors. We cannot assure you that we will not incur foreign exchange losses in the future. During the Period Under Review and as at the Latest Practicable Date, we had not entered into forward contracts or other derivative instruments to hedge against foreign exchange risks, as our exposure was partially mitigated by the natural offset of foreign currency cash and bank balances and receivables against foreign currency payables. However, any significant fluctuations in exchange rates may result in foreign exchange losses and adversely affect our results of operations. Our Group may enter into hedging transactions in the future. The availability and effectiveness of these transactions may be limited and we may not be able to successfully hedge our exposure, or at all.

Foreign exchange risks arise at the entity level within our Group when future commercial transactions or recognised assets and liabilities are denominated in currencies other than the relevant entity's functional currency. Volatility in exchange rates of S$ and US$ may result in uncertainty in the value of our net assets, earnings and dividends. An appreciation of S$ against US$ may expose us to increased competition from foreign competitors, while a depreciation of S$ against US$ may adversely affect the value of our net assets, earnings and dividends distributable from our subsidiaries.

We recorded accumulated losses in our consolidated statement of financial position due to net losses we had incurred for certain financial years before the Period Under Review, which may adversely affect our ability to declare and pay dividends.

As at 31 December 2023 and 31 December 2024, we recorded accumulated losses of approximately S$6.1 million and S$2.9 million, respectively, primarily due to the net losses we had incurred for certain financial years before the Period under Review. Such net losses were primarily due to (i) the adoption of IFRS 16, for which the retrospective restatement adjustment had resulted in increased depreciation and interest expenses, (ii) lower revenue and gross profit due to a decline in sales from a customer in the semiconductor equipment processing industry incurred for certain financial years before the Period under Review, and (iii) relatively fixed operating expenses, including depreciation and finance costs, regardless of the performance of our revenue during the relevant financial years. As at 31 December 2025 and 30 June 2026, we recorded retained profits of S$7.2 million and S$10.9 million, respectively. Although we generated net profits of approximately S$4.4 million, S$3.2 million, S$10.1 million and S$3.7 million for FY2023,

FY2024, FY2025 and 6M2026, respectively, which offset and reduced our accumulated losses during the Period Under Review, there can be no assurance that we will be able to sustain profitability in the future.

We may record accumulated losses in the future, which could adversely affect our distributable reserves and, consequently, our ability to declare and pay dividends following the Placement.

We may not be entitled to government grants in the future.

From time to time, we have received various forms of wage support and government grants in Singapore. For FY2023, FY2024, FY2025 and 6M2026, we received government grants, primarily under the Progressive Wage Credit Scheme and the Senior Employment Credit, amounting to approximately S$87,000, S$47,000, S$43,000 and S$19,000, respectively. The Progressive Wage Credit Scheme and the Senior Employment Credit are scheduled to expire in 2026 and 2035, respectively.

These grants are given at the sole discretion of the Singapore government, including the timing, eligibility criteria, amount and continuation of such grants. Although we did not rely heavily on government grants during the Period Under Review, there can be no assurance that we will continue to be eligible for such grants in the future, or that additional conditions will not be imposed for their receipt. If we are unable to obtain or maintain government grants or other favourable government incentives in the future, our business, financial condition and results of operations may be adversely affected.

Our credit facilities contain covenants that may restrict our operations, and any breach could adversely affect our business and financial condition.

The agreements governing our bank borrowings contain various undertakings and covenants, including, among others:

- restrictions on changes of control and the disposal of material assets;
- financial covenants that restrict our ability to incur additional indebtedness or create encumbrances over our assets;
- requirements to comply with specified financial thresholds set out in the relevant facility letters or agreements, such as minimum tangible net worth and loan-to-equity ratios; and
- obligations to notify the relevant lenders in the event of a proposed listing. To the extent that we are required to notify the relevant lenders in connection with the Listing, we have duly notified them and obtained their consent in writing.

These undertakings and covenants may limit our ability to respond flexibly to changes in business and economic conditions, enter into potentially beneficial transactions, or obtain additional financing when required.

As at 31 December 2023, 31 December 2024, 31 December 2025 and 30 June 2026, our current liabilities included borrowings with total carrying amounts of approximately S$4.0 million, S$2.4 million, S$2.2 million and S$2.1 million, respectively. Our Directors confirm that, during the Period Under Review and up to the Latest Practicable Date, we have not received any notice of material breach of any covenant or undertaking that would result in the early termination or modification of any credit facility that is material to our business.

Nevertheless, there can be no assurance that we will be able to comply with all such undertakings and covenants in all material aspects in the future. Any material non-compliance may constitute a breach of the relevant agreements and entitle the lenders to accelerate the maturity of the credit facilities or terminate such facilities. Any such event could materially and adversely affect our business, financial condition and results of operations.

We may need to secure financing for our future growth.

While we do not have material borrowings, we may require additional debt and/or equity financing in the future to fund our working capital requirements, acquisitions, capital expenditures or other growth initiatives, in order to enhance our business capabilities and capacity for expansion.

Any equity financing may result in dilution of the shareholdings of our Shareholders. Any debt financing may be subject to covenants and conditions that could restrict our operational and financial flexibility, including conditions that may, among other things:

- limit our ability to declare or pay dividends, or require us to obtain consents to do so;
- require us to maintain specified financial ratios;
- require us to apply a portion of our operating cash flows towards servicing debt, thereby reducing funds available for capital expenditures, working capital and other general corporate purposes; and
- restrict our flexibility to plan for or implement changes to our business and industry operations, including corporate restructurings or further financing or fund-raising activities.

There can be no assurance that we will be able to obtain additional financing on terms acceptable to us, or at all. If we are unable to secure adequate financing at commercially reasonable costs when required, our business, financial condition, results of operations and prospects may be materially and adversely affected.

Personal injuries or fatal accidents at our production facilities could expose us to penalties, claims and reputational damage.

In the course of our operations, we rely on our employees to comply with the safety measures and procedures that we have implemented. However, there remains a risk of personal injuries or, in severe cases, fatal accidents occurring at our production facilities, particularly if employees fail to adhere to safety requirements or if supervisors fail to provide adequate training, supervision or guidance to ensure the proper implementation of safety policies and procedures.

We have implemented stringent health and safety policies across our operations. Nevertheless, we cannot assure you that material workplace injuries or fatal accidents will not occur in the future. In the event of any serious workplace accident, we may be subject to investigations by relevant authorities, administrative penalties, compensation claims or other liabilities. Even where such incidents are not attributable to our fault or negligence, they may still result in substantial costs, affect our ability to renew material licences for our manufacturing facilities, adverse environmental impacts, negative publicity and reputational harm and our business and financial results will be materially and adversely affected.

Disruptions to our computer systems could materially and adversely affect our business operations.

We rely on our computer systems to support our production operations, from preparation of internal production work instructions to the operation of our CNC machines as well as other business support functions such as finance and human resources management. As with any computer-based systems, unforeseen issues, failures or disruptions may occur from time to time.

If our computer systems do not operate effectively, our ability to collect, process and utilise accurate and timely data may be impaired, which could disrupt our production processes and overall operations. In addition, our computer systems may experience partial or complete shutdowns, and we may be required to rely on third-party suppliers to provide on-site maintenance or repair services.

If such disruptions occur and we are unable to restore our systems in a timely manner, or at all, our ability to manufacture and deliver products to customers in accordance with required schedules may be materially and adversely affected. Any prolonged system disruption could also harm our reputation and adversely affect our business, results of operations and financial condition.

Certain historical corporate secretarial documents relating to historical issuances and transfers of shares in our Singapore subsidiaries could not be located.

We are subject to laws and regulations governing our corporate administration and management, including requirements relating to the issuance and transfer of shares and the maintenance of statutory corporate records. Any failure to comply with such requirements may result in regulatory queries, investigations, administrative consequences or other regulatory action.

Due to the long corporate history of our subsidiaries and changes in their corporate secretarial service providers, certain supporting documents relating to historical issuances and transfers of shares in our Singapore subsidiaries, Metasurface Technologies and SPW, could not be located. In particular, we are unable to locate certain (i) share certificates and pre-emption waivers relating to historical allotments and issuances of shares, (ii) share certificates issued to transferees and stamp duty certificates relating to historical transfers of shares, and (iii) consents to act as director for certain former directors of Metasurface Technologies and SPW (the "**Relevant Corporate Secretarial Documents**").

Neither Metasurface Technologies nor SPW has received any notice of, or been subject to, any statutory or regulatory lapses or administrative consequences in connection with the Relevant Corporate Secretarial Documents, and there has been no shareholders' dispute relating to the share certificates which could not be located. Notwithstanding the foregoing, the internal register of members of each of Metasurface Technologies and SPW duly records all historical allotments and transfers of shares, and the electronic register of members maintained with ACRA ("**EROM**") records all allotments and transfers of shares effected following the implementation of the EROM. In addition, resolutions approving the appointment of the directors whose consents to act could not be located were duly passed, and the internal register of directors of each subsidiary reflects the appointment of such directors on the relevant dates.

As at the Latest Practicable Date, our Group has not experienced any challenges to the validity of the share issuances or transfers of the shares in Metasurface Technologies and SPW arising from the historical lapses described above. The risk of successful challenge by third parties arising from the lack of Relevant Corporate Secretarial Documents is low, and hence, any

challenge to the validity of such share issuances or transfers is not expected to have a material adverse effect on our Group's business, financial condition and results of operations. However, we cannot assure you that the relevant authorities will not raise regulatory queries, investigations or claims in relation to these historical matters in the future and in such event, we will have to devote resources to address such matters.

There were certain historical delays in the preparation and circulation of directors' reports and financial statements by our Malaysian subsidiary.

We are subject to laws and regulations governing our corporate administration and management, including requirements relating to the issuance and transfer of shares and the maintenance of statutory corporate records. Any failure to comply with such requirements may result in regulatory queries, investigations, administrative consequences or other regulatory action.

Our Malaysian subsidiary, SGP Malaysia, had historically not prepared its directors' reports and financial statements for FY2023, FY2024 and FY2025 and not circulated its directors' reports and financial statements for FY2023 and FY2024 within the statutory timelines prescribed under the applicable laws. We have since completed the preparation and circulation of SGP Malaysia's directors' report and financial statements for FY2023. We are currently in the process of preparing the directors' report and financial statements for FY2024, which is expected to be circulated by October 2026, and the directors' report and financial statements for FY2025 which is expected to be circulated by December 2026, two (2) months after the expected completion of audit for FY2024 in relation to SGP Malaysia. In this regard, on 19 June 2026 and 24 September 2026, SGP Malaysia obtained approvals from the relevant Malaysian authority for extensions of time, from 30 June 2026 until 31 December 2026, to circulate the directors' report and financial statements for FY2025. A copy of the directors' report and financial statements for FY2024 and FY2025 will be circulated to shareholder(s) of SGP Malaysia, and a shareholder(s)' resolution will be passed by the shareholder(s) of SGP Malaysia to resolve that the relevant directors' report and financial statements have been received within 30 days from the relevant date of circulation.

Failure to prepare the financial statement and failure to circulate the directors' report and financial statement within the statutory timelines amount to an offence under sections 248 and 258 of the Malaysian Companies Act 2016. A director of the company who contravenes section 248 of the Malaysian Companies Act 2016 commits an offence and shall, on conviction, be liable to a fine not exceeding RM500,000 or imprisonment for a term not exceeding 1 year or both. A company and every officer of the company (being any director, secretary or employee of the company) who contravenes section 258 of the Malaysian Companies Act 2016 commits an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 and in the case of a continuing offence, to a further fine not exceeding RM500 for each day during which the offence continues after conviction. As at the Latest Practicable Date, no investigations, enforcement action or administrative consequences have been imposed on SGP Malaysia in connection with these matters. As at the Latest Practicable Date, we are not aware of these matters having had a material adverse impact on our Group's business, financial condition or results of operations. Further, the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" as set out in Appendix A to this Offer Document has stated that the consolidated financial statements are presented fairly, in all material respects, in accordance with the IFRS. However, we cannot assure you that the relevant authorities will not raise regulatory queries, investigations or claims in relation to these historical matters in the future and in such event, we will have to devote resources to address such matters.

There were certain delays in the process of updating the business address of our Malaysian subsidiary in the work permits of its foreign employees.

As at the Latest Practicable Date, notwithstanding that the particulars of SGP Malaysia's business address registered on the Foreign Workers Centralized Management System have been updated on 10 September 2026, the work permits of four (4) foreign employees of SGP Malaysia continue to reflect the previous business address of SGP Malaysia. SGP Malaysia is in the process of updating its business address with the relevant Malaysian immigration authorities, which is expected to be completed by end of March 2027. Although SGP Malaysia has submitted the necessary application, there can be no assurance that the application will be processed within the expected timeframe. Regulation 39(b) of the Immigration Regulations 1963 of Malaysia provides that any person who fails to comply with any condition imposed in the work permit shall be liable to imprisonment for a term not exceeding six (6) months or to a fine not exceeding RM1,000 or to both.

Nevertheless, having considered various factors including communications with the relevant Malaysian immigration authorities, the Legal Adviser to our Company as to Malaysia Law is of the view that this incident would not amount to a material non-compliance because the delay in updating the immigration authorities of the change in the business address would not result in any material legal consequence as long as the employing entity remains the same. In addition, the Legal Adviser to our Company as to Malaysia Law is of the view that the process of updating SGP Malaysia' business address with the relevant Malaysian immigration authorities is administrative and procedural in nature as it does not involve any substantive change to SGP Malaysia's business activities or foreign employee arrangements. SGP Malaysia does not foresee any difficulties in obtaining the approval for the update of SGP Malaysia's business address.

However, we cannot assure you that the relevant authorities will not raise regulatory queries, investigations or claims in relation to these historical matters in the future and in such event, we will have to devote resources to address such matters.

Regulatory requirements applicable to our industry may change, which could adversely affect our business.

Our operations are subject to various laws and regulations relating to, among other matters, the employment of foreign workers, workplace health and safety, and environmental protection. There is no guarantee that the regulatory requirements applicable to our operations or the industry in which we operate will not change in the future.

Any changes to existing laws and regulations, or the introduction of new or more stringent regulatory requirements, may require us to make time-consuming and costly adjustments to our operational practices, risk management and internal control systems. Such changes may also increase our legal, compliance and professional costs and impose additional administrative burdens, thereby materially and adversely affecting our business, financial position and results of operations.

We may be involved in disputes, legal and other proceedings and investigations arising out of our operations from time to time and may face legal liabilities as a result.

In the course of our business, we may encounter disputes with customers, suppliers and other third parties from time to time in relation to various matters, including complaints about the quality of our work or motor accidents occurring in the course of business. Such disputes may result in disagreements or claims. Additionally, we may be subject to investigations, administrative penalties, settlements and judgements imposed by authorities in relation to alleged or actual breaches of relevant laws and regulations. While we have not experienced any material litigation, investigations or other proceedings during the Period Under Review and up to the Latest Practicable Date which has had a material adverse impact on our Group's business and operations, there is no assurance that future disputes or claims will be resolved amicably or in our favour through negotiation, settlement or mediation. Failure to resolve disputes or successfully defend claims may lead to extensive legal costs and, if unfavourable outcomes arise, may result in significant financial damages or penalties. Such outcomes could materially and adversely affect our reputation, business, financial performance, results of operations and/or prospects.

Changes in international trade policies and ongoing trade tensions between the U.S. and China may adversely affect our business.

Adverse developments in global trade policies, including the imposition of new trade barriers, tariffs, sanctions, export controls, boycotts or other restrictive measures beyond our control, could negatively affect the economic and financial conditions in the jurisdictions in which we operate, hinder our overseas expansion plans, and negatively affect our financial condition and results of operations.

During the Period Under Review, the U.S. government imposed various restrictions on international trade, including significant tariff increases and restrictions on certain imported goods in relation to China. These measures may further escalate trade tensions between the two countries, potentially resulting in a trade war. Any escalation of trade tensions, or the perception that such escalation may occur, could have adverse effects on global economic conditions. Since October 2022, the U.S. government has also implemented changes to export control regulations restricting the export of certain semiconductor manufacturing equipment, components and related technologies to China.

Although, as at the Latest Practicable Date, the tariffs and changes to U.S. export control regulations have not had a material adverse impact on our business, there can be no assurance that existing or future restrictions or regulations imposed by the U.S. or other jurisdictions will not materially and adversely affect our business. In particular, such measures may impair our customers' ability to export technologies, systems, devices or components to China, which may be critical to their business operations and service offerings, and could indirectly reduce demand for our products and services.

Certain of our overseas customers' international sales may also depend on their ability to obtain the necessary export licences. Any inability to obtain such licences may result in these customers losing business opportunities to competitors, thereby adversely affecting their business and, in turn, demand for our precision component engineering services. In addition, government authorities may impose requirements favouring the use of local suppliers, partnerships with local companies or other measures to promote domestic industries, which could further disadvantage our customers. Any changes in international trade policies and ongoing trade tensions between the U.S. and China may adversely affect our business, results of operations and financial condition.

Our business may be adversely affected by international sanctions.

The U.S. and other jurisdictions or international bodies, including the EU, the UK, the UN and Australia, have implemented economic sanctions through executive orders, legislation or other governmental actions against certain countries, industry sectors, companies, individuals and organisations.

During the year ended 31 December 2022 and up to 1 January 2023 ("**Relevant Period**"), we procured aluminium materials from one of our suppliers in Singapore who, unbeknownst to us, supplied aluminium materials which they had sourced from a sanctioned entity located in Russia (excluding Crimea) (the "**Relevant Region**"). As the sanctioned entity is a Russia-based company designated on the entity list maintained by the BIS ("**Entity List**"), provision of items subject to the EAR to this sanctioned entity is prohibited pursuant to the sanctions designation. Our transactions involving the Relevant Region were limited to the aforementioned indirect procurements of Russian-origin aluminium materials from a particular supplier that were denominated in S$ and took place in Singapore. The supplier from whom we procured the aluminium materials is not a sanctioned entity. Our cost of sales attributable to such indirect procurements from the Relevant Region which occurred only in FY2022 was approximately S$0.3 million and represents approximately 1.2% of our total cost of sales for the year and approximately 8.1% of the total aluminium materials we procured in FY2022.

Since 1 January 2023, the supplier involved in the aforementioned indirect procurements has ceased to supply any Russian-origin aluminium materials to us. As advised by our International Sanctions Legal Adviser during our listing on GEM, our indirect procurement of aluminium products from the Relevant Region from our non-sanctioned supplier in Singapore, who procured from a Russia-based Sanctioned Person designated on the Entity List maintained by the BIS, did not represent a violation of the limited restrictions on the Sanctioned Person. Based on our best understanding and as advised by our International Sanctions Legal Adviser during our listing on GEM, we believe that we are not subject to sanctions risk that could have a material adverse effect due to our historical indirect transactions involving the Relevant Region.

Our International Sanctions Legal Adviser has provided consent to the inclusion in this Offer Document of its name and references, and our Company may continue to rely on the legal advice provided by our International Sanctions Legal Adviser in the form of a legal memorandum issued in connection with our listing on GEM, for the purposes of the Listing, subject to and in accordance with the terms therein, which include that no opinion or advice is expressed or implied as to the laws of any other territory, or as to the matters of fact, except for the International Sanctions.

While we have open orders and backlogs that require aluminium materials, our Directors are of the view that the cessation of indirect procurement of aluminium materials from the Sanctioned Person has no material impact on the Group's business operations and financial performance since our supplier from whom we procured aluminium materials has substituted our orders and backlog orders with aluminium materials from other markets with the same specifications at comparable cost, including Europe, U.S. and South Africa. Our Group could also procure similar aluminium materials from other suppliers to fulfil the production needs from our backlog orders.

Sanctions laws and regulations are subject to frequent changes, and additional persons and entities may be designated as sanctioned parties from time to time. New or expanded sanctions requirements may also be introduced, which could increase regulatory scrutiny of our business or result in one or more of our business activities being deemed non-compliant. There can be no assurance that our future business activities will be free from sanctions-related risks or that we will continue to meet the expectations and requirements of the authorities of the U.S. or other relevant jurisdictions.

If the authorities of the U.S., the EU, the UK, the UN, Australia or any other relevant sanctions authority determine that any of our future activities constitute a breach of applicable sanctions, or provide a basis for the designation of our Group or any of our counterparties as sanctioned persons, our business and reputation could be adversely affected. In addition, our procurement of raw materials may be subject to new or revised international trade restrictions and/or export controls in the future, which could disrupt our supply chain and adversely affect our operations and financial performance.

Increasing focus on environmental, social and governance matters may impose additional costs and risks, and any lapses could adversely affect our business.

In recent years, there has been increasing emphasis on ESG matters, which has resulted in changes to regulatory policies and the introduction of new or more stringent laws and regulations relating to environmental protection and other ESG-related issues. In addition, investor advocacy groups, institutional investors and investment funds have increasingly considered ESG factors when making investment decisions. Investors may choose to allocate or withdraw capital based on their assessment of a company's ESG practices and performance.

Heightened ESG expectations, evolving social trends or changes in political and regulatory priorities relating to ESG matters may increase the risk of future ESG lapses, increase our compliance costs, require us to modify our business practices or impose additional operational constraints, any of which could adversely affect our business. If we fail to adapt to, comply with, or are perceived as not responding appropriately to evolving ESG-related expectations or regulatory requirements, we may suffer reputational damage and experience material adverse impacts on our business, financial condition and results of operations.

Our business could be adversely affected by any lapses in environmental, social and governance matters.

In 2025, our Malaysian subsidiary, SGP Malaysia, received a notice from the Department of Environment of the State of Johor (the "**DOE**") under the Malaysian Environmental Quality Act 1974 ("**EQA**") requiring it to rectify various lapses relating to the management of scheduled wastes under the EQA and the Environmental Quality (Scheduled Wastes) Regulations 2005 ("**EQSWR**"). These lapses may expose SGP Malaysia and, in certain circumstances, its directors and officers, to certain liabilities under the EQA and the EQSWR. The DOE may also impose compounds or pursue prosecution depending on the nature and seriousness of the lapses and whether the required remedial actions are completed within the prescribed timeframe.

The details of the lapses and the associated potential liabilities and penalties are set out below. In aggregate, SGP Malaysia and its directors may be subject to fines ranging from RM200,000 to a maximum of RM13.5 million (excluding the continuing fine and imprisonment).

Lapses under the EQA and EQSWR	Potential liabilities and penalties
Failure to: (i) employ a competent person to conduct the management of scheduled wastes; (ii) submit the notification of generation of scheduled wastes; (iii) dispose of or treat or recover all scheduled wastes at prescribed premises;	A fine of between RM5,000 to RM250,000 and/or imprisonment of up to two (2) years for each lapse.

Lapses under the EQA and EQSWR	Potential liabilities and penalties
(iv) ensure that all scheduled wastes are properly stored; (v) ensure that containers containing scheduled wastes are always closed during storage; (vi) design, construct and maintain adequately areas for the storage of containers containing scheduled wastes; (vii) label containers used to store scheduled wastes; (viii) keep accurate and up-to-date inventory of scheduled wastes; (ix) provide information of scheduled wastes to licenced scheduled wastes contractors; and (x) ensure that all employees involved in the management of scheduled wastes attend training programmes.	
Failure to comply with the DOE notice.	A fine of between RM50,000 and RM1 million and/or imprisonment for up to 5 years, plus a further fine of up to RM1,000 for each day the offence continues after service of the notice.
Unauthorised placement, deposit or disposal of schedule wastes at non-prescribed premises.	A fine of between RM100,000 to RM10 million and imprisonment of up to five (5) years.

As at the Latest Practicable Date, no regulatory investigations (other than the investigation leading to the issuance of the DOE notice) or regulatory action have been imposed on SGP Malaysia or its directors in relation to these matters.

The Legal Adviser to our Company as to Malaysia Law is of the view that the risk of SGP Malaysia or its directors being subject to the maximum penalty of RM13.5 million is remote as the maximum penalty is reserved for the worst possible example of the offence concerned, and nothing has come to the knowledge of the Legal Adviser to our Company as to Malaysia law based on its due diligence that suggests that the above environmental lapses would warrant the maximum penalty. The Legal Adviser to our Company as to Malaysia Law is of the view that the risk of SGP Malaysia or its directors being subject to any imprisonment is remote as imprisonment terms are usually reserved for severe cases, for example where such non-compliance results in severe or substantial harm to the environment, public health or wellbeing or surrounding communities and nothing has come to the knowledge of the Legal Adviser to our Company as to Malaysia Law based on its due diligence that suggests that the above environmental lapses have caused severe or substantial harm to the environment, public health or wellbeing or surrounding communities or would otherwise warrant a term of imprisonment.

Save for the appointment of a certified competent person for scheduled waste management, which is targeted to be completed by July 2027, SGP Malaysia has completed full rectification of the above environmental lapses in September 2026, and an external consultant completed its review and verification of the rectification steps undertaken by SGP Malaysia in September 2026.

Although we have reviewed and strengthened our internal controls and compliance procedures to reduce the risk of recurrence and have hired an external consultant to assist us in addressing the lapses identified by the DOE, we cannot assure you that the DOE will not impose regulatory actions. Any failure to achieve or maintain compliance with applicable environmental laws and regulations, or any future environmental lapses, could result in regulatory actions, increased compliance costs, operational disruptions, reputational harm and could materially and adversely affect our business, financial condition, results of operations and prospects.

Our business could be adversely affected due to the historical use of "Q'son" name.

Metasurface Technologies, MetaOptics Technologies and certain associates of the directors of our Group, such as Global & Co (formerly known as Q'son Corp and Metasurface & Co) and Singapore Kitchen Equipment Limited ("**SKE**" and, together with its subsidiaries, "**SKE Group**"), previously used "Q'son" as part of their business names. On 22 May 2013, Metasurface Technologies undertook to SKE to change its name to remove the "Q'son" reference within three (3) months, to cease using the "Q'son" name or brand, and to cease representing itself as part of the "Q'son group of companies" ("**Change of Name Undertaking**"). Please refer to the section entitled "General Information on our Group – Name Changes of our Group" of this Offer Document for further details of the name changes of our Group.

Notwithstanding the Change of Name Undertaking, Metasurface Technologies and MetaOptics Technologies continued to use the "Q'son" name until October 2021 and September 2021, respectively. SKE has reserved its rights to pursue claims for damages and losses in the event that it has suffered any loss arising from or in connection with the breach of the Change of Name Undertaking by Metasurface Technologies.

While our Company has been advised of the remote possibility of successful potential claims by SKE against Metasurface Technologies arising from the above (please refer to the section entitled "General Information on our Group – Name Changes of our Group – Singapore Special Counsel's views" of this Offer Document for further details), if SKE were to pursue such claims against us, our business and reputation could be adversely affected. In addition, there can be no assurance that the change of name will not adversely affect our business relationships with our customers.

Our operations may be affected by adverse weather conditions, natural disasters, acts of God, wars or terrorism.

Our business operations are vulnerable to adverse weather conditions and natural disasters. If adverse weather conditions persist or natural disasters occur, we may be unable to carry out work at our production facilities, which could prevent us from meeting agreed delivery schedules. In the event that our operations are suspended or disrupted due to adverse weather or natural disasters, we may continue to incur fixed operating expenses such as labour costs and overheads, while our revenue and profitability may be adversely affected.

In addition, we are exposed to other acts of God and events beyond our control, including wars and acts of terrorism. Recent escalations in geopolitical tensions globally, including the ongoing conflict involving Iran and broader instability in the Middle East, have contributed to heightened uncertainty in international markets and may adversely affect global supply chains for the semiconductor industry that are relevant to our operations. As at the Latest Practicable Date, our business is not significantly affected by the ongoing conflict involving Iran. Although there has been an increase in the cost of materials, for example, aluminium, since the beginning of this year, our Group has not been significantly affected as the Latest Practicable Date. However, if the ongoing conflict surrounding Iran continues, it may disrupt manufacturing or logistic networks,

cause shortages of critical materials, for example, aluminium, and adversely affect our operations and the operations of our customers and suppliers. The potential impact and materiality of such events on our business are difficult to predict. Any such incidents could adversely affect our revenue, costs and our results of operations, financial condition and growth prospects.

RISKS RELATING TO INVESTMENT IN OUR SHARES

We are subject to Cayman Islands laws and regulations and our Shares have a primary listing on the HKSE, which may differ from those applicable to Singapore-incorporated companies listed on the SGX-ST.

Our Company is incorporated in the Cayman Islands, and our Shares are listed on the HKSE. Accordingly, our corporate affairs are governed by, among others, our Memorandum and Articles of Association, the Cayman Companies Act, the common law of the Cayman Islands laws, and the GEM Listing Rules applicable to companies listed on GEM. The rights of our Shareholders to take legal action against us and our Directors, the protection afforded to minority Shareholders, and the fiduciary duties owed by our Directors under Cayman Islands law may differ from those applicable to companies incorporated in Singapore. As a result, our public Shareholders may face greater difficulty in protecting their interests in relation to actions taken by our Board of Directors, management, or Controlling Shareholders, as compared to shareholders of a Singapore-incorporated company.

Please refer to the section entitled "Appendix C – Comparison of Selected Cayman Islands Corporate Law Provisions and Singapore Corporate Law Provisions" in this Offer Document for a summary comparison of certain key differences between the Cayman Companies Act and the Singapore Companies Act. These summaries are not intended to, and do not, constitute legal advice. Any person seeking advice on the differences between the Cayman Companies Act and the Singapore Companies Act and/or the laws of any other jurisdiction should obtain independent legal advice.

In addition, the nature and scope of information required to be publicly disclosed under the GEM Listing Rules may differ from the disclosure requirements applicable to companies listed on the SGX-ST. Such differences may include, among others, requirements relating to the disclosure of beneficial ownership of equity securities and related party or connected transactions. Upon completion of the Placement, we will be dual-listed on Catalist and GEM, and we will be required to comply with both sets of requirements as set out under the GEM Listing Rules and the Catalist Rules.

Investments in securities quoted on Catalist involve a higher degree of risk and can be less liquid than shares quoted on the Main Board of the SGX-ST.

An application has been made for our Shares to be listed for quotation on Catalist, a listing platform designed primarily for fast-growing and emerging or smaller companies to which a higher investment risk tends to be attached as compared to larger or more established companies listed on the Main Board of the SGX-ST. An investment in shares quoted on Catalist may carry a higher risk than an investment in shares quoted on the Main Board of the SGX-ST and the future success and liquidity in the market of our Shares cannot be guaranteed.

Pursuant to the Catalist Rules, we are required to, among others, retain a sponsor at all times after our admission to Catalist. In particular, unless approved by the SGX-ST, UOBKH must act as our continuing sponsor for at least three (3) years after the admission of our Company to Catalist. In addition, we may be delisted in the event that we do not have a sponsor for more than three (3)

continuous months. There is no guarantee that following the expiration of the three (3)-year period, UOBKH will continue to act as our sponsor or that we are able to find a replacement sponsor within the three (3)-month period. Should such risks materialise, we may be delisted and you will not be able to publicly trade our Shares.

Disclosure of interest in shares of substantial shareholders.

As a company already listed on GEM, we are obliged to adhere to GEM Listing Rules and regulations in Hong Kong, including the SFO, which requires, among others, disclosure of a person's notifiable interest in our Shares. Similar to the requirements under the SFA, such disclosure is required under the SFO in the event a person has an interest of 5.0% or more of the company's issued voting share capital. However, there are some differences between the SFA and SFO for determining what constitutes an "interest in shares" and when a notification of interest in the shares would be required. For a summary of the differences in the SFA and SFO in these respects, please refer to the section entitled "Appendix H – Comparison of Substantial Shareholding Disclosure Requirements under Singapore and Hong Kong Rules" of this Offer Document.

We have taken steps to identify our Substantial Shareholders, including, among others: (a) review of public information on disclosure of interest filed by our existing Shareholders who are directly or indirectly interested in 5.0% or more voting Shares of our Company on the website of the HKSE; (b) invoking section 329 of the SFO by engaging a service provider to investigate ownership of our Shares and providing details as at 19 May 2026 of, among others, a shareholder identification analysis covering 95.0% of the CCASS participants (equivalent to top 10 CCASS custodians) which sets out the beneficial owners of our Shares held through the relevant CCASS participants; (c) review the questionnaires completed by our Directors and Executive Officers, and interviews with our Directors and Executive Officers, to identify any connection to any Substantial Shareholder; and (d) releasing a public announcement on HKSE to request for any Substantial Shareholders to identify themselves to us and to notify of related ongoing disclosure obligations under the SFA. As at the Latest Practicable Date, no person has identified themselves to us as being a Substantial Shareholder (other than the Substantial Shareholders described in the section entitled "Shareholders – Ownership Structure" of this Offer Document).

Notwithstanding the above, there is a risk that there could be person(s) falling within the definition of a Substantial Shareholder but whom have not identified themselves and notified us, such that the actions taken by us above may not result in definitively conclusive information on the Substantial Shareholders. As the names of investors owning Shares through market intermediaries or other investor participants are not known to us, it is impracticable for us to ensure that all Substantial Shareholders and their respective changes in interest in their Shares are reported and disclosed after our admission to Catalist.

The time required to transfer Shares between the Hong Kong and Singapore markets could be longer than expected, and our Shareholders might not be able to settle or effect any Share sale during this period.

The time required to transfer Shares between the Hong Kong and Singapore markets could be longer than expected, and our Shareholders might not be able to settle or effect any Share sale during this period.

There is no direct trading or settlement between the SGX-ST and HKSE. To enable the transfer of Shares between the two exchanges, our Shareholders are required to comply with specific procedures and bear the necessary costs. Please refer to the section entitled "Clearance and Settlement – Movement of Shares between Hong Kong and Singapore" of this Offer Document for more information. Under normal circumstances and assuming that there are no deviations from the usual share transfer procedures, our Shareholders can expect a normal transfer from the Singapore Branch Share Register to the Hong Kong Branch Share Register, and *vice versa*, to complete within fifteen (15) Business Days, depending on whether our Shares are registered under CCASS, CDP or in the name of our Shareholders. However, we cannot assure you that the transfer of Shares will be completed in accordance with this timeline. There could be unforeseen market circumstances or other factors that could delay the transfer, thereby preventing our Shareholders from settling or effecting the sale of their Shares.

There are inherent risks in the stock market.

There exists both a potential for risks and benefits when an investor participates in the stock market. Our Share price is determined not only by internal factors such as our Group's financial performance, financial condition and development prospects, but may also be adversely affected by changes in macro political and economic conditions. Our Share price is also subject to extraneous factors such as the market demand and supply conditions, prevailing interest rates, inflation, the prevailing investor sentiment and other unforeseeable factors. All these factors can give rise to a deviating share value which can, directly or indirectly, cause the investor to suffer a loss whilst investing in the stock market.

The Placement may not result in an active or liquid market on the SGX-ST for our Shares.

As at the date of this Offer Document, there is no public market for our Shares in Singapore. The Placement Price may not be indicative of the market price of our Shares following completion of the Placement. There is no assurance that an active market for our Shares will develop, or, if developed, that it will be sustained. In addition, the market price of our Shares may decline below the Placement Price. Accordingly, you may be unable to sell your Shares at or above the Placement Price.

Following the commencement of trading of our Shares on the SGX-ST, the trading prices of our Shares on the HKSE and the SGX-ST may differ significantly. Such differences may arise not only from currency fluctuations, but also from differences in market liquidity, trading participants and investor bases, exchange trading systems, and other factors beyond our control. There is no guarantee that the trading price of our Shares on the SGX-ST will be equivalent to the trading price of our Shares on the HKSE.

Although we have applied for a dual primary listing of, and permission to deal in, our Shares on the SGX-ST, and our Shares may be transferred from the Hong Kong Branch Share Register to the Singapore Branch Share Register for trading on the SGX-ST, there is no certainty as to the number of Shares that will be available for trading in Singapore (other than the Placement Shares registered on the Singapore Branch Share Register). Accordingly, there is no assurance that the Placement will result in an active or liquid public trading market for our Shares in Singapore.

We are concurrently subject to Hong Kong and Singapore listing and regulatory requirements.

We are subject to the listing and regulatory requirements of both Hong Kong and Singapore, which may result in additional costs and compliance burdens. We are currently listed on GEM. Upon completion of the Placement, we will be dual-listed on Catalist and GEM. As a result, we will be required to comply with the Catalist Rules, the GEM Listing Rules, and other applicable regulatory regimes in both Hong Kong and Singapore (including requirements relating to corporate governance and sustainability reporting), unless otherwise agreed or waived by the relevant regulatory authorities. Compliance with these concurrent regulatory frameworks may require additional management attention, resources and costs.

In addition, we are required to comply with Hong Kong laws and regulations, including the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs and the SFO. Any material non-compliance with such laws and regulations could result in sanctions being imposed on us and/or suspension of trading of our Shares on the HKSE. Such events could have an adverse impact on our business, financial condition and performance, which may in turn negatively affect the trading price or performance of our Shares on Catalist. Following the Placement, we will be subject to the Singapore Take-over Code in addition to the Hong Kong Takeovers Code.

The trading prices of our Shares may be adversely affected by the capital market of Singapore and Hong Kong and the economic, political and legal developments in Singapore and Hong Kong.

Following the Placement, our Shares will be subject concurrently to the listing and regulatory regimes of Singapore and Hong Kong. The SGX-ST and the HKSE differ in their trading hours, trading characteristics (including trading volume and liquidity), listing and trading rules, and investor bases, including varying levels of retail and institutional participation. As a result of these differences, the trading prices of our Shares on the two exchanges may not be identical, even after taking into account currency differences.

Factors specific to the Hong Kong capital markets could materially and adversely affect the trading price of our Shares in Hong Kong without having a similar impact on the trading price of our Shares in Singapore, or *vice versa*. Certain events that have a significant adverse impact on one market may lead to a decline in the trading price of our Shares on that market, notwithstanding that such events may not affect, or may affect to a lesser extent, the trading price of securities listed on the other exchange. Due to these differing market characteristics, the historical trading prices of our Shares may not be indicative of their trading performance following the Placement.

As we are listed on GEM, the trading prices of our Shares remain exposed to economic, political and legal developments in Hong Kong. Any sudden or sustained deterioration in global, regional or local economic, political, social or legal conditions, or changes in government policies in Hong Kong, such as trade tensions, political instability or civil disobedience movements, may negatively affect investor confidence and overall market sentiment. Prolonged volatility or weakened market sentiment may result in reduced levels of market activity, which may adversely impact the prices of our Shares, even though our operations are not based in Hong Kong.

Hong Kong is a special administrative region of the PRC operating under the principle of "one country, two systems" as set out in the Basic Law of Hong Kong. While this framework provides for a high degree of autonomy, any changes to this political and legal framework could affect market stability and the overall business and financial environment in Hong Kong. Any such developments could materially and adversely affect investor sentiment and, in turn, the trading price of our Shares.

Our Share price may be volatile, which could result in substantial losses for investors purchasing Shares pursuant to the Placement.

The Placement Price may not necessarily be indicative of the market price of our Shares after the Placement is complete and investors may be unable to resell their Shares at or above the Placement Price. There is also no assurance that the market price for our Shares will not decline below the Placement Price. The prices at which our Shares will trade after the Placement will be determined by the market and may be influenced by many factors, some of which are beyond our control:

(a) variations of our financial or operating results;

(b) liquidity of the market for our Shares;

(c) investors' perceptions of us and the general investment environment;

(d) changes in laws, regulations and taxation systems which affect our operations;

(e) successes or failures of our efforts in implementing business and growth strategies;

(f) technological developments in our industry;

(g) additions or departures of our key executives;

(h) material changes or uncertainty in the political, economic and regulatory environment in the markets that we operate;

(i) announcements by us or our competitors of significant acquisitions, strategic alliances or joint-ventures;

(j) the valuation of publicly-traded companies that are engaged in business activities similar to ours;

(k) changes in securities analysts' recommendations, perceptions or estimates of our financial performance;

(l) involvement in litigation and/or investigations by government authorities (though there had been no past litigation instituted during the Period Under Review against our Company which had a material adverse impact on our Group's financials and/or operations);

(m) changes in conditions affecting the industry, the general economic conditions or stock market sentiments or other events or factors; and

(n) any volatility in the securities markets of Hong Kong and/or Singapore.

For these reasons, among others, our Shares may trade at prices that are higher or lower than the NAV per Share. To the extent that there is any retention of operating cash for investment purposes, working capital requirements or other purposes, these retained funds, while increasing the value of our underlying assets, may not correspondingly increase the market price of our Shares. Any failure on our part to meet market expectations with regard to future earnings and cash distributions may adversely affect the market price for our Shares.

The stock markets have from time to time experienced significant price and volume fluctuations that have affected the market prices of securities. These fluctuations often have been unrelated or disproportionate to the operating performance of publicly-traded companies. In the past, following periods of volatility in the market price of a particular company's securities, an investor may lose all or part of his investment and litigation has sometimes been brought against that company. If similar litigation is instituted against us, it could result in substantial costs and divert management's attention and resources from our core business.

In addition, our Shares are not capital-safe products and there is no guarantee that holders of our Shares can realise a higher amount or even the principal amount of their investment. In the case of liquidation of our Company, it is possible that investors may lose all or a part of their investment in our Shares.

Future issuances of Shares by us and sale of Shares by our existing Shareholders may adversely affect the price of our Shares.

In the event we issue or our Shareholders sell substantial amounts of our Shares in the public market following this Placement, the price of our Shares may be adversely affected. Such issues or sales may also make it difficult for us to issue new Shares and raise the necessary funds in the future at a time and price we deem appropriate.

Except as otherwise described in the section entitled "Shareholders – Moratorium" of this Offer Document, there will be no restriction on the ability of our Shareholders to sell their Shares either on Catalist or otherwise. In addition, the price of our Shares may be under downward pressure if Shareholders who are subject to a moratorium sell their Shares upon the expiry of their respective moratorium periods.

Investors may not be able to participate in certain future equity issuances of our Shares.

In the event that we issue new Shares, we will be under no obligation to offer those Shares to our existing Shareholders at the time of issue, except where we elect to conduct a rights issue. However, in electing to conduct a rights issue or certain other equity issues, we will have the discretion and may also be subject to certain regulations as to the procedures to be followed in making such rights available to Shareholders or in disposing of such rights for the benefit of such Shareholders and making the net proceeds available to them. In addition, we may not offer such rights to our existing Shareholders having an address in jurisdictions outside of Singapore and Hong Kong, as such offer may require compliance with local securities laws, registration, prospectus filing and other regulatory requirements. Our Group is of the view that compliance with such requirements may be disproportionate in terms of cost and time to be expended when only a small number of Shareholders may be located in those jurisdictions.

Accordingly, certain Shareholders may be unable to participate in future equity offerings by us and may experience dilution in their shareholdings as a result.

Negative publicity which includes those relating to any of our Directors, Executive Officers, Controlling Shareholders may adversely affect our Share price.

Negative publicity or announcements relating to any of our Directors, Executive Officers or Controlling Shareholders may adversely affect the market perception of our Group or the performance of the price of our Shares, whether or not it is justified. For instance, such negative publicity may arise from unsuccessful attempts in joint ventures, acquisitions or take-overs, or involvement in insolvency proceedings.

Our Controlling Shareholders retain significant influence over our Company.

After the completion of the Placement, our Controlling Shareholders, Dato' Sri Chua and SGP BVI, will in aggregate have direct or indirect interests in approximately [●]% of the issued Shares of our Company. As a result, our Controlling Shareholders will be able to significantly influence our corporate actions requiring shareholder approval such as mergers or takeover attempts in a manner which may not be in line with the interests of our public Shareholders. There is no assurance that our Controlling Shareholders will vote on Shareholders' resolutions in a way that will benefit all of our Shareholders. Our Controlling Shareholders may also be able to influence the outcome of any shareholder action or approval requiring a majority vote except where they are required to abstain from voting, given their substantial interest in our Shares. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Group which may not benefit our Shareholders.

You will incur immediate dilution and may experience further dilution in the NAV of your Shares.

The Placement Price is [●] than our Group's NAV per Share of [●] cents as at 30 June 2026 based on the post-Placement issued Share capital and adjusted for the net proceeds from the Placement. If we were liquidated immediately following the Placement, each investor subscribing for the Placement Shares would receive less than the price he paid for the Placement Shares. Please refer to the section entitled "Dilution" of this Offer Document for further details.

We may not be able to declare dividends in the future.

Our ability to declare dividends to our Shareholders in the future will be contingent on our future financial performance and distributable reserves of our Company. This is in turn dependent on our ability to implement our future plans, and on regulatory, competitive and technical factors and other factors such as general economic conditions, demand for and selling prices of our products and services and other factors exclusive to the precision component engineering industry, many of which are beyond our control. Any of these factors could have a material adverse effect on our business, prospects, financial position and results of operations, and hence there is no assurance that we will be able to pay dividends to our Shareholders after the completion of the Placement.

The receipt of dividends from our subsidiaries may also be affected by the passage of new laws, adoption of new regulations and other events outside our control, and our subsidiaries may not continue to meet the applicable legal and regulatory requirements for the payment of dividends in the future. Source withholding tax and exchange rate fluctuations may also apply to dividends and distributions from our subsidiaries to us. If our subsidiaries stop paying dividends or reduce the amount of the dividends they pay to our Company, or dividends become subject to increased tax because of changes in ownership of our subsidiaries or changes in tax laws or treaties, it would have an adverse effect on our ability to pay dividends on our Shares.

Further, in the event that we are required to enter into any loan arrangements with any financial institutions, covenants in the loan agreements may also limit when and how much dividends we can declare and pay out.

Investors may be subject to tax arising from the payment of dividends on the Shares.

We are not legally or contractually responsible for any tax consequences or liabilities of investors arising from the payment of dividends on our Shares. Depending on your individual circumstances and tax residency, you may be subject to corporate or individual income tax, withholding tax and/or capital gains tax in respect of any dividends received.

For information relating to taxes payable on dividends, please refer to "Appendix I – Taxation" of this Offer Document, which sets out general descriptions of certain tax consequences in the jurisdictions discussed therein. Investors are advised to consult their own professional advisers regarding the tax implications of receiving dividends, including the applicability of any tax treaties and the impact of their individual tax positions.

There is no assurance that we will remain listed on the HKSE or the SGX-ST.

Although our Shares are currently listed on the HKSE and, following the Placement, will be listed on the SGX-ST, there is no assurance that our Shares will continue to be listed on both, or either, stock exchange in the future. We may not be able to continue to satisfy the listing requirements of the HKSE or the SGX-ST, or comply with other applicable rules, regulations or laws in the Cayman Islands or Singapore.

If our Shares are suspended from quotation, delisted, or otherwise cease to be traded on the HKSE and/or the SGX-ST, Shareholders and CDP Depositors (as the case may be) will not be able to trade our Shares on the relevant stock exchange. In such circumstances, there is no assurance that Shareholders or CDP Depositors will be entitled to any compensation or exit offer, or that the terms of any such compensation or exit offer would be satisfactory to them.

If our Shares cease to be listed on the SGX-ST and no exit offer is made, or if CDP Depositors choose not to accept any exit offer, such CDP Depositors may be required to transfer their Shares to the HKSE for disposal or trading. Similarly, if our Shares cease to be listed on the HKSE and no exit offer is made, the relevant Shareholders may be required to transfer their Shares to the SGX-ST for disposal or trading. This would involve cross-border share transfer procedures, additional brokerage and administrative fees, and potential trading delays.

The actual performance of our Company may differ materially from the forward-looking statements in this Offer Document.

This Offer Document contains forward-looking statements, which are based on a number of assumptions which are subject to significant uncertainties and contingencies, many of which are outside our control. Furthermore, our revenue and financial performance are dependent on a number of external factors, such as demand for our services which may decrease for various reasons, including increased competition within the industry or changes in applicable laws and regulation. There is no assurance that these assumptions will be realised and our actual performance will be as projected.

Take-over laws contain provisions that could discourage a take-over of our Company.

Following the Placement, we will be subject to the Singapore Take-over Code in addition to the Hong Kong Takeovers Code, which contain certain provisions that may possibly delay, deter or prevent a future take-over or change in control of our Company.

Under the Singapore Take-over Code, except with the consent of the Securities Industry Council of Singapore, any person acquiring an interest, whether by a series of transactions over a period of time or not, either on his own or together with parties acting in concert with him, in 30.0% or more of our voting Shares, is required to extend a take-over offer for our remaining voting Shares in accordance with the Singapore Take-over Code. Except with the consent of the Securities Industry Council of Singapore, such a take-over offer is also required to be made if a person holding between 30.0% and 50.0% (both inclusive) of our voting Shares, either on his own or together with parties acting in concert with him, acquires additional voting Shares representing more than 1.0% of our voting Shares in any six (6) month period. While the Singapore Take-over Code seeks to ensure an equality of treatment among Shareholders, its provisions could substantially impede the ability of the Shareholders to benefit from a change of control and, as a result, may adversely affect the market price of our Shares and the ability to realise any benefits from a potential change of control. In addition, our Controlling Shareholders, Dato' Sri Chua and SGP BVI, will in aggregate have direct or indirect interests in approximately [●]% in our post-Placement number of the issued Shares. This concentration of ownership could delay, deter or prevent a change in control of our Company or a successful offer under the Singapore Take-over Code by another person.

There are certain differences between the requirements under the Hong Kong Takeovers Code and the Singapore Take-over Code. For example, while the mandatory general offer threshold is 30.0% of the voting rights of a company under both the Hong Kong Takeovers Code and the Singapore Take-over Code, the "creeper rules" differ. Under the "creeper rule", a mandatory general offer is required to be made where a person and his concert parties hold not less than 30.0% but not more than 50.0% of the voting rights and such persons (a) (under the Singapore Take-over Code) acquire in any period of six months additional shares carrying more than 1.0% of the voting rights; or (b) (under the Hong Kong Takeovers Code) acquires additional voting rights and such acquisition has the effect of increasing that person's holding of voting rights of the company by more than 2.0% from the lowest percentage holding of that person in the 12-month period ending on and inclusive of the date of the relevant acquisition.

For further details of the Singapore Take-over Code and the key differences between the Singapore Take-over Code and the Hong Kong Takeovers Code, please refer to "Appendix G – Further Information about the Dual Listing – II. Takeover Obligations" of this Offer Document.

Unless the Securities Industry Council of Singapore disapplies the relevant provisions of the Singapore Take-over Code or the HK SFC grants a waiver from strict compliance with the relevant provisions of the Hong Kong Takeovers Code, Shareholders and potential investors of our Company will need to comply with the stricter of the requirements under both codes. Any dispensation under the Singapore Take-over Code or the Hong Kong Takeovers Code will be granted only in exceptional cases and there is no assurance that any such dispensation will be granted.

There may be difficulties in protecting your interests under the laws of the Cayman Islands.

Our corporate affairs are governed by, among other things, our Memorandum and Articles of Association, the Cayman Companies Act and common law of the Cayman Islands. The rights of Shareholders to take action against our Directors, actions by minority Shareholders and the fiduciary responsibilities of our Directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands, the Cayman Companies Act and our Memorandum and Articles of Association. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands.

The laws of the Cayman Islands relating to the protection of the interests of minority Shareholders differ in some respects from those in other jurisdictions. Such differences may mean that the remedies available to the minority Shareholders may be different from those they would have under the laws of other jurisdictions.

Facts, forecasts and statistics in this Offer Document relating to our industry may not be fully reliable.

Facts, forecasts and statistics in this Offer Document relating to the industry we operate in are obtained from various sources that we believe are reliable, including publications of third parties.

Although reasonable steps have been taken by the Directors to ensure that such information and statistics were extracted accurately from reliable sources, we cannot guarantee the quality or reliability of these sources. Neither we nor our respective affiliates or advisers have verified the facts, forecasts and statistics nor ascertained the underlying economic assumptions relied upon in those facts, forecasts and statistics obtained from these sources. Due to possibly flawed or ineffective collection methods or discrepancies between published information and factual information and other problems, the industry statistics in this Offer Document may be inaccurate and you should not place undue reliance on them. We make no representation as to the accuracy of such facts, forecasts and statistics obtained from various sources. Moreover, these facts, forecasts and statistics involve risk and uncertainties and are subject to change based on various factors and should not be unduly relied upon.

USE OF PROCEEDS AND EXPENSES OF THE PLACEMENT

USE OF PROCEEDS

The total gross proceeds to be raised from the Placement comprising all Placement Shares will be approximately S$[●] million.

The estimated net proceeds to be raised from the Placement, after deducting the aggregate estimated expenses incurred in relation to the Placement of approximately S$[●] million, will be approximately S$[●] million.

The allocation of each principal intended use of proceeds and a breakdown of the aggregate estimated listing expenses is set out below:

	Estimated amount (S$'million)	**Estimated amount allocated for each dollar of the gross proceeds raised from the Placement (cents)**
Use of proceeds		
To fund our business expansion, including the acquisition of 5-axis machines and other advanced machinery and software	[●]	[●]
To strengthen our quality control capabilities	[●]	[●]
General working capital	[●]	[●]
Net proceeds from the Placement	**[●]**	**[●]**
Listing expenses	[●]	[●]
Gross proceeds from the Placement	**[●]**	**100.0**

Further details of our use of proceeds may be found in the section entitled "General Information on our Group – Business Strategies and Future Plans" of this Offer Document. Save as disclosed, none of the net proceeds from the issue of the Placement Shares will be used, directly or indirectly, to acquire or refinance the acquisition of any asset, business or entity. As at the Latest Practicable Date, we have not identified any business or asset to be acquired. None of the net proceeds from the issue of the Placement Shares will be used to discharge, reduce or retire any indebtedness of our Group.

The foregoing discussion represents our best estimate of our allocation of the net proceeds of the Placement based on our current plans and estimates regarding our anticipated expenditures. Actual expenditures may vary from these estimates and we may find it necessary or advisable to reallocate the net proceeds within the categories described above or to use portions of the net proceeds for other purposes. In the event that we decide to reallocate the net proceeds of the Placement for other purposes, we will publicly announce our intention to do so through a SGXNET announcement to be posted on the Internet at the SGX-ST's website, http://www.sgx.com. In addition, our Company will make periodic announcements on the use of the net proceeds from the Placement as and when the net proceeds from the Placement are materially disbursed, and provide a status report on the use of the net proceeds attributable to our Company from the Placement in our annual report(s) and announcement(s).

USE OF PROCEEDS AND EXPENSES OF THE PLACEMENT

Pending the deployment of the net proceeds to be raised from the Placement as aforesaid, we may use the funds as working capital, place the funds in short term deposits with banks and financial institutions or invest in short-term money market instruments as our Directors may, in their absolute discretion, deem fit.

In the reasonable opinion of our Directors, no minimum amount must be raised from the Placement.

LISTING EXPENSES

The estimated amount of expenses of the Placement and of the application for listing, including listing and processing fees, placement commission, management fees, audit and legal fees, advertising and printing expenses, fees payable to the SGX-ST and all other incidental expenses in relation to the Placement is approximately S$[●] million. Such expenses will be borne by us and deducted from the gross proceeds from the Placement.

A breakdown of these estimated expenses to be borne by us in relation to the Placement is as follows:

Expenses	Amount in aggregate (S$'million)[1]	As a percentage of gross proceeds from the Placement (%)
Listing and application fees	[●]	[●]
Professional fees and expenses[2]	[●]	[●]
Placement commission and brokerage[3]	[●]	[●]
Miscellaneous expenses[4]	[●]	[●]
Total[5]	**[●]**	**[●]**

Notes:

(1) Amounts exclude GST, where applicable.

(2) Includes, among others, the estimated audit and legal fees, management fees for the Sponsor and Issue Manager, and other professional fees.

(3) The amount of placement commission per Placement Share, agreed upon between the Placement Agent and our Company is [●]% of the Placement Price payable for each Placement Share. For more information, please refer to the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements" of this Offer Document.

(4) Includes the estimated cost of production of this Offer Document, other marketing expenses and other expenses incurred or to be incurred in connection with the Placement. These are estimated expenses and the actual amounts may differ.

(5) Of the total estimated listing expenses payable, approximately S$[●] million will be capitalised against the share premium arising from the Placement Shares and the balance of S$[●] million will be charged to profit or loss. Our Company is a Cayman Islands exempted company with a par value share capital structure. Upon completion of the Placement, the par value component of the Placement Shares will be credited to our Company's share capital account, while the excess over par value will be credited to the share premium account within equity in accordance with the Cayman Companies Act.

USE OF PROCEEDS AND EXPENSES OF THE PLACEMENT

In accordance with paragraph 37 of International Accounting Standard 32 (IAS 32), an entity typically incurs various costs in issuing or acquiring its own equity instruments. Those costs might include registration and other regulatory fees, amounts paid to legal, accounting and other professional advisers, printing costs and stamp duties. The transaction costs of an equity transaction are accounted for as a deduction from equity to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

As a result, approximately S$[●] million of listing expenses that are directly attributable to the issuance of the Placement Shares will be recognised as a deduction against the share premium arising from the Placement Shares in accordance with IFRS. The balance of S$[●] million relates to costs that are not directly attributable to the issuance of the Placement Shares will be recognised in profit or loss as incurred in accordance with IFRS.

DIVIDEND POLICY

Statements contained in this section that are not historical facts are forward-looking statements. Such statements are subject to certain risks and uncertainties and should under no circumstances be regarded as a representation, warranty or prediction by us, the Sponsor, Issue Manager and Placement Agent or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements that speak only as at the date hereof.

PAST DIVIDENDS

No dividends have been declared by our Group in respect of the period from 1 January 2023 and up to the Latest Practicable Date.

DIVIDEND POLICY

We currently do not have a fixed dividend policy. The declaration and payment of future dividends may be recommended by our Board at their discretion, after considering a number of factors, including the factors outlined below as well as other factors deemed relevant by our Board:

(a) the level of our cash and retained earnings;

(b) our actual and projected financial performance;

(c) our projected levels of capital expenditure and expansion plans;

(d) our working capital requirements and general financial condition; and

(e) the terms of borrowing arrangements (if any),

(collectively, the "**Dividend Factors**").

Subject to the Dividend Factors, our Board intends to recommend up to 30.0% of our net profits after tax attributable to Shareholders as dividends for each of FY2026 and FY2027 (the "**Proposed Dividend**"). However, investors should note that the foregoing statements, including the statement on the Proposed Dividend, are merely statements of our present intention and shall not constitute legally binding obligations on our Company or legally binding statements in respect of our future dividends, which may be subject to modification (including reduction or non-declaration thereof) at our Directors' sole and absolute discretion.

Pursuant to our Articles of Association, (i) any future declarations and payments of dividends (other than interim dividends) will be at the recommendation of our Board at its absolute discretion for approval by our Shareholders at a general meeting; and (ii) interim dividends may be paid by our Board if justified by the profits of our company. In addition, as a company incorporated in the Cayman Islands, we may declare and pay a dividend out of profits and/or share premium account, provided always that in no circumstances may a dividend be declared or paid out of share premium if such payment would result in our Company being unable to pay its debts as they fall due in the ordinary course of business.

Payment of cash dividends and distribution, if any, will be declared in S$ and paid in S$ to CDP on behalf of our Shareholders who maintain, either directly or through depository agents, securities accounts with CDP. Shareholders whose names appear on the Hong Kong branch register of members, or whose Shares are held through CCASS will receive the dividend payment in Hong Kong dollars unless they elect to receive dividend payments in Singapore dollars. For the portion of the distributions to be paid in Hong Kong dollars, we will make the necessary

arrangements to convert the dividends into the Hong Kong dollar equivalent at the prevailing exchange rate obtained by us on the relevant date for distribution to the Shareholders in Hong Kong either directly or through HKSCC and/or intermediaries. Our Company will not be liable for any loss incurred due to the conversion of the dividend entitlement of Shareholders into the Hong Kong dollar equivalent.

No inference should or can be made from any of the foregoing statements as to our actual future profitability or ability to pay dividends. Please refer to the section entitled "Risk Factors – Risks Relating to Investment in our Shares – We may not be able to declare dividends in the future" of this Offer Document for further details.

For information relating to taxes payable on dividends, please refer to "Appendix I – Taxation" of this Offer Document.

Our Company, Metasurface Technologies Holdings Limited (Registration No. 384837), was incorporated in the Cayman Islands on 7 December 2021 under the Cayman Companies Act as an exempted company with limited liability.

As at the date of incorporation, our authorised share capital was HK$380,000 comprising 380,000,000 Shares of par value of HK$0.001 each. On 7 June 2024, our authorised share capital was increased from HK$380,000 comprising 380,000,000 Shares of par value of HK$0.001 each to HK$1,000,000 comprising 1,000,000,000 Shares of par value of HK$0.001 each. As at the Latest Practicable Date, our issued and paid-up share capital was S$26,000, comprising 150,000,000 Shares of par value of HK$0.001 each, of which 1,383,000 Shares are Treasury Shares.

As at the date of this Offer Document, there is only one (1) class of shares in the capital of our Company, being the Shares. A summary of our Memorandum and Articles of Association relating to, among others, the voting rights of our Shareholders is set out in "Appendix D – Summary of Certain Provisions of the Memorandum and Articles of Association of our Company and the Cayman Companies Act" of this Offer Document. There is no restriction on the transfer of fully paid Shares in scripless form except where required by law or the Catalist Rules.

There are no founder, management, deferred or unissued Shares reserved for issuance for any purpose. The Placement Shares shall have the same interest and voting rights as our existing Shares that were issued prior to this Placement and there are no restrictions on the transferability of our Shares except where required by law or the Catalist Rules.

As at the Latest Practicable Date, no person has been, or is permitted to be, given an option to subscribe for any securities of our Company or any of our subsidiaries.

At an extraordinary general meeting of the Company held on [●] 2026, our Shareholders approved, among others, the following:

(a) the adoption of our Articles of Association effective from the listing and quotation of all our Shares on Catalist; and

(b) amendments to the rules of the 2024 Share Option Scheme to bring the same in line with the applicable requirements under the Catalist Rules effective from the listing and quotation of all our Shares on Catalist.

ISSUE MANDATE AND REPURCHASE MANDATE

Our Company has to continue to comply with GEM Listing Rules, and the Shareholders have approved ordinary resolutions at the annual general meeting of our Company held on 30 June 2026 granting the Directors general mandates authorising them to:

(a) exercise the powers of our Company to allot, issue and otherwise deal with additional Shares (including sale and transfer of treasury shares) not exceeding 20.0% of the total number of Shares in issue (excluding treasury shares) as at the date of passing of such resolution (the "**Issue Mandate**");

(b) repurchase Shares on HKSE not exceeding 10.0% of the total number of Shares in issue (excluding treasury shares) as at the date of passing of such resolution (the "**Repurchase Mandate**"); and

(c) extend the Issue Mandate by an amount representing the total number of Shares repurchased under the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate will continue until whichever is the earliest of:

(a) the conclusion of the next annual general meeting of our Company;

(b) the expiration of the period within which the next annual general meeting of our Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; and

(c) the revocation or variation of such authority by an ordinary resolution of the Shareholders in a general meeting.

The above Issue Mandate is lower than that under Catalist Rule 806, which provides that a general mandate must limit the aggregate number of shares and convertible securities that may be issued, which shall not exceed 100.0% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the company, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 50.0% of the total number of issued shares (excluding treasury shares and subsidiary holdings).

Upon the allotment and issue of the Placement Shares, the resultant issued and paid-up Share capital of our Company will be increased to S$[●] comprising [●] Shares.

CHANGES IN SHARE CAPITAL

Details of the changes in the issued and paid-up share capital of our Company in the last three (3) years prior to the Latest Practicable Date and the resultant issued and paid-up share capital immediately after the Placement are as follows:

	Total number of Shares issued	Share capital (S$'000)	Share premium (S$'000)
As at incorporation	1	–	–
Share issuance pursuant to the Reorganisation[(1)]	5,596,510	1	–
Capitalisation issue[(2)]	117,403,489	20	–
Issuance of Shares pursuant to the listing on GEM[(3)]	27,000,000	5	8,327
Issue of Placement Shares	[●]	[●]	[●]
Post-Placement issued and paid-up share capital and share premium	[●]	[●]	[●]

Notes:

(1) On 26 April 2023, pursuant to a restructuring deed, each shareholder of Metasurface Technologies transferred all shares in Metasurface Technologies held by him/her to our Company, in consideration for our Company issuing and allotting an aggregate of 5,596,510 Shares to him/her (or an entity designated by him/her) in proportion of their respective shareholdings in Metasurface Technologies.

(2) On 2 July 2024, our Company capitalised approximately HK$117,403.49 standing to credit of the share premium account of our Company by applying such sum in paying up in full at par 117,403,489 Shares pursuant to the resolutions passed by the shareholders' meeting on 7 June 2024.

(3) On 2 July 2024, our Company issued 27,000,000 Shares amounting to S$11,343,000 net of listing expenses capitalised at S$3,016,000 pursuant to our listing on GEM.

Save as disclosed in the section entitled "Shareholders" of this Offer Document, there were no changes in the issued and paid-up share capital of our Company and our subsidiaries within the last three (3) years preceding the Latest Practicable Date.

For each of our Company and our subsidiaries, there have been no changes to the voting rights of the issued share capital and the classes of shares of which it was composed within the three (3) years preceding the Latest Practicable Date.

OWNERSHIP STRUCTURE

Our Directors, CEO and Substantial Shareholders and their respective shareholdings in our Company as at the Latest Practicable Date and immediately after the Placement are set out as follows:

	As at Latest Practicable Date				Immediately after the Placement			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%
Directors								
Dato' Sri Chua	–	–	55,022,335[(1)(3)]	37.02	–	–	55,022,335[(1)(3)]	[●]
Mrs. Chua	1,032,000	0.69	21,123,479[(2)(3)]	14.21	1,032,000	[●]	21,123,479[(2)(3)]	[●]
Mr. Soh	5,384,000	3.62	4,521,369[(4)]	3.04	5,384,000	[●]	4,521,369[(4)]	[●]
Mr. Thng	–	–	–	–	–	–	–	–
Mr. Tan Chek Kian	–	–	–	–	–	–	–	–
Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng)	80,000	0.05	–	–	80,000	[●]	–	–
Mr. Chan Yang Kang	–	–	–	–	–	–	–	–
Substantial Shareholders and Other Shareholders (other than our Directors)								
SGP BVI[(1)]	55,022,335	37.02	–	–	55,022,335	[●]	–	–
Baccini[(2)]	21,123,479	14.21	–	–	21,123,479	[●]	–	–
Asian Equity Special Opportunities Portfolio Master Fund Limited	7,966,000[(5)]	5.36	–	–	[●][(6)]	[●]	–	–
RAYS Capital Partners Limited	–	–	8,612,000[(5)]	5.79	–	–	[●][(6)]	[●]
Ms. Pang	4,521,369[(4)]	3.04	–	–	4,521,369[(4)]	[●]	–	–
Public Shareholders (HKSE)[(7)(8)]	52,841,817	35.56	–	–	[●]	[●]	–	–

	As at Latest Practicable Date				Immediately after the Placement			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%
Public Shareholders (SGX-ST)[9]	–	–	–	–	[●]	[●]	–	–
Total	**148,617,000**	**100.0**	**–**	**–**	**[●]**	**100.0**	**–**	**–**

Notes:

(1) The entire share capital of SGP BVI is wholly and beneficially owned by Dato' Sri Chua. Accordingly, Dato' Sri Chua is deemed or taken to be interested in the 55,022,335 Shares owned by SGP BVI under the SFA. SGP BVI is a Controlling Shareholder of our Company as it directly holds 55,022,335 Shares as at the Latest Practicable Date, which represents more than 15.0% or more of the nominal amount of all voting shares in our Company.

(2) The entire share capital of Baccini is wholly and beneficially owned by Mrs. Chua. Accordingly, Mrs. Chua is deemed or taken to be interested in the 21,123,479 Shares owned by Baccini under the SFA. Baccini is not a Controlling Shareholder of our Company as it directly holds 21,123,479 Shares as at the Latest Practicable Date, which represents less than 15.0% of the nominal amount of all voting shares in our Company, and it does not in fact exercises control over our Company.

(3) Under the SFA, (a) Dato' Sri Chua is not deemed or taken to be interested in the 21,123,479 Shares owned by Baccini Capital and the 1,032,000 Shares owned by Mrs. Chua; and (b) Mrs. Chua is not deemed or taken to be interested in the 55,022,335 Shares owned by SGP BVI. In contrast, under the SFO, by reason of the spousal relationship between Dato' Sri Chua and Mrs. Chua, (a) Dato' Sri Chua is deemed or taken to be interested in the 21,123,479 Shares owned by Baccini Capital and the 1,032,000 Shares owned by Mrs. Chua; and (b) Mrs. Chua is deemed or taken to be interested in the 55,022,335 Shares owned by SGP BVI.

(4) Mr. Soh's spouse, namely Ms. Pang, holds a direct interest in 4,521,369 Shares. As a director of our Company, Mr. Soh is deemed or taken to be interested in the 4,521,369 Shares held by Ms. Pang.

(5) Based on the public information on disclosure of interests filed on HKSE as at the Latest Practicable Date.

(6) Based on the public information on disclosure of interests filed on HKSE as at the date of this Offer Document.

(7) Public Shareholders (HKSE) excludes Shares held by our Directors and Substantial Shareholders. As RAYS Capital Partners Limited is deemed or taken to be interested in 8,612,000 Shares (which includes Shares held directly by Asian Equity Special Opportunities Portfolio Master Fund Limited), such number of shares held by RAYS Capital Partners Limited has been excluded from the Public Shareholders (HKSE) instead of the 7,966,000 Shares held directly by Asian Equity Special Opportunities Portfolio Master Fund Limited.

(8) Public Shareholders (HKSE) excludes Shares held by our Directors and Substantial Shareholders.

(9) The Shares held by the Public Shareholders (SGX-ST) are issued in connection with the Placement. Approximately [●]% of the enlarged issued Shares held by the Public Shareholders (HKSE) are expected to be transferred by investors from HKSE to the SGX-ST, which will form part of the public float on the SGX-ST, after completion of the Placement to comply with Rule 406(1)(a) of the Catalist Rules.

Save as disclosed in this section and the section entitled "Directors, Executive Officers and Employees" of this Offer Document, there are no relationships among our Directors, Substantial Shareholders and Executive Officers.

Past Acting in Concert Arrangements

Since January 2003, when Dato' Sri Chua and Mrs. Chua were both Shareholders of Metasurface Technologies, Dato' Sri Chua and Mrs. Chua have, in exercising and implementing the management and operations of our Group, been acting in concert with each other. The acting in concert arrangements regarding shareholding interests in our Company also included Mr. A Chua, a nephew of Dato' Sri Chua and Mrs. Chua, who joined our Group in July 2021, as Mr. A Chua joined the Group at a relatively young age and had little prior experience in corporate governance.

On 29 June 2023, Dato' Sri Chua, Mrs. Chua and Mr. A Chua executed the Deed of AIC Confirmation, a confirmatory deed pursuant to which they have confirmed their acting in concert arrangements in the past as well as their intention to continue to act in the above manner upon the listing on the HKSE to consolidate their control over our Company until and unless the Deed of AIC Confirmation is terminated in writing. As the original purpose of the Deed of AIC Confirmation, which was to require Mr. A Chua to act in concert with Dato' Sri Chua and Mrs. Chua since Mr. A Chua joined the Group at a relatively young age and had little prior experience in corporate governance, is no longer relevant, the Deed of AIC Confirmation has been terminated by the parties on 17 September 2026. Notwithstanding the termination of the Deed of AIC Confirmation, Dato' Sri Chua and Mrs. Chua have acknowledged that the Singapore Take-over Code will govern whether they are parties acting in concert in relation to any dealing in our Shares and they have confirmed that they will comply with any obligations which may arise under the Singapore Take-over Code from time to time.

Save as disclosed in this Offer Document, to the best of the knowledge of our Directors, our Company is not directly or indirectly owned or controlled, whether severally or jointly, by any other corporation, any government or other natural or legal person.

The Shares held by our Directors and Substantial Shareholders do not carry different voting rights from the Placement Shares. Our Directors are not aware of any arrangement, the operation of which may, at a subsequent date, result in a change in control of our Company.

Save as disclosed in the sections entitled "Shareholders" and "Share Option Scheme and Share Award Scheme" of this Offer Document, there has been no change in the percentage ownership of Shares of our Directors and Substantial Shareholders since the incorporation of our Company and up to the date of this Offer Document.

There has been no public takeover offer by a third-party in respect of our Shares or by our Company in respect of the shares of another corporation or units of business trust which has occurred between the date of the incorporation of our Company to the Latest Practicable Date.

There are no Shares in our Company that are held by or on behalf of our Company or by the subsidiaries of our Company.

As at the Latest Practicable Date, the percentage of shareholding of our Company held by other Shareholders (other than the Directors and Substantial Shareholders) is approximately 35.56% of our pre-Placement issued Share capital.

SIGNIFICANT CHANGES IN PERCENTAGE OF OWNERSHIP

Save as disclosed in this section and the sections entitled "Dilution" and "Share Option Scheme and Share Award Scheme" of this Offer Document, there has been no significant changes in the percentage ownership of our Shares within the three (3) years preceding the Latest Practicable Date.

Upon the listing of our Shares on GEM on 2 July 2024, our Company has capitalised in consideration of 117,403,489 Shares, of par value of HK$0.001, being issued and allotted as follows: (a) 55,978,876 Shares to SGP BVI; (b) 23,622,421 Shares to Baccini; (c) 11,740,347 Shares to Angelling; (d) 7,790,026 Shares to Ms. Pang; (e) 5,870,184 Shares to Accelerate; (f) 2,935,092 Shares to MMI; (g) 1,694,790 Shares to Zou Shuling; (h) 1,597,935 Shares to Hong Haicheng; (i) 1,452,662 Shares to Soo Siew Har and Ho Gim Hai; (j) 1,210,555 Shares to Chua Lee Chai; (k) 1,210,555 Shares to Tan Beng Kiat; (l) 1,210,555 Shares to Deborah Chua Wee Wei; (m) 605,277 Shares to Tan Kok Thye George; and (n) 484,214 Shares to Poh Seng Kah. The value of the Shares issued under the capitalisation issue was recorded in our Company's share premium account. On the same day, our Company issued 27,000,000 Shares allotted by way of public offer and placing.

Upon completion of the capitalisation issue and the offer of Shares in connection with the listing on GEM, the shareholding percentages of our Directors (and their associates) or Substantial Shareholders were as follows: (a) SGP BVI – 39.10%; (b) Baccini – 16.50%; (c) each of Dato' Sri Chua's and Mrs. Chua's percentage shareholding was 55.60% by reason of SGP BVI being wholly held by Dato' Sri Chua and Baccini being wholly held by Mrs. Chua through deemed interest under Section 316 of the SFO; (d) Angelling – 8.20%; (e) as Angelling is wholly held by Mr. Thng, Mr Thng's percentage shareholding was also 8.20% through deemed interest under Section 316 of the SFO; (f) Ms. Pang – 5.44%; (g) as Mr. Soh is the spouse of Ms. Pang, his percentage shareholding was also 5.44% through deemed interest Section 316 of the SFO.

Subsequent to the listing of our Shares on GEM, the significant changes in shareholding of our Directors (and their associates) or Substantial Shareholders, based on the disclosure of interests filings on the HKSE, are set out below. Each percentage shareholding set out below includes all interests and deemed interests in Shares under Part XV of the SFO and is calculated based on the total number of Shares (inclusive of Treasury Shares) as of the relevant dates.

Company Share Repurchases

Our Company repurchased Shares and held the same as Treasury Shares on the following occasions:

(a) on 9 April 2026, our Company repurchased 50,000 Shares and held the same as Treasury Shares;

(b) on 13 April 2026, our Company repurchased 30,000 Shares and held the same as Treasury Shares;

(c) on 23 April 2026, our Company repurchased 18,000 Shares and held the same as Treasury Shares;

(d) on 4 September 2026, our Company repurchased 200,000 Shares and held the same as Treasury Shares;

(e) on 7 September 2026, our Company repurchased 57,000 Shares and held the same as Treasury Shares;

(f) on 8 September 2026, our Company repurchased 358,000 Shares and held the same as Treasury Shares;

(g) on 9 September 2026, our Company repurchased 241,000 Shares and held the same as Treasury Shares; and

(h) on 10 September 2026, our Company repurchased 174,000 Shares and held the same as Treasury Shares; and

(i) on 11 September 2026, our Company repurchased 255,000 Shares and held the same as Treasury Shares.

Controlling Shareholders Share Award Scheme

Pursuant to the Controlling Shareholders Share Award Scheme, the following Shares were acquired by our Directors, Substantial Shareholders and Executive Officers:

(a) Ms. Hou Jing received 750,000 Shares from SGP BVI and 750,000 Shares from Baccini on 9 April 2025; and

(b) Mr. Soh received from SGP BVI 1,250,000 Shares on 9 April 2025 and 1,250,000 Shares on 23 April 2026. Mr. Soh also received from Baccini 1,250,000 Shares on 9 April 2025 and 1,250,000 Shares on 23 April 2026. Consequently, Mr. Soh's percentage shareholding (accounting for both direct and deemed interests) increased from 3.27% to 6.60% between 9 April 2025 and 23 April 2026, upon receipt of the 5,000,000 Shares.

In view of the above share awards and the share award granted to one other employee under the Controlling Shareholders Share Award Scheme, SGP BVI gifted a total of 3,625,000 Shares and its percentage shareholding decreased from 39.10% upon listing to 36.75% on 23 April 2026, and Baccini gifted a total of 3,625,000 Shares and its percentage shareholding decreased from 16.50% upon listing to 14.08% on 23 April 2026. Consequently, Dato' Sri Chua's and Mrs. Chua's percentage shareholdings through deemed interest under Section 316 of the SFO each decreased from 53.18% to 51.52% on 23 April 2026. Please refer to the section entitled "Share Option Scheme and Share Award Scheme – The Controlling Shareholders Share Award Scheme" of this Offer Document for more details relating to the Controlling Shareholders Share Award Scheme.

Other acquisitions and disposals

Based on information available to our Company, the other acquisitions and disposals of Shares by our Directors or Substantial Shareholders are as follows:

(a) from 12 July 2024 to 18 July 2024, Mr. Soh acquired 384,000 Shares, resulting in an increase in his percentage shareholding (both direct and deemed interests) from 5.44% to 5.70%. As Ms. Pang is the spouse of Mr. Soh, her percentage shareholding also increased from 5.44% to 5.70% through deemed interest under Section 316(1) of the SFO;

(b) from 11 July 2024 to 29 July 2024, Mrs. Chua acquired 1,032,000 Shares in total, resulting in an increase of her percentage shareholding from 55.60% upon listing to 56.29%. As a result of this acquisition, the percentage shareholding of Dato' Sri Chua, from his deemed interest as a spouse of Mrs. Chua under Section 316(1) of the SFO, also increased from 55.60% to 56.29%;

(c) on 24 January 2025, Ms. Pang transferred an aggregate of 3,640,000 Shares to eight individuals to recognise and reward their long-term contribution to SPW and to encourage their continual contribution to the future development and expansion of our Group, resulting in a decrease in her percentage shareholding from 5.70% to 3.27%. As a result of this disposal, the percentage shareholding of Mr. Soh, from his deemed interest as a spouse of Ms. Pang under Section 316(1) of the SFO, also decreased from 5.70% to 3.27%;

(d) on 11 April 2025, Mr. Ang acquired 80,000 Shares, resulting in an increase in his percentage shareholding from nil% to 0.05%;

(e) from 29 September 2025 to 6 October 2025, Angelling disposed of a total of 12,299,998 Shares, resulting in a decrease in its percentage shareholding from 8.20% to nil%;

(f) from 17 March 2026 to 25 March 2026, RAYS Capital Partners Limited acquired a total of 6,353,000 Shares as an investment manager, resulting in an increase in its percentage shareholding from 4.32% to 8.56%. Prior to 17 March 2026, RAYS Capital Partners Limited was not required to disclose its interest under the SFO as its percentage shareholding was less than 5.0%;

(g) from 18 March 2026 to 25 March 2026, Asian Equity Special Opportunities Portfolio Master Fund Limited acquired a total of 4,221,000 Shares as a beneficial owner, resulting in an increase in its percentage shareholding from 3.73% to 6.55%. Prior to 18 March 2026, Asian Equity Special Opportunities Portfolio Master Fund Limited was not required to disclose its interests under the SFO as its percentage shareholding was less than 5.0%;

(h) between 26 March 2026 and 3 June 2026, RAYS Capital Partners Limited disposed a total of 2,324,000 Shares as an investment manager, resulting in a decrease in its percentage shareholding from 8.56% to 5.74%; and

(i) between 26 March 2026 and 26 May 2026 Asian Equity Special Opportunities Portfolio Master Fund Limited disposed a total of 346,000 Shares as a beneficial owner, resulting in a decrease in its percentage shareholding from to 6.55% to 5.90%.

MORATORIUM

Under the Catalist Rules, (a) our Controlling Shareholders and their respective Associates; and (b) our Executive Directors with an interest in 5.0% or more of our issued Share capital (excluding subsidiary holdings) as at our Company's date of admission to Catalist, will be deemed promoters of our Company.

Controlling Shareholders and their Associates, and our Executive Director

Pursuant to the Catalist Rules, each of Dato' Sri Chua, SGP BVI, Mrs. Chua, Baccini and Mr. Soh is deemed a promoter of our Company ("**Promoter**", and together, "**Promoters**").

Dato' Sri Chua is a Promoter as he is a Controlling Shareholder and an executive director with an interest in 5.0% or more of the issued Share capital at the time of our Company's listing. SGP BVI is a Promoter as it is a Controlling Shareholder.

Mrs. Chua is a Promoter as she is an Associate of a Controlling Shareholder and is an Executive Director with an interest in 5.0% or more of our issued Share capital at the time of our Company's listing. Baccini, is an Associate of a Controlling Shareholder, Dato' Sri Chua. Accordingly, Baccini is a Promoter as it is a company which Dato' Sri Chua's immediate family, Mrs. Chua, wholly owns. Baccini is also an Associate of Mrs. Chua, a Promoter.

Mr. Soh is a Promoter as he is an executive director with an interest in 5.0% or more of the issued Share capital at the time of our Company's listing. Ms. Pang, being the spouse of Mr. Soh, is an Associate of a Promoter.

Each of the Promoters and Ms. Pang has undertaken to the Sponsor, Issue Manager and Placement Agent and our Company that he/she/it will, among others, from the date commencing on the date of admission of our Company to Catalist and for a period of six (6) months thereafter ("**Initial Period**"), not directly or indirectly, in respect of all his/her/its Shares he/she/it holds or has an interest in, as at the date of their respective undertaking and which he/she/it holds or has an interest in immediately after the Placement ("**Moratorium Shares**") ("**Moratorium Undertakings**"):

(a) sell, contract to sell, offer, realise, transfer, assign, pledge, grant any option or right to purchase, grant any security over, encumber or otherwise dispose of, any part of his/her/its Moratorium Shares;

(b) enter into any agreement, transaction or other arrangement, in whole or in part, (including any swap, hedge or derivative transaction) with a similar economic effect to the foregoing, whether such transaction is to be settled by delivery of any part of his/her/its Moratorium Shares, in cash or otherwise;

(c) deposit all of his/her/its effective interest, in any part of his/her/its Moratorium Shares in any depository receipt facility;

(d) enter into any agreement, transaction or arrangement which is designed or which may reasonably be expected to result in any of the above; and

(e) publicly announce any intention to do any of the above,

((a) to (e) above, collectively, the "**Restrictions**");

except the deposit of all or any part of their effective interest in any Moratorium Shares presently with their respective securities firms and save for 2,500,000 Shares held by SGP BVI and Baccini (in equal proportions) which will be vested in March 2027 to Mr Soh pursuant to the Controlling Shareholders Share Award Scheme in March 2027. Please refer to the section entitled "Share Option Scheme and Share Award Scheme – The Controlling Shareholders Share Award Scheme" of this Offer Document for more details relating to the Controlling Shareholders Share Award Scheme.

The Restrictions shall apply to all Shares held by the Promoters and Ms. Pang immediately after the Placement, being 87,083,183 Shares representing [●]% of our Company's post-Placement issued Share capital including any Shares which have been or will be transferred by SGP BVI and Baccini to Mr Soh pursuant to the Controlling Shareholders Share Award Scheme.

For the six (6) months period after the Initial Period, the Restrictions shall apply in respect of his/her/its effective interest in 50.0% in his/her/its Moratorium Shares (adjusted for any bonus issue or sub-division of Shares).

The Moratorium Shares shall not include any Treasury Shares of our Company.

Further, each of the Promoters and Ms. Pang has provided a statutory declaration to comply with the Moratorium Undertakings.

Indirect Shareholdings and Effective Interest of the Promoters

Dato' Sri Chua, being the sole shareholder of SGP BVI, has given an undertaking to our Company and the Sponsor, Issue Manager and Placement Agent that he will: (a) comply with the Restrictions which shall *mutatis mutandis* apply in respect of all his respective interests in the share capital of SGP BVI for a period of twelve (12) months commencing from the date of admission of our Company to Catalist (both dates inclusive), save for the 1,250,000 Shares which will be vested in March 2027 to Mr Soh pursuant to the Controlling Shareholders Share Award Scheme; and (b) procure that SGP BVI complies with the Restrictions set out in his undertaking.

Mrs. Chua, being the sole shareholder of Baccini, has given an undertaking to our Company and the Sponsor, Issue Manager and Placement Agent that she will: (a) comply with the Restrictions which shall *mutatis mutandis* apply in respect of all her respective interests in the share capital of Baccini for a period of twelve (12) months commencing from the date of admission of our Company to Catalist (both dates inclusive), save for the 1,250,000 Shares which will be vested in March 2027 to Mr Soh pursuant to the Controlling Shareholders Share Award Scheme; and (b) procure that Baccini complies with the Restrictions set out in her undertaking.

Mr. Soh is a Promoter by reason of his aggregate interest of approximately 6.67% in the issued Share capital of our Company as at the Latest Practicable Date, comprising a direct interest of approximately 3.62% in our Shares and a deemed interest of approximately 3.04% in our Shares held directly by his spouse, Ms. Pang. Ms. Pang has given an undertaking to our Company and the Sponsor, Issue Manager and Placement Agent that she will comply with the Restrictions for the Initial Period in respect of all the Moratorium Shares held by her, and for the six (6) months period after the Initial Period, in respect of the interest in 50.0% of the Moratorium Shares held by her. For the avoidance of doubt, in addition to the Moratorium Shares held by Mr. Soh as at the date of Listing of our Company, Mr. Soh has also confirmed that he will comply with the Restrictions for the Initial Period in respect of all the 2,500,000 Shares which will be vested in March 2027 to Mr. Soh by SGP BVI and Baccini pursuant to the Controlling Shareholders Share Award Scheme, and for the six (6) months period after the Initial Period, in respect of his interest in 1,250,000 Shares, being 50.0% of the 2,500,000 Shares which will be vested in March 2027 to Mr. Soh by SGP BVI and Baccini pursuant to the Controlling Shareholders Share Award Scheme.

Each of the abovementioned parties and the moratorium over their respective Shares fulfils the requirements of Part IX of Chapter 4 of the Catalist Rules.

For clarity and completeness, in connection with the matters set out in this sub-section and the previous sub-section entitled "Shareholders – Moratorium – Controlling Shareholders and their Associates, and our Executive Director" of this Offer Document, each of Dato' Sri Chua and Mrs. Chua has signed a Moratorium Undertaking addressed to our Company and the Sponsor, Issue Manager and Placement Agent that he/she (a) will comply with the Restrictions for the Initial Period in respect of all the Moratorium Shares held by him/her, directly or indirectly, and for the six (6) months period after the Initial Period in respect of his/her effective interest in 50.0% in

his/her Moratorium Shares (adjusted for any bonus issue or sub-division of Shares), save for the 1,250,000 Shares which will be vested in March 2027 to Mr. Soh by each of SGP BVI and Baccini pursuant to the Controlling Shareholders Share Award Scheme in March 2027, and (b) will not offer, sell, transfer or otherwise dispose of any part of the entire issued and paid-up capital of SGP BVI (in the case of Dato' Sri Chua) and Baccini (in the case of Mrs. Chua) for a period of twelve (12) months from the date commencing on the date of admission of our Company to Catalist. Further, each of Dato' Sri Chua and Mrs. Chua has provided a statutory declaration to comply with the Moratorium Undertakings.

Waiver from Compliance with Paragraph 1(h) Requirement (as defined below)

Under Paragraph 1(h) of Part III of Appendix 4B of the Catalist Rules, the Sponsor, Issue Manager and Placement Agent is required to provide certain details in respect of the Moratorium Shares to the SGX-ST, including, among others, the Share certificate number, the number of Shares represented, and the endorsement on the Share certificate ("**Paragraph 1(h) Requirement**").

The Promoters and Ms. Pang (the "**Non-Transferring Persons**") have indicated that they will not be transferring the Shares they hold in our Company from the Hong Kong Branch Share Register to the Singapore Branch Share Register.

The Sponsor, Issue Manager and Placement Agent has sought from the SGX-ST a waiver from compliance with the abovementioned Paragraph 1(h) Requirement, on the basis that:

(a) the Non-Transferring Persons have each given the requisite moratorium undertakings in respect of the Moratorium Shares to the Sponsor, Issue Manager and Placement Agent, in compliance with Rule 420 of the Catalist Rules, to ensure that the moratorium provisions are fully observed and aligning the Promoters' interest with our public shareholders;

(b) our Company's Shares have been listed and publicly traded on GEM since July 2024, and therefore, the value of the Moratorium Shares has been established by the market through trading. Unlike the shares of the promoters of a private company that is not already public-listed, the Non-Transferring Persons' shareholdings have been "market priced". Accordingly, the concern that a Non-Transferring Person might realise substantial gains upon listing does not arise in this case;

(c) as an analogy, companies listed in Singapore that seek dual primary listings in Hong Kong are not required to provide similar physical endorsement and confirmation under the GEM Listing Rules;

(d) each of the Non-Transferring Persons has provided a statutory declaration to comply with the Moratorium Undertakings as set out in the section entitled "Shareholders – Moratorium" of this Offer Document;

(e) the withdrawal and re-deposit of the Non-Transferring Persons' shares which are fully issued and held through established client custody accounts with their respective private banks, from Hong Kong to Singapore, would incur administrative costs, including fees charged by the CCASS and the relevant brokerage firms, and would also involve significant processing time. In particular, the overall cost and administrative burden are likely to increase with the significant size of the Non-Transferring Persons' shareholdings (as the Moratorium Shares comprises approximately [●]% of our issued Share capital immediately after the Placement) and the associated custody arrangements; and

(f) as our Company will be dual primary listed on GEM and Catalist, Shares may be held either with our Company's Singapore Branch Share Registrar and Transfer Office or the Hong Kong Branch Share Registrar and Transfer Office (either directly or through CCASS in Hong Kong in which case the shares will be registered on the Hong Kong Branch Share Register in the name of HKSCC Nominees Limited), subject to the requirement that at least 15.0% of its shares held by the public be deposited with the CDP at the time of listing.

The SGX-ST has indicated it has no objections to granting the abovementioned waiver from compliance with the Paragraph 1(h) Requirement, taking into consideration the following:

(a) the reasons that the Non-Transferring Persons will not be transferring the Shares they hold in our Company from its Hong Kong Branch Share Register to its Singapore Branch Share Register;

(b) the moratorium undertakings provided by the Non-Transferring Persons in compliance with Rule 420 of the Catalist Rules; and

(c) the statutory declarations provided by each of the Non-Transferring Persons to comply with the Moratorium Undertakings.

CAPITALISATION AND INDEBTEDNESS

The following information should be read in conjunction with the sections entitled "Use of Proceeds and Expenses of the Placement", "Selected Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" of this Offer Document, the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" as set out in Appendix A to this Offer Document, and the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendix B to this Offer Document.

The table below sets out our cash and cash equivalents and capitalisation and indebtedness based on the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendix B to this Offer Document on an actual basis and as adjusted to reflect the issuance of the Placement Shares, and the application of net proceeds due to us from the Placement in the manner described in the section entitled "Use of Proceeds and Expenses of the Placement" of this Offer Document.

(S$'000)	**As at 30 June 2026**	**As adjusted[(1)]**
Cash and cash equivalents	**20,370**	**[●]**
Current indebtedness		
Secured and guaranteed	2,028	2,028
Secured and non-guaranteed	–	–
Unsecured and guaranteed	80	80
Unsecured and non-guaranteed	–	–
Non-Current Indebtedness		
Secured and guaranteed	–	–
Secured and non-guaranteed	–	–
Unsecured and guaranteed	26	26
Unsecured and non-guaranteed	–	–
Total indebtedness	**2,134**	**2,134**
Share capital	26	[●]
Treasury shares[(2)]	(48)	[●]
Retained Profits	10,884	10,884
Currency translation reserve	(254)	(254)
Share premium	8,327	[●]
Fair value reserve	14,787	14,787
Capital reserve	36,135	36,135
Total equity	**69,857**	**[●]**
Total capitalisation and indebtedness	**71,991**	**[●]**

Notes:

(1) Adjusted to reflect the issue of [●] Placement Shares at the Placement Price and the application of our net proceeds from the Placement in the manner described in the section entitled "Use of Proceeds and Expenses of the Placement" of this Offer Document, after deducting the Placement commissions and other estimated expenses (inclusive of GST) payable by us in relation to the Placement (but excluding discretionary incentive fees which we may pay).

(2) The reason for the adjustment to the Treasury Shares is because our Company repurchased Shares and held them as Treasury Shares. For more details, please refer to the section entitled "Shareholders – Significant Changes in Percentage of Ownership – Company Share Repurchases" of this Offer Document.

We have obtained from the SGX-ST a waiver of Catalist Rule 407(1) in respect of the modifications to Paragraph 6 of Part 4 of the Fifth Schedule to the SFR, in respect of the disclosure on the statement of capitalisation and indebtedness (including the amount of cash and cash equivalents and distinguishing between guaranteed and non-guaranteed, and secured and unsecured, indebtedness) of our Group as of a date no later than 60 days prior to the date of lodgement of this Offer Document, subject to the disclosures being made in this Offer Document, as at the end of the most recently completed financial year or interim financial period, as the case may be, based on the most recent filings on financial results to be announced by our Company on the HKSE prior to the Listing, the statement of capitalisation and indebtedness (including the amount of cash and cash equivalents and distinguishing between guaranteed and non-guaranteed, and secured and unsecured, indebtedness) of our Group. The SGX-ST had granted the waiver taking consideration the Sponsor, Issue Manager and Placement Agent's representation that:

(i) the disclosures of the statement of capitalisation and indebtedness (including the amount of cash and cash equivalents and distinguishing between guaranteed and non-guaranteed, and secured and unsecured, indebtedness) of our Group, as at the end of the most recently completed financial year or interim financial period, as the case may be, will be made in this Offer Document;

(ii) our Group is only required to make disclosures in relation to our Group's indebtedness, liquidity, financial resources and capital structure in our annual and interim reports under the GEM Listing Rules;

(iii) such modification is in line with the MAS Consultation Paper on Proposals to Streamline Prospectus Requirements and Broaden Investor Outreach Channels for Initial Public Offerings published on 15 May 2025; and

(iv) the cost of complying with Paragraph 6 of Part 4 of the Fifth Schedule to the SFR outweighs the resulting protection to investors and the dispensation as such would not be prejudicial to the public interest, in line with Rule 407(8) of the Catalist Rules.

Details of the securities and guarantees for our borrowings are as follows:

(i) Bank borrowing of S$140,000 was secured by (a) mortgage of our investment property, the Enterprise Road Property; and (b) corporate guarantee of our Company. The loan is repayable over 18 years commencing from August 2010. The effective interest rate was 3.43% per annum as at 30 June 2026;

(ii) Bank borrowing of MYR5,111,000 (equivalent to approximately S$1,625,000) was secured by (a) corporate guarantee of our subsidiary, Metasurface Technologies; and (b) legal charge over the property, plant and equipment of our Group. The loan is repayable monthly over a period of 20 years commencing from August 2016. The effective interest rate was 4.28% per annum as at 30 June 2026. The relevant term loan facility for this bank borrowing contains restrictions on SGP Malaysia's ability to borrow;

(iii) Bank borrowing of S$262,000 was secured by a legal assignment of all our Company's rights, title, interest and benefits under and arising out of our keyman insurance policy including all proceeds receivable under the policy and all proceeds of any repayment or refund of premiums by the insurer. The effective interest rate was 5.75% per annum as at 30 June 2026;

(iv) Bank borrowing of S$106,000 was secured by the personal guarantees of our Directors, Dato' Sri Chua and Mrs. Chua. The loan is repayable over four (4) years commencing from November 2023. The effective interest rate was 5.5% per annum as at 30 June 2026. The relevant term loan facility for this bank borrowing contains restrictions on Metasurface Technologies' ability to borrow;

(v) Corporate guarantee provided by our Company in favour of DBS Bank Ltd, pursuant to which our Company has guaranteed the repayment of all sums owing by our subsidiary, Metasurface Technologies to DBS Bank Ltd under the banking facilities;

(vi) Corporate guarantee provided by our Company in favour of HL Bank Singapore, pursuant to which our Company has guaranteed the repayment of all sums owing by our subsidiary, Metasurface Technologies to HL Bank Singapore under the banking facilities; and

(vii) Corporate guarantee provided by our Company in favour of United Overseas Bank Limited Singapore, pursuant to which our Company has guaranteed the repayment of all sums owing by our subsidiary, Metasurface Technologies to United Overseas Bank Limited Singapore under the banking facilities.

Contingent Liabilities

As at the Latest Practicable Date, our Company was not aware of any contingent liabilities which may have a material effect on the financial position and profitability of our Group.

Save as disclosed under the sections entitled "Capitalisation and Indebtedness", "Management's Discussion and Analysis of Financial Position and Results of Operations – Liquidity and Capital Resources" and "Interested Person Transactions" of this Offer Document, our Group does not have any material unused sources of liquidity as at the Latest Practicable Date.

We may enter into new banking facility agreements, where necessary, to meet the operational requirements of our businesses. Accordingly, we may incur additional indebtedness as and when we draw down upon or utilise any of these banking facilities.

Save as disclosed above, none of the above facilities contain covenants that include, among others, restrictions on changes of control in shareholding of our Company or our ability to borrow.

There are no material terms and conditions in our credit facilities which impose restrictions on payment of dividends and/or tied to our Directors and/or make references to specific shareholding interest of any Controlling Shareholder.

To the best of our Directors' knowledge, we are not in breach of any term and condition or covenant associated with any bank borrowing or our financial arrangements which could materially affect our financial condition and results of business operations, or the investment of our Shareholders.

DILUTION

Dilution is the amount by which the Placement Price paid by subscribers of our Placement Shares ("**New Investors**") exceeds our NAV per Share immediately after the Placement. Our NAV per Share as at 30 June 2026 before adjusting for the estimated net proceeds from the issue of New Shares and based on the pre-Placement issued Share capital of 148,617,000 Shares (excluding Treasury Shares), was 47.0 cents.

Based on the issue of [●] Placement Shares at the Placement Price, our NAV per Share after adjusting for the estimated net proceeds from the issue of Placement Shares; and based on the post-Placement issued Share capital of [●] Shares (excluding Treasury Shares), would be [●] cents. This represents an immediate [●] in the NAV per Share of [●] cents to our existing Shareholders and an immediate [●] the NAV per Share of [●] cents or [●]% to our New Investors.

The following table illustrates the dilution on a per Share basis:

	Cents
Placement Price per Share	[●]
NAV per Share as at 30 June 2026, based on the pre-Placement issued Share capital of 148,617,000 Shares (excluding Treasury Shares)	47.0
[Increase/decrease] in NAV per Share attributable to the Placement	[●]
NAV per Share after the Placement, based on the post-Placement issued Share capital of [●] Shares (excluding Treasury Shares)	[●]
[Increase/decrease] in NAV per Share to New Investors	[●]
[Increase/decrease] in NAV per Share to New Investors as a percentage of the Placement Price	[●]%

The following table summarises the total number of Shares acquired during the period of three (3) years prior to the date of lodgement of this Offer Document with the SGX-ST, acting as agent on behalf of the Authority, by our Directors, Substantial Shareholders or their respective Associates and the total number of Shares to be acquired by the New Investors pursuant to the Placement, the total consideration paid by them and the average effective cash cost per Share to them.

	Number of Shares Acquired	**Consideration (HK$)**	**Equivalent in S$[(1)(2)]**	**Average Effective Cash Cost per Share (S$)**
Directors and their respective Associates (if any)				
Dato' Sri Chua	–	–	–	–
Mrs. Chua	1,032,000	1,400,976	226,958	0.22
Mr. Soh[(3)]	5,384,000	516,419	83,660	0.02
Ms. Pang[(4)]	8,161,369	33,175,773	5,374,475	0.66
Mr. Thng	–	–	–	–
Mr. Tan Chek Kian	–	–	–	–

	Number of Shares Acquired	Consideration (HK$)	Equivalent in S$[1][2]	Average Effective Cash Cost per Share (S$)
Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng)	80,000	56,800	9,202	0.12
Mr. Chan Yang Kang	–	–	–	–
Substantial Shareholders and their respective Associates (if any)				
SGP BVI[4]	58,647,335	58,647	9,501	–[7]
Baccini[4]	24,748,479	24,748	4,009	–[7]
Angelling[4]	12,299,998	12,300	1,993	–[7]
RAYS Capital Partners Ltd[5]	5,527,000	20,241,009	3,279,043	0.59
Asian Equity Special Opportunities Portfolio Master Fund Limited[6]	3,488,000	12,736,215	2,063,267	0.59
New Investors pursuant to the Placement	**[●]**	**–**	**[●]**	**[●]**

Notes:

(1) Based on the exchange rate of HK$0.1620 = S$1.00, quoted by Bloomberg L.P. as at the Latest Practicable Date. Bloomberg L.P. Bloomberg L.P. has not provided its consent to the inclusion of the information extracted from its database and is therefore not liable for such information. While our Company and the Sponsor, Issue Manager and Placement Agent have taken reasonable actions to ensure the information from Bloomberg L.P.'s database has been reproduced in its proper form and context, and that such information is extracted accurately and fairly in this Offer Document, neither our Company, our Directors, the Sponsor, Issue Manager and Placement Agent nor any other party has conducted an independent review of the information contained in that database or verified the accuracy of the contents of the relevant information.

(2) Rounded to the nearest HK$ or S$.

(3) From 12 July 2024 to 18 July 2024, Mr. Soh acquired 384,000 Shares in aggregate. Please refer to the section entitled "Shareholders – Significant Changes in Percentage of Ownership – Other acquisitions and disposals" of this Offer Document for more details. On 20 January 2025, SGP BVI and Baccini granted awards representing 7,500,000 Shares under the Controlling Shareholders Share Award Scheme. Of these 7,500,000 Shares, 2,500,000 Shares were vested and received by Mr. Soh on 9 April 2025 and 2,500,000 Shares were vested and received by Mr. Soh on 23 April 2026. Please refer to the section entitled "Share Option Scheme and Share Award Scheme – The Controlling Shareholders Share Award Scheme – Grant of awards pursuant to the Controlling Shareholders Share Award Scheme" and "Shareholders – Significant Changes in Percentage of Ownership – Controlling Shareholders Share Award Scheme" of this Offer Document for more details.

(4) On 26 April 2023, pursuant to a restructuring deed, each shareholder of Metasurface Technologies transferred all shares in Metasurface Technologies held by him/her to our Company, in consideration for our Company issuing and allotting an aggregate of 5,596,510 Shares to him/her (or an entity designated by him/her) in proportion of their respective shareholdings in Metasurface Technologies. On 2 July 2024, our Company capitalised approximately HK$117,403.49 standing to credit of the share premium account of our Company by applying such sum in paying up in full at par 117,403,489 Shares pursuant to the resolutions passed by the shareholders' meeting on 7 June 2024.

(5) Based on the public information on disclosure of interest filed on HKSE, between 17 March 2026 and 25 March 2026 (both dates inclusive), according to the number of shares held by RAYS Capital Partners Limited on 17 March 2026 and on 25 March 2026, RAYS Capital Partners Limited acquired 6,353,000 Shares in aggregate during this period. Only the details of the acquisitions of 5,527,000 Shares were filed on HKSE between 17 March 2026 and 25 March 2026 (both dates inclusive) and the details of the acquisition(s) of the remaining number of Shares were not filed on HKSE as they were not required under the SFO. Prior to 17 March 2026, RAYS Capital Partners Limited had acquired a total of 6,490,000 Shares but such acquisitions were not required to be disclosed as its shareholding interest in our Company was less than 5.0%.

(6) Based on the public information on disclosure of interest filed on HKSE, between 18 March 2026 and 25 March 2026 (both dates inclusive), according to the number of shares held by Asian Equity Special Opportunities Portfolio Master Fund Limited on 18 March 2026 and on 25 March 2026, Asian Equity Special Opportunities Portfolio Master Fund Limited acquired 4,221,000 Shares in aggregate during this period. Only the details of the acquisitions of 3,488,000 Shares were filed on HKSE between 18 March 2026 and 25 March 2026 (both dates inclusive) and the details of the acquisition(s) of the remaining number of Shares were not filed on HKSE as they were not required under the SFO. Prior to 18 March 2026, Asian Equity Special Opportunities Portfolio Master Fund Limited had acquired a total of 5,604,000 Shares but such acquisitions were not required to be disclosed as its shareholding interest in our Company was less than 5.0%.

(7) Less than S$0.001.

Please refer to the section entitled "Share Capital – Ownership Structure" of this Offer Document for the shareholding interests of our Directors and Substantial Shareholders as at the Latest Practicable Date. Save as disclosed above and in the sections entitled "Share Capital" and "Share Option Scheme and Share Award Scheme" of this Offer Document, none of our Directors or the Substantial Shareholder(s) of our Company or their respective Associates(s) have acquired any Shares during the period of three (3) years prior to the date of lodgement of this Offer Document with the SGX-ST, acting as agent on behalf of the Authority.

The following table sets out certain historical pricing and trading volume information of our Shares on the HKSE. No inference should or can be made from any of the information below as to the actual price or movement of our Shares for any other periods.

Our Shares are currently listed on the HKSE. The following table sets out certain pricing and trading volume information for our Shares on the HKSE for FY2024, FY2025, 6M2026 and each of the last six (6) months prior to the Latest Practicable Date. No inference should or can be made from any of the information below as to our actual share price performance or movement of our Shares. There can be no assurance that the market price of our Shares following the close of the Placement will attain a price which is higher or lower than the range of prices set forth below or any price.

Period	High (HK$)[1][4]	Low (HK$)[1][4]	Average Daily Trading Volume (Number of Shares)[2][4]
FY2024[3]	1.47	0.91	365,833
FY2025[3]	1.85	0.64	205,869
6M2026[3]	4.07	1.50	817,059
March 2026	3.80	2.36	1,570,409
April 2026	3.47	2.77	505,157
May 2026	4.07	3.53	793,157
June 2026	4.04	3.44	458,142
July 2026	3.65	3.39	179,090
August 2026	3.57	3.19	104,428
1 September 2026 to 14 September 2026	3.67	3.36	296,200

Notes:

(1) Based on daily closing prices.

(2) The average daily trading volume is computed based on the total volume of shares traded on HKSE during the relevant periods, divided by the number of days when the HKSE was open for trading (excluding days with full day trading halts).

(3) Information pertaining to FY2024, FY2025 and 6M2026 are taken from 2 July 2024 (the date on which our shares were first listed on HKSE) to 31 December 2024, 1 January 2025 to 31 December 2025, and 1 January 2026 to 30 June 2026, respectively.

(4) Source: Bloomberg L.P.. Bloomberg L.P. has not provided its consent to the inclusion of the information extracted from its database and is therefore not liable for such information. While our Company and the Sponsor, Issue Manager and Placement Agent have taken reasonable actions to ensure the information from Bloomberg L.P.'s database has been reproduced in its proper form and context, and that such information is extracted accurately and fairly in this Offer Document, neither our Company, our Directors, the Sponsor, Issue Manager and Placement Agent nor any other party has conducted an independent review of the information contained in that database or verified the accuracy of the contents of the relevant information.

The following table sets out the highest and lowest market prices of our Shares on the HKSE for each financial quarter of the two (2) most recently completed financial years and subsequent quarters before the date of lodgement of this Offer Document.

Period	High (HK$)[(1)(2)]	Low (HK$)[(1)(2)]
Quarter ended 30 September 2024[(3)]	1.47	0.91
Quarter ended 31 December 2024	1.28	0.91
Quarter ended 31 March 2025	0.97	0.83
Quarter ended 30 June 2025	0.90	0.64
Quarter ended 30 September 2025	1.85	0.88
Quarter ended 31 December 2025	1.63	1.43
Quarter ended 31 March 2026	3.80	1.50
Quarter ended 30 June 2026	4.07	2.77

Notes:

(1) The high and low amounts were based on the highest and lowest closing prices, respectively, for our Shares for the particular period.

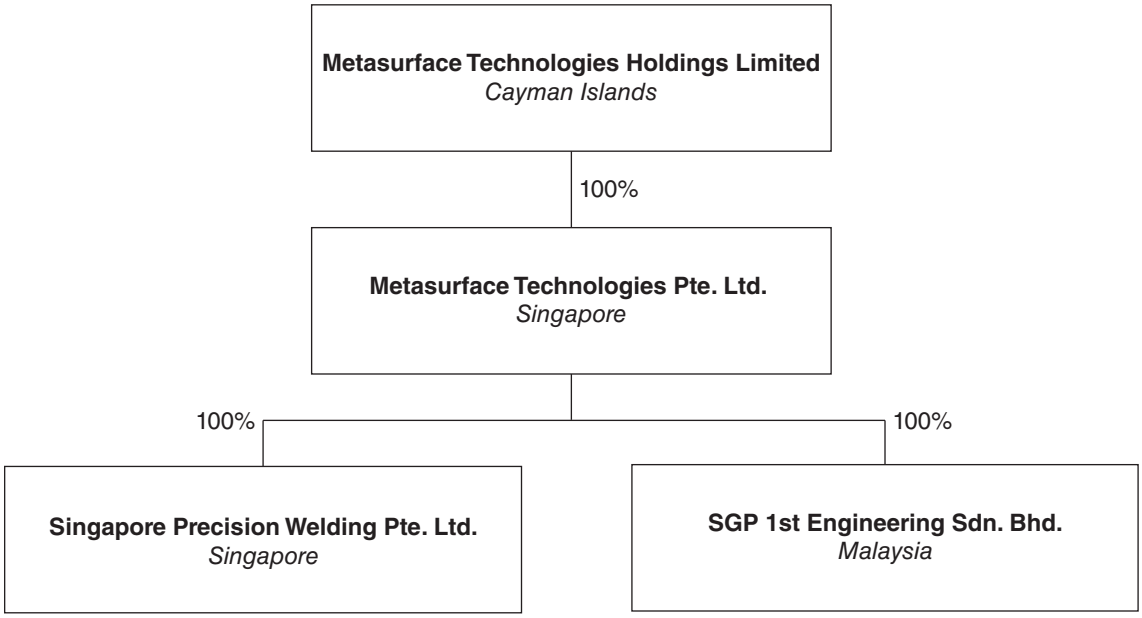
(2) Source: Bloomberg L.P.. Bloomberg L.P. has not provided its consent to the inclusion of the information extracted from its database and is therefore not liable for such information. While our Company and the Sponsor, Issue Manager and Placement Agent have taken reasonable actions to ensure the information from Bloomberg L.P.'s database has been reproduced in its proper form and context, and that such information is extracted accurately and fairly in this Offer Document, neither our Company, our Directors, the Sponsor, Issue Manager and Placement Agent nor any other party has conducted an independent review of the information contained in that database or verified the accuracy of the contents of the relevant information.

(3) Information pertaining to the quarter ended 30 September 2024 is taken from 2 July 2024 (the date on which our Shares were first listed on HKSE) to 30 September 2024.

The closing price of our Shares on the HKSE as at the Latest Practicable Date was HK$3.67. The closing price of our Shares on the HKSE as at the date of the last trading day before the date of registration of this Offer Document, was HK$[●].

There has been no significant trading suspension that has occurred on the HKSE during the period from the date on which the Shares were first listed on the HKSE, i.e. 2 July 2024, to the Latest Practicable Date. Our Shares are regularly traded on the HKSE.

The current corporate structure of our Group is as follows:



Details of our subsidiaries are as follows:

Name of Company	Country of Incorporation/ Principal Place of Business	Principal Activities	Proportion of Ownership Interest/Voting Rights held by our Company (%)
Metasurface Technologies Pte. Ltd.	Singapore	Provision of precision machining services involving machining processes for removing materials from a workpiece with high accuracy to create parts and components with tight tolerance and with accuracy in the range of hundreds of micrometers	100.0%
Singapore Precision Welding Pte. Ltd.	Singapore	Provision of precision welding services involving the application of weldment equipment and specialised welding technique	100.0%
SGP 1st Engineering Sdn. Bhd.	Malaysia	Industries engineering	100.0%

Save as disclosed above, there are no other subsidiaries, subsidiary entities, associated companies and associated entities of our Group.

None of our subsidiaries is listed on any stock exchange.

None of our Independent Non-Executive Directors sits on the board of any of our subsidiaries and/or subsidiary entities.

The following selected consolidated financial information of our Group should be read in conjunction with the full text of this Offer Document, including the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" and the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendices A and B to this Offer Document, respectively, and the section entitled "Management's Discussion and Analysis of Financial Position and Results of Operations" of this Offer Document. Our consolidated financial statements are reported in S$ and are prepared and presented in accordance with the IFRS.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	← Audited →			← Unaudited →	
(S$'000)	**FY2023**	**FY2024**	**FY2025**	**6M2025**	**6M2026**
Revenue	38,769	37,722	47,598	24,766	26,978
Cost of sales	(24,354)	(24,856)	(29,906)	(14,355)	(16,705)
Gross profit	14,415	12,866	17,692	10,411	10,273
Other income					
– Interest income	–	291	576	264	243
– Others	2,731	2,450	851	502	522
Other gains/(losses), net					
– Impairment loss on financial assets	–	(97)	(88)	–	(50)
– Others	(426)	1,189	5,334	5,821	(86)
Administrative expenses	(11,666)	(10,320)	(10,670)	(5,693)	(5,973)
Operating profit	5,054	6,379	13,695	11,305	4,929
Finance costs	(1,343)	(1,237)	(1,867)	(1,481)	(381)
Share of loss from an associate	(366)	(438)	(248)	(247)	–
Profit before tax	3,345	4,704[(1)]	11,580	9,577[(2)]	4,548
Income tax expense	(1,061)	(1,511)	(1,477)	(821)	(843)
Profit from continuing operations	2,284	3,193	10,103	8,756	3,705
Discontinued operation					
Profit from discontinued operation	2,143	–	–	–	–
Profit for the year/period	**4,427**	**3,193**	**10,103**	**8,756**	**3,705**

	← Audited →			← Unaudited →	
(S$'000)	**FY2023**	**FY2024**	**FY2025**	**6M2025**	**6M2026**
Profit/(loss) attributable to:					
Owners of the Company	4,607	3,193[(1)]	10,103	8,756[(2)]	3,705
Non-controlling interests	(180)	–	–	–	–
Other comprehensive income/(loss):					
Items that may be reclassified to profit or loss					
Currency translation differences on foreign operations	(9)	(110)	22	6	(12)
Fair value gain/(loss) of financial assets at FVOCI	–	–	28,660[(3)]	–	(13,873)[(3)]
Total comprehensive income/(loss) for the year/period	**4,418**	**3,083**	**38,785**	**8,762**	**(10,180)**
Total comprehensive income/(loss) attributable to:					
Owners of the Company	4,598	3,083[(1)]	38,785	8,762	(10,180)
Non-controlling interests	(180)	–	–	–	–
	4,418	**3,083**	**38,785**	**8,762**	**(10,180)**
Total comprehensive income for the year/period attributable to owners of the Company arising from:					
Continuing operations	2,455	3,083	38,785	8,762	(10,180)
Discontinued operations	2,143	–	–	–	–
	4,598	**3,083**	**38,785**	**8,762**	**(10,180)**
Earnings per share for profit attributable to owners of the Company for the year/period					
Pre-Placement EPS (cents)[(4)]	3.7	2.3	6.7	5.8	2.5
Post-Placement EPS (cents)[(5)]	[●]	[●]	[●]	[●]	[●]

Notes:

(1) Excluding the one-off expenses in relation to our listing on the HKSE amounting to S$2.6 million in FY2024, our Group's profit before tax, profit attributable to the owners of the Company and total comprehensive income attributable to the owners of the Company for FY2024 would have been approximately S$7.3 million, S$5.8 million and S$5.7 million, respectively.

(2) Excluding the one-off other gain in relation to the remeasurement gain arising from loss of significant influence over an associate and reclassification of the investment to FVOCI amounting to S$6.4 million in 6M2025, our Group's profit before tax and profit attributable to the owners of the Company for 6M2025 would have been approximately S$3.2 million and S$2.4 million, respectively.

(3) The fair value gain/(loss) of financial assets at FVOCI was due to the reclassification of our investment in MetaOptics Ltd following the Group's loss of significant influence and MetaOptics Ltd ceased to be an associate of the Group on 27 June 2025. Please refer to the section entitled "Risk Factors – Risks relating to our Business and Industry – Investments classified as financial assets at FVOCI are subject to market and valuation risks" of this Offer Document for more details.

(4) For illustrative purposes, pre-Placement EPS for the Period Under Review have been computed based on the profit attributable to the owners of the Company and our pre-Placement issued Share capital of 123,000,000 Shares, 136,500,000 Shares and 150,000,000 Shares for the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025, respectively, and 150,000,000 Shares for the period ended 30 June 2025 and 149,902,000 Shares (excluding 98,000 Treasury Shares as at 30 June 2026) for the period ended 30 June 2026.

(5) For illustrative purposes, post-Placement EPS have been computed based on the profit attributable to the owners of the Company and our post-Placement issued Share capital of [●] Shares (excluding [●] Treasury Shares as at the date of this Offer Document).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	← Audited →			← Unaudited →
(S$'000)	**As at 31 December 2023**	**As at 31 December 2024**	**As at 31 December 2025**	**As at 30 June 2026**
ASSETS				
Non-current assets				
Property, plant and equipment	5,710	5,900	7,668	7,737
Prepayments	203	–	80	–
Right-of-use assets	26,249	25,951	24,056	23,330
Investment property	575	534	493	472
Goodwill	4,429	4,429	4,429	4,429
Intangible assets	2,281	1,993	1,704	1,560
Other assets	359	371	373	373
Other receivables – Amount due from an associate/investee	2,880	2,783	1,924	1,970
Investment in an associate	1,015	895	–	–
Financial assets, at FVOCI	–	–	35,977	22,104
Deferred tax assets	644	614	247	247
	44,345	43,470	76,951	62,222
Current assets				
Inventories	6,641	6,076	6,950	11,686
Trade and other receivables	7,742	8,955	9,221	13,648
Prepayments	1,907	25	156	393
Cash and bank balances	9,225	17,974	22,263	20,370
	25,515	33,030	38,590	46,097
Total assets	**69,860**	**76,500**	**115,541**	**108,319**

	← Audited →			← Unaudited →
(S$'000)	As at 31 December 2023	As at 31 December 2024	As at 31 December 2025	As at 30 June 2026
EQUITY AND LIABILITIES				
Equity				
Share capital	1	26	26	26
Treasury shares	–	–	–	(48)
(Accumulated losses)/retained earnings	(6,117)	(2,924)	7,179	10,884
Currency translation reserve	(154)	(264)	(242)	(254)
Share premium	–	8,327	8,327	8,327
Capital reserve	33,267	34,247	35,951	36,135
Fair value reserve	–	–	28,660	14,787
Total equity attributable to owners of the Company	**26,997**	**39,412**	**79,901**	**69,857**
LIABILITIES				
Current liabilities				
Borrowings	4,018	2,390	2,227	2,108
Lease liabilities	2,652	2,434	2,069	1,929
Trade and other payables	8,053	5,646	6,270	9,636
Contract liabilities	–	–	15	57
Income tax payable	1,381	1,186	1,124	1,472
	16,104	11,656	11,705	15,202
Non-current liabilities				
Borrowings	219	145	67	26
Lease liabilities	26,214	24,613	23,211	22,600
Provisions	269	279	289	290
Deferred tax liabilities	57	395	368	344
	26,759	25,432	23,935	23,260
Total liabilities	**42,863**	**37,088**	**35,640**	**38,462**
Total equity and liabilities	**69,860**	**76,500**	**115,541**	**108,319**
Net current assets	**9,411**	**21,374**	**26,885**	**30,895**
NAV per Share (cents)[(1)]	21.9	28.9	53.3	46.6

Note:

(1) For illustrative purposes, our NAV per Share have been computed based on the total equity and our pre-Placement issued Share capital of 123,000,000 Shares, 136,500,000 Shares, 150,000,000 Shares and 149,902,000 Shares (excluding 98,000 Treasury Shares as at 30 June 2026) for FY2023, FY2024, FY2025 and 6M2026, respectively.

CONSOLIDATED STATEMENT OF CASH FLOWS

	← Audited →			← Unaudited →	
(S$'000)	**FY2023**	**FY2024**	**FY2025**	**6M2025**	**6M2026**
Cash flows from operating activities					
Net cash generated from operations	11,478	7,402	11,479	5,443	1,031
Interest received	–	291	576	264	243
Income tax paid	(992)	(1,333)	(1,197)	(609)	(582)
Net cash generated from operating activities	**10,486**	**6,360**	**10,858**	**5,098**	**692**
Cash flows from investing activities					
Additions of property, plant and equipment	(174)	(1,097)	(2,674)	(1,590)	(638)
Additions of right-of-use assets	(100)	(423)	(63)	(63)	–
Sales proceeds from disposal of right-of-use asset	–	–	190	–	–
Disposal of a subsidiary, net of cash disposed	(133)	–	–	–	–
Net cash used in investing activities	**(407)**	**(1,520)**	**(2,547)**	**(1,653)**	**(638)**
Cash flows from financing activities					
Proceeds from issue of new shares of a subsidiary	1,000	–	–	–	–
Payment of listing expenses	(787)	(1,204)	–	–	(236)
Capitalised portion of listing expenses	–	–	–	–	(98)
Interest paid	(1,287)	(1,209)	(1,083)	(616)	(477)
Payment of principal portion of lease liabilities	(2,803)	(2,870)	(2,570)	(1,644)	(1,081)
Proceeds of borrowings	300	110	–	–	–
Issuance of new shares	–	11,348	–	–	–
Repayment of borrowings	(1,505)	(1,921)	(348)	(201)	(160)
Payment for share repurchase	–	–	–	–	(48)
Advances from a director	228	–	–	–	–
Repayment of advances from a director	(225)	(228)	–	–	–

	← Audited →			← Unaudited →	
(S$'000)	**FY2023**	**FY2024**	**FY2025**	**6M2025**	**6M2026**
Net cash (used in)/generated from financing activities	**(5,079)**	**4,026**	**(4,001)**	**(2,461)**	**(2,100)**
Net increase/(decrease) in cash and cash equivalents	**5,000**	**8,866**	**4,310**	**984**	**(2,046)**
Effect of currency translation on cash and cash equivalents	21	(117)	(21)	–	153
Cash and cash equivalents as at beginning of the year/period	4,204	9,225	17,974	17,974	22,263
Cash and cash equivalents as at end of the year/period	**9,225**	**17,974**	**22,263**	**18,958**	**20,370**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our results of operations and financial position has been prepared by our management and should be read in conjunction with the full text of this Offer Document, including the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" and the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendices A and B to this Offer Document, respectively, and the sections entitled "Risk Factors" and "Selected Consolidated Financial Information" of this Offer Document.

This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause our future results to differ significantly from those anticipated in these forward-looking statements include, but are not limited to, those discussed below and elsewhere in this Offer Document, and the section entitled "Risk Factors" of this Offer Document. Under no circumstances should the inclusion of such forward-looking statements herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by our Company, the Sponsor and Issue Manager and Placement Agent or any other person. Investors are cautioned not to place undue reliance on these forward-looking statements which speak only as at the date hereof. Please refer to the section entitled "Cautionary Note on Forward-Looking Statements" of this Offer Document.

OVERVIEW

Our Group is a precision component engineering services provider headquartered in Singapore, specialising in providing precision machining and precision welding services for customers in the semiconductor and other sectors. Leveraging our technical capabilities and know-how and machinery and equipment, we have established ourselves as one of the leading service providers in the precision component engineering value chain by offering specialised services tailored to our customers' specific technical requirements and commercial needs.

Please refer to the section entitled "General Information on our Group – Business Overview" of this Offer Document for further details on our Group's business.

Factors affecting our results of operations

Our results of operations are primarily affected by, *inter alia*, the following factors:

(a) Development of global and Singapore's precision engineering industry which is, in turn, affected by the prospects in key industries such as semiconductor, aerospace and data storage;

(b) Diversification of customer base;

(c) Fluctuations in prices of raw materials and labour costs;

(d) Management of production capacity;

(e) Seasonality; and

(f) Technological advancements and pace of industry innovation.

Please refer to the sections entitled "Risk Factors", "General Information on our Group – Business Strategies and Future Plans" and "General Information on our Group – Prospects" of this Offer Document for further details on the above factors and other factors that may affect our revenue.

Revenue

Our revenue is mainly derived from the following business segments for the Period Under Review:

(a) Precision machining services, which involve machining processes for removing materials from a workpiece with high accuracy to create parts and components with tight tolerance, accounted for approximately 40.0%, 45.3%, 52.3%, 53.5% and 40.3% of our total revenue for FY2023, FY2024, FY2025, 6M2025 and 6M2026, respectively; and

(b) Precision welding services, which involve the application of weldment equipment and specialised welding technique on a workpiece in a very precise and controlled manner, accounted for approximately 60.0%, 54.7%, 47.7%, 46.5% and 59.7% of our total revenue for FY2023, FY2024, FY2025, 6M2025 and 6M2026, respectively.

Our revenue is recognised when our Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good and service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

The breakdown of our revenue by business segments, customer sector and geographical segments for the Period Under Review are set out in the tables below.

Revenue by business segments

	← Audited →						← Unaudited →			
	FY2023		FY2024		FY2025		6M2025		6M2026	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
Precision machining	15,545	40.0	17,077	45.3	24,874	52.3	13,240	53.5	10,860	40.3
Precision welding	23,224	60.0	20,645	54.7	22,724	47.7	11,526	46.5	16,118	59.7
Total	**38,769**	**100.0**	**37,722**	**100.0**	**47,598**	**100.0**	**24,766**	**100.0**	**26,978**	**100.0**

Revenue by customer sector

	FY2023		FY2024		FY2025		6M2025		6M2026	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
Semiconductor	34,077	87.9	33,658	89.2	43,837	92.2	22,911	92.5	25,725	95.3
Aerospace	1,646	4.3	3,025	8.0	2,541	5.3	1,214	4.9	597	2.2
Data storage	2,411	6.2	786	2.1	1,163	2.4	593	2.4	638	2.4
Others[(1)]	635	1.6	253	0.7	57	0.1	48	0.2	18	0.1
Total	**38,769**	**100.0**	**37,722**	**100.0**	**47,598**	**100.0**	**24,766**	**100.0**	**26,978**	**100.0**

Note:

(1) Others mainly refer to the marine, and oil and gas industry.

Revenue by geographical segments

	← Audited →						← Unaudited →			
	FY2023		FY2024		FY2025		6M2025		6M2026	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
Singapore	14,807	38.2	11,278	29.9	18,461	38.8	9,079	36.7	9,752	36.1
Malaysia	16,072	41.5	17,037	45.2	18,222	38.3	10,758	43.4	10,982	40.7
U.S.	5,267	13.6	5,734	15.2	5,286	11.1	2,794	11.3	1,989	7.4
Others[(1)]	2,623	6.7	3,673	9.7	5,629	11.8	2,135	8.6	4,255	15.8
Total	**38,769**	**100.0**	**37,722**	**100.0**	**47,598**	**100.0**	**24,766**	**100.0**	**26,978**	**100.0**

Note:

(1) Others mainly refer to Thailand, Switzerland, Korea, and Taiwan.

Please refer to the sections entitled "Risk Factors", "General Information on our Group – Prospects", and "General Information on our Group – Business Strategies and Future Plans" of this Offer Document for other factors which may affect our revenue.

Cost of Sales

Our cost of sales comprises mainly direct material cost, direct labour cost and manufacturing overheads. The cost of sales amounted to approximately S$24.4 million, S$24.9 million, S$29.9 million, S$14.4 million and S$16.7 million in FY2023, FY2024, FY2025, 6M2025 and 6M2026, respectively, representing 62.8%, 65.9%, 62.8%, 58.0% and 61.9% of our revenue during the respective financial years/periods.

The breakdown of our cost of sales for the Period Under Review is as follows:

	FY2023		FY2024		FY2025		6M2025		6M2026	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
Direct material cost	15,061	61.6	15,430	62.1	19,144	64.0	9,282	64.7	11,013	65.9
Direct labour cost	5,349	22.0	5,732	23.1	6,866	23.0	3,357	23.4	3,861	23.1
Manufacturing overheads	3,989	16.4	3,692	14.8	3,896	13.0	1,716	11.9	1,831	11.0
Total	**24,354**	**100.0**	**24,856**	**100.0**	**29,906**	**100.0**	**14,355**	**100.0**	**16,705**	**100.0**

Direct material cost comprises the purchase cost of raw materials that are directly used in the production process.

Direct labour cost comprises the payroll costs of our production staff.

Manufacturing overheads comprise mainly depreciation of our property, plant and equipment as well as right-of-use assets, and utilities consumed for our production purposes.

A breakdown of manufacturing overheads for the Period Under Review is as follows:

	← Audited →						← Unaudited →			
	FY2023		FY2024		FY2025		6M2025		6M2026	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
Depreciation of property, plant and equipment	1,032	25.9	781	21.1	666	17.1	315	18.4	341	18.6
Depreciation of right-of-use assets	1,388	34.8	1,463	39.6	1,468	37.7	744	43.4	757	41.3
Utilities	1,044	26.1	839	22.7	1,046	26.8	435	25.3	514	28.1
Others	525	13.2	609	16.6	716	18.4	222	12.9	219	12.0
Total	**3,989**	**100.0**	**3,692**	**100.0**	**3,896**	**100.0**	**1,716**	**100.0**	**1,831**	**100.0**

A breakdown of the cost of sales by business segments is as follows:

	← Audited →						← Unaudited →			
	FY2023		FY2024		FY2025		6M2025		6M2026	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
Precision machining	10,658	43.8	12,586	50.6	16,246	54.3	7,718	53.7	7,392	44.3
Precision welding	13,696	56.2	12,270	49.4	13,660	45.7	6,637	46.3	9,313	55.7
Total	**24,354**	**100.0**	**24,856**	**100.0**	**29,906**	**100.0**	**14,355**	**100.0**	**16,705**	**100.0**

Our cost of sales may be affected by, *inter alia*, the following factors:

(a) Fluctuations in raw materials prices;

(b) Level of production volume;

(c) Quality control and rework cost; and

(d) Technological upgrades and depreciation.

Please refer to the section entitled "Risk Factors" of this Offer Document for further details on the above factors and other factors that may affect our cost of sales.

Gross profit and gross profit margin

Our gross profit by business segments for the Period Under Review is as follows:

	← Audited →						← Unaudited →			
	FY2023		FY2024		FY2025		6M2025		6M2026	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
Precision machining	4,887	33.9	4,490	34.9	8,628	48.8	5,522	53.1	3,468	33.8
Precision welding	9,528	66.1	8,376	65.1	9,064	51.2	4,889	46.9	6,805	66.2
Total	**14,415**	**100.0**	**12,866**	**100.0**	**17,692**	**100.0**	**10,411**	**100.0**	**10,273**	**100.0**

Our gross profit margin by business segments for the Period Under Review is as follows:

	← Audited →			← Unaudited →	
	FY2023	FY2024	FY2025	6M2025	6M2026
	%	%	%	%	%
Precision machining	31.4	26.3	34.7	41.7	31.9
Precision welding	41.0	40.6	39.9	42.4	42.2
Overall	**37.2**	**34.1**	**37.2**	**42.0**	**38.1**

Please refer to the sections entitled "Risk Factors" and "General Information on our Group – Trend Information" of this Offer Document for further information on other factors that may affect our gross profit.

Other income

During the Period Under Review, our other income primarily included (i) rental income generated from (a) our Enterprise Road Property, being our investment property in Singapore, and (b) part of our Tuas Property which was sublet to an independent third-party; (ii) service income generated from our provision of services, such as tubular thread inspection, tubular body inspection, tubular inventory management and storage and other logistic services related to tubular management, to (a) an independent third-party, which is principally engaged in trading of steel tubulars and provision of related services, and (b) our related party, Pryon International Pte Ltd; (iii) income from sale of scrap materials generated from production; (iv) government grants received from authorities in Singapore mainly related to job support schemes such as Progressive Wage Credit Scheme and Special Employment Credit; (v) fixed deposit interest income; and (vi) others, such as insurance claim.

We provided tubular and logistics related service to an independent third-party until February 2025 as certain portion of our Tuas Property was leased to a wholly owned subsidiary of this independent third-party which is mainly engaged in the business of manufacturing pipes and tubes.

Other income amounted to approximately S$2.7 million, S$2.7 million, S$1.4 million, S$0.8 million and S$0.8 million in FY2023, FY2024, FY2025, 6M2025 and 6M2026, respectively.

Other gains/(losses), net

During the Period Under Review, our other net gains or losses primarily included (i) gain on disposal of plant and equipment; (ii) gain on dilution of shareholding in MetaOptics Technologies after it became our associate; (iii) the remeasurement gain arising from loss of significant influence over an associate and reclassification of the investment to FVOCI; (iv) unrealised gains from the change in fair value of our key man insurance recognised in profit or loss; and adjusted by (v) net currency exchange gains or losses attributable to net transactional currency exposures arising from our sales which are denominated in foreign currencies, mainly in US$, which fluctuated against S$ during the Period Under Review and (vi) impairment loss on financial asset.

Other net losses amounted to approximately S$0.4 million in FY2023 and net gains amounted to approximately S$1.1 million and S$5.2 million in FY2024 and FY2025, respectively.

Other net gain amounted to approximately S$5.8 million in 6M2025 and net losses amounted to approximately S$0.1 million in 6M2026.

Administrative expenses

During the Period Under Review, our administrative expenses included (i) wages and salaries (including bonuses, contributions to defined retirement benefits schemes and other staff welfare) for our general and administrative staff; (ii) depreciation expenses of property, plant and equipment, right-of-use assets and investment property; (iii) amortisation expenses of intangible assets; (iv) share-based payments; (v) expenses related to our initial public offering and listing on GEM; (vi) expenses related to our initial public offering and listing on Catalist (vii) professional fees; (viii) repair and maintenance costs; (ix) business development expenses; (x) property tax; (xi) utilities; and (xii) others.

Administrative expenses amounted to approximately S$11.7 million, S$10.3 million, S$10.7 million, S$5.7 million and S$6.0 million in FY2023, FY2024, FY2025, 6M2025 and 6M2026, respectively. A breakdown of our administrative expenses for the Period Under Review is as follows:

	← Audited →						← Unaudited →			
	FY2023		FY2024		FY2025		6M2025		6M2026	
	S$'000	%	S$'000	%	S$'000	%	S$'000	%	S$'000	%
Wages and salaries	3,462	29.7	3,853	37.0	4,310	40.3	1,779	31.3	2,383	39.9
Depreciation expenses	1,018	8.7	1,046	10.0	1,137	10.6	529	9.3	648	10.8
Amortisation expenses	288	2.5	288	2.8	288	2.7	144	2.5	144	2.4
Business development expenses	289	2.5	518	5.0	423	4.0	252	4.4	66	1.1
Share-based payments	3,151	27.0	–	–	1,704	15.9	1,440	25.3	184	3.1
Expenses related to our initial public offering and listing on GEM	1,896	16.3	2,604	25.0	–	–	–	–	–	–
Expenses related to our placement and listing on Catalist	–	–	–	–	–	–	–	–	916	15.3
Professional fees	235	2.0	449	4.3	800	7.5	287	5.0	322	5.4
Repair and maintenance costs	186	1.6	452	4.3	291	2.7	381	6.7	538	9.0
Property tax	249	2.1	205	2.0	216	2.0	117	2.1	120	2.0
Utilities	345	3.0	330	3.2	377	3.5	188	3.3	221	3.7
Others	547	4.6	575	6.4	1,154	10.8	576	10.1	431	7.3
Total	**11,666**	**100.0**	**10,320**	**100.0**	**10,670**	**100.0**	**5,693**	**100.0**	**5,973**	**100.0**

Our share-based payments during the Period Under Review arose from (i) grant of shares and (ii) exercise of anti-dilution rights granted pursuant to the Anti-dilution Undertaking (which was terminated in April 2023). Expenses incurred with respect to the share-based payments had increased our administrative expenses during the Period Under Review, especially for FY2023.

Finance costs

During the Period Under Review, our finance costs included (i) interest expense on our borrowings; (ii) interest expense on lease liabilities in relation to (a) our Tuas Property which we lease from an independent third-party and use as our production facilities in Singapore and (b) certain machineries and motor vehicles acquired by us on hire purchase arrangements; (iii) interest expense on provision for reinstatement cost in connection with our Tuas Property; (iv) interest expense and unwinding of discount on deposits received from the tenant of our Tuas Property which will be released to the tenant at the end of the lease period; (v) interest expense on non-listing put option in relation to the 3rd Pre-IPO Investment, which expired upon our listing on the HKSE; and (vi) interest expense arising from discounting on amount due from an investee.

Pursuant to the 3rd Pre-IPO Investment, we granted MMI a put option which gave MMI a right (but not the obligation) to require our Company to purchase all (and not part only) of our Company's Shares held by it on the date of its put option notice, at a price equivalent to the subscription consideration paid by MMI, plus interest on the subscription consideration commencing on the date immediately following the date falling 12 months after the first submission of our application to list on GEM ("**HKSE Listing Application**") and continuing until the date of MMI's put option notice. The interest was fixed at a simple interest rate of 6% per annum and was to be prorated by the number of days where the period of time was not a full calendar year. The put option was exercisable in the event that our Company's HKSE Listing Application failed to materialise by a date falling 12 months after the first submission of the HKSE Listing Application (which would automatically be extended until, the earlier of, (i) the date of our successful listing on GEM, or (ii) the date upon the earliest occurrence of any one of the following events: (a) our Company formally withdrew the HKSE Listing Application or (b) the HKSE Listing Application lapsed and our Company did not submit a renewed listing application within six months after the lapse). The put option granted to MMI lapsed upon the successful listing of our Company on GEM and is no longer exercisable.

Finance costs amounted to approximately S$1.3 million, S$1.2 million, S$1.9 million, S$1.5 million and S$0.4 million in FY2023, FY2024, FY2025, 6M2025 and 6M2026, respectively.

Share of loss from an associate

It relates to share of results of an associate for the years ended 31 December 2023, 2024 and 2025, respectively.

Share of loss from an associate amounted to approximately S$0.4 million, S$0.4 million, S$0.2 million, S$0.2 million and S$Nil in FY2023, FY2024, FY2025, 6M2025 and 6M2026, respectively. The associate was MetaOptics Technologies for FY2023 and FY2024. Following the acquisition of the entire issued and paid-up share capital of MetaOptics Technologies by MetaOptics Ltd on 30 April 2025 pursuant to a sale and purchase agreement, MetaOptics Ltd. became our Group's associate. MetaOptics Ltd subsequently ceased to be an associate of our Group on 27 June 2025 following the Group's loss of significant influence.

Income tax expense

Our Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Cayman Companies Act and accordingly, is exempted from the Cayman Islands income tax.

Singapore and Malaysia income tax has been provided at the rate of 17% and 24% respectively on the estimated assessable profit during the Period Under Review.

Since the year of assessment for 2020 onwards, a 75% tax exemption is applied on the first S$10,000 of normal chargeable income and a further 50% tax exemption is applied on the next S$190,000 of normal chargeable income in Singapore.

A breakdown of our income tax and overall effective income tax rates for the Period Under Review is as follows:

	← Audited →			← Unaudited →	
	FY2023	**FY2024**	**FY2025**	**6M2025**	**6M2026**
Profit before tax (S$'000)	3,345	4,704	11,580	9,577	4,548
Income tax (S$'000)	(1,061)	(1,511)	(1,477)	(821)	(843)
Effective tax rate of our Group (%)	31.7%	32.1%	12.8%	8.6%	18.5%

Our effective tax rates for FY2023 and FY2024 respectively were higher than the Singapore statutory tax rate of 17% mainly due to certain expenses not being eligible for tax deductions such as expenses relating to our listing on GEM.

Our effective tax rate for 6M2026 was higher than the Singapore statutory tax rate of 17% mainly due to certain expenses not being eligible for tax deductions such as expenses relating to the Listing.

Our Directors confirm that during the Period Under Review and up to the Latest Practicable Date, we had made all the required tax filings and had paid all outstanding tax liabilities with the relevant tax authorities in the relevant jurisdictions and we are not aware of any outstanding or potential disputes with such tax authorities.

Profit from discontinued operation

During the Period Under Review, profit from discontinued operation represents the operating results of MetaOptics Technologies before our Group's disposal of approximately 33.3% of its interests in MetaOptics Technologies to Mr. Thng for a consideration of S$180,000 on 16 May 2023, though not on an arm's length basis, was on a willing buyer and willing seller basis. Profit from discontinued operation for the year ended 31 December 2023 was mainly attributable to the recognition of gain on disposal of MetaOptics Technologies of approximately S$2.5 million.

Profit from discontinued operation amounted to approximately S$2.1 million in FY2023 and S$Nil in each of FY2024, FY2025, 6M2025 and 6M2026.

Other comprehensive income/(loss)

Other comprehensive loss amounted to approximately S$Nil and S$0.1 million in FY2023 and FY2024 respectively and other comprehensive gain amounted to approximately S$28.7 million in FY2025.

Other comprehensive gain amounted to approximately S$Nil in 6M2025 and other comprehensive loss amounted to approximately S$13.9 million in 6M2026.

The other comprehensive gain in FY2025 mainly arose from the fair value gain on MetaOptics Ltd, which was determined based on the quoted share price of MetaOptics Ltd as at 31 December 2025. In 6M2026, our Group recorded other comprehensive loss mainly arising from the fair value loss on MetaOptics Ltd, which was determined based on the quoted share price of MetaOptics Ltd as at 30 June 2026.

SEASONALITY

Our business activities are generally not subject to any significant seasonal fluctuations. However, as far as we are aware, there is stronger demand for products in the end-use industries (such as electronic products) during festive seasons such as Thanksgiving Day and Christmas, which also drives the procurement of parts and components for manufacturing equipment of semiconductor during the second half of the year.

INFLATION

We believe that inflation does not have a material impact on our business, results of operations or financial position during the Period Under Review. However, if we experience a significantly higher inflation rate than we have experienced in the past, our business, results of operations and financial position may be materially and adversely affected if we are not able to partially or fully offset such higher costs through price increases.

REVIEW OF RESULTS OF OPERATIONS

FY2023 vs FY2024

Revenue

Our Group's revenue decreased by approximately S$1.1 million or 2.7%, from approximately S$38.8 million in FY2023 to approximately S$37.7 million in FY2024, primarily due to decrease in revenue from precision welding services, partially offset by an increase in revenue from precision machining services.

Revenue from precision welding services decreased by approximately S$2.6 million or 11.1% from approximately S$23.2 million in FY2023 to approximately S$20.6 million in FY2024 as a result of customers' de-stocking of their existing inventories on hand. Revenue from precision machining services increased by approximately S$1.6 million or 9.9% from approximately S$15.5 million in FY2023 to approximately S$17.1 million in FY2024 due to higher demand from the aerospace industry as air travel accelerated worldwide post-COVID-19.

Revenue from customers in the semiconductor industry decreased by approximately S$0.4 million or 1.2% from approximately S$34.1 million in FY2023 to approximately S$33.7 million in FY2024 mainly due to lower demand for precision welding services as a result of customers' de-stocking their existing inventories. Revenue from customers in the aerospace industry increased by approximately S$1.4 million or 83.8% from approximately S$1.6 million in FY2023 to approximately S$3.0 million in FY2024 in line with the increase in air travel worldwide post-COVID-19. Revenue from customers in the data storage industry decreased by approximately S$1.6 million from approximately S$2.4 million in FY2023 to approximately S$0.8 million in FY2024. Revenue was higher in FY2023 due to an ad hoc project we undertook for a customer in the data storage industry.

Cost of sales

Our Group's cost of sales increased by approximately S$0.5 million or 2.1%, from approximately S$24.4 million in FY2023 to approximately S$24.9 million in FY2024 mainly due to increase in unit cost of raw materials and higher labour costs as a result of increased headcount for precision machining services to meet customers' demand.

Gross profit and gross profit margin

Our gross profit decreased by approximately S$1.5 million, or 10.7%, from approximately S$14.4 million in FY2023 to approximately S$12.9 million in FY2024, in line with the decrease in sales and a decrease in gross profit margin.

Our gross profit margin decreased from 37.2% in FY2023 to 34.1% in FY2024 mainly due to a decrease in gross profit for precision machining services as the decrease in the gross profit margin of the precision machining services segment was greater than the decrease in the gross profit margin of the precision welding segment. Gross profit margin for precision machining services decreased from 31.4% in FY2023 to 26.3% in FY2024 mainly due to an increase in the unit cost of raw materials (which we did not pass on to customers in order to maintain our price competitiveness) and higher labour costs as a result of increased headcount for precision machining services. In addition, certain manufacturing overheads such as depreciation of property, plant and equipment and depreciation of right-of-use assets are generally fixed.

Gross profit margin for precision welding services was relatively stable at 41.0% in FY2023 and 40.6% in FY2024.

Other income

Other income maintained relatively stable at approximately S$2.7 million and S$2.7 million in FY2023 and FY2024, respectively.

Other gain/(losses), net

Our Group recorded net other gains of approximately S$1.1 million in FY2024, as compared to net other losses of approximately S$0.4 million in FY2023, mainly attributable to (i) the recognition of net currency gain of approximately S$0.6 million in FY2024, when compared to a net currency loss of approximately S$0.5 million in FY2023 due to the foreign exchange fluctuations of US$ against S$ during the respective year; and (ii) the recognition of gain on dilution of shareholdings in an associate of approximately S$0.3 million in FY2024, when compared to approximately S$23,000 in FY2023.

Administrative expenses

Administrative expenses decreased by approximately S$1.3 million or 11.5%, from approximately S$11.7 million in FY2023 to approximately S$10.3 million in FY2024. The decrease was mainly attributable to the absence of share-based payments in FY2024 in relation to the grant of shares and exercise of anti-dilution rights pursuant to the Anti-dilution Undertaking (approximately S$3.2 million in FY2023), which was partially offset by an increase in expenses related to our listing on GEM of approximately S$0.7 million, increase in wages and salaries of approximately S$0.4 million, and the increase in repair and maintenance cost of approximately S$0.3 million.

Profit from discontinued operation

Profit from discontinued operations in FY2023 represents the operating results of MetaOptics Technologies before our Group's disposal of approximately 33.3% of its interests on 16 May 2023. As a result, profit from discontinued operations decreased from approximately S$2.1 million in FY2023 to S$Nil in FY2024. Profit from discontinued operations in FY2023 was mainly attributable to the recognition of gain on disposal of MetaOptics Technologies of approximately S$2.5 million.

Profit for the year

As a result of the foregoing, our Group recorded a profit of approximately S$3.2 million and S$4.4 million in FY2024 and FY2023, respectively.

Other comprehensive income/(loss)

Our other comprehensive loss increased by approximately S$0.1 million in FY2024 arising from currency translation differences on foreign operations.

FY2024 vs FY2025

Revenue

Our Group's revenue increased by approximately S$9.9 million, or 26.2%, from approximately S$37.7 million in FY2024 to approximately S$47.6 million in FY2025, primarily due to higher demand for related products and services across the semiconductor industry supply chain, which directly contributed to higher sales for our precision machining and precision welding services during the period.

Revenue from precision machining services increased by approximately S$7.8 million or 45.7% from approximately S$17.1 million in FY2024 to approximately S$24.9 million in FY2025. Revenue from precision welding services increased by approximately S$2.1 million from approximately S$20.6 million in FY2024 to approximately S$22.7 million in FY2025.

Revenue from customers in the semiconductor industry increased by approximately S$10.2 million or 30.2% from approximately S$33.7 million in FY2024 to approximately S$43.8 million in FY2025 primarily due to increased demand from *Customer A* and *Customer B*, which is in line with growth in the semiconductor industry. Revenue from customers in the aerospace industry decreased by approximately S$0.5 million or 16.0% from approximately S$3.0 million in FY2024 to approximately S$2.5 million in FY2025 mainly due to a decrease in

demand from a customer which is designer, manufacturer and integrator of precision motion control products and solutions used in the aerospace industry. Revenue from customers in the data storage industry increased by approximately S$0.4 million or 48.0% from approximately S$0.8 million in FY2024 to approximately S$1.2 million in FY2025 primarily due to a customer undertaking a production line upgrade for new products during FY2025.

Cost of sales

Our Group's cost of sales increased by approximately S$5.0 million or 20.3%, from approximately S$24.9 million in FY2024 to approximately S$29.9 million in FY2025, mainly attributable to higher purchases of raw materials required for precision machining services in order to meet customers' demand as well as higher labour costs (increase in sales incentives) in line with the increase in revenue.

Gross profit and gross profit margin

Our gross profit increased by approximately S$4.8 million, or 37.5%, from approximately S$12.9 million in FY2024 to approximately S$17.7 million in FY2025 in line with the increase in revenue.

Our gross profit margin increased from 34.1% in FY2024 to 37.2% in FY2025, mainly due to improvement in gross profit margin for our precision machining services. Gross profit for precision machining services increased from approximately S$4.5 million in FY2024 to approximately S$8.6 million in FY2025 in line with the increase in revenue. Gross profit margin for our precision machining services increased from 26.3% in FY2024 to 34.7% in FY2025 driven largely by the increase in revenue while manufacturing overheads such as depreciation of right-of-use assets and depreciation of property, plant and equipment are generally fixed.

Gross profit margin for precision welding services was relatively stable at 40.6% in FY2024 and 39.9% in FY2025.

Other income

Other income decreased by approximately S$1.3 million or 47.9%, from approximately S$2.7 million in FY2024 to approximately S$1.4 million in FY2025. The decrease was mainly due to the expiration of a lease and service agreement with an independent third-party resulting in a decrease in income from rental, storage, and tubular management services during the prior year.

Other gain/(losses), net

Net other gains increased by approximately S$4.1 million, from approximately S$1.1 million in FY2024 to approximately S$5.2 million in FY2025. This increase was mainly due to the remeasurement gain arising from classification of an associate company to an investment carried at FVOCI of approximately S$6.4 million, partially offset by the recognition of a net currency loss of approximately S$1.3 million in FY2025. In contrast, our Group recorded a net currency gain of approximately S$0.6 million in FY2024 due to foreign exchange fluctuations between US$ and S$.

Administrative expenses

Administrative expenses remained relatively stable for both financial years, amounting to approximately S$10.7 million in FY2025 compared to approximately S$10.3 million in FY2024.

Finance costs

Finance cost increased by approximately S$0.6 million, or 50.9%, from approximately S$1.2 million in FY2024 to approximately S$1.9 million in FY2025. The increase was primarily due to the recognition of discounting of amount due from an investee, amounting to approximately S$0.9 million in FY2025. The nature of the finance cost arose from the discounting of the amount due from MetaOptics Ltd of approximately S$2.88 million to its present value using the prevailing market interest rate for a similar instrument with a comparable credit rating, in accordance with IFRS 13.

Profit for the year

As a result of the foregoing, our Group recorded a profit of approximately S$10.1 million and S$3.2 million in FY2025 and FY2024, respectively.

Other comprehensive income/(loss)

Our other comprehensive gain was approximately S$28.7 million in FY2025, mainly due to a fair value gain on our shareholding interests in MetaOptics Ltd, determined based on its quoted share price as at 31 December 2025, compared to other comprehensive loss of approximately S$0.1 million in FY2024 arising from currency translation differences on foreign operations.

6M2025 vs 6M2026

Revenue

Our Group's revenue increased by approximately S$2.2 million, or 8.9%, from approximately S$24.8 million in 6M2025 to approximately S$27.0 million in 6M2026. This growth was primarily driven by higher demand for related products and services across the semiconductor industry supply chain, which directly contributed to higher sales for our precision welding services during the period.

Revenue from precision machining services slightly decreased by approximately S$2.4 million during 6M2026 compared to 6M2025 mainly due to inventory optimisation activities by our aerospace customer and the delivery timing of new orders being scheduled in the second half of 2026, which temporarily moderated order volumes during 6M2026. The revenue generated from precision welding services increased by approximately S$4.6 million during 6M2026 compared to 6M2025 primarily due to the upward trend and growth within the semiconductor industry, directly contributing to higher sales.

Revenue from customers in the semiconductor industry increased by approximately S$2.8 million or 12.3% from approximately S$22.9 million in 6M2025 to approximately S$25.7 million in 6M2026 primarily due to increased demand from *Customer A, Customer C* and *Customer F*, which is in line with the upward trend and growth within the semiconductor industry. Revenue from customers in the aerospace industry decreased by approximately S$0.6 million or 50.8% from approximately

S$1.2 million in 6M2025 to approximately S$0.6 million in 6M2026 mainly due to inventory optimisation activities by our customer and the delivery timing of new orders being scheduled in the second half of 2026, which temporarily moderated order volumes during 6M2026. Revenue from customers in the data storage industry remained relatively stable at approximately S$0.6 million in each of 6M2025 and 6M2026.

Cost of sales

Our Group's cost of sales increased by approximately S$2.4 million or 16.4%, from approximately S$14.4 million in 6M2025 to approximately S$16.7 million in 6M2026, mainly attributable to higher raw material costs driven by raw material shortages during 6M2026 as a result of global geopolitical tensions.

Gross profit and gross profit margin

Our gross profit decreased by approximately S$0.1 million, or 1.3%, from approximately S$10.4 million in 6M2025 to approximately S$10.3 million in 6M2026 mainly due to the increase in cost of sales during 6M2026.

Our gross profit margin decreased from 42.0% in 6M2025 to 38.1% in 6M2026, mainly due to the increase in raw material costs driven by raw material shortages during 6M2026, which in turn resulted in the decrease in gross profit margin for our precision machining services segment from 41.7% in 6M2025 to 31.9% in 6M2026.

Gross profit margin for our precision welding services was relatively stable at 42.4% in 6M2025 and 42.2% in 6M2026.

We will continue to monitor the market conditions and, where appropriate, adjust our selling prices to maintain a gross profit margin within the range of 37% to 42%.

Other income

Other income remained stable at approximately S$0.8 million for the six-month period ended 30 June 2025 and 30 June 2026.

Other gains/(losses), net

Our Group recorded net other losses of approximately S$0.1 million in 6M2026, as compared to net other gains of approximately S$5.8 million in 6M2025. The significant net other gains in 6M2025 was mainly attributable to the recognition of remeasurement gain arising from reclassification of an associate company to an investment carried at FVOCI of approximately S$6.4 million during 6M2025.

Administrative expenses

Administrative expenses remained relatively stable at approximately S$6.0 million in 6M2026 and approximately S$5.7 million in 6M2025.

Finance costs

Finance cost decreased by approximately S$1.1 million or 74.3%, from approximately S$1.5 million in 6M2025 to approximately S$0.4 million in 6M2026. The decrease was primarily due to the recognition of discounting of amount due from an investee, amounting to approximately S$0.9 million in 6M2025. The nature of the finance cost arose from the discounting of the amount due from MetaOptics Ltd of approximately S$2.88 million to its present value using the prevailing market interest rate for a similar instrument with a comparable credit rating, in accordance with IFRS 13.

Profit for the period

As a result of the foregoing, our Group recorded a profit of approximately S$3.7 million and S$8.8 million in 6M2026 and 6M2025, respectively.

Other comprehensive income/(loss)

Our other comprehensive loss was approximately S$13.9 million in 6M2026, mainly due to a fair value loss on our shareholding interests in MetaOptics Ltd, determined based on its quoted share price as at 30 June 2026, compared to other comprehensive gain of approximately S$0.01 million in 6M2025 arising from currency translation differences on foreign operations.

REVIEW OF FINANCIAL POSITION

As at 30 June 2026

Non-Current Assets

As at 30 June 2026, our non-current assets amounted to approximately S$62.2 million, representing approximately 57.4% of our total assets. Our non-current assets comprised the following:

(a) property, plant and equipment, mainly comprising freehold land and building, plant and machineries, furniture and fittings and other property, plant and equipment (such as renovation and related costs) remained constant at approximately S$7.7 million as at 31 December 2025 and 30 June 2026, representing approximately 12.4% of our non-current assets;

(b) right-of-use assets, comprising lease arrangement for our Tuas Property, machineries and motor vehicles under hire purchase arrangement, amounted to approximately S$23.3 million, representing approximately 37.5% of our non-current assets. Our right-of-use asset had decreased by approximately S$0.7 million or 3.0%, from approximately S$24.1 million as at 31 December 2025 to approximately S$23.3 million as at 30 June 2026, mainly due to depreciation charges recognised during the period;

(c) investment property, representing the carrying amount of our Enterprise Road property which has been leased to an independent third-party, remained constant at approximately S$0.5 million as at 31 December 2025 and 30 June 2026, representing approximately 0.8% of our non-current assets;

(d) goodwill, arising from the acquisition of SPW, remained constant at approximately S$4.4 million as at 31 December 2025 and 30 June 2026, representing approximately 7.1% of our non-current assets as at 30 June 2026;

(e) intangible assets, comprising customer relationship and customer contracts recognised from acquisition of SPW, amounted to approximately S$1.6 million, representing approximately 2.5% of our non-current assets. Our intangible assets had decreased by approximately S$0.1 million or 8.5%, from approximately S$1.7 million as at 31 December 2025 to approximately S$1.6 million as at 30 June 2026, mainly due to amortisation of customer relationship;

(f) other assets, mainly comprising keyman insurance (life insurance settlement contract), amounted to approximately S$0.4 million, representing approximately 0.6% of our non-current assets. Other assets remained stable at approximately S$0.4 million as at 31 December 2025 and 30 June 2026, respectively;

(g) other receivables, comprising amount due from an investee/associate, amounted to approximately S$2.0 million, representing approximately 3.2% of our non-current assets. Our other receivables had increased by approximately S$0.1 million or 2.4%, from approximately S$1.9 million as at 31 December 2025 to approximately S$2.0 million as at 30 June 2026, due to unwinding of discount on amount due from an investee of approximately S$0.2 million, partially offset by loss allowance of approximately S$0.2 million recognised during 6M2026. Please refer to the section entitled "Interested Person Transactions" of this Offer Document for further details;

(h) FVOCI (representing our 12.57% shareholding interest as at 30 June 2026 in MetaOptics Ltd which owns MetaOptics Technologies) amounted to approximately S$22.1 million as at 30 June 2026, representing approximately 35.5% of our non-current assets; and

(i) deferred tax assets, amounted to approximately S$0.2 million, representing less than 0.4% of our non-current assets. Deferred tax assets remained stable at approximately S$0.2 million as at 31 December 2025 and 30 June 2026, respectively.

Current Assets

As at 30 June 2026, our current assets amounted to approximately S$46.1 million, representing approximately 42.6% of our total assets. Our current assets comprised the following:

(a) inventories, comprising raw materials, work in progress, finished goods and product consumables, amounted to approximately S$11.7 million, representing approximately 25.4% of our current assets. Our inventories increased by approximately S$4.7 million or 68.1%, from approximately S$7.0 million as at 31 December 2025 to approximately S$11.7 million as at 30 June 2026, mainly due to an increase in raw materials and work in progress to support the increase in sales;

(b) trade and other receivables, comprising amounts due from customers for goods sold or services performed in the ordinary course of our business, GST receivable and deposits amounted to approximately S$13.6 million, representing approximately 29.6% of our current assets. Our trade and other receivables had increased by approximately S$4.4 million or 48.0%, from approximately S$9.2 million as at 31 December 2025 to approximately

S$13.6 million as at 30 June 2026, mainly due to higher sales towards the end of the six-month period, resulting in a higher amount due from customers. Trade receivables are mainly denominated in US$, and credit terms for trade receivables are 30 days to 60 days; and

(c) cash and bank balances, comprising cash at banks, cash held in the share buy-back account with a securities broker, fixed deposits and cash on hand, amounted to approximately S$20.4 million, representing approximately 44.2% of our current assets. Our cash and bank balances had decreased by approximately S$1.9 million or 8.5%, from approximately S$22.3 million as at 31 December 2025 to approximately S$20.4 million as at 30 June 2026, mainly due to cash outflow used in financing activities during the period.

Equity

As at 30 June 2026, our total equity amounted to approximately S$69.9 million, comprising share capital, Treasury Shares, retained profits, share premium, capital reserve, currency translation reserve, and fair value reserve of approximately S$0.03 million, S$0.05 million, S$10.9 million, S$0.3 million, S$8.3 million, S$36.1 million and S$14.8 million, respectively. The decrease in total equity was mainly due to the fair value loss arising from our investment in MetaOptics Ltd, determined based on its quoted share price as at 30 June 2026, partially offset by the profit generated during 6M2026.

Current Liabilities

As at 30 June 2026, our current liabilities amounted to approximately S$15.2 million, representing approximately 39.5% of our total liabilities. Our current liabilities comprised the following:

(a) borrowings, relating to bank loans, which are mainly denominated in S$ and MYR, amounted to approximately S$2.1 million, representing approximately 13.9% of our total current liabilities. Borrowings decreased by approximately S$0.1 million or 5.3% from approximately S$2.2 million as at 31 December 2025 to approximately S$2.1 million as at 30 June 2026 due to scheduled repayments of the borrowings. Please refer to the section entitled "Capitalisation and Indebtedness" of this Offer Document for further details on our bank borrowings;

(b) lease liabilities, relate to our lease contract for leasehold property, machineries and motor vehicles. The current portion of our lease liabilities amounted to approximately S$1.9 million, representing approximately 12.7% of our current liabilities. Lease liabilities decreased by approximately S$0.1 million or 6.8% from approximately S$2.1 million as at 31 December 2025 to approximately S$1.9 million as at 30 June 2026 due mainly to repayment of lease liabilities for these assets during the period;

(c) trade and other payables, comprising trade payables to third-parties mainly in relation to our procurement of raw materials and processing services from third-party suppliers, other payables to third-party, accrued expenses and deposit received amounted to approximately S$9.6 million, representing approximately 63.4% of our current liabilities. Trade and other payables increased by approximately S$3.4 million or 53.7% from approximately S$6.3 million as at 31 December 2025 to approximately S$9.6 million as at 30 June 2026, due mainly to an increase in trade payables and other payables to third-parties. Our trade payables had increased by approximately S$2.6 million or 72.3%, from approximately

S$3.6 million as at 31 December 2025 to approximately S$6.2 million as at 30 June 2026, mainly due to increased purchases of raw materials to support higher sales, as well as an increase in material costs during the period. Trade payables are mainly denominated in S$, and credit terms for trade payables are 30 days to 60 days. Our other payables to third-parties had increased by approximately S$0.9 million or 7.2 times, from approximately S$0.1 million as at 31 December 2025 to approximately S$1.0 million as at 30 June 2026, mainly due to listing expenses incurred in connection with the Placement and the Listing. Other payables are mainly denominated in S$; and

(d) income tax payable, amounted to approximately S$1.5 million, representing approximately 9.7% of our current liabilities.

Non-Current Liabilities

As at 30 June 2026, our non-current liabilities amounted to approximately S$23.3 million, representing approximately 60.5% of our total liabilities. Our non-current liabilities comprised the following:

(a) borrowings, the non-current portion of which amounted to approximately S$26,000, representing approximately 0.1% of our non-current liabilities;

(b) lease liabilities, the non-current portion of which, amounted to approximately S$22.6 million, representing approximately 97.2% of our total non-current liabilities;

(c) provisions, relating to provision for reinstatement cost, amounted to approximately S$0.3 million, representing approximately 1.2% of our total non-current liabilities; and

(d) deferred tax liabilities, amounted to approximately S$0.3 million, representing approximately 1.5% of our total non-current liabilities.

As at 31 December 2025

Non-Current Assets

As at 31 December 2025, our non-current assets amounted to approximately S$77.0 million, representing approximately 66.6% of our total assets. Our non-current assets comprised the following:

(a) property, plant and equipment, mainly comprising freehold land and building, plant and machineries, furniture and fittings and other property, plant and equipment (such as renovation and related costs) amounted to approximately S$7.7 million, representing approximately 10.0% of our non-current assets. Our property, plant and equipment had increased by approximately S$1.8 million or 30.0%, from approximately S$5.9 million as at 31 December 2024 to approximately S$7.7 million as at 31 December 2025, mainly due to renovation works carried out in FY2025 for expansion;

(b) prepayments (mainly deposit paid to equipment suppliers) amounted to approximately S$0.08 million, representing approximately 0.1% of our non-current assets;

(c) right-of-use assets, comprising lease arrangement for the Tuas Property, machineries and motor vehicles under hire purchase arrangement, amounted to approximately S$24.1 million, representing approximately 31.3% of our non-current assets. Our right-of-use asset had decreased by approximately S$1.9 million or 7.3%, from approximately S$26.0 million as at 31 December 2024 to approximately S$24.1 million as at 31 December 2025, mainly due to depreciation charges recognised during FY2025;

(d) investment property, representing the carrying amount of the Enterprise Road property which has been leased to an independent third-party, amounted to approximately S$0.5 million, representing approximately 0.6% of our non-current assets. Our investment property had decreased by approximately S$0.04 million or 7.7%, from approximately S$534,000 as at 31 December 2024 to approximately S$493,000 as at 31 December 2025, mainly due to depreciation during FY2025;

(e) goodwill, arising from the acquisition of SPW, remained constant at approximately S$4.4 million as at 31 December 2024 and 2025, representing approximately 5.8% of our non-current assets as at 31 December 2025;

(f) intangible assets, comprising customer relationship and customer contracts recognised from acquisition of SPW, amounted to approximately S$1.7 million, representing approximately 2.2% of our non-current assets. Our intangible assets had decreased by approximately S$0.3 million or 14.5%, from approximately S$2.0 million as at 31 December 2024 to approximately S$1.7 million as at 31 December 2025, mainly due to amortisation of customer relationship;

(g) other assets, mainly comprising keyman insurance (life insurance settlement contract), amounted to approximately S$0.4 million, representing approximately 0.5% of our non-current assets. Other assets remained stable at approximately S$0.4 million as at 31 December 2024 and 2025;

(h) other receivables, comprising amount due from an investee/associate, amounted to approximately S$1.9 million, representing approximately 2.5% of our non-current assets. Our other receivables had decreased by approximately S$0.9 million or 30.9%, from approximately S$2.8 million as at 31 December 2024 to approximately S$1.9 million as at 31 December 2025, mainly due to discounting of amount due from an investee and an expected credit loss recognised during FY2025. Please refer to the section entitled "Interested Person Transactions" of this Offer Document for further details;

(i) Investment in an associate, relating to our investment in MetaOptics Technologies, was recorded as S$Nil as at 31 December 2025, due to its reclassification as an investment carried at FVOCI following the Group's loss of significant influence over it since 27 June 2025. Investment in an associate amounted to approximately S$0.9 million as at 31 December 2024;

(j) FVOCI (representing our 12.57% shareholding interest as at 30 June 2026 in MetaOptics Ltd which owns MetaOptics Technologies) amounted to approximately S$36.0 million as at 31 December 2025, representing approximately 46.8% of our non-current assets; and

(k) deferred tax assets, amounted to approximately S$0.2 million, representing less than 0.01% of our non-current assets. Deferred tax assets decreased from approximately S$0.6 million as at 31 December 2024 to approximately S$0.2 million as at 31 December 2025. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority. Our deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Current Assets

As at 31 December 2025, our current assets amounted to approximately S$38.6 million, representing approximately 33.4% of our total assets. Our current assets comprised the following:

(a) inventories, comprising raw materials, work in progress, finished goods and product consumables, amounted to approximately S$7.0 million, representing approximately 18.0% of our current assets. Our inventories increased by approximately S$0.9 million or 14.4%, from approximately S$6.1 million as at 31 December 2024 to approximately S$7.0 million as at 31 December 2025, mainly due to an increase in finished goods, in line with the increase in sales;

(b) trade and other receivables, comprising amounts due from customers for goods sold or services performed in the ordinary course of our business, GST receivable and deposits amounted to approximately S$9.2 million, representing approximately 23.9% of our current assets. Our trade and other receivables had increased by approximately S$0.3 million or 3.0%, from approximately S$9.0 million as at 31 December 2024 to approximately S$9.2 million as at 31 December 2025, mainly due to an increase in trade receivables in line with the increase in sales. Trade receivables are mainly denominated in US$, and credit terms for trade receivables are 30 days to 60 days; and

(c) cash and bank balances, comprising cash at banks, fixed deposits and cash on hand, amounted to approximately S$22.3 million, representing approximately 57.7% of our current assets. Our cash and bank balances had increased by approximately S$4.3 million or 23.9%, from approximately S$18.0 million as at 31 December 2024 to approximately S$22.3 million as at 31 December 2025, mainly due to cash flow generated from operating profit activities during FY2025.

Equity

As at 31 December 2025, our total equity amounted to approximately S$79.9 million, comprising share capital, retained profits, share premium, capital reserve, currency translation reserve and fair value reserve of approximately S$0.03 million, S$7.2 million, S$8.3 million, S$36.0 million, S$0.2 million and S$28.7 million, respectively. The increase in total equity was mainly due to fair value gains arising from our investment in MetaOptics Ltd, determined based on its quoted share price as at 31 December 2025, as well as the profit generated during FY2025.

Current Liabilities

As at 31 December 2025, our current liabilities amounted to approximately S$11.7 million, representing approximately 32.8% of our total liabilities. Our current liabilities comprised the following:

(a) borrowings, relating to bank loans, which are mainly denominated in S$ and MYR, amounted to approximately S$2.2 million, representing approximately 19.0% of our total current liabilities. Borrowings decreased by approximately S$0.2 million or 6.8% from approximately S$2.4 million as at 31 December 2024 to approximately S$2.2 million as at 31 December 2025 due to scheduled repayments of the borrowings. Please refer to the section entitled "Capitalisation and Indebtedness" of this Offer Document for further details on our bank borrowings;

(b) lease liabilities, relate to our lease contract for leasehold property, machineries and motor vehicles. The current portion of our lease liabilities amounted to approximately S$2.1 million, representing approximately 17.7% of our current liabilities. Lease liabilities decreased by approximately S$0.3 million or 15.0% from approximately S$2.4 million as at 31 December 2024 to approximately S$2.1 million as at 31 December 2025 due mainly to depreciation of these assets;

(c) trade and other payables, comprising trade payables to third-parties mainly in relation to our procurement of raw materials and processing services from third-party suppliers, other payables to third-party, accrued expenses and deposit received amounted to approximately S$6.3 million, representing approximately 53.6% of our current liabilities. Trade and other payables increased by approximately S$0.6 million or 11.1% from approximately S$5.6 million as at 31 December 2024 to approximately S$6.3 million as at 31 December 2025 due mainly to an increase in trade payables. Our trade payables had increased by approximately S$0.4 million or 14.2%, from approximately S$3.1 million as at 31 December 2024 to approximately S$3.6 million as at 31 December 2025, mainly due to increased purchases of raw materials to support higher sales during FY2025. Trade payables are mainly denominated in S$, and credit terms for trade payables are 30 days to 60 days. Our other payables had increased by approximately S$0.2 million or 7.1%, from approximately S$2.5 million as at 31 December 2024 to approximately S$2.7 million as at 31 December 2025, mainly due to increase in accrued expenses. Other payables are mainly denominated in S$; and

(d) income tax payable, amounted to approximately S$1.1 million, representing approximately 9.6% of our current liabilities.

Non-Current Liabilities

As at 31 December 2025, our non-current liabilities amounted to approximately S$23.9 million, representing approximately 67.2% of our total liabilities. Our non-current liabilities comprised the following:

(a) borrowings, the non-current portion of which amounted to approximately S$67,000, representing approximately 0.3% of our non-current liabilities;

(b) lease liabilities, the non-current portion of which, amounted to approximately S$23.2 million, representing approximately 97.0% of our total non-current liabilities;

(c) provisions, relating to provision for reinstatement cost, amounted to approximately S$0.3 million, representing approximately 1.2% of our total non-current liabilities; and

(d) deferred tax liabilities, amounted to approximately S$0.4 million, representing approximately 1.5% of our total non-current liabilities.

LIQUIDITY AND CAPITAL RESOURCES

During the Period Under Review, our Group has funded our operations and growth primarily through a combination of cash and bank balances (including net proceeds raised from our listing on GEM as well as other investors before our listing on HKSE), net cash generated from operating activities and borrowings. Our principal uses of cash have been for working capital, capital expenditures and other liquidity requirements. To ensure that our Group has sufficient funds to meet our contractual and financial obligations, we monitor our cash flows from operations and maintain a level of cash and bank balances deemed adequate by management for our working capital requirements.

In assessing whether our Group has sufficient working capital, our Directors have considered the following:

(a) our financial position as at 31 December 2025 as described in the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" as set out in Appendix A to this Offer Document;

(b) our financial position as at 30 June 2026 as described in the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendix B to this Offer Document;

(c) our net cash generated from operating activities;

(d) cash and cash equivalents of approximately S$20.4 million as at 30 June 2026;

(e) our Group does not have any material contingent liabilities; and

(f) the expected scheduled repayment of bank borrowings, lease liabilities, and interest expenses in the 12-month period from after the Placement, arising from our bank borrowings and lease liabilities respectively.

Having considered the factors above, having made due and careful enquiry, and without considering the gross proceeds to be raised pursuant to the Placement, our Directors are of the view that the working capital available to our Group as at the date of lodgement of this Offer Document is sufficient for our present requirements and for at least 12 months after the Listing.

The Sponsor and Issue Manager are of the reasonable opinion that, after having made due and careful enquiry and after taking into account the factors set out above, the cash flow generated from our Group's operations and our Group's existing cash and cash equivalent, the working capital available to our Group as at the date of lodgement of this Offer Document is sufficient for present requirements and for at least 12 months after the Listing.

We have obtained from the SGX-ST a waiver of Catalist Rule 407(1) in respect of the modifications to Paragraph 5(a) of Part 6 of the Fifth Schedule to the SFR, in respect of the disclosure of the description of material sources of liquidity, whether internal or external, and a brief discussion of any material unused sources of liquidity as of the Latest Practicable Date, subject to the disclosures being made of the description of our Group's material sources of liquidity, whether internal or external, as at the end of the latest completed financial year or interim financial period, as the case may be, based on the most recent filings on financial results to be announced by our Company on the HKSE. The SGX-ST had granted the waiver taking consideration the Sponsor's representations that:

(i) the disclosures of the description of our Group's material sources of liquidity, whether internal or external, as at the end of the latest completed financial year or interim financial period, as the case may be, based on the most recent filings on financial results to be made by our Company on GEM prior to the Listing, will be made in the Offer Document;

(ii) the disclosures required under Paragraph 5(a) of Part 6 of the SFR Fifth Schedule are not provided in our Company's filings with the HKEX as of a date within 14 days prior to such filings;

(iii) investors will not be materially disadvantaged as our Directors will be providing a statement as to whether the working capital available to our Group as at the date of lodgement of the Offer Document is sufficient for at least the next 12 months; and

(iv) the cost of complying with Paragraph 5(a) of Part 6 of the SFR Fifth Schedule outweighs the resulting protection to investors and the dispensation as such would not be prejudicial to the public interest, in line with Catalist Rule 407(8).

We set out below a summary of our consolidated statement of cash flows for the Period Under Review. The following selected consolidated financial information of our Group should be read in conjunction with the full text of this Offer Document, including the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" and the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendices A and B to this Offer Document, respectively.

	← Audited →			← Unaudited →	
(S$'000)	**FY2023**	**FY2024**	**FY2025**	**6M2025**	**6M2026**
Net cash generated from operating activities	10,486	6,360	10,858	5,098	692
Net cash used in investing activities	(407)	(1,520)	(2,547)	(1,653)	(638)
Net cash generated from/(used in) financing activities	(5,079)	4,026	(4,001)	(2,461)	(2,100)
Net increase/(decrease) in cash and cash equivalents	5,000	8,866	4,310	984	(2,046)
Effect of currency translation on cash and cash equivalents	21	(117)	(21)	–	153
Cash and cash equivalents as at beginning of the year/period	4,204	9,225	17,974	17,974	22,263
Cash and cash equivalents as at end of the year/period	**9,225**	**17,974**	**22,263**	**18,958**	**20,370**

FY2023

In FY2023, we generated operating cash flows before working capital changes of approximately S$12.2 million. Net cash used in working capital amounted to approximately S$0.7 million mainly due to an increase in trade and other receivables of approximately S$1.6 million and an increase in prepayments of approximately S$0.3 million, partially offset by a decrease in inventories of approximately S$0.8 million and an increase in trade and other payables of approximately S$0.4 million. We made income tax payments of approximately S$1.0 million. As a result, net cash flows generated from operating activities amounted to approximately S$10.5 million.

Net cash used in investing activities amounted to approximately S$0.4 million, primarily due to addition of right-of-use assets of approximately S$0.1 million, purchase of property, plant and equipment of approximately S$0.2 million and disposal of a subsidiary (net on cash disposed) of approximately S$0.1 million.

Net cash used in financing activities amounted to approximately S$5.1 million, primarily due to:

(i) payment of principal portion of lease liabilities of approximately S$2.8 million mainly in relation to machineries under hire purchase arrangement and rental payment for our Tuas Property;

(ii) repayment of borrowings of approximately S$1.5 million;

(iii) interest paid of approximately S$1.3 million;

(iv) payment of expenses relating to our listing on GEM of approximately S$0.8 million; and

(v) repayment of advances from a director of approximately S$0.2 million;

partially offset by (i) proceeds from issue of new shares of a subsidiary of approximately S$1.0 million in relation to the issuance and allotment of shares in Metasurface Technologies to MMI, a pre-IPO Investor of our Company, a shareholder of MetaOptics Technologies, in relation to the 3rd Pre-IPO Investment on 30 January 2023; and (ii) proceeds from borrowings of approximately S$0.3 million.

As a result of the above, and after adjusting for the effect of currency translation, our cash and cash equivalents increased by approximately S$5.0 million during the year to approximately S$9.2 million as at 31 December 2023.

FY2024

In FY2024, we generated operating cash flows before working capital changes of approximately S$8.8 million. Net cash used in working capital amounted to approximately S$1.4 million mainly due to a decrease in trade and other payables of approximately S$1.8 million and an increase in trade and other receivables of approximately S$0.8 million, partially offset by a decrease in inventories of approximately S$0.9 million and a decrease in prepayments of approximately S$0.3 million. We made income tax payments of approximately S$1.3 million and received interest of approximately S$0.3 million. As a result, net cash flows generated from operating activities amounted to approximately S$6.4 million.

Net cash used in investing activities amounted to approximately S$1.5 million, mainly due to addition of right-of-use assets of approximately S$0.4 million and purchase of property, plant and equipment of approximately S$1.1 million for our business operations.

Net cash generated from financing activities amounted to approximately S$4.0 million, mainly due to proceeds from issue of new Shares in conjunction with our listing on GEM of approximately S$11.3 million and borrowings of approximately S$0.1 million, partially offset by:

(i) payment of principal portion of lease liabilities of approximately S$2.9 million mainly in relation to machineries under hire purchase arrangement and rental payment for our Tuas Property;

(ii) repayment of borrowings of approximately S$1.9 million;

(iii) interest paid of approximately S$1.2 million;

(iv) expenses paid of approximately S$1.2 million in relation to our listing on GEM; and

(v) repayment of advances from a director of approximately S$0.2 million.

As a result of the above, and after adjusting for the effect of currency translation, our cash and cash equivalents increased by approximately S$8.9 million during the year to approximately S$18.0 million as at 31 December 2024.

FY2025

In FY2025, we generated operating cash flows before working capital changes of approximately S$11.9 million. Net cash used in working capital amounted to approximately S$0.5 million mainly due to an increase in inventories of approximately S$0.9 million, an increase in trade and other receivables of approximately S$0.3 million and an increase in prepayments of approximately S$0.2 million, partially offset by an increase in trade and other payables of approximately S$0.9 million. We made income tax payments of approximately S$1.2 million and received interest of approximately S$0.6 million. As a result, net cash flows generated from operating activities amounted to approximately S$10.9 million.

Net cash used in investing activities amounted to approximately S$2.5 million, primarily due to purchase of property, plant and equipment of approximately S$2.7 million for our business operations, partially offset by proceeds from lease modification of right-of-use assets of approximately S$0.2 million.

Net cash generated from financing activities amounted to approximately S$4.0 million, primarily due to payment of principal portion of lease liabilities of approximately S$2.6 million (mainly in relation to machineries under hire purchase arrangement and rental payment for our Tuas Property), interest paid of approximately S$1.1 million and repayment of borrowings of approximately S$0.3 million.

As a result of the above, and after adjusting for the effect of currency translation, our cash and cash equivalents increased by approximately S$4.3 million during the year to approximately S$22.3 million as at 31 December 2025.

6M2025

In 6M2025, we generated operating cash flows before working capital changes of approximately S$7.6 million. Net cash used in working capital amounted to approximately S$2.1 million mainly due to an increase in inventories of approximately S$1.1 million, an increase in trade and other receivables of approximately S$2.4 million and an increase in prepayments of approximately S$0.1 million, partially offset by an increase in trade and other payables of approximately S$1.5 million. We made income tax payments of approximately S$0.6 million and received interest of approximately S$0.3 million. As a result, net cash flows generated from operating activities amounted to approximately S$5.1 million.

Net cash used in investing activities amounted to approximately S$1.7 million, primarily due to purchase of plant and equipment and right-of-use assets of approximately S$1.6 million and S$0.1 million respectively for our business operations.

Net cash used in financing activities amounted to approximately S$2.5 million, primarily due to payment of principal portion of lease liabilities of approximately S$1.7 million (mainly in relation to machineries under hire purchase arrangement and rental payment for our Tuas Property), interest paid of approximately S$0.6 million and repayment of borrowings of approximately S$0.2 million.

As a result of the above, our cash and cash equivalents increased by approximately S$0.9 million during the period to approximately S$19.0 million as at 30 June 2025.

6M2026

In 6M2026, we generated operating cash flows before working capital changes of approximately S$6.8 million. Net cash used in working capital amounted to approximately S$5.7 million mainly due to an increase in inventories of approximately S$4.9 million and an increase in trade and other receivables of approximately S$4.4 million, partially offset by a decrease in prepayments of approximately S$0.1 million, an increase in trade and other payables of approximately S$3.4 million, and an increase in contract liabilities of approximately S$0.04 million. We made income tax payments of approximately S$0.6 million and received interest of approximately S$0.2 million. As a result, net cash flows generated from operating activities amounted to approximately S$0.7 million.

Net cash used in investing activities amounted to approximately S$0.6 million, primarily due to purchase of plant and equipment for our business operations.

Net cash used in financing activities amounted to approximately S$2.1 million, primarily due to payment of principal portion of lease liabilities of approximately S$1.1 million (mainly in relation to machineries under hire purchase arrangement and rental payment for our Tuas Property), interest paid of approximately S$0.5 million, payment of listing expense in connection with the Placement and the Listing of approximately S$0.3 million, repayment of borrowings of approximately S$0.2 million and payment for share repurchase of approximately S$0.05 million.

As a result of the above, our cash and cash equivalents decreased by approximately S$2.0 million during the period to approximately S$20.4 million as at 30 June 2026.

CAPITAL EXPENDITURES, DIVESTMENTS, COMMITMENTS AND CONTINGENT LIABILITIES

Capital Expenditures and Divestments

Our capital expenditures during the Period Under Review and for the period from 1 July 2026 up to the Latest Practicable Date are as follows:

(S$'000)	FY2023	FY2024	FY2025	6M2026	1 July 2026 to the Latest Practicable Date
Renovation	–	–	2,063	224	–
Construction in progress	–	947	–	–	–
Plant and machineries	663	1,453	377	824	–
Motor vehicles	790	780	859	–	92
Furniture and fittings	37	–	233	–	–
Computers	94	–	1	11	–
Total	1,584	3,180	3,533	1,059	92

The above capital expenditures were financed through net cash generated from operating activities/hire purchases.

Our capital divestments during the Period Under Review and for the period from 1 July 2026 up to the Latest Practicable Date are as follows:

(S$'000)	FY2023	FY2024	FY2025	6M2026	1 July 2026 to the Latest Practicable Date
Renovation	–	–	–	–	–
Construction in progress	–	–	–	–	–
Plant and machineries	–	(1,707)	–	–	–
Motor vehicles	(269)	(315)	(880)	–	–
Furniture and fittings	–	–	–	–	–
Computers	(308)	–	–	–	–
Total	(577)	(2,022)	(880)	–	–

Save as disclosed above, there were no other material capital expenditure and/or divestments made by our Group during the Period Under Review and for the period from 1 July 2026 to the Latest Practicable Date, or save as provided for in the section entitled "Management's Discussion and Analysis of Results of Operations and Financial Position – Capital Commitments" below, any material capital expenditure and/or divestments which is in progress.

Capital Commitments

As at the Latest Practicable Date, our Group does not have any material capital commitments.

Lease Commitments

The Group as a lessee

Our operating lease commitments as at the Latest Practicable Date are as follows:

(S$' 000)	**As at the Latest Practicable Date**
Not later than one (1) year	1,261
Between one (1) and five (5) years	6,195
Later than five (5) years	14,356
Total	**21,812**

Our lease commitments mainly represent rental of Tuas Property and hire purchase instalment payment for machineries and motor vehicles. Please refer to the section entitled "General Information on our Group – Material Properties and Fixed Assets" of this Offer Document for further details.

We intend to finance the above lease commitments through internally generated funds. Save as disclosed above, we do not have any other material lease commitments as at the Latest Practicable Date.

The Group as a lessor

The Group leases its investment property to third-party under operating lease arrangements.

The future minimum rentals receivable under non-cancellable operating leases are as follows:

(S'000)	**As at the Latest Practicable Date**
Not later than one (1) year	108
Two (2) to five (5) years	158
Total	266

Contingent Liabilities

As at the Latest Practicable Date, our Group does not have any material contingent liabilities.

FOREIGN EXCHANGE RISKS MANAGEMENT

Our Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of our Group, primarily US$. Our Group does not have significant exposure to foreign currency risk other than those cash and bank balances and trade and other receivables held by our Group which are denominated in US$ as at reporting date.

Our Group currently does not have a foreign currency hedging policy as the foreign currency risk is considered to be insignificant. However, the management will continue to closely monitor our Group's foreign exchange risk exposure and will consider hedging significant foreign exchange exposure when necessary.

Our net foreign exchange gains/(losses) for the Period Under Review were as follows:

	FY2023	FY2024	FY2025	6M2025	6M2026
Net foreign exchange gains/(losses) (S$'000)	(489)	591	(1,343)	(849)	(86)
As a percentage of revenue (%)	1.3	1.6	2.8	3.4	0.3
As a percentage of profit before tax (%)	14.6	12.6	11.6	8.9	1.9

SIGNIFICANT CHANGES IN ACCOUNTING POLICIES

There has been no significant change in the accounting policies for our Group during the Period Under Review. Please refer to the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" and the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendices A and Appendix B to this Offer Document, respectively, for more details on our accounting policies. Our Group does not expect to change its accounting policies that will result in material adjustments to the disclosed financials.

HISTORY

Our Company was incorporated in the Cayman Islands on 7 December 2021 under the Cayman Companies Act as an exempted company with limited liability and was listed on GEM on 2 July 2024.

An application will be made to the HKSE for the listing and quotation of the Placement Shares. As at the date of this Preliminary Offer Document, such application has not been made. It is intended that the requisite listing approval from the HKSE will be completed before the registration of this Offer Document with the SGX-ST, acting as agent on behalf of the Authority.

Our Company is an investment holding company of our Group and is headquartered in Singapore. Our Company mainly operates through our three wholly-owned subsidiaries, Metasurface Technologies and SPW in Singapore, and SGP Malaysia in Malaysia.

History of our Group

Our first key operating subsidiary, Metasurface Technologies, was incorporated in Singapore in January 2000 by our Founder, Dato' Sri Chua, together with his brother-in-law, Mr. Lee Chong Hoe as a shareholder. Mr. Lee Chong Hoe ceased to be involved in the Group since 2003 to focus on his other business ventures. The business initially focused on machining simple parts, such as components used in sputter machines for the manufacture of hard disk drive components. As our technical capabilities deepened with the acquisition of more advanced machinery, we progressively shifted toward higher-value, more complex precision machining work.

Since 2000, our Group has grown from a small machining outfit into an established precision component engineering services provider with recognised capabilities in both precision machining and precision welding, serving leading international customers primarily in the semiconductor industry, as well as the aerospace, data storage and oil and gas industries.

NAME CHANGES OF OUR GROUP

Background

Metasurface Technologies (formerly known as Q'son Precision Engineering Pte Ltd) and MetaOptics Technologies (formerly known as Q'son Advanced Optics Pte Ltd and was initially incorporated as an insignificant subsidiary of Metasurface Technologies) had historically adopted the "Q'son" name which was originally intended as a common name for the various (but separate) business ventures of the Chua family (comprising Dato' Sri Chua, his sister, Ms. Chua Chwee Choo Sally ("**Ms. Sally Chua**") and his brother, Mr. Chua Swee Soon). The "Q'son" name was used by (i) Metasurface Technologies from incorporation in January 2000 until October 2021, (ii) MetaOptics Technologies from incorporation in June 2021 until September 2021, and (iii) Global & Co (formerly known as Q'son Corp and Metasurface & Co) from incorporation in September 2015 until June 2022. The SKE Group has been using the "Q'son" name since the founding of its business in September 1996.

Ms. Sally Chua is a controlling shareholder, executive director and chief executive officer of Singapore Kitchen Equipment Limited ("**SKE**" and, together with its subsidiaries, the "**SKE Group**"), while Mr. Chua Swee Soon is operating a food and beverage business. SKE is a company listed on Catalist of the SGX-ST (SGX: 5WG). Ms. Sally Chua and Mr. Chua Swee Soon do not hold any direct or indirect shareholding interest in our Company.

The "Q'son" name is or was, for example, also used by certain associates of our Directors such as Global & Co and SKE Group. Global & Co is founded and operated by Mr. Jee Wee Liang, brother of Mrs. Chua (who is our Executive Director), and brother-in-law of Dato' Sri Chua (who is our Founder, Executive Director and CEO). In April 2026, Global & Co has submitted an application to the Florida Department of State Division of Corporations for a change in its company name, to not use "Metasurface" as part of its name going forward after our Group requested that it change its name since it is not part of our Group. This was completed on 23 June 2026.

Other than the SKE Group which is still using the "Q'son" name, Metasurface Technologies, MetaOptics Technologies and Global & Co had changed their names in October 2021, September 2021 and June 2022, respectively, as further elaborated below.

Global & Co was incorporated on 22 September 2015 under the name "Q'son Corp" by Mr. Jee Wee Liang. Global & Co adopted the "Q'son" name at incorporation because its establishment was primarily intended to procure components and parts from U.S. based suppliers for Metasurface Technologies (formerly known as Q'son Precision Engineering Pte Ltd). Notwithstanding the family relationship among Mr. Jee Wee Liang, Dato' Sri Chua and Mrs. Chua, Global & Co has always been ultimately owned and controlled by Mr. Jee Wee Liang since its incorporation, and was not, and currently is not, a subsidiary of our Company. Global & Co had used "Q'son" as part of its name in its business operations since incorporation until its name change in June 2022 as elaborated below.

Since incorporation, SKE has been principally engaged in the business of design, fabrication, installation, repair, maintenance and supply of kitchen equipment in Singapore and other Southeast Asian regions. The SKE Group includes Q'son Kitchen Equipment Pte Ltd (a company incorporated in Singapore on 30 September 1996), with "Q'son" being one of the SKE Group's kitchen equipment brands, in line with the family consensus as elaborated below.

Despite the common use of the "Q'son" name, it had always been a consensus among the Chua family since founding each of their separate businesses for each of Metasurface Technologies, MetaOptics Technologies and Global & Co (on one hand), and the SKE Group (on the other) to be separate, distinct, and independent business ventures. Besides, based on publicly available information, SKE and the Group do not have overlapping customers.

In 2013, as part of its listing process on Catalist of the SGX-ST, SKE issued an offer document which disclosed that Metasurface Technologies (which was then known as "Q'son Precision Engineering Pte Ltd") had undertaken on 22 May 2013 "to change its "Q'son" name within three (3) months from the date of the undertaking and to no longer utilise the "Q'son" name or brand as well as to no longer state that it is part of the "Q'son group of companies" (the "**Change of Name Undertaking**"). However, Metasurface Technologies had carried on using the "Q'son" name despite the Change of Name Undertaking due to Dato' Sri Chua's inadvertent oversight. Notwithstanding the foregoing, subsequent to the Change of Name Undertaking, the SKE Group or their directors, shareholders and management did not approach our Group on execution of the name change, did not explicitly or implicitly object to Metasurface Technologies using the "Q'son" name thereafter and even continued its business relationship as a customer of Metasurface Technologies (while it was still using the "Q'son" name) for certain original equipment

manufacturer services, which include finalising design drawings, sourcing suitable components and manufacturing kitchen equipment to SKE Group. However, the sale of kitchen systems and kitchen equipment was never our Group's core business.

As of 22 October 2021, Metasurface Technologies has stopped using the "Q'son" name and since March 2022, there has been no business relationship between SKE Group and our Group. The past transactions with SKE Group were not material in terms of percentage of total sales to our Group and as at the date of this Offer Document, our Group does not anticipate entering into any transactions with SKE Group or having any business relationship with SKE Group.

Change of names

Metasurface Technologies changed its name from "Q'son Precision Engineering Pte Ltd" to "Metasurface Technologies Pte Ltd" on 22 October 2021, MetaOptics Technologies changed its name from "Q'son Advanced Optics Pte Ltd" to "MetaOptics Technologies Pte Ltd" on 30 September 2021, and Global & Co changed its name from "Q'SON CORP" to "Metasurface & Co" on 27 June 2022 (collectively, the "**Change of Names**").

Assurances

During 2021 to 2023, as part of the preparation works of our Company's application for listing on GEM, Metasurface Technologies, MetaOptics Technologies and Global & Co (although both MetaOptics Technologies and Global & Co were not a party to the Change of Name Undertaking) gave certain assurances to SKE that, among other things (the "**Assurances**"):

(i) following the Change of Names, each of them will not use the "Q'son" name any further; and

(ii) at all material times, including after the Change of Name Undertaking was given, each of Metasurface Technologies, MetaOptics Technologies and Global & Co had not represented to third parties that they were part of the SKE Group before and after the date of the Change of Name Undertaking, and there was no potential conflict of interest in using the "Q'son" name, given that, among others, each of them is engaged in fundamentally different industries and businesses as the SKE Group and has a different customer base from that of the SKE Group.

SKE's waiver, release and discharge

During 2021 to 2023, in response to the Assurances, SKE:

(i) confirmed that the SKE Group has retrospectively acquiesced to such use of the "Q'son" name for such time period prior to the respective Change of Names, provided that Metasurface Technologies, MetaOptics Technologies and Global & Co had at no point in time represented to third parties that they were part of the SKE Group; and

(ii) unconditionally and irrevocably waived, released and discharged Metasurface Technologies, MetaOptics Technologies and Global & Co from any claims or liabilities (including but not limited to intellectual property rights) (the "**Claims**") from the date of the Change of Name Undertaking or from their respective dates of incorporation (as the case may be) arising out of or in connection with the Change of Name Undertaking and the use of the "Q'son" name on the condition that, among others, the Assurances confirming that Metasurface Technologies, MetaOptics Technologies and Global & Co will not use the "Q'son" name any further and that they had at no point in time represented to third parties that they were part of the SKE Group, were accurate as at the date of granting the release, waiver and discharge (the "**SKE Waiver, Release and Discharge**").

Singapore Special Counsel's views

Remote possibility of successful claim by SKE

Based on the Assurances the SKE Waiver, Release and Discharge and, as advised by our Singapore Special Counsel in their opinion dated 28 September 2026, the risk of SKE suffering any actual loss and damage is extremely low and given that SKE has unequivocally communicated to Metasurface Technologies, MetaOptics Technologies and Global & Co that it has elected to voluntarily abandon the right to pursue the Claims against them, it will not be open to SKE to revive its right to pursue such Claims save only in the event SKE had actually suffered losses and damages arising out of or in connection with the breach of the Change of Name Undertaking and/or the Assurances.

The Singapore Special Counsel issued an opinion on 28 September 2026 that it is of the view that the risks of SKE commencing any subsequent claim against Metasurface Technologies, MetaOptics Technologies or Global & Co, with such claim (if commenced) succeeding, are remote, on the basis that:

(i) as at 28 September 2026, SKE has not notified Metasurface Technologies, MetaOptics Technologies or Global & Co that it has suffered any actual loss or damage which it confirmed it will otherwise endeavour to do so in the event that it suffers any actual loss or damage, and

(ii) none of Metasurface Technologies, MetaOptics Technologies or Global & Co was (or is) in breach of the Assurances.

Directors' and Sponsor's views

Our Directors are of the view that the Change of Names did not and will not have a material adverse impact on our Group's business operations and financial performance (in particular, the business relationship with our Group's customers and suppliers), given that (i) after the Change of Names, our Group has, as soon as practicable, communicated with our customers and suppliers regarding the Change of Names and assisted them to ensure a smooth transition (for instance, reminding them to update invoices and other business correspondence), (ii) our Directors believe that our Group has an established reputation and proven track record with our customers and suppliers, which were developed based on successful business collaborations and our Group's continued quality services delivered to our customers and consistent support given to our suppliers, and the Change of Names will not affect these established relationships. In particular, our Group produces parts which may undergo further processing by contract manufacturers and/or other service providers for the original equipment manufacturers and thus the parts produced by our Group do not carry any of our own brand name (neither under "Q'son" nor "Metasurface"). Therefore, our customers mainly consider our production capabilities instead of our company name when engaging us for business, (iii) based on our Group's financial performance for the year ended 31 December 2022, our Group's revenue increased when compared to the year ended 31 December 2021 following the Change of Names and our Group's revenue and profitability had continued to increase in the last three financial years ended 31 December 2023, 2024, and 2025 as well as in the financial period ended 30 June 2026, and (iv) our Group took this opportunity to rebrand our business such as updating the signage at our premises, our business correspondence and product packaging, which our Directors believe can help modernise our Group's corporate image for marketing purposes.

Our Directors are also of the view that the former use of the "Q'son" name would not affect our Directors' suitability to be directors, given that (i) the delay in the Change of Names was neither deliberate or calculated, (ii) Metasurface Technologies and MetaOptics Technologies did not seek to gain any upside or advantage by using the "Q'son" name as described above, and (iii) as advised by the Singapore Special Counsel, a Singapore court is unlikely to find that the delay in effecting the Change of Names will impact upon the integrity of the directors of Metasurface Technologies.

Based on the above, the Sponsor is not aware of any material finding which would cause it to disagree with the views expressed by our Directors.

LICENCE AGREEMENT

MetaOptics Technologies was a subsidiary of Metasurface Technologies since its incorporation, i.e. 15 June 2021 up to 16 May 2023, save for the period from 30 November 2021 to 10 March 2022[1], and is currently a wholly-owned subsidiary of MetaOptics Ltd, a company currently listed on Catalist of the SGX-ST (SGX: 9MT). As at the Latest Practicable Date, MetaOptics Ltd is 12.47% held by Metasurface Technologies.

MetaOptics Technologies and Metasurface Technologies (each as licensee) entered into the 2021 Licence Agreement with Accelerate (as licensor) on 10 December 2021 (the "**Licence Agreement**"). The Licence Agreement has a validity period of 10 years from its date of execution. Under the Licence Agreement, Accelerate granted MetaOptics Technologies and Metasurface Technologies the rights, among others, to use its technologies and intellectual property rights to develop enhancements to, and to commercialise, the Accelerate Technology and the Accelerate Products. However, the Accelerate Technology and Accelerate Products were only utilised by MetaOptics Technologies as they concern optics (a business in which Metasurface Technologies does not engage in). The Licence Agreement was not entered into on an arm's length basis as the licence fees payable under the Licence Agreement was paid by Metasurface Technologies, in spite of the Accelerate Technology being used to support the research and development efforts ("**R&D**") of MetaOptics Technologies only. Metasurface Technologies was named as a licensee under the Licence Agreement for the following commercial reasons: (a) MetaOptics Technologies was newly incorporated at that time as a subsidiary of Metasurface Technologies, and therefore any R&D development of MetaOptics Technologies would be beneficial to Metasurface Technologies in terms of diversifying the product pipelines, and expanding the business profile of Metasurface Technologies, together with its subsidiaries. Nevertheless, MetaOptics Technologies had limited resources at that time as it was newly incorporated, and hence Metasurface Technologies agreed to enter into the Licence Agreement with Accelerate to support the R&D of MetaOptics Technologies, which would ultimately be potentially beneficial to Metasurface Technologies' own growth; and (b) the arrangements under the Licence Agreement to commercialise the Accelerate Products could in turn generate new sources of income (in the form of investment returns) for Metasurface Technologies as a direct shareholder of MetaOptics Technologies at that time.

As consideration for the licence fee, Metasurface Technologies agreed to issue and allot ordinary shares to Accelerate, representing approximately 5.0% of the then total issued share capital of Metasurface Technologies. In this vein, on 14 October 2022, Metasurface Technologies and

1 On 30 November 2021, shares in MetaOptics Technologies were transferred by Metasurface Technologies to Mr. A Chua, nephew of Dato' Sri Chua and Mrs. Chua in response to concerns raised by Customer A regarding a potential conflict of interest between Customer A's business and the business of MetaOptics Technologies. However, upon Customer A determining that there was no such conflict of interest, the shares in MetaOptics Technologies were transferred by Mr. A Chua back to Metasurface Technologies on 10 March 2022.

Accelerate entered into a subscription agreement pursuant to which Accelerate subscribed for, and Metasurface Technologies issued and allotted, 272,462 ordinary shares in Metasurface Technologies for an aggregate consideration of S$2,880,000. The consideration payable by Accelerate to Metasurface Technologies was satisfied in full by offsetting the licence fee of S$2,880,000 payable by Metasurface Technologies to Accelerate under the Licence Agreement. The licence fee payable to Accelerate under the Licence Agreement is an upfront fee and is not a recurring fee. The technologies and intellectual property rights licenced under the Licence Agreement are related to the optics business and are solely used by MetaOptics Technologies for its business development. Accordingly, our Group recognised an amount of S$2,880,000 due from MetaOptics Technologies for its use of such intellectual property rights under the Licence Agreement. This amount reflects the licence fee paid by Metasurface Technologies to Accelerate through the allotment and issuance of its shares as described above. Following the Reorganisation, Accelerate continued to hold shares in the Company. Based on the steps we have undertaken to identify our Substantial Shareholders as described under the section entitled "Risk Factors – Risks Relating to Investment in Our Shares – Disclosure of interest in shares of substantial shareholders" of this Offer Document, Accelerate is not a Substantial Shareholder of our Company as at the Latest Practicable Date.

Separately, royalties constituting 1.5% of the gross revenue attributable to the Licenced Products (subject to the annual minimum royalties set out in the Licence Agreement) during the term of the Licence Agreement are payable by MetaOptics Technologies starting from 1 January 2022 until the end of the term. Such royalties are subject to annual minimum royalties calculated by reference to each calendar year during the term of the Licence Agreement, with "Year 1" being 1 January 2022 to 31 December 2022 and each subsequent year being the following calendar year. The annual minimum royalties are waived for "Year 1" and "Year 2", and thereafter are S$5,000 for each of "Year 3" and "Year 4", S$15,000 for "Year 5", S$25,000 for "Year 6", S$30,000 for "Year 7", S$45,000 for "Year 8", and S$50,000 for each of "Year 9" and "Year 10". All royalties are payable to Accelerate yearly, within 30 days of the anniversary of the effective date of the Licence Agreement.

In the event that MetaOptics Technologies is unable to satisfy its payment obligations for the royalties under the Licence Agreement, Accelerate has the right to suspend or terminate the licence granted thereunder and charge interests at the rate prescribed in the Licence Agreement until such overdue amounts are paid in full. As the Accelerate Technology and Accelerate Products are utilised solely by MetaOptics Technologies, the payment obligations for the royalties are placed on MetaOptics Technologies. Notwithstanding the foregoing, in the event that the royalties are not paid by MetaOptics Technologies in accordance with the Licence Agreement, our Company may be required to satisfy such obligations. As at the Latest Practicable Date, our Company is not aware of any circumstances which would indicate that MetaOptics Technologies will be unable to satisfy its royalty payment obligations to Accelerate as and when they fall due. Based on the royalties which have been paid by MetaOptics Technologies for the Period Under Review, in the event our Company may be required to satisfy potential future payment obligations on behalf of MetaOptics Technologies, the amount payable is not material.

In late 2024, we were informed by MetaOptics Technologies that in order for the MetaOptics Group to have sufficient time and resources to support its on-going development in optics technology and maintain its operational stability, it would seek our support in issuing a non-demand letter to MetaOptics Technologies confirming that, from 31 December 2024 until twelve (12) months after our Directors approve MetaOptics Technologies' financial statements for the financial year ending 31 December 2024, Metasurface Technologies has no intention to demand immediate repayment of the sum of S$2,880,000. In response to such request from MetaOptics Technologies, our directors at that time formed the view that the long-term growth, development and operational

stability of the MetaOptics Group was in the interest of and beneficial to our Group, as we were and continue to be a shareholder of the MetaOptics Group, and were therefore agreeable to issuing such a non-demand letter. Accordingly, Metasurface Technologies issued the non-demand letter ("**Non-Demand Letter**") to MetaOptics Technologies on 31 December 2024.

Subsequently, MetaOptics Technologies informed us that they would propose to formalise a repayment plan for the amount of S$2,880,000. Following commercial negotiations, Metasurface Technologies and MetaOptics Technologies mutually agreed on a repayment plan, with the first repayment tranche set to begin in 2027 where the MetaOptics Group was projected to be able to commence repayment. Therefore, pursuant to an acknowledgement letter issued by MetaOptics Technologies on 25 June 2025, MetaOptics Technologies has acknowledged that the amount of S$2,880,000 is expected to be repaid by MetaOptics Technologies to Metasurface Technologies from 2027 onwards and by no later than 2029 in three (3) tranches as below, or any such time as mutually agreed between MetaOptics Technologies and us ("**MetaOptics Technologies Acknowledgement Letter**"):

(a) in 2027, a repayment tranche of S$250,000;

(b) in 2028, a repayment tranche of S$630,000; and

(c) in 2029, a repayment tranche of S$2,000,000.

On 30 July 2025, upon the request of MetaOptics Technologies to further consolidate and strengthen parties' mutual agreements as reflected in the Non-Demand Letter and MetaOptics Technologies Acknowledgement Letter, Dato' Sri Chua and Mrs. Chua, as the directors of Metasurface Technologies, have each provided an irrevocable undertaking to MetaOptics Technologies, that for so long as all laws, regulations and rules (including the rules of any securities exchanges) applicable to each of them, Metasurface Technologies, and MetaOptics Technologies are complied with, to use their best efforts to procure that Metasurface Technologies shall abide by, comply and act in accordance with the intentions and understanding of the parties reflected in the Non-Demand Letter and MetaOptics Technologies Acknowledgement Letter.

For the above-mentioned reasons, in particular, to enable the MetaOptics Group to have sufficient time and resources to support its on-going development in optics technology and maintain its operational stability, which would in turn benefit the Group as its shareholder, our Directors are of the view that it is in the best interests of our Group to abide by, comply and act in accordance with the intentions and understanding of the parties reflected in the Non-Demand Letter and MetaOptics Technologies Acknowledgement Letter.

The Licence Agreement is not an interested person transaction required to be disclosed in the Offer Document, as MetaOptics Technologies is not an interested person as defined in Catalist Rule 904. An "interested person" includes an associate of a director of the company. While Mr. Thng, the Non-Executive Director of our Company, holds shares in MetaOptics Ltd (indirect shareholding interest of approximately 22.8% by virtue of his entire shareholding in Angelling Capital Holdings Limited), he does not hold shares in MetaOptics Technologies directly and nor does he have an interest of 30.0% or more in MetaOptics Technologies (as contemplated in the definition of "associate" defined in the Catalist Rules). Mr. Thng's immediate family members do not have an interest in MetaOptics Technologies.

KEY MILESTONES

Year	Milestone
2000	• Metasurface Technologies, our Group's first key operating subsidiary was incorporated. Metasurface Technologies focused on machining components for sputter machines, a system to manufacture hard disc drive components
2009	• Metasurface Technologies commenced provision of precision machining services to our first semiconductor customer
2014	• SGP Malaysia became a subsidiary of our Group
2015	• Metasurface Technologies expanded our customer base to include the aerospace industry
2016	• Metasurface Technologies became *Customer A*'s approved supplier • Production facility in Johor, Malaysia, expanded through SGP Malaysia
2021	• Began manufacturing components for one of our key customers in the oil and gas industry • Acquired SPW to consolidate its precision welding know-how, capabilities and operations into our Group • Secured S$3,910,000 in investments in Metasurface Technologies from nine investors as part of the 1st Pre-IPO Investment
2022	• Entered into the 2nd Pre-IPO Investment with Accelerate
2023	• Entered into the 3rd Pre-IPO Investment with MMI and secured an investment of S$1,000,000
2024	• Successful listing on GEM
2025	• Procured upgraded CNC programming software • Purchased a new coordinate measuring machine • Expanded the production floor area and capacity at our Singapore Factory • Constructed an additional Class 100 cleanroom at our Singapore Factory
2026	• Commissioned two additional large format 5-axis CNC machines

BUSINESS OVERVIEW

Our Group is principally engaged in the precision component engineering services business, offering precision machining services and precision welding services. Precision machining services involve machining processes for removing materials from a workpiece with high accuracy to create parts and components with tight tolerance with accuracy in the range of hundreds of micrometers; and precision welding services involve the application of weldment equipment and specialised welding technique on a workpiece in a very precise and controlled manner.

Our precision component engineering services support customers in high-end manufacturing sectors, including the semiconductor industry, where demand is increasingly driven by the growing adoption of AI, data centres, electronic products and integrated circuits. Our international customer base is mainly drawn from the semiconductor, aerospace and data storage segments, and includes customers with manufacturing bases in Singapore, Malaysia, Japan, U.S., Korea and India.

Quality assurance is a core component of our operations. Our customers apply stringent certification requirements and internal procedures in the selection of suppliers. Accordingly, we maintain a dedicated quality control team that performs stringent incoming, in-process and final inspections using specialised testing and measurement equipment, including helium leak detectors, to ensure compliance with customers' specifications. We also hold industry-relevant certifications and satisfy industry qualification standards that underscore our commitment to quality management and environmental standards. These include satisfying SSQA standards of our relevant customer(s) and obtaining the following certifications: ISO 9001:2015, certifying our quality management system in relation to the fabrication of precision machinery parts and ISO 14001:2015, certifying our environmental management system for the fabrication of precision machinery parts.

We also possess the requisite qualifications and certifications in relation to our production technologies. Certain customers of our precision welding services require us to fulfil the relevant criteria issued by recognised professional bodies, including the ASME, the AWS and SEMI. We have welders certified under the ASME BPVC Section IX:2017 and are qualified to carry out welding works in compliance with applicable standards.

Our Group is headquartered in Singapore, with our operations being supported by production facilities located in Singapore and Malaysia where we maintain a large fleet of machinery and equipment. Our machinery and equipment are highly versatile and adaptable, offering a range of functionalities that enable the efficient execution of production processes and can accommodate different programme configurations to meet customers' specifications. Our machinery is capable of manufacturing large-format components exceeding one metre in size and up to two feet in thickness. Based on the Independent Market Report, the accuracy for large format vacuum chambers is around ±100 μm to ±10 μm and the lower the μm, the higher the accuracy. Given that our Group can achieve an accuracy of ±5 μm, it is considered to be an advanced capability in the industry.

Our strength lies in our advanced production technologies and manufacturing capabilities, underpinned by our technical knowledge and know-how in the diverse specifications and functionalities of precision machinery and equipment, including multi-axis CNC machines, coordinate measuring machines, milling machines, welding machines and helium leak detectors. We provide build-to-print services and manufacture products in accordance with customers' specifications by tailoring the production flows for each project, selecting optimal combinations of machinery and equipment based on operational requirements, and programming instructions into the relevant machinery and equipment. These have enabled us to manufacture highly customised, high-precision components and parts that meet stringent dimensional tolerances and technical specifications required by our customers.

The acceleration of the AI supercycle has further reinforced the relevance of our advanced production technologies and manufacturing capabilities. The rapid adoption of large language models and generative AI has accelerated the transition to advanced semiconductor nodes. These chips are significantly more complex to manufacture, requiring wafer fabrication equipment capable of sustaining extreme vacuum conditions and ultra-high-purity gas delivery. Our expertise in precision welding of vacuum chambers and high-purity weldments has therefore become a critical capability for customers across the wafer fabrication equipment supply chain.

As AI chip designs push toward higher density and complexity, component tolerances have tightened considerably. In FY2025, we leveraged our advanced CNC machining capabilities to manufacture components with ±5 μm precision, meeting the stringent build-to-print specifications of leading semiconductor OEMs.

Our Group's management team is experienced and possesses in-depth industry knowledge in precision engineering and advanced manufacturing. Our Group is led by our Founder, Executive Director and CEO, and Controlling Shareholder, Dato' Sri Chua, who has over 30 years of experience in high-precision manufacturing. Mr. Soh, our Executive Director and Managing Director of Weldment Production, has extensive experience in various welding processes, including the use of lasers, electron beam welding, TIG and orbital welding; and Mr. Chin Chee Hong, our Senior Program Manager, has over 25 years of experience in the semiconductor industry. Our management team is supported by a group of skilled engineers and operational professionals with a broad range of competencies, underpinned by strong technical knowledge, expertise, and execution capabilities.

In our Directors' view, our integrated manufacturing capabilities, strong customer relationships, industry certifications, and established operational track record provide us with a competitive advantage in an industry characterised by high barriers to entry, significant capital requirements and intense competition for skilled labour. To support our operational excellence and competitive positioning, our Group has also continually invested in advanced manufacturing equipment, including multi-axis CNC machines and coordinate measuring machines, as well as in upgrading our production processes and information systems. These capabilities enable us to achieve high accuracy, repeatability and efficiency, and to manufacture complex components that meet evolving customer requirements.

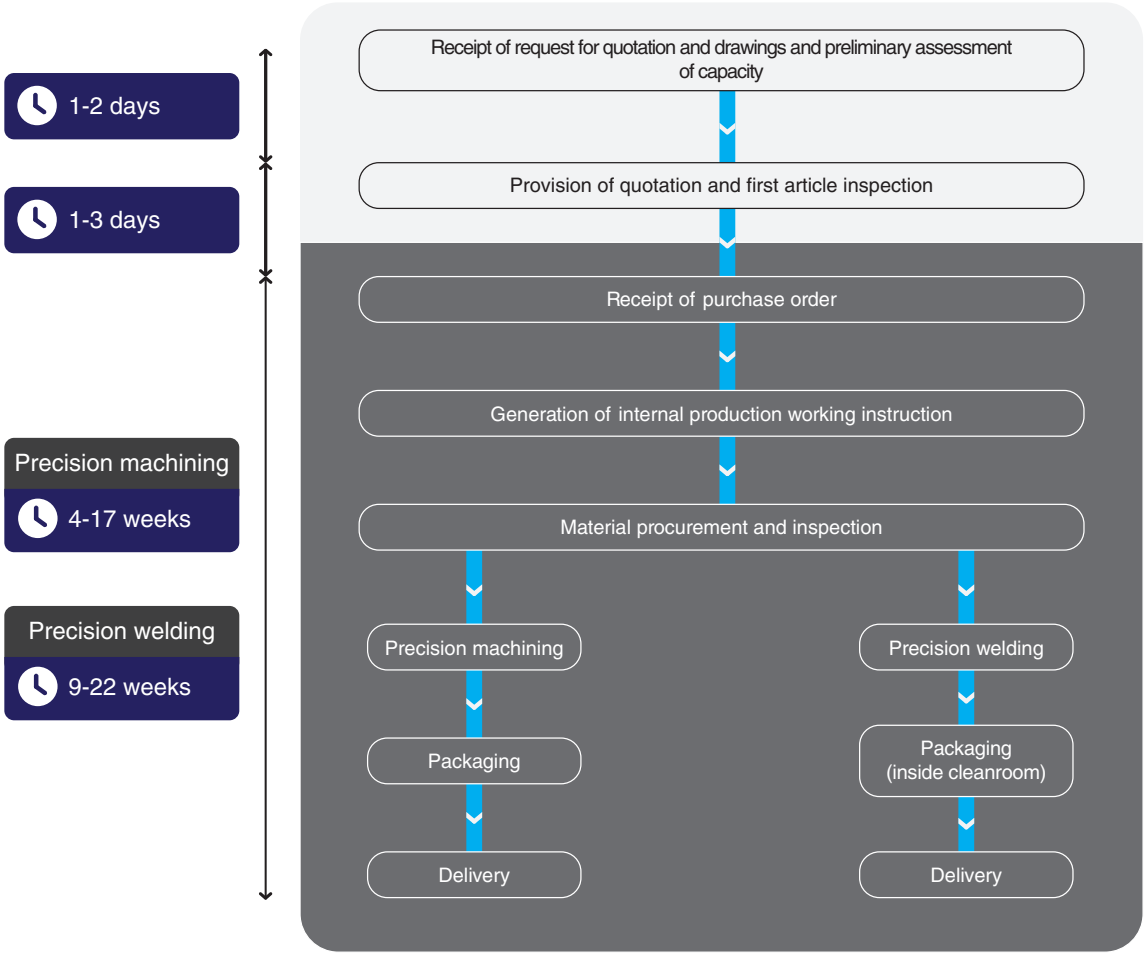
According to the Independent Market Report, the precision engineering market, particularly within the semiconductor segment, is expected to benefit from long-term growth drivers such as the expansion of global semiconductor manufacturing, increased investment in advanced manufacturing facilities, and supportive government policies in Singapore. Our Directors believe that these industry trends will continue to support demand for our precision component engineering services and provide opportunities for sustainable growth.

OUR BUSINESS AND MANUFACTURING PROCESS

Our business process

Our Group offers two types of precision component engineering services – (i) precision machining services which are machining processes for removing materials from a workpiece with high accuracy to create parts and components with tight tolerance with accuracy in the range of hundreds of micrometre, and (ii) precision welding services which involve the application of weldment equipment and specialised welding technique on a workpiece in a very precise and controlled manner.

The key stages of our business flow for precision machining and precision welding are illustrated in the diagram below.



The lead time for precision machining and precision welding from receipt of purchase orders to delivery typically ranges from 4 to 17 weeks and 9 to 22 weeks, respectively.

Receipt of request for quotation and preliminary assessment

Customers first submit requests for quotation together with relevant product drawings (the "**Customer Production Drawings**"). Upon receipt of such requests, we conduct a preliminary assessment of our capability and capacity to meet the required specifications and liaise with customers on the estimated delivery schedule.

Provision of quotation and first article inspection

Where we determine that we are able to meet the required specifications, we prepare and issue quotation(s) to our customers. Quotations are prepared by the sales and/or programme managers and are primarily based on estimated raw material costs, labour hours and machine hours required to manufacture the specified product. For production of new parts and components, a first article is produced and inspected by our quality control inspector. The first article and the corresponding inspection report are then submitted to the customer for approval.

Receipt of purchase order

Upon the customer's acceptance of the quotation and, in the case for new parts and components, approval of the first article, customers typically issue a purchase order within one to three days. The sales and/or programme managers will handle purchase orders, clarify customer requirements and issue revised quotations where necessary.

Generation of internal production work instructions

Based on the Customer Production Drawings, our production team prepares the internal production work instructions detailing the production flow, required raw materials, labour, machinery and equipment, procedures, standards and dimensions to ensure compliance with customer specifications.

Material procurement and inspection

Our procurement team manages material sourcing and control over the entire production cycle, from receipt of the customer's purchase order to final product delivery. Where required, we procure raw materials from designated suppliers approved by the customer and obtain quotations from these suppliers. We coordinate with our suppliers on pricing, minimum order quantities, standard pack quantities, and lead times.

Precision machining and precision welding

Products are manufactured through our precision machining and/or precision welding processes in accordance with the applicable production instructions. Please refer to the section entitled "General Information on our Group – Our Business and Manufacturing Process – Our Manufacturing Process" below.

Packaging and delivery

Following final quality inspections, the finished products are packaged for delivery. Products requiring welding in a cleanroom are packaged within the cleanroom after completion of the welding process. Deliveries within Singapore are handled by our in-house logistics team, while overseas deliveries are arranged through external couriers in accordance with customers' instructions.

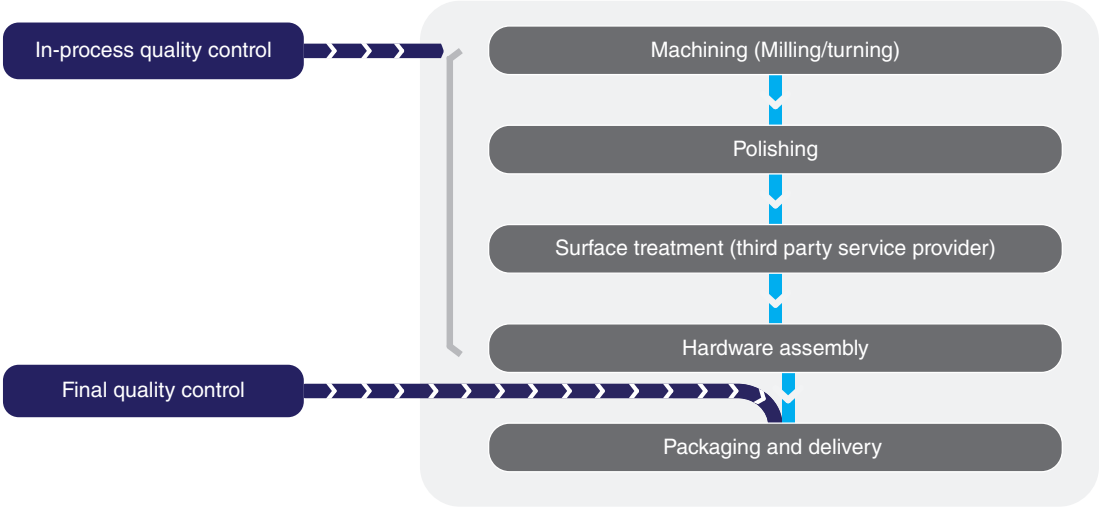
Our manufacturing process

Precision machining

Precision machining removes material from a workpiece to produce high-accuracy parts with tight tolerances, typically within hundreds of micrometre. Common processes include milling, turning, grinding and drilling. Operations are controlled by CNC system and supported by CAD-CAM software such as SolidWorks, Mastercam and Hypermill.

We manufacture parts and components from raw materials using high-precision CNC machines in accordance with Customer Production Drawings.

The production process for precision machining is illustrated in the diagram below.



The key steps in our production process for precision machining are detailed below.

Machining

Machining, which includes milling and turning, involves the processing of aluminium and other metals to meet product specifications using CNC machines. CNC machines comprise high-precision automated vertical and horizontal machining centres that operate based on pre-programmed instructions derived from mathematical or numerical data inputs, enabling accurate, consistent and automated control of machining operations in the manufacturing process.

For new products manufactured based on new Customer Production Drawings, our programmers generate new machining codes using software such as Mastercam and Hypermill and import these instructions into the CNC machines for operation. For repeat products, existing machining codes are directly loaded into the CNC machines by our machinists for operation.

Our machining process primarily involves milling and turning. Milling involves rotating cutting tools against a stationary workpiece to machine mainly square or rectangular bar stocks on CNC milling machines (with vertical or horizontal machining centres). Turning involves rotating a workpiece against a cutting tool using round bar stocks and is processed by our machinists using the CNC turning machines (with vertical or horizontal machining centres).

Polishing

After machining, certain parts and components may have surface irregularities or burrs. To meet customer specifications, motorised tools are used to polish the component surfaces. As polishing is a relatively simple and manual process, it may be carried out at our Malaysia Factory, for cost efficiency, where production costs are generally lower than in Singapore.

Surface Treatment

After polishing, the parts and components are sent for surface treatment such as electroplating or chemical plating to enhance corrosion resistance and, where required, water resistance. Electroplating and chemical plating deposits a metal layer uniformly onto the surface of the parts and components.

We outsource surface treatment to approved third-party providers that (i) hold the necessary licences to handle treatment chemicals, (ii) possess the relevant expertise, and (iii) are equipped with the required specialised measurement tools.

Hardware Assembly

Prior to packaging the finished products for delivery, helicoils, being coiled-wire thread repair inserts, are installed onto the internal or external helical ridges of the parts and components to protect them from wear and tear.

Quality Control

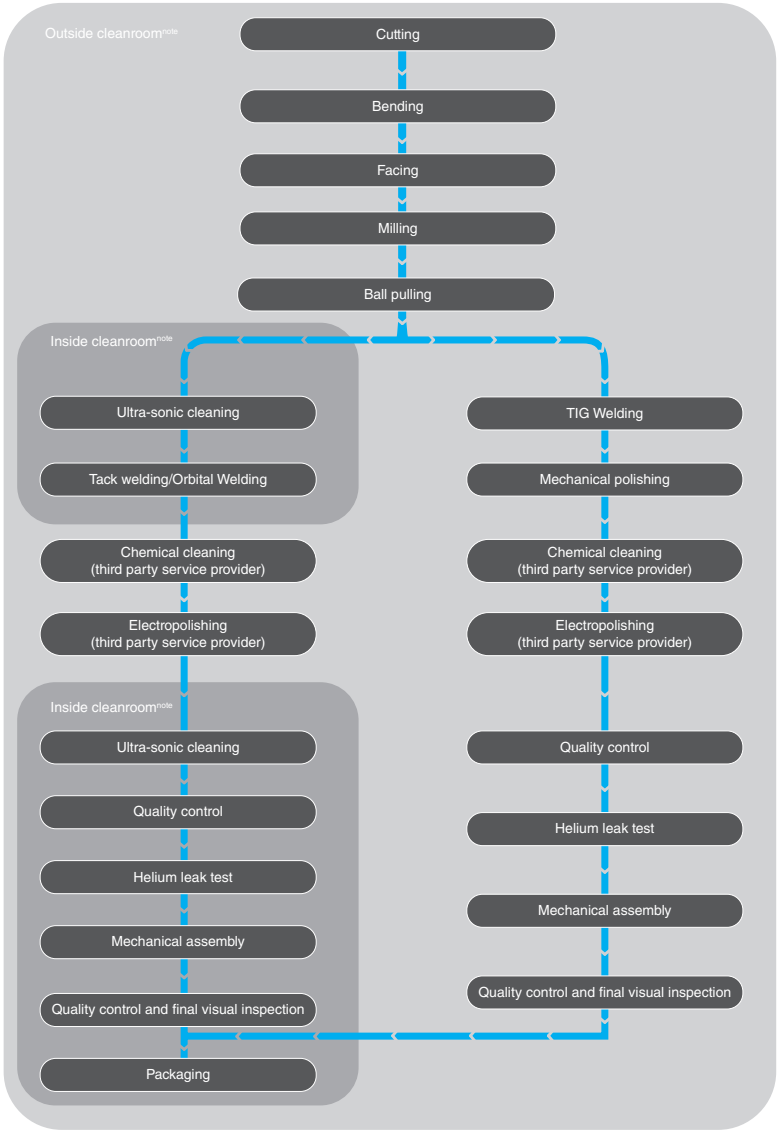
Our production team submits the first piece or first set-up pieces for quality inspection during the production process, and the finished products for final inspection prior to packaging and delivery. Quality inspections, including dimensional measurements and other tests, are conducted by the quality inspector with reference to the internal production work instructions using coordinate measuring machines. For further details on our quality assurance measures, please refer to the section entitled "General Information on our Group – Quality Management".

Precision welding

We provide precision welding and mechanical assembly services of gas lines, primarily for the semiconductor industry. Precision welding involves the utilisation of specialised equipment and techniques to achieve tight dimensional tolerances for both the weld position and depth. This technique is typically used on small parts or components requiring minimal visible weld lines.

During the welding process, stainless steel pipes of various diameters are cut and bent into the required shapes in accordance with internal production work instructions using welding methods such as TIG or orbital welding. The finished products are subjected to leak testing using helium leak detectors.

The diagram below illustrates the precision welding production process:



Note: Depending on the product type and customer requirements, certain products requiring high-purity welds, such as gas lines, are processed in a clean room. For other products, all production steps are carried out outside the cleanroom except for packaging.

The key steps in our production process for precision welding are detailed below.

Cutting

Stainless steel tubes and pipes are cut to the required lengths in accordance with Customer Production Drawings and our internal production work instructions, either with CNC machines or manually using a cold saw.

Bending

Stainless steel tubes and pipes are bent into the required shapes in accordance with the Customer Production Drawings and our internal production work instructions, either using CNC bending machines or manually.

Facing

Facing works are performed to remove sharp edges at the cutting points of stainless steel tubes and pipes following the cutting and bending process.

Milling

Milling is performed in accordance with the Customer Production Drawings and our internal production work instructions. For parts that have been bent into configurations unsuitable for CNC machining, milling is carried out manually in-house. For parts that can be processed using CNC machines, the milling process may be outsourced to third parties for efficiency.

Ball pulling

Subject to customer requirements, the ball pulling process is carried out to create extensions on tube holes.

Welding

The welding process is carried out either inside or outside the cleanroom, depending on customer requirements. Tack welding and orbital welding are conducted in the cleanroom, while TIG welding is conducted outside the cleanroom.

Tack welding involves temporarily joining components to hold them in place prior to final welding and to maintain the required alignment and gap between the joined parts. Orbital welding is a fully programmable automated process used to weld tubes or pipes, during which an orbital weld head rotates an electrode around the welding joint to form the required weld.

TIG welding, on the other hand, is used for processes that do not require high-purity precision welds and is typically carried out outside the cleanroom. TIG welding, also known as Gas Tungsten Arc Welding ("**GTAW**"), welds material such as stainless steel using a non-consumable tungsten electrode together with gas purge such as argon or helium, and is performed semi-automatically using TIG welding machines and/or manually.

Polishing

The polishing process is carried out through electropolishing and/or mechanical polishing.

Electropolishing involves an electrochemical process that enhances surface quality by removing a thin layer from stainless steel or other metals. This process does not need to be performed in a cleanroom and is outsourced to third-party service providers due to licensing requirements and the need for specialised equipment.

Mechanical polishing, on the other hand, involves smoothing surfaces using mechanical forces to remove scratches and discolouration from tubes following the TIG welding process.

Cleaning

The cleaning process is carried out after welding to remove contaminants and weld scale, and may be performed either in a cleanroom or outside the cleanroom, depending on product requirements.

For products that are required to be welded and cleaned in a cleanroom, ultrasonic cleaning is carried out. Ultrasonic cleaning involves the use of high-frequency, high-intensity sound waves (typically around 50 kHz) in high-purity water and chemicals to remove contaminants and stains from the products.

For products that are not required to be welded and cleaned in a cleanroom, chemical cleaning is outsourced to third-party service providers. Chemical cleaning involves the removal of contaminants and weld scale using chemicals such as nitric acid and hydrochloric acid.

In-process quality control

Dimensional inspections are carried out as part of our quality control process. For products that are required to be welded in a cleanroom, such inspections are conducted within the cleanroom.

Helium leak test

Following the welding process, finished products are subjected to leak testing using helium leak detectors, which utilise high-purity helium gas under ultra-high vacuum conditions to detect any leakage in the welds. For products that are required to be welded in a cleanroom, the leak testing process is conducted within the cleanroom.

Mechanical assembly, quality control and final visual inspection

For large and complex products, mechanical assembly may be carried out in accordance with the Customer Production Drawings and our internal production work instructions. The assembled products then undergo a series of tests and adjustments to verify that the positioning of parts complies with customer specifications.

Production facilities

Overview

Our production facilities are located in Singapore and Malaysia. Our Singapore Factory focuses on higher value-added machining and more complex precision processes, including all precision welding processes. Our Malaysia Factory focuses on simpler, labour-intensive, lower value-added machining services such as polishing and basic roughing processes.

Singapore production facility

Our Singapore Factory is leased from Jurong Town Corporation (as the head lessor) and Perpetual (Asia) Limited (in its capacity as trustee of 43TVC Trust) (as the lessor). We have carried out the necessary alterations and additional work to facilitate the installation of our machinery and equipment.

The Singapore Factory is primarily used for the manufacture of larger parts and components with more complex structures that require advanced technologies, specialised machinery and skilled technicians. Key equipment such as the 5-axis CNC machines and coordinate measuring machines are housed at this facility. Accordingly, all production processes that require the use of 5-axis CNC machines are carried out at our Singapore Factory.

For more information on our Singapore Factory and Malaysia Factory, please see section entitled "General Information on our Group – Material Properties and Fixed Assets".

Malaysia production facility

Our Malaysia Factory is located in the State of Johor, near the Malaysian border with Singapore and is mainly used for less complex, lower value-added machining services that are more labour-intensive in nature. These include polishing and certain basic roughing processes, which are more cost-effective to perform in Malaysia due to relatively lower labour and utility costs. Components and parts processed at the Malaysia Factory are subsequently transported to the Singapore Factory for final machining and finishing processes.

Production machinery and equipment

Our production facilities are equipped with machinery and equipment capable of manufacturing a wide range of high-precision, customised components from various raw metallic materials for customers across different industries. The same machinery may be used to produce different parts and components. Our plant and machinery have an estimated useful life of 3 to 15 years.

CNC machines are computer-controlled equipment that perform machining operations such as cutting and drilling with high accuracy and repeatability through automation. Our CNC machines include 3-axis, 4-axis and 5-axis configurations, with 4-axis and 5-axis machines enabling the manufacture of more complex components with higher precision due to their multi-directional tool movement capabilities.

The key machinery and equipment used in our production processes are detailed below.

Machinery and Equipment	Function
Precision machining	
CNC Machines	
– CNC turning machines and CNC lathe machines	Removes material from a workpiece using fixed and rotating tools.
– CNC milling machines	Removes material from a workpiece by operating cutting tools programmed and managed by CNC systems to manufacture custom-designed parts or components.
Coordinate measuring machines	Measures object geometry by establishing discrete points on a physical surface using a contact probe.
CNC wire cut machines	Removes material from a workpiece with very high precision using electrified wires, achieving accuracy tighter than milling.
Precision welding	
CNC bending machines	Bends metal tubes and sheet metal at specific angles and shapes.
Orbital and TIG welding machines	Produces welds with a non-consumable tungsten electrode.
Helium leak detectors	Locates and measures the size of leakage into or out of final products accurately, reliably and with high measurement sensitivity.

As at the Latest Practicable Date, all machinery and equipment were owned by us, with some acquired under hire purchase arrangements. Our machinery and equipment were primarily sourced from suppliers in Germany, Japan and Taiwan.

We maintain a list of approved machinery and equipment suppliers and have established stable working relationships with them to ensure availability and timely delivery. However, we generally do not enter into long-term supply agreements with our machinery and equipment suppliers. The risks associated with our reliance on machinery suppliers and the procurement of machinery and equipment are set out in the section entitled "Risk Factors – Risks Relating to Our Business and Industry – Our business could be adversely affected by long lead times for the procurement of machinery and equipment, the shortened useful life cycle of our machinery and equipment, and our reliance on machinery suppliers with whom we generally do not enter into long-term agreements" of this Offer Document.

During the Period Under Review, our Group continued to enhance our production capabilities through capital investment in new machinery and equipment. In particular, in FY2025, one coordinate measuring machine was delivered and two 5-axis CNC machines have been ordered and are scheduled for delivery in 2026. Upon delivery and commissioning, these additional machines are expected to further strengthen our production capacity and support anticipated business growth.

We generally procure machinery and equipment such as CNC machines, coordinate measuring machines and other equipment from our suppliers according to our production needs. According to the Independent Market Report, there are more than 200 suppliers based in Singapore involved in manufacturing and trading of machines such as CNC lathe machines and CNC milling machines, who can offer machines at comparable prices, terms and quality, and are potential alternative suppliers of the Group.

As at the Latest Practicable Date, our Group has approximately 70 CNC machines, including large and multi-axis CNC machines for producing precision components and large format vacuum chambers. Based on the Independent Market Report, our Group achieves higher production efficiency at lower costs than industry average due to the utilisation of 5-axis CNC machines and our Group is employing more 5-axis CNC machines than the industry peers in general. Based on the Independent Market Report, the accuracy for large format vacuum chambers is around ±100 μm to ±10 μm and the lower the μm, the higher the accuracy. Given that our Group can achieve an accuracy of ±5 μm, it is considered to be an advanced capability in the industry.

Production capacity and utilisation

The production capacity and output of our precision component engineering services are measured by machine hours, as products of our precision machining and precision welding services are highly customised to customer specifications. Our Directors consider machine hours to be the most appropriate basis for measuring production capacity and utilisation, as comparison with manufacturers of standard products is not meaningful.

The table below sets out details of the estimated production capacity and estimated utilisation rate of our production facilities during the Period Under Review based on information available on machine hours:

	FY2023		FY2024		FY2025		6M2026	
	Estimated Production Capacity *(Hour)*[1]	**Estimated Utilisation Rate** *(%)*[2]	**Estimated Production Capacity** *(Hour)*[1]	**Estimated Utilisation Rate** *(%)*[2]	**Estimated Production Capacity** *(Hour)*[1]	**Estimated Utilisation Rate** *(%)*[2]	**Estimated Production Capacity** *(Hour)*[1]	**Estimated Utilisation Rate** *(%)*[2]
Singapore Factory								
Precision machining								
– CNC machining	338,240	40.9	380,520[3]	37.5	410,720[3]	38.9	199,920	51.3
Precision welding	144,960	118.6	144,960	118.0	193,280[4]	95.5	94,080	114.1
Malaysia Factory								
Precision machining								
– CNC machining	126,000	48.4	104,580[5]	50.6	6,060[5]	48.3	8,640	39.8

Notes:

(1) The production capacity for precision machining is calculated based on the maximum machine hours for the CNC machines, while that for precision welding is calculated based on the maximum machine hours for the precision welding process. Maximum machine hours are calculated based on 20 operating hours per working day (including time required for machine switching, set-up, and reconfiguration) and the total number of working days per year/period, based on two shifts per day and six working days per week over 52 weeks in a year or 26 weeks over half year, less the applicable statutory holidays in Singapore or Malaysia for the relevant year/period.

(2) The utilisation rate is calculated by dividing the estimated total number of machine hours in operation by the estimated production capacity for the same financial year/period, based on the methodology described above. Based on the Independent Market Report, such calculation basis of the production capacity and the measurement of the utilisation of production facilities are in line with the industry norm.

(3) The increase in our annual production capacity was attributable to the purchase of additional machines in each of FY2024 and FY2025.

(4) The increase in our annual production capacity was attributable to the addition of workstations for our precision welding services.

(5) The decrease in our annual production capacity was attributable to the disposal of all of our machines at the Malaysia Factory in November 2024. The machines at the Malaysia Factory were disposed of as they were nearing the end of their useful life and were losing precision. The Malaysia Factory subsequently resumed its precision machining services in August 2025. The subsequent resumption of precision machining services was due to the installation of replacement machines following the disposal of the older machines. The replacement machines were moved from the Singapore Factory to the Malaysia Factory.

Our Group's utilisation rate at our Singapore Factory and our Malaysia Factory for our precision machining services remained relatively stable at around 40% during the Period Under Review. This was primarily because our maximum capacity was estimated based on the assumption that we operate our machines over two shifts per day (10 hour per shift), whereas during the Period Under Review we typically operate one shift a day. Some technicians may occasionally work night shifts during periods of high demand for our precision component engineering services to meet the delivery schedules required by customers. In addition, as our precision machining products are highly customised with diverse design specifications requested by customers, different types of machines are required to complete the manufacturing process.

The utilisation rates for our precision welding services remained high, primarily due to the procurement of labour services from independent third-party service providers to increase manpower capacity in order to cope with the increase in sales of precision welding services. In addition, certain production workers worked beyond the standard machine operating hours due to

overtime arrangements (including work performed on public holidays and Sundays, which were not taken into account in computing the estimated production capacity), resulting in utilisation rates exceeding 100%.

Product warranty, replacement and return policy

We provide instructions to our production team to repair or reproduce the defective product. It generally takes approximately one week to repair or reproduce simple defective parts, and for complex parts, it generally takes approximately one to three months to repair or reproduce. In case any product defect is identified, our customers shall issue quality notification indicating the defect(s) found in the parts and return the products to us. Once our customers return the defective product to us, our quality assurance manager or representative shall review and handle their request promptly.

Upon review and approval by our quality assurance manager, our sales team would provide a return material authorisation number to the customer. Our production team would then coordinate with the quality assurance manager to investigate the cause of the defect and corrective actions will be taken accordingly.

For products that cannot be repaired or reproduced, the quality assurance manager would obtain approval to scrap the defective products. Upon completion of the repair and/or reproduction, the relevant repaired or reproduced product would then be reviewed and inspected by our quality assurance manager, prior to delivery to the customer.

If the cause of defect is due to our mishandling, we may not charge the customer for the repair or reproduction cost or may refund the customer. However, if the cause of defect is due to the customer's mishandling, we may charge the customer for the cost of repair or reproduction.

PROCUREMENT

Overview

Our procurement team is responsible for strategising and planning our purchases and for supplier management in relation to our procurement of raw materials comprising mainly aluminium and stainless steel materials. We source our raw materials from various independent third-party suppliers mainly located in Singapore, U.S. and Japan. Although we are required by some of our customers to procure materials or processing services from certain designated suppliers, we do not depend on any of our suppliers for procurement during the Period Under Review and up to the Latest Practicable Date.

Our major suppliers during the Period Under Review include raw materials suppliers and processing service providers in Singapore. In each year during the Period Under Review, purchases from our major suppliers were approximately S$7.7 million, S$7.1 million, S$10.0 million and S$7.2 million, respectively, representing approximately 48.6%, 41.7%, 45.9% and 54.8% of our total purchases of raw materials and consumables, respectively.

We sourced our machinery and equipment from third-party manufacturers mainly in Germany, Japan and Taiwan.

Purchase of raw materials

For procurement of raw materials, some of our customers may have a list of preferred or approved suppliers for sourcing the raw materials used in the manufacturing process. We would then procure such raw materials from their designated suppliers or from suppliers selected from their pre-approved list of suppliers. As our customers generally maintain multiple pre-approved suppliers for the relevant raw materials, our Group does not expect any difficulties in procuring sufficient raw materials for our operations. After we obtain information in relation to the material type and size we need, we will send the requirements to the suppliers to request for quotations. The credit terms granted by our major suppliers typically range from 30 days to 60 days. According to the Independent Market Report, Singapore has an established metal material market with transparent pricing. According to the Independent Market Report, are approximately 50 to 100 alternative suppliers supplying metal materials (e.g., aluminium) based in Singapore who can provide metal materials to us with comparable prices, terms and quality, and our Group could also import metal materials from abroad.

The levels of inventory of materials we maintain in our respective manufacturing facilities are determined mainly by the purchase orders we receive from customers and our production requirements. We generally run our production based on confirmed orders received and we maintain adequate inventory of raw materials to satisfy production needs, taking into account procurement lead times.

Upon receipt of the raw materials, we will conduct incoming quality inspection.

Procurement of processing services

To better manage our production cost and complement our production capability and capacity, we engage third-party processing service providers for some of our non-core manufacturing processes during the Period Under Review. According to the Independent Market Report, there are more than 200 suppliers involved in treatment and processing of metals based in Singapore, who are readily available alternative suppliers with comparable prices, terms and quality to us.

For precision machining, we may send the parts and components to third-party processing service providers for surface treatment and cleaning, as the surface treatment and cleaning process requires specific licence and special equipment to operate and such arrangement could minimise our capital expenditures, control our production costs and hence achieve cost-effectiveness of our manufacturing process.

For precision welding, we may send the parts and components to third-party processing service providers for the milling process when such parts and components are simpler and of smaller size. We may also engage third-party processing service providers for cleaning process that requires the use of chemical for which specific licence is required.

We select our service providers after taking into consideration factors such as reliability, qualification, production capacity, product quality and pricing terms and also based on the list of approved suppliers of our customers (if applicable).

We conduct incoming quality inspections to ensure the semi-finished products we receive from our processing service providers adhere to our stringent quality requirements. If there is any identified issue with the product quality, we will issue a non-compliance report and return the product to the third-party processing service provider for repair or reproduction.

Generally, we do not enter into any framework agreement with the third-party processing service providers as we only engage them on an as-needed basis. The credit terms granted by the third-party service providers are typically ranging from 30 days to 60 days.

We evaluate the quality of products processed by the third-party processing service providers in accordance with our quality assurance system.

Management of suppliers

We maintain a list of approved suppliers and impose stringent standards on selection of our suppliers. The procurement, production and quality control departments are responsible for the qualification and evaluation process and determining if the supplier meets our requirements to produce critical parts or handle specific processes required by our customers. We have a procurement policy which comprises the evaluation process for selection of new suppliers and the annual review of existing suppliers.

We usually request our prospective suppliers to provide samples of their products for testing and our personnel from procurement department, quality control department and engineers from the relevant production department may jointly conduct on-site inspection on the candidate's production facility.

We constantly monitor the quality of our suppliers and perform evaluation on selected suppliers every one or two years based on their production capacity, product and service quality, ability to deliver on time and pricing terms, including transportation costs. This allows us to determine whether the suppliers can remain on our approved supplier list.

We generally evaluate our existing and new suppliers based on factors such as whether the relevant supplier is on the approved supplier list of our customers (if applicable), the relevant supplier's technical capabilities, location, overall procurement costs, lead time, terms and conditions, credibility, qualification and certification as well as results from site visits. In particular, we conduct site visits to inspect the factories of new suppliers for new machinery or equipment. New suppliers of raw materials are required to submit the first article inspection report for our assessment. For certain raw materials, we are required by our customers to use their designated suppliers.

QUALITY MANAGEMENT

We are committed to ensuring the quality in respect of the products and services delivered to our customers and to maintaining a comprehensive quality control system. In order to maintain the high quality of our products and services, we have implemented quality checks at various stages of the operational process. Our quality control personnel in Singapore are responsible for ensuring that our products delivered meet the expected standards.

The main quality control procedures, where applicable, are as follows:

Incoming quality control

Upon receiving raw materials from suppliers, we will first check the quality and quantity of the materials against the purchase orders as well as the origin/source of the materials. We will also verify the specifications indicated on the certificate of conformance attached to the materials and inspect the dimensions of the incoming materials in accordance with the internal production work instructions. We will follow up with our suppliers if corrective actions and recovery plans are required. Where required by our customers, material verification shall be conducted by a third-party on a sample basis at least once a year.

Supplier management

Please refer to above section entitled "General Information on our Group – Procurement – Management of suppliers" of this Offer Document.

In-process inspection

Our production team submits the first set-up piece of the semi-finished products with internal production work instructions to our quality inspector. Whenever there is any change in the machinery set-ups such as change of tools, the quality inspector is required to check the first set-up pieces before the machinists proceed to mass production.

The quality inspector is required to check all relevant dimensions of the product in accordance with the internal production work instructions using machinery and equipment such as coordinate measuring machine, OD micrometre, thread gauge, pin gauge and surface roughness tester. If any relevant part does not pass our internal quality inspection, the quality inspector will return the part, together with the internal production work instructions, to the production team for corrective actions.

The machinists will send the repaired or reproduced part to the quality inspector for further inspection. The quality inspector will only accept the part when all the relevant dimensions comply with the specifications set out in the internal production work instructions.

Final inspection

Finished products shall be sent to the quality inspector for final inspection. The quality inspector will conduct surface and dimension checks for each product, including assessing whether any dimensional discrepancy may affect the functionality or assembly of the product. For products where dimensions are not critical to functionality or assembly, the quality inspector shall conduct sampling checks.

Final products are inspected/verified in accordance with the requirements of the Customer Production Drawings and/or purchase orders, as applicable, to ensure that the finished products and services conform to the specified requirements. No products are dispatched, and no work is considered completed, until all the above activities have been conducted, recorded and duly authorised.

First article inspection

Subsequent to the completion of the first article inspection conducted by the quality inspector, the inspection report together with the first article will be submitted to the customer for approval (where such approval is required by the customer), before mass production commences.

Quality management certifications

We have obtained a number of quality management certifications which are relevant to our operations. The following sets out a list of certifications held by us as at the Latest Practicable Date. These certifications are subject to a periodic review or renewal, including where there are changes to the standards prescribed by the relevant issuing authorities.

Certifications	Accredited entity	Expiry date
ISO 9001:2015 (Quality Management System) Registration No. QAIC/SG/22036	Metasurface Technologies	26 June 2028
ISO 14001:2015 (Environmental Management System) Registration No. QAIC/SG/22037	Metasurface Technologies	26 June 2028
ISO 45001:2018 (Occupational Health and Safety Management System) Registration No. QAIC/SG/22038	Metasurface Technologies	26 June 2028
ISO 9001 : 2015 (Quality Management System) Certificate No. FS 708966	SPW	7 April 2028

RESEARCH AND DEVELOPMENT

During the Period Under Review and up to the Latest Practicable Date, we did not conduct any significant research and development activities. Nevertheless, we have continued to enhance our manufacturing capabilities primarily through staff development initiatives and ongoing investments in our production facilities.

SALES AND MARKETING

We generally secure business through purchase orders from our existing customers as well as invitations from potential new customers to submit quotations. Prior to commencing business with new customers, we may be required to undergo their internal qualification processes, which typically involve an evaluation of our track record performance, financial strength, internal controls, first article inspection results and production capabilities. Upon being admitted to a new customer's approved supplier list (where applicable), such customers would proceed to place purchase orders with us directly.

Our sales team is primarily responsible for managing existing customer relationships and handling purchase orders, including understanding customer requirements (including delivery date), reviewing and accepting orders, and preparing and submitting quotations where required. Our sales team also maintains regular communication with customers and serves as a key liaison between customers and our production department by conveying customer feedback and operational requirements for further action.

MAJOR CUSTOMERS

Our customers for our precision machining and precision welding services are mainly in the semiconductor, aerospace, data storage and oil and gas industries, with significant revenue contributed by the semiconductor industry. The following table sets out the customers which accounted for 5.0% or more of our total revenue in any of FY2023, FY2024, FY2025 and 6M2026.

Major Customer[8]	Services provided by us	As a percentage of revenue (%)			
		FY2023	FY2024	FY2025	6M2026
Customer A[1]	Precision machining and precision welding	21.7	25.6	26.8	27.2
Customer B[2]	Precision machining and precision welding	20.1	31.8	31.2	25.7
Customer C[3]	Precision welding	23.1	17.5	9.3	13.7
Customer D[4]	Precision machining and precision welding	9.1	2.0	8.2	5.0
Customer E[5]	Precision machining and precision welding	6.2	2.1	2.4	2.4
Customer F[6]	Precision welding	5.5	5.7	3.6	5.7
Customer G[7]	Precision machining and precision welding	2.8	3.9	4.9	5.4

Notes:

(1) *Customer A* is a NASDAQ-listed group headquartered in the U.S., with customer entities in the U.S. and Singapore, principally engaged in providing manufacturing equipment, services and software to the global semiconductor, display and related industries.

(2) *Customer B* is a New York Stock Exchange listed group headquartered in the U.S., with customer entities in the U.S. and Malaysia, principally engaged in providing advanced manufacturing services, including design and engineering services and technology solutions.

(3) *Customer C* is a group listed on the Main Market of Bursa Malaysia and headquartered in Malaysia, principally engaged in providing precision machining, sheet metal fabrication, surface treatment, equipment integration and automation solutions.

(4) *Customer D* is a Singapore based private company principally engaged in the system integration of mechatronic subsystems and modules for original equipment manufacturers in the high-tech capital equipment industry.

(5) *Customer E* is a global technology group principally engaged in the design, manufacture and distribution of data storage products and solutions.

(6) *Customer F* is a global manufacturing solutions provider that offers end-to-end engineering, manufacturing and supply chain services.

(7) *Customer G* is a provider of fabrication and assembly services of precision metal parts and metal component engineering work.

(8) Customers belonging to the same group are consolidated and reflected as one customer in this table.

Save as disclosed above, no other customers accounted for 5.0% or more of our total revenue during the Period Under Review.

Our Directors are of the view that, as at the Latest Practicable Date, our business and profitability are dependent on the major customers listed above as a significant portion of our revenue are derived from our major customers, particularly, *Customer A*. Please refer to the risk factor in the section entitled "*Risk Factors* – Risks relating to our Business and Industry – We derive a significant portion of our revenue from our major customers" of this Offer Document for more details.

To the best of our Directors' knowledge and belief, as at the Latest Practicable Date, we are not aware of any information or arrangement, which would lead to a cessation or termination of our relationship with any of our major customers.

As at the date of this Offer Document, none of our Directors, Executive Officers or Substantial Shareholders or their respective Associates, has any interest, direct or indirect, in any of our major customers.

To the best of our Directors' knowledge and belief, there are no arrangement or understanding with any customers pursuant to which any of our Directors and Executive Officers were appointed.

MAJOR SUPPLIERS

Our suppliers primarily comprise raw materials suppliers and processing service providers in Singapore.

The following table sets out the suppliers which accounted for 5.0% or more of our total purchases of raw materials, processing services and consumables in any of FY2023, FY2024, FY2025 and 6M2026:

Major Supplier	Products or Services Received from Supplier	As a percentage of total purchases of raw materials, processing services and consumables (%)[1]			
		FY2023	FY2024	FY2025	6M2026
Ham-Let Singapore Valves & Fittings Pte Ltd	Tubings, fittings and valves	12.1	11.3	13.7	16.4
Banner Industries Asia Pacific Pte Ltd	Tubings, fittings and valves	8.4	3.8	3.4	6.5
Supplier C[1]	Tubings, fittings and valves	7.5	4.0	4.3	6.2
Parker Hannifin Singapore Pte Ltd	Tubings, fittings and valves	5.9	4.0	3.2	10.5
Mega Valve and Fitting Pte Ltd	Tubings, fittings and valves	9.3	6.6	4.4	3.8
Megatec Technology Private Limited	Machining parts	5.4	4.7	4.7	7.2
Refined Material Technology Pte Ltd[2]	Raw materials in the form of aluminium and other metals	–	7.4	–	–
Refined Import And Export Pte Ltd[2]	Raw materials in the form of aluminium and other metals	–	–	12.2	4.2

Notes:

(1) Supplier C is a company based in Singapore which is principally engaged in provision of fluid system solutions and services.

(2) Refined Material Technology Pte Ltd is an entity used by the current sole shareholder and director of Refined Import And Export Pte Ltd, to conduct business dealings with us prior to February 2025. Since then such business dealings have been taken over by Refined Import And Export Pte Ltd.

For FY2023, FY2024, FY2025 and 6M2026, the suppliers which accounted for 5.0% or more of our total purchases of raw materials, processing services and consumables collectively accounted for approximately 48.6%, 41.7%, 45.9% and 54.8% of our total purchases of raw materials, processing services and consumables, respectively.

Save as disclosed above, there are no other suppliers who accounted for 5.0% or more of our purchases during the Period Under Review. Our Directors are of the view that, as at the Latest Practicable Date, our business and profitability are not materially dependent on any of our suppliers.

To the best of their knowledge, our Directors are not aware of any information or arrangements which would lead to a cessation or termination of our current relationship with any of our major suppliers.

As at the date of this Offer Document, none of our Directors, Executive Officers or Substantial Shareholders or their respective Associates, has any interest, direct or indirect, in any of the above major suppliers.

To the best of our Directors' knowledge and belief, there are no arrangement or understanding with any suppliers pursuant to which any of our Directors and Executive Officers were appointed.

CREDIT MANAGEMENT

Credit Terms to Our Customers

Our credit terms to our customers generally range from 30 days to 60 days from invoice date, depending on factors such as the customer's financial background and creditworthiness, the contract value, payment history and the length of relationship with us. We may review the credit terms on a case-by-case basis upon our customers' request, and may, in certain cases, modify the credit terms and/or payment terms.

Our Group has put in place credit control policies and procedures to manage our credit exposure and our management periodically evaluates the creditworthiness of our customers. Our finance team monitors collections from our customers regularly and follows up on any overdue amounts.

The following table sets forth our average trade receivables turnover for FY2023, FY2024, FY2025 and 6M2026:

	FY2023	FY2024	FY2025	6M2026
Average trade receivables turnover (days)[(1)]	69	68	58	65

Note:

(1) Average trade receivables' turnover for each period is calculated by dividing the average opening and closing balances of trade receivables by revenue of our Group for that period and then multiplied by the number of days in that period.

Our management estimated the expected credit loss of our trade receivables ("**ECL**") in accordance with the IFRS. Our ECL was less than 1.0% of our revenue in each of the financial years comprising the Period Under Review.

Our Group's average trade receivable turnover days for FY2023 and FY2024 were 69 days and 68 days respectively, exceeding the typical credit terms of 30 to 60 days granted to our Group's customers, primarily because our Group permitted certain customers to make payment beyond the typical 60-day credit term during these periods, taking into account the long-standing business relationships between our Group and these customers.

As at the Latest Practicable Date, approximately 94.2% of the trade receivables outstanding as at the end of 6M2026 have been collected.

Credit Terms from our Suppliers

The credit terms granted by our suppliers generally range from 30 to 60 days, taking into account factors such as the length of our relationship with the relevant supplier, the size of the transaction, the supplier's evaluation of our creditworthiness and/or the supplier's internal policies.

The following table sets forth our average trade payables turnover for FY2023, FY2024, FY2025 and 6M2026:

	FY2023	FY2024	FY2025	6M2026
Average trade payables' turnover (days)[(1)]	62	40	41	52

Note:

(1) Average trade payables' turnover for each period is calculated by dividing the average opening and closing balances of trade payables by cost of sales of our Group for that period and then multiplied by the number of days in that period.

INVENTORY MANAGEMENT

Our inventory mainly comprises raw materials for production, work in progress and finished goods. It is our policy to maintain an optimal inventory level to minimise our stock holding cost.

Our inventory levels are managed by generally purchasing raw materials in accordance with customers' purchase orders and prevailing market conditions, and producing finished goods in a timely manner to meet customers' demands. As at 30 June 2026, our inventories comprised approximately 10.8% of our total assets.

Our average inventory turnover during the Period Under Review were as follows:

	FY2023	FY2024	FY2025	6M2026
Average inventory turnover (days)[(1)]	109	94	79	100

Note:

(1) Average inventory turnover for each period is calculated by dividing the average opening and closing balances of inventories by cost of sales of our Group for that period and then multiplied by the number of days in that period.

MATERIAL PROPERTIES AND FIXED ASSETS

Properties Owned by our Group

As at the Latest Practicable Date, our Group owns the following properties:

Registered Proprietor	Location	Tenure	Approximate Gross Floor Area (sq m)	Usage by our Group
SGP Malaysia	No. 6, Jalan Laman Setia 7/4, Taman Laman Setia, 81550 Gelang Patah, Johor[(1)]	Freehold	2,185	Production facility for SGP Malaysia
Metasurface Technologies	10B Enterprise Road, Singapore 629828[(2)]	Leasehold estate for a duration of 30 years commencing on 12 June 2007	653	Investment Property

Notes:

(1) Refers to our Malaysia Factory. There is a legal charge over our Malaysia Factory as security for the bank borrowing of SGP Malaysia in favour of CIMB Bank Berhad for an outstanding amount of MYR5,111,000 (equivalent to approximately S$1,625,000) as at 30 June 2026.

(2) There is a mortgage over the Enterprise Road Property as security for the bank borrowing of Metasurface Technologies in favour of DBS Bank Ltd for an aggregate amount of S$140,000 as at 30 June 2026.

Properties Leased to our Group

As at the Latest Practicable Date, our Group leases from third parties the following properties:

Lessee	Location	Tenure	Approximate Gross Floor Area Leased (sq m)	Lessor	Usage by our Group
Metasurface Technologies	No. 43 Tuas View Circuit, Singapore 637360[(1)]	25 December 2014 to 31 January 2038	11,412	Jurong Town Corporation (Head Lessor) Perpetual (Asia) Limited (in its capacity as trustee of 43TVC Trust) (Lessor)	Production facilities for Metasurface Technologies and SPW
SGP Malaysia	No. 16, Jalan Laman Setia 2/8, Taman Laman Setia, Setia Eco Village, 81550 Gelang Patah Johor	Two years, from 1 June 2026 to 31 May 2028	143	Su Han Inn	Residential purpose for foreign employees

Note:

(1) Refers to our Singapore Factory. The lease agreement for our Singapore Factory states that the lease may be unilaterally terminated by the lessor by giving written notice to the lessee in the following circumstances: (a) where the lessee defaults under the lease, including failure to pay rent or other monies due, breach of the lessee's covenants, or the occurrence of insolvency or enforcement events affecting the lessee; (b) where the property is acquired, or is subject to intended or actual acquisition proceedings, by a relevant authority; and (c) where the head lessor terminates the head lease, revokes consent to the sublease, or re-enters the property before expiry of the head lease term. A unilateral termination by the lessor may materially and adversely affect our Group's business and operations. However, our Directors are of the view that our Group will be able to secure leases for alternative premises as our production facilities are not required to be purpose-built for our operations.

Properties Leased by our Group

As at the Latest Practicable Date, our Group leases to third parties the following property:

Lessee	Location	Tenure	Approximate Gross Floor Area Leased (sq m)	Lessor	Usage by the Lessee
Singapore Test Lab Pte Ltd	10B Enterprise Road, Enterprise 10, Singapore 629828	36 months, from 1 March 2026 to 28 February 2029	653	Metasurface Technologies	Lab testing

As at the Latest Practicable Date, our Directors are not aware of any breach of any obligations under the abovementioned lease agreements that would result in their termination by the lessor or non-renewal, if required, when they expire.

Save as disclosed in the table above, in respect of the properties leased to our Group, none of the lessors may unilaterally terminate the lease without cause (such as breach by our Company of our obligations under the lease).

Other Fixed Assets

As at 30 June 2026, our property, plant and equipment comprising furniture and fittings, plant and machinery, motor vehicles, office equipment and computers, amounted to an aggregate carrying amount of approximately S$5.9 million. Please refer to the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendix B to this Offer Document for further information on our fixed assets.

To the best of our Directors' knowledge, save as disclosed in the sections entitled "Risk Factors" and "General Information on our Group – Government Regulations" of this Offer Document and save for the licences, permits, registrations and approvals as set out in the section entitled "General Information on our Group – Material Licences, Permits, Registrations and Approvals" of this Offer Document, there are no regulatory requirements or environmental issues that may materially affect our utilisation of the above properties and fixed assets.

As of the Latest Practicable Date, save as set out above, none of the properties owned or leased by our Group and none of our fixed assets is subject to any mortgage, pledge or any other encumbrances or otherwise used as security for any borrowing.

MATERIAL LICENCES, PERMITS, REGISTRATIONS AND APPROVALS

Our Group's principal business activities are located in Singapore and our production facilities are located in Singapore and Malaysia. We are subject to regulation by applicable laws, regulations and government agencies in Singapore and Malaysia. These regulations require us to possess various licences, permits, registrations or approvals.

As at the Latest Practicable Date, our Group has the following material approvals, licences, permits and certifications:

Licence Holder	Licensing body/ Issuing body	Licence Name/ Licence Number	Effective Date	Expiry Date
SGP Malaysia	Fire and Rescue Department of Malaysia	Fire Certificate No. 349884	29 October 2025	28 October 2026
SGP Malaysia	Royal Malaysian Customs Department	Licence for warehousing and manufacturing dutiable goods No. J10 G6-2015-00000011 and J10-GBP-0020/2026	19 March 2026	28 February 2027
SGP Malaysia	Iskandar Puteri City Council	Business Licence No. L0703020108	1 January 2026	31 December 2026
NIL (Licence is issued in respect of the premises at 43 Tuas View Circuit Singapore 637360)	Singapore Civil Defence Force	Fire Certificate (FCP/I/0020/21)	28 July 2025	27 July 2029
Metasurface Technologies	Ministry of Manpower	Approved Factory Notification (Workplace Number 200000161Z0004)	10 February 2015	NIL

As at the Latest Practicable Date, save as disclosed in the section entitled "Risk Factors – Risks relating to our Business and Industry – Our business could be adversely affected by any lapses in environmental, social and governance matters" of this Offer Document, our Group has obtained all requisite material licences, permits, registrations and approvals and is in compliance with laws and regulations, that would materially affect our business operations. Please refer to the section entitled "General Information on our Group – Government Regulations" of this Offer Document for further information.

As at the Latest Practicable Date, none of the aforesaid licences, permits, registrations and approvals obtained by our Group have been suspended or revoked and to the best of our knowledge and belief, there are at present no facts or circumstances which would cause such licences, permits, registrations and approvals to be suspended or revoked or for any applications for, or for the renewal of, any of these licences, permits, registrations and approvals to be rejected by the relevant authorities.

INTELLECTUAL PROPERTY RIGHTS

We recognise the importance of protecting and enforcing our intellectual property rights. We rely on a combination of trademarks, designs and patents, as well as non-competition, confidentiality and licence agreements with our employees, suppliers and other parties to protect our intellectual property rights.

Save as disclosed below, we do not own or use any other registered trademarks, designs, patents, internet domain names or intellectual property which are material to our business. During the Period Under Review and up to the Latest Practicable Date, we did not have any dispute or any other pending legal proceedings concerning intellectual property rights.

Trademarks

As at the Latest Practicable Date, the following trademarks have been registered by our Group:

Trademark	Place of Registration	Registered Owner	Registration Number	Class[1]	Registration Date	Expiry Date
	Hong Kong	Metasurface Technologies	305823243	40	6 December 2021	5 December 2031
	Singapore	Metasurface Technologies	40202128813V	40	26 November 2021	26 November 2031
	Singapore	Metasurface Technologies	40102128812P	40	26 November 2021	26 November 2031

Note:

(1) Class 40: Treatment of materials; recycling of waste and trash; air purification and treatment of water; printing services; food and drink preservation.

Our Group has not obtained any trademark registrations in Malaysia at this stage given the limited nature of our operations in Malaysia.

Web Domains

As at the Latest Practicable Date, the following domain names are owned by our Group:

Web Domain	Registered Owner	Term
Metatechnologies.com.sg	Metasurface Technologies	21 June 2026 to 20 June 2027[1]

Note:

(1) Our Company intends to renew the registration of their respective web domains prior to expiry. We do not foresee any difficulties or material impediments in obtaining such renewals.

INFORMATION TECHNOLOGY SYSTEMS

We believe that robust and reliable information technology systems are essential to sustain our competitive edge in our operations. As such, we continuously invest in the upgrade and integration of our information technology systems.

Our Group adopted an ERP system for streamlining our manufacturing process and the Solidwork system and MasterCam and Hypermill software system for our turning and milling processes. We also apply software such as MCOSMOS, CALYPSO 2020 and VDMIS for our coordinate measuring machine.

INSURANCE

As at the Latest Practicable Date, we maintain the following insurance policies to cover, among others, our risks relating to operations, human resources and fixed assets:

(a) business insurance (which covers property, business interruption, public and production broadform liability);

(b) directors' and executive officers' insurance;

(c) work injury compensation insurance;

(d) hospital and surgical (for foreign workers) policy;

(e) industrial all risk insurance;

(f) public liability insurance;

(g) combined general liability insurance; and

(h) keyman insurance.

There have been no material insurance claims made by us, and our Group has not been subject to any material insurance claims or liabilities arising from our operations during the Period Under Review and up to the Latest Practicable Date. Our Group maintains the foregoing policies in amounts we believe are sufficient and in line with market practice, or as may be operationally appropriate to the businesses of the relevant subsidiary and risks that it faces, which may include risks related to, *inter alia*, fire, burglary, business interruption, legal liability to third parties and other losses. Each of these insurance policies is renewable annually based on parties' agreement.

The cost and availability of insurance coverage has varied in recent years and may continue to vary in the future. While we believe that our insurance policies are adequate in amount and coverage for our operations, we may experience unanticipated issues or incur liabilities beyond our current coverage and we may be unable to obtain similar coverage in the future.

COMPETITION

The following section has been extracted from the Independent Market Report. The Industry Consultant has provided its consent to the inclusion of the information extracted from the Independent Market Report in the form and context in which they are set out in the following section of this Offer Document. Please refer to the Independent Market Report as set out in Appendix E to this Offer Document for the full text of the Independent Market Report which has been prepared by the Industry Consultant solely for the purpose of inclusion in this Offer Document issued in connection with the Placement, as well as the section entitled "Cautionary Note Regarding Forward Looking Statements" of this Offer Document.

We operate in a highly competitive precision engineering industry and are subject to competition from existing market participants as well as potential new entrants. The precision engineering industry in Singapore, particularly within the semiconductor segment, is characterised by market fragmentation and intense competition, with over 300 participants operating across various service and contract manufacturing models. Despite this fragmentation, the market is largely shaped by a limited number of established players with advanced technological capabilities, significant capital investment, and long-standing relationships with downstream customers. In 2025, the top ten participants accounted for approximately 50.1% of the total revenue in Singapore's precision component engineering industry in the semiconductor segment, reflecting a concentrated competitive landscape supported by high entry barriers such as stringent certification requirements, capital-intensive equipment, and deep customer integration.

According to Independent Market Report, we ranked 5th in Singapore's precision component engineering industry in the semiconductor segment in 2025, with a market share of approximately 3.7% in terms of revenue. The top participants identified in the Industry Report include companies which possess extensive process capabilities, advanced multi-axis CNC machining equipment, cleanroom infrastructure, and industry-specific certifications required by leading semiconductor OEMs. These competitors compete with us in certain product categories, customer segments, and geographic markets.

We believe that we are able to compete effectively with other precision component engineering service providers and contract manufacturers due to our established track record, advanced machining and welding capabilities, possession of key industry certifications, and long-standing relationships with reputable international customers. Our ability to deliver highly customised, high-precision components, coupled with our integrated manufacturing services and accumulated technical know-how, enable us to meet the stringent quality, reliability and delivery requirements of customers in high-end manufacturing industries.

COMPETITIVE STRENGTHS

We believe we have the following competitive strengths:

(a) **Established and enduring business relationships with reputable international customers**

Over the years, we have built a solid customer base comprising reputable international companies in the semiconductor, aerospace and data storage industries. With over 20 years of operating history, we have established and maintained long-term and stable relationships with our major customers. One of our major customers, namely *Customer A*, has a production facility in Singapore, and two of our major customers operate production bases in Malaysia. As at the date of this Offer Document, we have worked with some of our major customers for approximately seven (7) to seventeen (17) years.

Our customers select us as qualified suppliers only after we have passed their stringent and lengthy internal supplier qualification processes and obtained the requisite industry-specific certifications. We have established a proven track record in delivering quality and efficient precision component engineering services, which underpins our ability to maintain long-term customer relationships.

Our ability to retain and attract customers is driven by (i) our consistent delivery of high-quality, stable, versatile and efficient build-to-print services, (ii) strong responsiveness to customer demands, (iii) the high entry barriers of the precision component engineering industry, and (iv) our advanced manufacturing capabilities. We believe that our ability to cultivate long-term and sustainable relationships with our major customers, including *Customer A*, will continue to serve as a key driver of our growth. Leveraging our established industry reputation and strong relationships with leading industry participants, we have been able to secure new business opportunities and broaden our customer base. By further enhancing our marketing initiatives and maintaining closer engagement with existing and prospective customers regarding their business strategies and development plans, we aim to strengthen our market presence and deepen our penetration into sectors such as aerospace (maintenance, repair and overhaul), data storage and oil and gas within the precision component engineering industry, thereby diversifying our customer portfolio.

(b) **Advanced production technologies and manufacturing capabilities to fulfil customer product specifications**

We believe that our advanced production technologies and manufacturing capabilities are a key competitive advantage. We provide highly customised precision machining and precision welding services that require strong expertise in production planning, procurement, equipment management, and machine operation. Our technical knowledge and deep understanding of diverse specifications and functionalities of precision machinery such as CNC machines, coordinate measuring machines, welding machines, and helium leak detectors enable us to serve customers in various industries such as semiconductor, aerospace and data storage that impose stringent requirements on their suppliers.

As at the Latest Practicable Date, we operate approximately 70 CNC machines comprising large-format and multi-axis CNC machines. This allows us to offer build-to-print services and manufacture products strictly according to customer specifications, while optimising cost efficiency and minimising turnaround time. To meet the unique design requirements of each product, our production team customises the production workflow by selecting the most appropriate machinery and equipment for the job, preparing detailed internal work instructions, and programming these instructions into the relevant machinery and equipment. Our extensive and diverse fleet of machinery supports a wide range of programme configurations which enables us to create parts and components with stringent specifications.

We leverage the capabilities of our Singapore Factory and Malaysia Factory to manufacture complex products with high efficiency and precision. Our versatile and adaptable machinery can process various raw materials, including aluminium and stainless steel, and produce components of different sizes and dimensions. As our customers are mainly in the semiconductor, aerospace and data storage industries, which are characterised by rapid improvements in technologies which in turn require advancements in manufacturing technologies and equipment, we continuously invest in advanced equipment to enhance our production capability. This ensures that we are able to consistently create increasingly complex parts and components for our customers which will allow them to keep up with the

latest manufacturing technologies in the various industries. During the Period Under Review, we acquired equipment such as multi-axis CNC machines and milling machines, including 5-axis CNC milling machines that enable multi-dimensional machining in a single setup. Our machinery can manufacture large-format parts exceeding one metre in size and up to two feet in thickness, while achieving an accuracy of ±5μm. According to the Independent Market Report, an accuracy of ±10μm is regarded as an advanced capability in the industry and provides us with the flexibility to produce a wide range of parts and components of varying size and specifications. In addition, our use of helium leak detectors strengthens our quality management processes.

(c) **Industry-specific qualifications and certifications for precision machining and precision welding**

We place strong emphasis on production excellence and quality control and are accredited with relevant industry-specific qualifications and certifications. Our dedicated quality control team comprises experienced personnel with in-depth knowledge of our machinery and equipment. They conduct rigorous incoming, in-process, and final inspections using a comprehensive range of technical tests, including helium leak detection for high-precision leak identification, dimensional inspections using coordinate measuring machines, and visual inspections to ensure all components meet exact customer specifications.

In recognition of our stringent production processes and proven quality management capabilities, we have been awarded ISO 9001:2015 quality management system certification for the fabrication of precision machinery parts since 2019, as well as ISO 14001:2015 certification for environmental management systems since 2018.

We also hold key qualifications and certifications related to our production processes. Certain of our customers which engage us for our precision welding services require us to satisfy relevant criteria set by professional bodies such as the ASME, the AWS, and SEMI. We have welders certified under the ASME BPVC Section IX:2017 and are qualified to perform welding work in accordance with the required standards. In addition, we possess AWS and SEMI welding qualifications. For precision machining services in the semiconductor industry, we also satisfy the relevant criteria under the SSQA of our relevant customer(s), a widely recognised quality assessment standard for industry suppliers, as required by our customers.

Our customers, many of whom are global leaders in the various industries, maintain stringent supplier selection criteria and certification requirements. To qualify as their approved supplier, we may be required to satisfy certain requirements under the SSQA and ISO standards. For instance, we have been an approved supplier to *Customer A* since 2016 and have consistently passed their routine qualification assessments, including copy exact trainings. We believe our ability to consistently meet the stringent selection criteria of our customers strengthens our customer relationships and provides us with a competitive advantage over new market entrants.

(d) **Experienced management team supported by high-calibre engineers with advanced technical expertise**

Our business is led by an experienced and forward-looking management team, supported by a group of high-calibre engineers with strong technical capabilities. Our management and production teams comprise well-trained and qualified professionals, each with over 10 years of experience in the precision engineering industry. Our management team is headed by Dato' Sri Chua, our Founder, Executive Director and CEO and Controlling Shareholder, who has over 30 years of experience in high-precision manufacturing and tooling design.

Mr. Soh, our Executive Director and Managing Director of Weldment Production, brings broad experience across a range of welding processes, including electron beam welding, TIG welding, and orbital welding. Mr. Chin Chee Hong, our Senior Program Manager, has substantial experience in the semiconductor industry, particularly procurement engineering and technical sourcing management. We believe that the depth of experience and high calibre of our management team has been instrumental in the effective leadership and management of our Group and will continue to be a key driver of our future growth and success.

Our team of engineers brings together a broad range of competencies, underpinned by strong technical knowledge, expertise, and execution capabilities. This depth and diversity of skills has enabled us to deliver enhanced value and high-quality services to our customers. We actively recruit high-calibre engineers from various backgrounds to harness diverse insights and specialised expertise to strengthen our operational efficiency, customise our solutions to meet evolving customer needs, and support sustainable business growth.

BUSINESS STRATEGIES AND FUTURE PLANS

Our business strategies and future plans for the growth and expansion of our business are as follows:

(a) **To maintain and strengthen long-term relationships with reputable international customers while expanding and diversifying our customer base**

We place strong emphasis on building and nurturing long-term relationships with our customers and will continue to deepen our engagement with existing customers. Our customer base primarily comprises reputable international companies in the semiconductor, aerospace, and data storage industries. We intend to strengthen collaboration with our existing customers through closer and more proactive engagement, including regular client visits, to keep abreast of their evolving business plans, production requirements and future developments. This enables us to better understand, anticipate, and respond promptly to their needs and requirements.

By consistently delivering high-quality and reliable services, we aim to reinforce customer confidence and loyalty, while generating positive referrals to other reputable international customers. During the Period Under Review, customers from the semiconductor industry accounted for 87.9%, 89.2%, 92.1% and 95.4% of our total revenue for FY2023, FY2024, FY2025 and 6M2026 respectively. We believe that our track record in the semiconductor industry provides a strong foundation for us to deepen our relationships with existing customers and to expand our customer base.

Leveraging on our track record in the semiconductor industry, we intend to deepen our presence in other industries including data storage, aerospace as well as oil and gas and further broaden our services in module assembly. In FY2025, we have commenced module assembly services (revenue from such services were insignificant in FY2025) and as at the Latest Practicable Date, we have expanded our customer base to include two new customers which procure such services. Our expansion of services in module assembly will be achieved through deeper collaboration with our existing customers in these industries, as well as by actively pursuing new customer opportunities. We believe that diversifying our customer base and broadening our services will be essential to supporting our long-term development and sustainable growth.

In FY2025, we have also enhanced our marketing efforts for the purpose of maintaining relationships with existing customers and diversifying customer base. Among others, we have invited our customers to our factory for updates regarding our latest production capabilities periodically. We have also maintained and improved our corporate websites, which included appointing an external consultant for customised website development.

(b) **To continue to pursue business expansion and scale up operations**

Expand our scale of operations

We aim to expand our scale of operations and improve production capacity utilisation by strengthening our production capabilities through investments in new CNC machines, cashflow management, supply chain management, and human resources management. These initiatives will position us to capitalise on growing demand for precision component engineering services and respond effectively to evolving market trends and customer requirements.

According to the Independent Market Report, global demand for precision engineering services is expected to continue to grow. Between 2020 and 2025, the global precision engineering industry expanded from S$398.2 billion to S$547.0 billion, achieving a CAGR of 6.6%, and is projected to reach S$708.8 billion by 2030, reflecting a moderated CAGR of 5.3% over the forecast period. In particular, the semiconductor segment, a key constituent sector, recorded strong growth, with market size increasing from S$34.2 billion in 2020 to S$67.4 billion in 2025, recording a CAGR of 14.5% during the period. It is expected to reach S$118.6 billion by 2030, as driven by capacity expansion, new fabrication projects, and rising demand for advanced technologies and solutions from semiconductor manufacturing equipment industry.

The semiconductor industry is experiencing demand driven by AI, high-performance computing and increasing complexity in semiconductor manufacturing. As advanced chips become more complex, semiconductor manufacturing is required to maintain tighter tolerances, extreme vacuum environments and ultra-high purity gas delivery. We believe that our expertise in precision machining, precision welding and high-purity weldments positions us to support customers in the semiconductor equipment supply chain.

According to the Independent Market Report, Singapore is experiencing a significant wave of capital expenditure in the wafer fabrication sector, as global semiconductor companies such as Micron, GlobalFoundries and UMC invest in new wafer fabrication plants and advanced packaging facilities. Singapore's precision engineering industry is forecast to expand from S$11.4 billion in 2025 to S$15.3 billion in 2030, representing a CAGR of 6.0%.

Within the Singapore market, the precision component engineering segment is expected to grow from S$5.7 billion in 2025 to S$7.8 billion in 2030.

We believe that these developments and the continued expansion of production capabilities by global semiconductor manufacturers and equipment suppliers in Singapore are expected to generate increased demand for our products and services.

Further, we believe that our industry has high entry barriers, including significant capital investment in high-end machinery, skilled labour requirements, technical expertise, proven capabilities, established customer relationships, and certification standards. These factors limit new market entrants and reinforce our ability to capture emerging demand.

In response to increasing demand within the semiconductor industry, we will continue to develop our precision machining services and precision welding services, leveraging operational synergies between both service offerings.

Strengthen cashflow and supply chain management

We intend to enhance cashflow management through disciplined working capital allocation and effective management of payables and receivables. As direct material costs remain a significant component of our cost structure, our Directors believe that maintaining sufficient liquidity and working capital is essential to support higher order volumes and optimise production capacity. We will continue to closely monitor our working capital needs to ensure a stable and efficient cash flow cycle to meet demands during periods of high production capacity. In FY2025, we have financed and regularly monitored our Group's operating and general working capital requirements.

We also plan to strengthen supply chain management by proposing to customers alternative sources of supply and improving inventory management. To optimise inventory control and minimise excess inventory amid potential fluctuation in raw materials costs, we intend to more stringently manage raw materials procurement in quantities aligned with customer orders.

During the Period Under Review and as at the Latest Practicable Date, we did not adopt any hedging policy for raw material costs, as most customer quotations were prepared based on supplier quotations for raw materials obtained at that time. This pricing approach helps us to mitigate raw material price fluctuations by reflecting relevant material costs in the quotations prepared for customers, where practicable. We intend to continue monitoring raw material costs and supplier lead times and also endeavour to maintain timely payments to our suppliers to minimise the risk of supply chain disruption.

Enhance human resources management

Our skilled production workforce is a key contributor to our operational success and we are committed to maintaining an effective human resources management framework and incentive structure to attract, develop, and retain competent employees. Competition for technically skilled personnel remains intense, particularly in Singapore's precision engineering sector, as noted in the Independent Market Report. Accordingly, the retention of our existing technical staff and the recruitment of additional skilled personnel are critical to supporting the expansion of our operations.

To facilitate growth and improve production capacity utilisation, we will continue to recruit engineers with the requisite skills and technical expertise to enhance our service capacity and competitiveness. Employing full-time production staff is more cost-effective than engaging external labour services, as third-party providers typically charge significantly higher hourly rates. In addition, full-time employees provide greater workforce stability, consistent service quality, and familiarity with our operations, thereby enhancing production efficiency.

In anticipation of the growth in precision component engineering industry in Singapore and the expected increase in demand for our services, we intend to extend operating hours with the addition of night shifts and incentives for employees working night shifts. We also plan to further motivate and retain our employees by enhancing remuneration packages, welfare and benefits to improve their efficiency and standard of performance. In FY2025, the overall remuneration package was improved by the addition of a bonus payment. Currently, we also offer special allowance for employees working night shifts. We will endeavour to continue providing structured on-the-job training and development programmes to strengthen the technical capabilities of our employees.

Through these initiatives, we believe we will be able to enhance service quality, improve labour productivity, foster employee engagement, and support our Group's long-term and sustainable growth.

(c) **Enhance quality assurance capabilities and optimise operational efficiency**

As we continue to scale our operations, our Directors believe it is essential to further strengthen our quality assurance capabilities. According to the Independent Market Report, downstream customers are typically highly concentrated and prefer to engage a limited number of reliable suppliers. Companies that consistently deliver high-quality products are therefore better positioned to secure repeat orders and gain market share over the long term. We believe our past success is attributable to our stringent quality control standards, which enable us to deliver high-quality precision component engineering services.

We currently utilise a production management system to manage manufacturing processes and production flow at our Singapore Factory and Malaysia Factory. To improve coordination and achieve more comprehensive production oversight, we intend to purchase a new production planning system and machine monitoring system. These systems are expected to enable real-time data monitoring and analysis, as well as daily reporting on machine operations. As our business grows and requirements on information system management increase, we also plan to introduce a more advanced integrated ERP system at our Singapore Factory to strengthen control over sales and production data, enhance real-time production planning and quality control, and improve data analytics capabilities. The ERP system is expected to track key operational metrics, including purchase orders, production volumes, raw material scheduling, delivery timelines, and quality control information.

In FY2025, we procured upgraded CNC programming software, which is expected to support faster programme development, incorporate built-in computational functions, improve machining accuracy, reduce machine idle time, and increase overall production efficiency which we believe will enhance operational efficiency and the quality of our precision component engineering services.

To support growing demand for precision machining services, we also purchased a new coordinate measuring machine to replace the existing coordinate measuring machine for the purpose of measuring the accuracy of parts against the design specifications, in line with our plan to strengthen our quality control capabilities. Coordinate measuring machines are crucial in ensuring the quality of the parts we produce, especially as precision machining requires high precision in terms of dimensions. The new machine with an expected useful life of approximately 12 years, will feature contactless probing and large-part measurement capabilities, and is expected to improve the accuracy and efficiency of quality inspections.

(d) **Joint ventures, acquisitions and strategic alliances**

We may expand our businesses through joint ventures, acquisitions and strategic alliances that we believe will complement our current and future businesses. We believe that suitable joint ventures, acquisitions and strategic alliances allow us to achieve vertical integration of different manufacturing processes and position ourselves as integrated solution providers, gain access to new markets and customers as well as new businesses. They also bring about greater economies of scale and provide an impetus for our future growth. Currently, we are not engaged in any discussion with any party for joint ventures, acquisitions or strategic alliances. Should such opportunities arise, we will seek approval, where necessary, from our Shareholders and the relevant authorities as required by the relevant rules and regulations.

PROSPECTS

Except as otherwise indicated, all data in this Offer Document relating to the precision engineering industry has been sourced from the Independent Market Report which is set out in "Appendix E – Independent Market Report of the Industry Consultant" of this Offer Document, for the purposes of incorporation in this Offer Document. The Independent Market Report contains certain statements that are "forward-looking" and are based on underlying assumptions that may have changed since the date of issue. The data extracted in this section shall be qualified by and subject to the assumptions, qualifications and/or disclaimers set out in the Independent Market Report and the Independent Market Report should be read in its entirety. Please refer to the assumptions, qualifications and/or disclaimers set out in the Independent Market Report at "Appendix E – Independent Market Report of the Industry Consultant" of this Offer Document for further details. By their nature, forward-looking statements are subject to risks and uncertainties because they relate to events and depend on circumstances that may occur in the future. No forward-looking statements contained herein should be relied upon as predictions of future events. No assurance can be given that the expectations expressed in these forward-looking statements will prove to be correct. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document for more details. The data extracted from the Independent Market Report may have been re-classified by us for the purpose of presentation. The accuracy of the information has not been verified by our Directors and the Sponsor, Issue Manager and Placement Agent. None of our Directors, our Group and the Sponsor, Issue Manager and Placement Agent makes any representation as to the accuracy or completeness of such information and shall not be obligated to provide any updates on the same.

Our Directors believe that the prospects of our Company are encouraging for the following reasons:

(a) **Expanding market size of the global precision engineering industry**

According to the Independent Market Report, the global precision engineering industry has entered a stable growth phase. The global market expanded from S$398.2 billion in 2020 to S$547.0 billion in 2025, representing a CAGR of 6.6% during the period. By 2030, the global market is projected to reach S$708.8 billion, representing a CAGR of 5.3% from 2025 to 2030. Semiconductor and aerospace sectors are expected to remain the dominant sectors, followed by the oil and gas and data storage sectors.

The Independent Market Report attributes the growth of the precision engineering industry to increasingly stringent requirements from high-end manufacturing sectors. These sectors require components with higher levels of precision, reliability, stability and customisation, resulting in increasing demand for precision components. In particular, the continued upgrading of semiconductor, aerospace, oil and gas and data storage applications is expected to expand demand for high-value precision engineering services.

Given our Group's focus on precision component engineering, we believe that the continued expansion of the global precision engineering market will provide a favourable industry backdrop for our Group.

(b) **Semiconductor sector growth, supported by AI-driven demand**

According to the Independent Market Report, the global output of the semiconductor sector of the precision engineering industry recorded a CAGR of 14.5% from 2020 to 2025. The sector is projected to reach S$118.6 billion by 2030, representing a CAGR of 11.9% from 2025 to 2030.

The Independent Market Report further notes that the semiconductor industry is highly cyclical and may be affected by inventory adjustments, global economic conditions, tariffs and trade barriers. However, it expects the semiconductor manufacturing equipment industry to maintain an upward trajectory over the long term. In Singapore, the semiconductor segment of the precision engineering industry is expected to grow from 2025 to 2030, with the recovery fuelled by surging demand for AI technologies, electronic products and integrated circuits.

We believe that the increasing adoption of AI technologies represents an important structural demand driver for the semiconductor value chain. The growth of AI applications, including generative AI and large language models, has increased demand for more advanced and higher-performance semiconductor chips. These chips generally involve more complex manufacturing processes, which in turn require advanced wafer fabrication equipment and highly precise equipment components.

As semiconductor OEMs and equipment manufacturers continue to require components with tighter tolerances, higher cleanliness standards and greater reliability, we believe that demand for the services of precision components engineering providers with the relevant technical capabilities and quality systems is expected to increase.

Given our Group's focus on serving customers in the semiconductor industry, we believe that the expected recovery of the semiconductor sector, together with AI-driven demand for advanced semiconductor chips and wafer fabrication equipment, will provide favourable growth opportunities for our Group.

(c) **Singapore's position as a strategic advanced manufacturing and semiconductor hub**

According to the Independent Market Report, Singapore is a regional leader in the precision engineering industry, supported by favourable policies, a strong research and development ecosystem and advanced precision engineering deployment. The output value of Singapore's precision engineering industry is projected to reach S$15.3 billion by 2030, representing a CAGR of 6.0% from 2025 to 2030.

The Independent Market Report notes that Singapore's precision engineering industry serves several key downstream sectors, including semiconductors, aerospace, oil and gas and data storage industries. The Singapore government recognises the strategic importance of the precision engineering industry and has implemented supportive policies and initiatives, including the Industry Transformation Maps and the Precision Engineering Industry Digital Plan. The Singapore government also intended to invest S$25 billion between 2021 and 2025 under the Research, Innovation and Enterprise 2025 Plan, one of the goals is to strengthen Singapore's position as a global centre for sophisticated manufacturing and networking.

In addition, according to the Independent Market Report, Singapore is experiencing a significant wave of capital expenditure in the wafer fabrication sector, as global semiconductor companies such as Micron, GlobalFoundries and UMC invest in new wafer fabrication plants and advanced packaging facilities. This increase in semiconductor manufacturing capacity is expected to generate demand for critical metal parts and equipment sub-assemblies used in wafer fabrication, lithography and assembly processes.

According to the Independent Market Report, the output value of Singapore's precision component engineering segment increased from S$4.7 billion in 2020 to S$5.7 billion in 2025, representing a CAGR of 4.1%, and is projected to reach S$7.8 billion by 2030, representing a CAGR of 6.2% from 2025 to 2030. As our Group is headquartered in Singapore and operates within the semiconductor precision component engineering value chain, we believe that Singapore's position as an advanced manufacturing and semiconductor hub will continue to support opportunities for precision component engineering service providers such as our Group.

TREND INFORMATION

The following discussion about trends includes forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those that may be projected in these forward-looking statements. Please refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document.

Based on our operations as at the Latest Practicable Date and barring any unforeseen circumstances, our Directors have observed the following trends which may have an impact on our Group's business and financial prospects for the next twelve (12) months from the Latest Practicable Date:

(a) barring unforeseen circumstances, we expect our overall revenue to grow, in view of the expected market growth in the global semiconductor industry and the precision engineering industry as set out in the Independent Market Report;

(b) we expect the growing adoption of AI and automation technologies in the precision engineering industry to present both opportunities and challenges for our Group. The increasing integration of AI-driven manufacturing processes, predictive maintenance systems and automated quality control is expected to enhance production efficiency and reduce operational downtime. While the adoption of such technologies may require upfront capital expenditure on equipment upgrades, software systems and workforce training, we believe that these investments will, over time, strengthen our competitive positioning and improve our operational margins. There is, however, no assurance that the anticipated benefits of such technological adoption will materialise within the current financial year;

(c) as with other businesses in Singapore and Malaysia, we expect overall cost of sales and operating expenses (such as staff costs, raw material costs and other administrative expenses) to increase in line with expected growth in business activities;

(d) the production of precision engineering equipment involves many manufacturing processes including metal fabrication, precision machining, precision welding, surface treatment, cleaning, packaging and assembly. Downstream customers of precision engineering equipment have been streamlining and consolidating their supply chains due to convenience and cost-effectiveness considerations. As such, they are increasingly looking for manufacturers who can provide a one-stop manufacturing service, covering an extensive range of services, and hence, increasing trend for manufacturers to expand their in-house manufacturing capabilities and provide a wider range of integrated manufacturing services. We believe that we are able to expand our complementary services through vertical integration of different manufacturing processes and position ourselves as integrated solution providers, which will strength our competitiveness. There is, however, no assurance that our ability to do so will materialise within the current financial year;

(e) rapid technological advancement in our customers' industries, including semiconductors, aerospace, and data storage, results in the technical requirements and the product specifications of our Group's products to be subject to continuous evolutions and changes. This increases the need for more advanced capabilities in high-end equipment and skilled manpower to meet our customers' demand. We expect there to be higher capital expenditure requirements for advanced production equipment and increased competition for qualified and skilled engineers and technicians;

(f) the precision engineering industry is recognised as a strategic pillar of Singapore's advanced manufacturing ecosystem. We expect that there will be further supportive policies and incentives from the government to foster innovation and research and development in the precision engineering industry and strengthening the regulatory framework for such industry. Our Group may leverage on such incentives and policies to upgrade our capabilities, develop proprietary processes or intellectual property and strengthen our compliance and quality systems. There is, however, no assurance that our ability to do so will materialise within the current financial year;

(g) it is our current intention to expand our business operations, including by diversifying our customer base and strengthening our presence in the aerospace and data storage segments. In doing so, we may incur capital expenditures, acquisition costs, and may take on additional bank borrowings, if so required. We expect, barring any unforeseen circumstances, that our business expansion will generate future revenue for our Group with corresponding increases in our operating expenses. There is however, no assurance that the business expansion will have any material impact on the profitability of our Group in the current financial year. Please also refer to the section entitled "General Information on our Group – Business Strategies and Future Plans" of this Offer Document for further details; and

(h) we expect our other operating expenses to increase due to the expenses incurred in connection with the Listing, as well as the ongoing compliance costs of a dual-listed public company on the SGX-ST and the HKSE.

Save as disclosed above and in the sections entitled "Risk Factors", "Management's Discussion and Analysis of Financial Position and Results of Operations" and "General Information on our Group – Business Strategies and Future Plans", "General Information on our Group – Prospects" and "General Information on our Group – Trend Information" of this Offer Document, the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" and "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendices A and B to this Offer Document, respectively, and barring any unforeseen circumstances, our Directors believe that there are no other significant recent known trends in the costs and prices of our products or inventories, or any other known uncertainties, demands, commitments or events that are reasonably likely to have a material and adverse effect on our revenue, profitability, liquidity and capital resources. Our Directors are also not aware of any such trends that would cause the financial information disclosed in this Offer Document to be not necessarily indicative of our future operating results or financial condition. For more information, please also refer to the section entitled "Cautionary Note Regarding Forward-Looking Statements" of this Offer Document.

ORDER BOOK

We generally provide our services to our customers as and when our customers place purchase orders. As at 30 June 2026, we have purchase orders of approximately S$46.3 million, which are expected to be fulfiled by around 31 March 2027.

CORPORATE SOCIAL RESPONSIBILITY

We recognise that we have an obligation towards our employees, shareholders, suppliers, customers, competitors and the community as a whole. We believe our good reputation, and the trust reposed in it by our various stakeholders, to be one of its most valuable assets. In order to keep this reputation and trust, we have implemented multiple policies to uphold the reputation of our Group and staff and maintain the confidence of our stakeholders.

We focus on embracing diversity within our Group and equal treatment of all our employees in hiring, training, wellness, as well as professional and personal development. We encourage our employees to constantly improve their skills and abilities and develop competencies through engaging in both internal and external training programmes.

We endeavour to provide a safe working environment for our employees and implement stringent safety policies in our production at all times to promote occupational health and safety and ensure compliance with applicable laws and regulations. We have established and set out a series of safety guidelines, rules and procedures for various aspects of our production activities, including fire safety, occupational health and machinery maintenance. We arrange training on occupational health to our employees from time to time, and require our employees to strictly comply with our operation manuals when operating the production equipment and machines.

As part of our corporate social responsibility efforts, we also organise outreach and donation trips to orphanages in Malaysia and Indonesia approximately two to three times each year.

Our Group imposes a whistleblowing procedure that allows employees to report actual or suspected wrongdoing. The identities of the whistleblowers will be kept strictly confidential. We believe we have an environment that enables our employees to raise genuine and legitimate concerns.

SEASONALITY

Due to the nature of our business, we have not observed any significant seasonal trends within each of the financial periods in the Period Under Review.

GOVERNMENT REGULATIONS

Our business operations are subject to the laws and regulations which are of general application in Singapore and Malaysia, in which our Group Companies carry on business and operations. The laws and regulations set out below are not exhaustive and are only intended to provide some general information to the investors and are neither designed nor intended to be a substitute for professional advice. Prospective investors should consult their own advisers regarding the implication of such laws and regulations on our Group.

Save as disclosed under the section entitled "Risk Factors – Risks relating to our Business and Industry – Our business could be adversely affected by any lapses in environmental, social and governance matters", our Group is in compliance with all the applicable laws and regulations that are material to our Group's business operations.

SINGAPORE

Personal Data Protection Act 2012 of Singapore ("PDPA")

The PDPA governs the collection, use and disclosure of the personal data of individuals (being data, whether true or not, about an individual, who can be identified from that data or other accessible information), and is administered and enforced by the regulator, the Personal Data Protection Commission ("**PDPC**"). The PDPA sets out data protection obligations which all organisations are required to comply with in undertaking activities relating to the collection, use or disclosure of personal data and to provide individuals with the right to access and correct their own personal data.

Organisations have mandatory obligations to assess data breaches they suffer, and to notify the PDPC and where applicable, the relevant individuals where the data breach is (or is likely to be) of a significant scale or resulting in (or is likely to result in) significant harm to individuals. Other obligations include accountability, protection, retention, and requirements around the overseas transfers of personal data.

Organisations are required to, among other things, (i) obtain consent from individuals and inform them of the applicable purposes before collecting, using or disclosing their personal data; and (ii) put in place reasonable measures to (a) protect the personal data in their possession or control from unauthorised access, loss or damage, and (b) prevent the loss of any storage medium or device on which personal data is stored. In the event of a data breach involving any personal data in an organisation's possession or control, the PDPA requires the organisation to reasonably and expeditiously assess whether the data breach is notifiable and notify the PDPC and, unless exceptions apply, the affected individuals of the data breach, if the data breach is assessed to be one that (a) is likely to result in significant harm or impact to the individuals to whom the information relates, or (b) is, or is likely to be, of a significant scale.

In addition, the PDPA also established a Do-Not-Call Registry ("**DNC Registry**") which allows individuals to register their Singapore telephone numbers in any of the three (3) Do-Not-Call Registers ("**DNC Register**") to opt out of receiving specified messages via voice call, specified text messages and specified fax messages. Under the PDPA, before an organisation sends a specified message to a Singapore telephone number, it must check with the DNC Registry to confirm that the number is not listed on the DNC Register, unless the organisation has obtained clear and unambiguous consent in evidential form from the user or subscriber of the number. Non-compliance with the PDPA may attract financial penalties or even criminal liability. The PDPC has broad powers to give any such directions as it thinks fit to ensure compliance, which include requiring an organisation to pay a financial penalty. In this connection: (i) in the case of contravention of the parts of the PDPA which sets out the obligations of organisations relating to data protection (including the obligation to protect and care for personal data, and to conduct assessments of data breaches), the maximum financial penalty that may be imposed: (a) on an organisation whose annual turnover in Singapore exceeds S$10 million, is 10.0% of the organisation's annual turnover in Singapore, if the contravention occurs on or after 1 October 2022; and (b) in any other case is S$1 million; and (ii) in the case of contravention of the DNC requirements, the maximum financial penalty that may be imposed is S$1 million.

Workplace Safety and Health Act 2006 of Singapore ("WSHA")

The WSHA is administered by the MOM. Under the WSHA, every employer has the duty to take, so far as is reasonably practicable, such measures as are necessary to ensure the safety and health of their employees at work. These measures include providing and maintaining for the employees a work environment which is safe, without risk to health, and adequate as regards facilities and arrangements for their welfare at work, ensuring that adequate safety measures are taken in respect of any machinery, equipment, plant, article or process used by the employees, ensuring that the employees are not exposed to hazards arising out of the arrangement, disposal, manipulation, organisation, processing, storage, transport, working or use of things in their workplace or near their workplace and under the control of the employer, developing and implementing procedures for dealing with emergencies that may arise while those persons are at work and ensuring that the person at work has adequate instruction, information, training and supervision as is necessary for that person to perform his work.

Under the WSHA, inspectors appointed by the Commissioner for Workplace Safety and Health ("**CWSH**") may, among others, enter, inspect and examine any workplace, to inspect and examine any machinery, equipment, plant, installation or article at any workplace, to make such examination and inquiry as may be necessary to ascertain whether the provisions of the WSHA are complied with, to take samples of any material or substance found in a workplace or being discharged from any workplace for the purpose of analysis or test, to assess the levels of noise, illumination, heat or harmful or hazardous substances in any workplace and the exposure levels of persons at work therein and to take into custody any article in the workplace which is relevant to an investigation or inquiry under the WSHA.

Under the WSHA, the CWSH may issue a stop-work order in respect of a workplace if he is satisfied that:

(a) the workplace is in such condition, or is so located, or any part of the machinery, equipment, plant or article in the workplace is so used, that any process or work carried on in the workplace cannot be carried on with due regard to the safety, health and welfare of persons at work;

(b) any person has contravened any duty imposed by the WSHA; or

(c) any person has done any act, or has refrained from doing any act which, in the opinion of the CWSH, poses or is likely to pose a risk to the safety, health and welfare of persons at work.

The stop-work order shall, among others, direct the person served with the order to immediately cease to carry on any work or process indefinitely or until such measures as are required by the CWSH have been taken, to the satisfaction of the CWSH, to remedy any danger so as to enable the work or process in the workplace to be carried on with due regard to the safety, health and welfare of the persons at work.

Work Injury Compensation Act 2019 of Singapore ("WICA")

Work injury compensation is governed by the WICA. The WICA applies to employees in respect of injuries suffered by them arising out of and in the course of their employment and sets out, among others, the amount of compensation they are entitled to and the methods of calculating such compensation. The WICA provides, subject to certain prescribed exceptions, that if in any employment, personal injury by accident arising out of and in the course of the employment is caused to an employee, the employer shall be liable to pay compensation in accordance with the provisions of the WICA. The amount of compensation shall be computed in accordance with the First Schedule of the WICA, subject to a maximum and minimum limit, taking into account factors such as the severity and permanence of the personal injury suffered.

Further, Section 13 of the WICA provides that where any person (referred to as the principal) in the course of or for the purpose of his trade or business contracts with any other person (referred to as the contractor) for the execution by the contractor of the whole or any part of any work, or for the supply of labour to carry out any work, undertaken by the principal, the Commissioner may direct the principal to fulfil the obligations of the employer under the WICA in relation to any employee of the contractor employed in the execution of the work. Where such a direction has been made, the principal shall be liable to pay to any employee of the contractor employed in the execution of the work any compensation which he would have been liable to pay under the WICA if that employee had been immediately employed by the principal, except that the amount of compensation is to be calculated with reference to the earnings of the employee under the contractor.

Every employer is required to maintain work injury compensation insurance for all employees doing manual work (regardless of salary level) and all employees doing non-manual work, earning a salary of S$2,600 or less a month. Failure to do so is an offence carrying a fine of up to S$10,000 and/or imprisonment of up to twelve (12) months. Under the Work Injury Compensation (Insurance) Regulations 2020 ("**WICIR**"), every employer entering into a contract of insurance in accordance with the requirements of WICA shall be issued, by the insurer with whom he contracts, with a certificate of insurance which shall contain certain prescribed particulars. The WICIR further provides that such employer shall display a copy of the certificate of insurance at each place of business at which he employs any employee whose claims may be the subject of indemnity under the policy of insurance to which that certificate relates.

Employment Act 1968 of Singapore ("EA")

The EA is administered by the MOM and sets out the basic terms and conditions of employment and the rights and responsibilities of employers as well as employees. Section 20 of the EA provides that an employer may fix salary periods in respect of which the salary earned is payable. However, a salary period must not exceed one (1) month, and where the employer does not fix the salary period, the salary period is deemed to be one (1) month. Salary earned by an employee under a contract of service, other than additional payments for overtime work, must be paid before

the expiry of the seventh (7th) day after the last day of the salary period in respect of which the salary is payable, whereas additional payments for overtime work must be paid not later than fourteen (14) days after the last day of the salary period during which the overtime work was performed.

Subject to the provisions of the EA, the total salary and any sum due to an employee who has been dismissed must be paid on the day of dismissal or, if this is not possible, within three (3) days thereafter, not being a rest day or public holiday or other holiday. Further, subject to the provisions of the EA, (a) the total salary due to an employee who terminates his contract of service with his employer under Section 11 of the EA (i.e. termination of the contract of service without notice or, if notice has already been given, without waiting for the expiry of that notice, by paying to the other party a sum equal to the amount of salary at the gross rate of pay which would have accrued to the employee during the period of the notice and in the case of a monthly-rated employee where the period of the notice is less than a month, the amount payable for any one day is the gross rate of pay for one day's work), or after giving due notice to the employer, must be paid to the employee on the day on which the contract of service is terminated, and (b) the total salary due to an employee who terminates his contract of service without giving prior notice to his employer, or, if notice has already been given under that section, but the employee terminates the contract of service without waiting for the expiry of the notice, must be paid to the employee before the expiry of the seventh (7th) day after the day on which the employee terminates the contract of service.

Part 4 of the EA sets out requirements for rest days, hours of work and other conditions of service for workmen who receive salaries not exceeding S$4,500 a month and employees (other than workmen or persons employed in managerial or executive positions) who receive salaries not exceeding S$2,600 a month. Section 38(8) of the EA provides that an employee is not allowed to work for more than twelve (12) hours in any one (1) day except in specified circumstances, including, among others, where there is an accident, actual or threatened, where work is essential to the life of the community, where work is essential for defence or security, where urgent work is to be done to machinery or plant, or where an interruption of work which was impossible to foresee. In addition, Section 38(5) of the EA limits the extent of overtime work that an employee can perform to seventy-two (72) hours a month. Employers must seek the prior approval of the Commissioner for exemption if they require an employee or class of employees to work for more than twelve (12) hours a day or more than seventy-two (72) overtime hours a month.

The Commissioner may, after considering the operational needs of the employer and the health and safety of the employee or class of employees, by order in writing, exempt such employees from the overtime limits subject to such conditions as the Commissioner thinks fit. Where such exemptions have been granted, the employer shall display the order or a copy thereof conspicuously in the place where such employees are employed.

Under Section 53 of the EA, an employer who breaches the provisions of Part 4 of the EA shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S$5,000, and for a second or subsequent offence to a fine not exceeding S$10,000 and/or to imprisonment for a term not exceeding twelve (12) months.

Employment of Foreign Manpower Act 1990 of Singapore ("EFM Act")

Section 5(1) of the EFM Act provides that no person shall employ a foreign employee unless he has obtained in respect of the foreign employee a valid work pass from the MOM, which allows the foreign employee to work for him. In relation to the employment of semi-skilled or unskilled foreign workers, employers must ensure that such persons hold a valid "Work Permit".

In relation to the employment of foreign mid-level skilled workers, employers must ensure that such persons apply for an "S Pass". The S Pass is intended for mid-level skilled foreigners who earn a monthly fixed salary of at least S$3,300. The S Pass minimum qualifying salary will increase from $3,300 to $3,600 for new applications from 1 January 2027.

In relation to the employment of foreign professionals, managers and executives, employers must ensure that such persons apply for an "Employment Pass". The Employment Pass is intended for professionals who earn a monthly fixed salary of at least S$5,600. The Employment Pass minimum qualifying salary will increase from $5,600 to $6,000 for new applications from 1 January 2027.

In the employment of foreign workers, employers are restricted by, among other things, the foreign worker quota (which is known as the dependency ratio ceiling), the countries of origin, the age and the qualifications of the foreign employees, which differ from sector to sector. The dependency ratio ceiling limits the number of foreign workers that an employer may employ based on the type of work pass held by the foreign employee, and the number of local employees currently in the employer's employment.

Foreign worker levies are payable when employing foreign workers, with the quantum varying based on several factors, such as the type of business activity, the skill level of the foreign employees and the proportion of the employer's workforce that are made up of foreign employees.

Any person who contravenes Section 5(1) of the EFM Act shall be guilty of an offence and shall:

(a) be liable on conviction to a fine of at least S$5,000 and not more than S$30,000 or to imprisonment for a term not exceeding twelve (12) months or to both; and

(b) on a second or subsequent conviction:

    (A) in the case of an individual, be punished with a fine of not less than S$10,000 and not more than S$30,000 and with imprisonment for a term of not less than one (1) month and not more than twelve (12) months; or

    (B) in any other case, be punished with a fine of at least S$20,000 and not more than S$60,000.

Tripartite Guidelines on Fair Employment Practices ("TAFEP")

The Tripartite Guidelines on Fair Employment Practices, formulated by the Tripartite Alliance for Fair and Progressive Employment Practices, sets out fair employment practices that should be adopted by employers to help prevent discrimination at the workplace. The MOM and TAFEP make reference to the Tripartite Guidelines on Fair Employment Practices in promoting fair and responsible employment practices. Employers are expected to abide by the principles of fair employment and adopt the recommended good practices.

The five principles of fair employment practices are:

(a) recruit and select employees on the basis of merit (such as skills, experience or ability to perform the job), and regardless of age, race, gender, religion, marital status and family responsibilities, or disability.

(b) treat employees fairly and with respect and implement progressive human resource management systems.

(c) provide employees with fair opportunity to be considered for training and development based on their strengths and needs to help them achieve their full potential.

(d) reward employees fairly based on their ability, performance, contribution and experience; and

(e) abide by labour laws and adopt the TAFEP.

The TAFEP set out fair employment practices in respect of, among others, selection criteria, recruitment process, remuneration, performance appraisal and promotion, posting and training, disciplinary actions, and dismissals and retrenchments. For instance, the TAFEP provide that, in respect of the recruitment process, objective and fair selection criteria should be consistently applied at all stages of the process, and in respect of remuneration, employers should remunerate employees fairly, taking into consideration factors such as ability, performance, contribution, skills, knowledge and experience.

Central Provident Fund Act 1953 of Singapore ("CPF Act")

The CPF Act governs the contributions made by employers and employees into the CPF. The CPF Act is administered by the CPF Board.

Section 7(1) of the CPF Act provides that subject to certain exemptions and regulations, every employer of an employee shall pay to the CPF monthly in respect of each employee contributions at the appropriate rates set out in the First Schedule of the CPF Act. Pursuant to Section 7(2) of the CPF Act, notwithstanding the provisions of any written law or any contract to the contrary, an employer is entitled to recover from the monthly wages of an employee the amount shown in the First Schedule of the CPF Act as so recoverable from the employee.

Section 9(1) of the CPF Act provides that, in respect of an employer, where the amount of the contributions which an employer or the platform operator (as the case may be) is liable to pay under Section 7 of the CPF Act in respect of any month is not paid within such period as may be prescribed, the employer shall be liable to pay interest on the amount for every day the amount remains unpaid commencing from the first day of the month succeeding the month in respect of which the amount is payable and such interest shall be calculated at the rate of 1.5% per month or the sum of S$5, whichever is greater.

Section 7(3) of the CPF Act provides that where any employer who has recovered any amount from the monthly wages of an employee in accordance with the CPF Act and fails to pay the contributions to the CPF within such time as may be prescribed, he shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S$10,000 or to imprisonment for a term not exceeding seven (7) years or to both.

Section 61(1) of the CPF Act provides that except as otherwise provided in Section 61(2) of the CPF Act, any person convicted of an offence under the CPF Act for which no penalty is provided shall be liable on conviction (a) to a fine not exceeding S$5,000 or to imprisonment for a term not exceeding six (6) months or to both; and (b) if that person is a repeat offender in relation to the same offence, to a fine not exceeding S$10,000 or to imprisonment for a term not exceeding twelve (12) months or to both.

Section 61(2) of the CPF Act provides that where any person:

(a) is guilty of an offence under Section 7(5), 8A(5) or 58(1)(b) of the CPF Act; or

(b) being a director, manager or secretary or any other officer of a body corporate, is guilty of an offence under Section 60 of the CPF Act by virtue of the fact that an offence under Section 7(3) or (5), 8A(3) or (5) or 58(1)(b) of the CPF Act has been committed by that body corporate and is found to have been committed with the consent or connivance of or to be attributable to any act or default on the part of that person,

that person shall be liable on conviction:

(a) to a fine of not less than S$1,000 and not more than S$5,000 or to imprisonment for a term not exceeding six (6) months or to both; and

(b) if that person is a repeat offender in relation to the same offence, to a fine of not less than S$2,000 and not more than S$10,000 or to imprisonment for a term not exceeding twelve (12) months or to both.

Trade Marks Act 1998 ("Trade Marks Act")

The registration and enforcement of trade marks in Singapore is provided for under the Trade Marks Act and its subsidiary legislation, the Trade Marks Rules administered by the Intellectual Property Office of Singapore ("**IPOS**").

The Trade Marks Act and the Trade Marks Rules provide for, among others, the registration, renewal and licensing of trade marks in Singapore. Under Section 7(1) of the Trade Marks Act, the following shall not be registered: (i) signs which do not satisfy the definition of a trade mark under Section 2(1) of the Trade Marks Act; (ii) trade marks which are devoid of any distinctive character; (iii) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services; and (iv) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fi de and established practices of the trade. Under Section 18 of the Trade Marks Act, a trade mark shall be registered for a period of ten (10) years from the date of registration, and registration may be renewed for further periods of ten (10) years. Section 22(1)(a) of the Trade Marks Act provides that the registration of a trade mark may be revoked on the grounds that, within the period of five (5) years following the date of completion of the registration procedure, it has not been put to genuine use in the course of trade in Singapore, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use.

Section 26(1) of the Trade Marks Act confers on the proprietor of a registered trade mark the exclusive rights to use the trade mark and to authorise other persons to use the trade mark in relation to the goods or services for which the trade mark is registered. Under Section 27 of the Trade Marks Act, a person infringes a registered trade mark if, without consent of the trade mark proprietor, he uses in the course of trade a sign (i) which is identical with the trade mark in relation to goods or services which are identical with those for which it is registered, or (ii) where because (A) the sign is identical with the trade mark and is used in relation to goods or services similar to those for which the trade mark is registered; or (B) the sign is similar to the trade mark and is used in relation to goods or services identical with or similar to those for which the trade mark is registered, there exists a likelihood of confusion on the part of the public. In an action for infringement, the court may grant various reliefs such as injunction, damages, an account of profits and statutory damages provided under Section 31(5) of the Trade Marks Act.

Environmental Protection and Management Act 1999 ("EPMA")

The EPMA is the principal legislation in Singapore governing environmental pollution control and provides for the protection and management of the environment and resource conservation. The EPMA regulates, among others, the use of scheduled premises, air pollution control, water pollution control, land pollution control, hazardous substances control and noise control. In administering and enforcing the EPMA, the National Environment Agency may have regard to relevant codes of practice and technical standards, including the Singapore Standard on the Code of Practice for Pollution Control (SS 593 : 2013), which sets out recommended pollution control measures and good industry practices relating to air, water and land pollution and the management of hazardous substances and toxic industrial waste.

Part 8 of the EPMA regulates noise control. Section 28 empowers the Director-General of Environmental Protection to impose requirements on persons carrying out construction or engineering works to control noise and vibration levels, including specifying permissible plant or machinery, working hours, and acceptable noise or vibration levels. Non-compliance with such requirements may result in a stop-work, and failure to comply with a stop-work order is an offence punishable by a fine not exceeding S$10,000 per day of non-compliance, imprisonment for a term not exceeding three months, or both. Section 28A further empowers the Director-General of Environmental Protection to require the installation and maintenance of electronic video surveillance systems on construction sites to monitor compliance with noise regulations. Section 29 empowers the Director-General of Environmental Protection to prohibit the owner or occupier of any work place from carrying out or operating any specified activity or plant in a manner that causes noise emissions exceeding specified levels, and to require such owner or occupier to install, maintain or repair noise control equipment, erect noise barriers, or carry out repairs or adjustments to specified plant. Pursuant to Section 30, in exercising his powers under Sections 28 and 29, the Director-General of Environmental Protection must have regard to any relevant code of practice, the desirability of specifying alternative methods or plant that would be substantially as effective and more acceptable, and the need to protect persons in the locality from the effects of noise.

The noise levels at the factory boundary shall comply with the maximum permissible noise levels stipulated in the Environmental Protection and Management (Boundary Noise Limits for Factory Premises) Regulations ("**Boundary Noise Regulations**"). The Boundary Noise Regulations prescribe noise limits depending on the type of affected premises (noise sensitive, residential, commercial or factory premises) and the time of day, ranging from 50 to 75 decibels (A).

Sewerage, Drainage and Coastal Protection Act 1999 ("SDA")

The SDA governs the construction, maintenance and use of sewerage and land drainage systems, and the regulation of the discharge of sewage and trade effluent in Singapore. Under the SDA, no person may discharge trade effluent into the public sewerage system without the prior written approval of the Public Utilities Board ("**PUB**"), and the discharge of any dangerous or hazardous substance into any public sewer is prohibited. The discharge of trade effluent into a public sewer must comply with the discharge limits stipulated in the Sewerage and Drainage (Trade Effluent) Regulations ("**Trade Effluent Regulations**"), which prescribe, among others, the maximum permissible concentrations of certain substances and metals in trade effluent. A written approval shall also be obtained from the PUB for the discharge of trade effluent into the public sewer.

In assessing compliance with the SDA and the Trade Effluent Regulations, the PUB may have regard to relevant technical requirements set out in the Code of Practice on Sewerage and Sanitary Works, which prescribes standards for the planning, design, construction and maintenance of sewerage and sanitary systems. Further, drainage works and surface water discharges are subject to the Sewerage and Drainage (Surface Water Drainage) Regulations.

Environmental Public Health Act 1987 ("EPHA")

The EPHA regulates, among others, the disposal and treatment of industrial waste, including toxic industrial waste that may pose a threat to human health or the environment. In administering the EPHA, the Director-General of Public Health may have regard to relevant codes of practice, including the Code of Practice on Environmental Health, which provides guidelines on refuse management, sanitation, ventilation and related environmental health matters.

Under Section 8 of the EPHA, the Director-General of Public Health may at any time apply to all premises within any area that he or she may determine any system which he or she thinks fit for the collection and removal of refuse and waste of every description from those premises. Section 10 of the EPHA allows the Director-General of Public Health to require the owner or occupier of any premises to provide, construct or reconstruct dustbins or other convenient receptacles and refuse bin centres or refuse bin compartments.

Section 24 of the EPHA requires a person to dispose industrial waste only at a public disposal facility or a disposal facility established pursuant to a waste disposal licence granted by the Director-General of Public Health. Section 24 of the EPHA requires the occupier of any work place where industrial waste is being produced to keep or store the waste before disposal in a proper and efficient manner so as not to create a nuisance or to cause any risk, harm or injury to persons or animals or is likely to pollute the environment. Under the Environmental Public Health (Toxic Industrial Waste) Regulations, the generation, collection, transportation, treatment and disposal of toxic wastes shall comply with the procedures and requirements specified therein. Toxic industrial waste shall be stored in proper storage containers within covered areas and equipped with spillage or leakage containment facilities before disposal by licenced toxic industrial waste collectors.

MALAYSIA

Local Government Act 1976 ("LGA 1976")

The LGA 1976 empowers every local authority to grant licence for any trade, business or industry through by-laws. As SGP Malaysia operates in Gelang Patah, Johor, SGP Malaysia is subject to purview of the Iskandar Puteri City Council and the relevant by-laws pursuant to the LGA 1976 governing the conduct of the business of SGP Malaysia are as follows:

(a) The Licensing of Trades, Businesses and Industries (Iskandar Puteri City Council) By-Laws 2018 provides that no person shall use any place or premises, within the area of the Iskandar Puteri City Council for any trade, business or industry without a licence issued by the Iskandar Puteri City Council.

(b) The Advertisement (Johor Bahru Tengah District Council) By-Laws 1982 provides that no person shall exhibit or cause to be exhibited any advertisement without a licence issued by the Iskandar Puteri City Council.

Any person who contravenes any of the provisions under these by-laws shall be liable to a fine not exceeding RM2,000 or to imprisonment not exceeding one (1) year or to both.

National Land Code (Revised 2020) ("NLC")

The NLC is an act to amend and consolidate the laws relating to land within the Peninsular Malaysia and the Federal Territories, where SGP Malaysia's material properties are located.

Pursuant to the NLC, the title or interest of any person or body for the time being registered as proprietor of any land shall be indefeasible unless the exceptions under the NLC apply.

Under the NLC, land is alienated by a state authority either as freehold land (in perpetuity) or as leasehold land (for a term not exceeding ninety-nine (99) years). Land may be subject to one of 3 categories of land use, being "agriculture", "building" and "industry" which is subject to the respective implied conditions in the NLC.

Under the NLC, the proprietor of any alienated land may grant leases of the whole or any part thereof for a term exceeding three (3) years or a tenancy for a term not exceeding three (3) years. The interest of any lessee or tenant shall, whether or not it takes effect in possession, vest in the lessee on the registration of the lease or in the tenant on the grant of the tenancy.

Street, Drainage and Building Act 1974 ("SDBA 1974")

The SDBA 1974 is an act to amend and consolidate the laws relating to street, drainage and building in local authority areas in Peninsular Malaysia, where SGP Malaysia's material properties are located.

Under the SDBA 1974, any person who occupies or permits to be occupied any building without a certificate of completion and compliance shall be liable on conviction to a fine not exceeding RM250,000 or to imprisonment not exceeding ten (10) years or to both. The SDBA 1974 further provides that no certificate of completion and compliance shall be issued except by a principal submitting person in accordance with the SDBA 1974.

Fire Services Act 1988 ("FSA 1988")

The FSA 1988 is an act to make necessary provisions for, among others, the protection of persons and property from fire risks or emergencies.

Under the FSA 1988, every designated premise shall require a fire certificate to be issued by the Fire and Rescue Department of Malaysia. Under the Fire Services (Designated Premises) Order 1998, the Johor Property falls within the meaning of a designated premise which includes, among others, a factory which is 2,000 square metres and over in total floor areas with automatic sprinklers systems.

Where there is no fire certificate in force in respect of any designated premises, the owner of the premises shall be guilty of an offence and shall, on conviction, be liable to a fine not exceeding RM50,000 or to imprisonment not exceeding five (5) years or to both.

EQA 1974

The EQA 1974 is an act relating to the prevention, abatement, control of pollution and enhancement of the environment.

The EQA 1974 provides that no person shall, among others, place, deposit or dispose of, except at prescribed premises only, any scheduled wastes on land or into Malaysian waters, without prior written approval of the Director General of Environmental Quality. Any person who contravenes the foregoing shall be guilty of an offence and shall on conviction be punished with imprisonment not exceeding five (5) years and shall also be liable to a fine of not less than RM100,000 and not exceeding RM10,000,000.

The EQA 1974 further provides that an owner or occupier of a premise shall employ a person who has been certified by the Director General of Environmental Quality as a competent person to conduct the management of scheduled wastes. Any person who contravenes the foregoing shall be guilty of an offence and shall on conviction be liable to a fine of not less than RM5,000 and not exceeding RM250,000 or to imprisonment not exceeding two (2) years or to both.

The Director General of Environmental Quality may by notice in writing require the owner or occupier of a premise to, among others, adopt any measure to reduce, mitigate, disperse, remove, eliminate, destroy or dispose of pollution within such time and in such manner as may be specified in the notice. Any person who contravenes the notice shall be guilty of an offence and shall on conviction be liable to a fine of not less than RM50,000 and not exceeding RM1,000,000 or to imprisonment not exceeding five (5) years or to both, and shall also be liable to a further fine not exceeding RM1,000 for every day during which the offence continues after the notice.

The EQSWR 2005, a subsidiary legislation pursuant to the EQA 1974, further obliges any person who generates scheduled wastes to among others:

(a) within 30 days from the date of generation of scheduled wastes, notify the Director General of Environmental Quality of the new categories and quantities of scheduled wastes which are generated;

(b) dispose of treat or recover all scheduled wastes at the prescribed premises;

(c) ensure that all scheduled wastes are properly stored;

(d) ensure that containers containing scheduled wastes are always closed during storage;

(e) design, construct and maintain adequately areas for the storage of containers containing scheduled wastes;

(f) clearly label containers that are used to store the scheduled wastes;

(g) keep accurate and up-to-date inventory of scheduled wastes;

(h) provide information of all categories of scheduled wastes to the licenced scheduled waste contractors; and

(i) ensure that all employees involved in the management of scheduled wastes attend training programmes,

in accordance with the EQSWR 2005. A person who contravenes any of the foregoing shall be guilty of an offence and shall on conviction be liable to a fine of not less than RM5,000 and not exceeding RM250,000 or to imprisonment not exceeding two (2) years or to both.

Employment Act 1955 ("EA 1955")

The EA 1955 is an act which provides minimum terms and conditions of employment to be adhered to in the private sector including but not limited to overtime, sick leave, annual leave entitlement, maternity protection and termination benefits.

The EA 1955 applies to all employees regardless of their occupation and wages, save for some specific provisions, for instance, overtime payment related provisions, shift work allowances and termination, lay-off retirement benefits, which will not be applicable to employees earning more than RM4,000 a month unless these employees fall within the ambit of specific categories of blue-collar workers, such as manual labourers, supervisors of the manual labourer and drivers.

The EA 1955 provides that any term or condition of a contract of service or of an agreement which is less favourable to an employee than that prescribed under the EA 1955 shall be void and have no effect. To this extent, the more favourable provisions of the EA 1955 will prevail. Conversely, an employer and employee may agree to any terms or conditions of employment which is more favourable to the employee than the provisions of the EA 1955.

Any person who contravenes any provisions of the EA 1955, in respect of which no penalty is provided, shall be liable, on conviction, to a fine not exceeding RM50,000.

Employment (Restriction) Act 1968 ("ERA 1968")

The ERA 1968 is an act to provide for the restriction of employment in certain business activities in Malaysia of non-citizens and the registration of such non-citizens.

The ERA 1968 provides that no person shall employ in Malaysia, a non-citizen unless there has been a valid employment permit issued for the non-citizen. It further provides that any person who fails to comply with the foregoing commits an offence and shall, on conviction, be liable to a fine not exceeding RM5,000 or to imprisonment not exceeding one (1) year or to both.

Immigration Act 1959/63 ("IA 1959/63")

The IA 1959/63 is an act relating to immigration laws. Pursuant to the IA 1959/63, no person other than a citizen shall enter Malaysia unless the following, among others, applies:

(a) he is in possession of a valid entry permit;

(b) his name is endorsed upon a valid entry permit and he is in the company of the holder of such entry permit; or

(c) he is in possession of a valid pass.

The IA 1959/63 provides that any person who employs any person, other than a citizen or a holder of an entry permit who is not in possession of a valid pass, shall be guilty of an offence and shall, on conviction, be liable to a fine of not less than RM10,000 but not more than RM50,000 or to imprisonment not exceeding 12 months or to both for each such employee. Where more than five (5) such employees are employed, the person shall, on conviction, be liable to imprisonment of not exceeding five (5) years and to a maximum of six (6) strokes of whipping.

National Wages Consultative Council Act 2011 ("NWCCA 2011")

The NWCCA 2011 is an act to establish a National Wages Consultative Council to conduct studies on all matters concerning minimum wages and to make recommendations to the government of Malaysia to make minimum wages orders.

The NWCCA 2011 provides that an employer who fails to pay the basic wages as specified in the minimum wages order to his employees commits an offence and shall, on conviction, be liable to a fine of not more than RM10,000 for each employee and in the case of a continuing offence, in addition to any other penalty in respect of such offence, to a daily fine not exceeding RM1,000 for each day the offence continues after conviction, and in the case of a repeated offence, to a fine not exceeding RM20,000 or to imprisonment not exceeding five (5) years. Pursuant to the Minimum Wages Order 2024, from 1 August 2025, the minimum monthly wage rate is RM1,700.

Employees Provident Fund Act 1991 ("EPFA 1991")

The EPFA 1991 is an act governing the scheme of savings for employees' retirement and the management of the savings for the retirement purposes.

By virtue of the EPFA 1991, a fund called the "Employees Provident Fund" is established into which shall be paid, among others, all contributions required to be made thereunder. The EPFA 1991 provides that an employer shall be liable to pay both the contributions payable by the employer and also, on behalf of and to the exclusion of its employee, the contributions payable by that employee. The employee's portion of contributions is deducted from his salary. The amount of contribution payable is calculated based on the amount of wages of the employees at the rate set out in the EPFA 1991. The EPFA 1991 further provides that an employer who fails, within such prescribed period, to pay to the Employees Provident Fund the contributions shall be guilty of an offence and shall, on conviction, be liable to imprisonment not exceeding three (3) years or to a fine not exceeding RM10,000 or to both.

Effective October 2025, the EPFA 1991 applies to foreign citizens working in Malaysia and the contributions are mandatory for all foreign citizens employees with valid work passes (excluding domestic workers). The mandatory contribution rate for foreign workers is 2.0% of monthly wages for both the employer's and employee's shares.

Employees' Social Security Act 1969 ("ESSA 1969")

The ESSA 1969 is an act to provide social security in certain contingencies and to make provision for certain other matters in relation to it.

The ESSA 1969 provides that all employees in industries to which the ESSA 1969 applies, irrespective of the amount of wages, shall be insured in the manner provided by the ESSA 1969. ESSA 1969 further provides that the employer shall pay the contribution payable by the employer and the contribution payable by the employee to the Social Security Organization at the rates specified in the ESSA 1969. Similarly, the contributions by the employee are deducted from the salary. It further provides that if any person, among others, fails to pay any contribution or any part thereof which is payable by him under the ESSA 1969 or fails to pay within the prescribed time any interest payable, or is guilty of any contravention of or non-compliance with any of the requirements of the ESSA 1969 in respect of which no special penalty is provided, he shall be punishable with imprisonment up to two (2) years, or with a fine not exceeding RM10,000, or to both.

Employment Insurance System Act 2017 ("EISA 2017")

The EISA 2017 is an act to provide for the Employment Insurance System administered by the Social Security Organization, to provide certain benefits and a re-employment placement programme for insured persons in the event of loss of employment.

The EISA 2017 provides that all employees in the industries to which the EISA 2017 applies shall be registered and insured by the employers irrespective of the amount of wages. The EISA 2017 provides that the contributions payable under the EISA 2017 shall comprise a contribute on payable by the employer and a contribution payable by the employee to be paid to the Social Security Organization at the rates specified in the EISA 2017 based on the amount of the monthly wages of the employee. If the amount of the monthly contribution payable by the employer in respect of an employee is not paid within the relevant period, the employer shall be liable to pay interest on such amount to the Social Security Organization at the rate as prescribed by the Minister of Human Resources in respect of any period during which such amount remains unpaid.

The Employment Insurance System (Registration And Contribution) Regulations 2017 provides that any employer who fails to comply with the requirement to pay the contributions not later than the fifteenth day of the month immediately following the month in respect of which such contribution becomes due, commits an offence and shall, on conviction, be liable to a fine not exceeding RM10,000 or to imprisonment not exceeding two years or to both.

Occupational Safety and Health Act 1994 ("OSHA 1994")

The OSHA 1994 is an act to make provisions for, among others, securing the safety, health and welfare of persons at work and for protecting others against risks to safety or health in connection with the activities of persons at work. By virtue of the OSHA 1994, every employer is under an obligation to ensure, so far as is practicable, the safety, health and welfare to work of all his employees excluding domestic employment, armed forces and work on board ships. A principal has the duty to take necessary measures, so far as is practicable, to ensure the safety of contractors and sub-contractors as well as to conduct and implement risk assessment. Any person who contravenes the foregoing provisions under the OSHA 1994 is guilty of an offence and is liable on conviction to a fine not exceeding RM500,000 or to imprisonment not exceeding two (2) years or to both.

Personal Data Protection Act 2010 ("PDPA 2010")

The PDPA 2010 is an act to regulate the collection, processing, storage, transfer and retention of individuals' personal data. It applies to the processing of personal data in commercial transactions including but not limited to employment relationships where a data controller is obliged to comply with the personal data protection principles as set out in the PDPA 2010. "Processing" is widely defined and means collecting, recording, holding or storing the personal data or carrying out any operation or set of operations on the personal data.

The PDPA 2010 prohibits data controllers from collecting and processing a data subject's (i.e. individual's) personal data without his consent. Data controllers are prohibited from disclosing or making the data available to any third-party without the consent of data subjects and data controllers are to inform data subjects on the purpose of its data collection, the class of third-party who may have access to the data and the choices that data subjects have on how the data is to be used. In this regard, any processing of data by an employer related to its employees would require consent from the employees. Pursuant to the PDPA 2010, data controllers are under a duty to develop and implement a security policy to prevent the loss, misuse, modification, unauthorised or accidental access or disclosure, alteration or destruction of personal data processed by them.

A data controller who contravenes the foregoing commits an offence and shall, on conviction, be liable to a fine not exceeding RM1,000,000 or to imprisonment not exceeding three (3) years or to both.

For purposes of this section, the following definitions will apply:

"our Group" means:

(a) our Company;

(b) a subsidiary of our Company that is not listed on the SGX-ST or any approved exchange; or

(c) an associated company of our Company that is not listed on the SGX-ST or any approved exchange and which our Group and our interested person(s) have control.

"approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles in Chapter 9 of the Catalist Rules.

"interested person" means:

(a) a Director, CEO, or Controlling Shareholder of our Company; or

(b) an associate of any such Director, CEO, or Controlling Shareholder.

Certain terms such as "associate", "control", "controlling shareholder", and "interested person" used in this section have the meanings as provided in the Catalist Rules and in the SFR, unless the context specifically requires the application of the definitions in one or the other as the case may be.

In general, transactions between our Group and any of our interested persons would constitute interested person transactions for the purposes of Chapter 9 of the Catalist Rules.

Details of the present and ongoing transactions as well as past transactions between our Group and Interested Persons which are material in the context of the Placement are set out below. Save as disclosed in this section, there are no material interested person transactions for FY2023, FY2024, FY2025 and 6M2026, and for the period from 1 July 2026 to the Latest Practicable Date ("**Relevant Period**").

In line with the rules set out in Chapter 9 of the Catalist Rules, a transaction which value is less than S$100,000 is not considered material in the context of the Placement and is not taken into account for the purposes of aggregation in this section.

INTERESTED PERSONS

Each of the following persons is considered an "Interested Person" for the purposes of this section.

Interested Person		**Relationship and Description**
Global & Co	:	a company wholly-owned by Mr. Jee Wee Liang, brother of Mrs. Chua, our Executive Director, and is accordingly an Associate of Mrs. Chua
Pryon International Pte Ltd ("**Pryon**")	:	a company 51.0% owned by Dato' Sri Chua, our Founder, CEO and Executive Director and Controlling Shareholder, and is accordingly an Associate of Dato' Sri Chua and Mrs. Chua

PAST INTERESTED PERSON TRANSACTIONS

Save for the Reorganisation that was undertaken in connection with our listing on GEM, based on the list of interested persons set out above, there are no past interested person transactions entered into by our Group during the Period Under Review.

PRESENT AND ONGOING INTERESTED PERSON TRANSACTIONS

Transactions with Global & Co

Our precision component engineering services require the use of certain U.S. made components and parts. However, as the quantity of such U.S. made components and parts we require are generally small, our Directors believe that it is more costly for us to directly procure from local U.S. suppliers who generally impose significant minimum order quantities on international orders.

In this regard, Mr. Jee Wee Liang (brother of Mrs. Chua, our Executive Director and brother-in-law of Dato' Sri Chua, our Founder, Executive Director and Controlling Shareholder), who is based in the U.S., incorporated Global & Co to facilitate our procurement of components and parts in the U.S. Under Chapter 9 of the Catalist Rules, Global & Co is an associate of Mrs. Chua as it is a company in which she and her immediate family together have an interest of 30.0% or more. As Global & Co is based in the U.S., it could procure parts and components directly from U.S. based manufacturers, distributors or stockists in a more cost-effective manner and without any requirement for minimum order quantity. Procurement from Singapore distributors or stockists may also be less expedient for production purposes as these suppliers may wait for sufficiently large orders before they ship the parts to Singapore which results in inflexible shipment and delays in our receipt of these parts. To the best of our Directors' knowledge and based on our Group's communications with the relevant suppliers based in the U.S., certain suppliers do not directly ship and sell the components and parts to customers outside of the U.S..

Upon receiving a purchase order from our Group for components and parts, Global & Co would procure the components and parts from local U.S. suppliers directly and ship the components and parts to Singapore. Global & Co's sales to our Group are based on the procurement cost of the components and parts plus (i) administrative and other miscellaneous costs (such as order processing and packing), and (ii) shipping costs incurred, whereas other independent suppliers may charge for the identical components and parts at higher marked-up prices.

During the Period Under Review, we procured components and parts, including stainless steel screw heads, corrosion resistant ball screws, pull-handles and helicoils (the "**U.S. Procurements**") from U.S. based suppliers through Global & Co. The amounts paid by our Group to Global & Co in connection with the U.S. Procurements for FY2023, FY2024, FY2025 and 6M2026, and for the period from 1 July 2026 to the Latest Practicable Date, amounted to approximately S$130,693, S$179,148, S$276,406, S$137,081 and S$111,962, respectively.

The U.S. Procurements were not entered into on an arms' length basis and not on normal commercial terms, as we procured components and parts from Global & Co at lower than market rate. Given that the U.S. Procurements were conducted at more favourable terms, our Directors are of the opinion that they are not prejudicial to the interests of our Company and our minority Shareholders.

We intend to continue to procure U.S. made components and parts through Global & Co after the Listing. Such transactions after the Listing will be subject to the requirements under Chapter 9 of the Catalist Rules and guidelines and the procedures set out in the section entitled "Interested Person Transactions – Guidelines and Review Procedures for Future Interested Person Transactions" of this Offer Document.

Service agreement with Pryon International Pte Ltd

Metasurface Technologies and Pryon had entered into a service agreement on 5 August 2025 for the provision by Metasurface Technologies of management, manpower and logistics services to Pryon at the premises located at the Tuas Property ("**Pryon Service Agreement**").

Pryon is principally engaged in the supply, fabrication and installation of stone countertops and surfaces in Singapore. On 15 May 2026, Dato' Sri Chua acquired 51.0% shareholding interest in Pryon ("**Acquisition**") and the remaining shareholders are Tan Chee Soon who owns 40.0% shareholding interest and Fang Minjie who holds 9.0% shareholding interest. Upon completion of the Acquisition, Pryon became an associate of Dato' Sri Chua and Mrs. Chua, as it is a company in which they and their immediate family together have an interest of 30.0% or more, and hence, is an "Interested Person" under Chapter 9 of the Catalist Rules. To the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, save and except for Dato' Sri Chua, none of the ultimate beneficial owners of Pryon are interested persons.

Pursuant to the Pryon Service Agreement, Metasurface Technologies shall provide the standard management, manpower and logistic services at the Tuas Property to Pryon as set out in the Pryon Service Agreement, including but not limited to receiving, inspection, production scheduling, packaging, delivery, storage and inventory management (collectively, "**Standard Services**"). Further, Metasurface Technologies shall provide additional support services at the Tuas Property to Pryon upon request by Pryon from time to time as set out in the Pryon Service Agreement, including but not limited to transportation, loading, unloading and forklift services (collectively, "**Additional Services**"). The current term of the Pryon Service Agreement is 1 September 2025 to 31 December 2027, as parties agreed for Metasurface Technologies to start providing the relevant services to Pryon pursuant to the Pryon Service Agreement from 1 September 2025.

The monthly service charge for the Standard Services (payable in advance on the first day of each calendar month) is fixed at S$58,500.00 (exclusive of GST), and the service charge for each of the Additional Services is set out below. The service charge for each of the Additional Services would remain consistent throughout the current term of the Pryon Service Agreement and may be subject to adjustments based on mutual discussion between Metasurface Technologies and Pryon at the point of each subsequent extension of the term of the Pryon Service Agreement.

Additional Services		
No.	**Description of Item**	**Amount**
1	Transportation by 40ft Prime Mover	S$500 per trip
2	Loading for 40ft Prime Mover	S$250
3	Unloading for 40ft Prime Mover	S$250
4	Transportation by 45ft Prime Mover	S$750 per trip
5	Loading for 45ft Prime Mover	S$350
6	Unloading for 45ft Prime Mover	S$350
7	7 Tons Forklift (Exclude Operator)	S$500 per day
		S$1,300 per week
		S$2,500 per month
8	Forklift Operator	S$250

No amount was charged for the Additional Services for the Period under Review as no Additional Services were provided. The value of the interested person transactions with Pryon (comprising both Standard Services and Additional Services) between 15 May 2026, i.e. the date of the Acquisition and 30 June 2026, was S$73,811.

Either party may terminate the Pryon Service Agreement by a 12-month written notice to the other party. Pryon shall have the option to extend the service by four further terms of 3 years each by giving Metasurface Technologies three months' written notice at the monthly service charge of S$62,600, S$67,000, S$71,690 and S$76,700 for each of the extended terms, commencing on 1 January 2028, 2031, 2034 and 2037 respectively. The monthly service charge for each of the extended terms were arrived at by applying a seven per cent. (7.0%) increment at each interval to adjust for effects of inflation, based on arm's length negotiations between Metasurface Technologies and Pryon.

The Pryon Service Agreement was entered into on an arms' length basis and normal commercial terms as the service charges payable by Pryon to Metasurface Technologies for the Standard Services and Additional Services were arrived at after arm's length negotiations between Metasurface Technologies and Pryon based on prevailing market price for similar services. To determine the prevailing market price, the parties surveyed the prices charged by local service providers for similar services at the relevant time. Further, on the date of the Pryon Service Agreement, Pryon and its then ultimate beneficial owner were third parties independent of our Company and our Directors, CEO and Controlling Shareholders and their Associates. Pryon only became an interested person and the Pryon Service Agreement only became an interested person transaction as a result of the Acquisition by Dato' Sri Chua. Accordingly, our Directors (excluding Dato' Sri Chua) are of the view that the Pryon Service Agreement was entered into on normal commercial terms, is fair and reasonable and the continuation of the transactions contemplated under the Pryon Service Agreement is not prejudicial to the interests of our Company and our minority Shareholders.

We intend to continue with the transactions under the Pryon Service Agreement after the Listing. Such transactions after the Listing will be subject to the requirements under Chapter 9 of the Catalist Rules and guidelines and the procedures set out in the section entitled "Interested Person Transactions – Guidelines and Review Procedures for Future Interested Person Transactions" of this Offer Document.

Save for the foregoing, there are no present and ongoing interested person transactions entered into by our Group during the Period Under Review, based on the list of interested persons set out above.

GUIDELINES AND REVIEW PROCEDURES FOR FUTURE INTERESTED PERSON TRANSACTIONS

Our Audit Committee will review and approve all interested person transactions to ensure that they are on normal commercial terms and on an arm's length basis, that is, the transactions are transacted in terms and prices not more favourable to the Interested Persons than if they were transacted with a third-party and are not prejudicial to the interests of our Company and our minority Shareholders in any way.

To ensure that future transactions with interested persons are undertaken on an arm's length basis, on normal commercial terms, not prejudicial to the interests of our Company and our minority Shareholders, and are consistent with our Group's usual business practices and policies, which are generally no more favourable than those extended to unrelated third parties, the following procedures will be implemented by our Group:

(a) in relation to any purchase of products or procurement of services from interested persons, quotes from at least two (2) unrelated third parties in respect of the same or substantially the same type of transactions will be used as comparison wherever possible. The purchase price, procurement price or fee for services shall not be higher than the most competitive price of the two (2) comparative prices from the two (2) unrelated third parties. Our Audit Committee will review the comparative quotes, taking into account, the suitability, quality and cost of the product or service, specifications, delivery time and the experience, expertise and track record of the supplier;

(b) in relation to any sale of products or provision of services to interested persons, the price and terms of two (2) other completed transactions of the same or substantially the same type of transactions to unrelated third parties are to be used as comparison wherever possible. The interested persons shall not be charged at rates lower than that charged to the unrelated third parties;

(c) in relation to renting properties from or to an interested person, our Audit Committee shall take appropriate steps to ensure that the rent is commensurate with the prevailing market rates, including adopting measures such as making relevant inquiries with landlords of similar properties and/or obtaining necessary reports or reviews published by property agents (as necessary) (including an independent valuation report by a property valuer, where considered appropriate). The rent payable shall be compared against the most competitive market rental rate of similar property in terms of size, suitability for purpose and location, and based on the results of the relevant inquiries; and

(d) for the purposes above, where it is not possible to compare against the terms of other transactions with unrelated third parties and/or given that the products or services may only be purchased from an interested person, our Audit Committee will determine whether the relevant price, fees and/or the other terms offered by or to the interested persons are fair and reasonable, before approving such interested person transaction. In so determining, our Audit Committee will consider whether including but not limited to, the price and/or other terms are in accordance with usual business practices and pricing policies and consistent with the usual margins and/or terms to be obtained for the same or substantially similar types of transactions to determine whether the relevant transaction is undertaken on an arm's length basis and on normal commercial terms.

All interested person transactions above S$100,000 are to be approved by a Director who is also a member of the Audit Committee and not an interested person in respect of the particular transaction. Any contracts to be made with an interested person shall not be approved unless the pricing is determined in accordance with our usual business practices and policies, consistent with the usual margin given or price received by us for the same or substantially similar type of transactions between us and unrelated parties and the terms are no more favourable than those extended to or received from unrelated parties.

For the purposes above, where applicable, contracts for the same or substantially similar type of transactions entered into between us and unrelated third parties will be used as a basis for comparison to determine whether the price and terms offered to or received from the interested person are no more favourable than those extended to unrelated parties.

In addition, we shall monitor all interested person transactions entered into by us based on the category of the transactions as follows:

(a) a "category one" interested person transaction (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) is one where the value or aggregate value thereof, as the case may be, is equal to or more than 3.0% of the latest audited NTA of our Group; and

(b) a "category two" interested person transaction (either individually or as part of a series or if aggregated with other transactions involving the same interested person during the same financial year) is one where the value or aggregate value thereof, as the case may be, is below 3.0% of the latest audited NTA of our Group.

"Category one" interested person transactions must be approved by our Audit Committee prior to entry. "Category two" interested person transactions need not be approved by our Audit Committee prior to entry but shall be reviewed on a half-yearly basis by our Audit Committee.

Before any agreement or arrangement with an interested person that is not in the ordinary course of business of our Group is transacted, prior approval must be obtained from our Audit Committee. In the event that a member of our Audit Committee is interested in any interested person transactions, he will abstain from reviewing that particular transaction. Any decision to proceed with such an agreement or arrangement would be recorded for review by our Audit Committee. We shall prepare all the relevant information to assist our Audit Committee in its review and will keep a register recording all interested person transactions. The register shall also record the basis for entry into the transactions, including the quotations and other evidence obtained to support such basis. All interested person transactions shall be subject to review by our Audit Committee on a half yearly basis. Our Audit Committee will ascertain whether the interested person transactions are on normal commercial terms and not prejudicial to interest of our Company and minority Shareholders, in compliance with the guidelines and procedures established to monitor interested person transactions.

We will also comply with the provisions in Chapter 9 of the Catalist Rules in respect of all future interested person transactions, and if required under the Catalist Rules, the Singapore Companies Act, the SFA or any other applicable laws or regulations, we will make immediate announcements and/or seek independent Shareholders' approval for such transactions. In particular, interested persons shall abstain from voting on resolutions approving interested person transactions involving themselves and our Group. In addition, such interested persons shall not act as proxies in relation to such resolutions unless specific instructions as to voting have been given by the Shareholders.

Our Audit Committee and our Board will also ensure that all disclosures, approvals and other requirements on interested person transactions, including those required by prevailing laws, rules and regulations, the Catalist Rules and accounting standards are complied with. Pursuant to the Catalist Rules, we will make the required disclosure in relation to our interested person transactions in our annual report during the relevant financial year under review.

POTENTIAL CONFLICTS OF INTEREST

In general, a conflict of interest arises when any of our Directors, Controlling Shareholders or their respective Associates carries on or has any interest in any other corporation carrying on the same business or dealing in similar products or services as our Group.

Certain of our Directors and Controlling Shareholders and their respective Associates in the future may hold as financial investments, whether directly or by way of deemed interest, not more than a 5.0% interest in quoted or listed securities of companies that are in similar business as our Group.

Save as disclosed in the sections entitled "Interested Person Transactions" and "Directors, Executive Officers and Employees" of this Offer Document, in relation to conflicts of interest, none of our Directors, Executive Officers, Controlling Shareholders or any of their Associates has an interest, direct or indirect:

(a) in any transaction to which our Group was or is to be a party;

(b) in any entity carrying on the same business or dealing in similar products or services which competes materially and directly with the existing business of our Group;

(c) in any enterprise or company that is our Group's customer or supplier of goods and services; and

(d) in any existing contract or arrangement which was or is significant in relation to the business of our Group.

Interests of Experts

Save as disclosed in the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements", none of the experts named in this Offer Document:

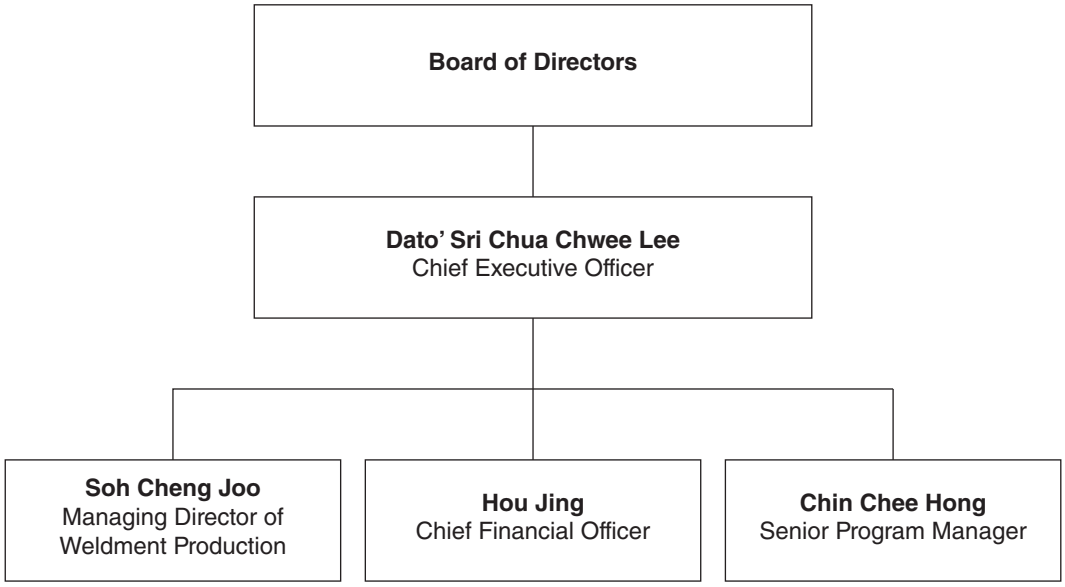
(a) is employed on a contingent basis by our Company or our subsidiaries;

(b) has a material interest, whether direct or indirect, in our Shares or in the shares of our subsidiaries; or

(c) has a material economic interest, whether direct or indirect, in our Company, including having an interest in the success of the Placement.

MANAGEMENT REPORTING STRUCTURE

The following chart shows our management reporting structure as at the Latest Practicable Date:



DIRECTORS

Our Board of Directors is entrusted with the responsibility for the overall management of our Group. Our Directors' particulars are listed below:

Name	Age	Address	Designation
Dato' Sri Chua	55	No. 43 Tuas View Circuit Singapore 637360	Founder, Executive Director and CEO
Mrs. Chua	55	No. 43 Tuas View Circuit Singapore 637360	Executive Director
Mr. Soh	53	No. 43 Tuas View Circuit Singapore 637360	Executive Director
Mr. Thng	63	No. 43 Tuas View Circuit Singapore 637360	Non-Executive Director
Mr. Tan Chek Kian	54	No. 43 Tuas View Circuit Singapore 637360	Chairman of our Board and Independent Non-Executive Director
Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng)	38	No. 43 Tuas View Circuit Singapore 637360	Independent Non-Executive Director
Mr. Chan Yang Kang	45	No. 43 Tuas View Circuit Singapore 637360	Independent Non-Executive Director

Experience of our Board of Directors

Information on the business and working experience of our Directors are set out below:

Dato' Sri Chua

Dato' Sri Chua was appointed as an Executive Director on 7 December 2021 and the CEO and Chairman of our Board on 2 May 2023. He was redesignated as an Executive Director on 2 May 2023. He resigned as Chairman of our Board on 31 March 2026 and remained as our Executive Director and CEO. Dato' Sri Chua founded our Group in 2000 and since then has been spearheading our Group's strategic development and business expansion. With over 30 years of invaluable experience in high precision and tooling design, he is responsible for our Group's overall management, strategic planning and growth and operations.

Prior to joining our Group, Dato' Sri Chua worked at Hitachi Cable Pte. Ltd. from January 1998 to December 1999 as a senior engineer, where he was responsible for overseeing automation design. From January 1994 to December 1997, he worked at Siemens Medical Instruments Pte. Ltd. as a tooling engineer, responsible for overseeing mould design. Between January 1992 and December 1993, he worked at Fu Yu Corporation Limited as a mould designer, where he was responsible for designing and overseeing injection moulding operations.

Dato' Sri Chua received his training in high precision manufacturing from the Vocational and Industrial Training Board of Singapore. He was awarded the National Trade Certificate (Grade 3) in metal machining with a certificate of merit for outstanding performance in 1989 and the National Trade Certificate (Grade 2) in tool and die making (injection mould) (practical and theory parts) in 1990.

Dato' Sri Chua was honoured as a Dato' Sri by the Sultan of Pahang, a state in Malaysia in 2018, and was awarded "Successful Entrepreneur (Platinum Category)" by GRC Press Holdings in 2010 in its annual "Successful Entrepreneur (Singapore Edition)" publication.

Dato' Sri Chua is a Controlling Shareholder of our Company. He is the spouse of Mrs. Chua, who is our Executive Director. Dato' Sri Chua is also a director of Metasurface Technologies, SPW and SGP Malaysia, all of which are our wholly-owned subsidiaries.

Mrs. Chua

Mrs. Chua was appointed as an Executive Director since 7 December 2021.

Mrs. Chua has worked closely with Dato' Sri Chua since our Group's establishment and throughout our Group's business expansion. She joined our Group since establishment as finance director of Metasurface Technologies, a subsidiary of our Group, where her main responsibility is to manage Metasurface Technologies' finance and administrative departments. Mrs. Chua assumes overall responsibilities in our Group in finance, administration, compliance and human resources.

Prior to joining our Group, Mrs. Chua worked at Trivenus Trading Company from January 1993 to December 1999 as a sales coordinator, where she was responsible for preparing quotations and arranging deliveries for customers.

Mrs. Chua studied at Informatics Computer School Singapore and obtained a Diploma in Computer Studies from the University of Cambridge Local Examinations Syndicate (in collaboration with Informatics Computer School Singapore) through distance learning in November 1994 and an International Diploma in Computer Studies from the National Computing Centre through distance learning in September 1995. She was also awarded a Book-keeping and Accounts – Second Level and Accounting – Third Level by the London Chamber of Commerce and Industry Examinations Board in 1996 and 1997, respectively.

Mrs. Chua is the spouse of Dato' Sri Chua, who is our Founder, Executive Director, CEO and a Controlling Shareholder. Mrs. Chua is also a director of Metasurface Technologies, our wholly-owned subsidiary. She also serves as an non-executive director of MetaOptics Technologies, our investee company.

Mr. Soh

Mr. Soh was appointed as an Executive Director on 28 March 2025, and has been the managing director of SPW where he mainly manages the spare part fabrication process of semiconductor equipment. He joined our Group on 13 April 2018 as a director of SGP Malaysia. He joined SPW in March 2015 (which was later acquired by our Group on 1 December 2021) as a managing director. He was also appointed as our Managing Director of Weldment Production in May 2023. Weldment Production refers to our Group's precision welding segment. His key role is to manage the development of our Group's welding business. He is also a key member of our Group's management and has experience in various welding processes.

Since 2003, and prior to commencing employment at SPW in March 2015, Mr. Soh worked at Integrated Manufacturing Technologies Pte Ltd, which was principally engaged in manufacturing electronic components and boards, where he was an operation manager managing the spare part fabrication process of semiconductor equipment.

Mr. Soh was awarded the Executive Diploma in Professional Supervisory Management, First Class from the University of Technology Malaysia in 2016.

In November 2015, Mr. Soh was certified by the American Welding Society as an Associate Welding Inspector for complying with the requirements of "AWS QC1, Standard for AWS Certification of Welding Inspectors". In October 2012, he was awarded a Statement of Attainment by the Singapore Workforce Development Agency for performing welding inspection. In March 2005, he completed a course in Orbital Welding Basics at Integrated Manufacturing Technologies-International. In January 2002, he completed a training programme at Air Transport Training College Pte Ltd and obtained a Professional Certificate in Aerospace Working Operations (Mechanical). In May 2000, he completed a training course in E.B. Welder Process Engineering at PTR-Precision Technologies Inc. In January 1993, he completed a course on TIG Welding (Theory and Practical) organised by General Electric (U.S.A.) Aviation Service Operation Pte Ltd (currently known as GE Aviation Service Operation Pte Ltd).

Mr. Soh is a director of SGP Malaysia and SPW, our wholly owned subsidiaries, and a Substantial Shareholder of our Company.

Mr. Thng

Mr. Thng was appointed as a Director on 7 December 2021. He was redesignated as an Executive Director on 2 May 2023. He has been redesignated from an Executive Director to a Non-Executive Director with effect from 28 March 2025.

From July 2021 to March 2025, Mr. Thng was the Vice President (Special Projects) at Metasurface Technologies. Mr. Thng has accumulated approximately 16 years of work experience in product and process engineering and over five years of experience in advanced optics. Since June 2021, Mr. Thng has worked with MetaOptics Technologies, where he holds the position of Vice President (Business Unit). He was appointed as a director of MetaOptics Technologies in May 2023. Since March 2025, Mr. Thng has served as executive chairman of MetaOptics Ltd, which is our investee company. He also held the position of chief executive officer of MetaOptics Ltd from April 2025 to February 2026.

Before joining our Group, Mr. Thng held key management positions in several multinational companies. From August 2012 to April 2018, Mr. Thng was employed as the Vice President (Special Projects & New Product Operations) at ams-OSRAM Asia Pacific Pte Ltd (currently known as Ams Sensors Holdings Asia Pte Ltd), a supplier of sensors headquartered in Singapore. In this role, Mr. Thng mainly worked on the engineering and production of sensor modules. From August 2006 to July 2011, Mr. Thng worked at Benchmark Electronics Manufacturing (S) Pte Ltd, where his last position was senior business development executive, of which he was mainly responsible for overseeing the overall business, handling production schedule and customer deliveries.

From July 2005 to August 2006, Mr. Thng worked as the senior HDD product engineering director at Seagate Technology International (Wuxi) Co., Ltd, China, an original equipment manufacturer, headquartered in the U.S., which engaged in the design and production of storage hard disk drives. During his employment, he was mainly responsible for managing product engineering. From July 2001 to July 2005, he was the senior advanced manufacturing director of Magnecomp International Limited in China, a company dealing in design and production of magnetic head suspensions for hard disk industries, where he was responsible for managing advanced manufacturing and engineering.

From November 1988 to June 1999, he was employed at Conner Peripherals Pte Ltd (which was later acquired by Seagate Technology in the mid-1990s) and Seagate Technology, where he was responsible for product and business management in his last position as Senior Core Team Leader.

Mr. Thng graduated from Singapore Polytechnic in 1983 with a Technician Diploma in Electronics and Communication Engineering.

Mr. Tan Chek Kian ("Mr. Tan")

Mr. Tan was appointed as an Independent Non-Executive Director on 7 June 2024, and was subsequently appointed as the Chairman of our Board on 31 March 2026. He is mainly responsible for providing independent judgement on strategy, policy, performance, accountability, internal controls and corporate governance.

Mr. Tan has over 26 years of finance and audit experience. From February 2020 to February 2026, he served as an independent director, the chairman of the human resources committee and a member of the audit risk committee of 1FSS Pte Ltd, a subsidiary of MOH Holdings Pte Ltd which principally supports finance services for Singapore's public healthcare system. He assists in the overall strategy and direction and provides leadership and guidance to the senior management team.

From November 2005 to August 2022, he was employed at S&P Global Ratings Singapore Pte Ltd, a group company of S&P Global Inc (NYSE: SPGI), a company primarily focusing on financial information and analytics. His last position there was Vice President, Finance and Operations, Global Emerging Markets, and he was primarily responsible for developing business model, products and processes in emerging markets globally.

Prior to that, from October 1999 to October 2005, he worked at Exel Singapore Pte Ltd (currently known as DHL Supply Chain Singapore Pte Ltd) with his last position being a regional financial controller where he was responsible for assisting the chief financial officer in managing the financial activities of 19 counties in the Asia Pacific Region, and at KPMG Services Pte Ltd as an audit supervisor from June 1995 to September 1999 where he had overseen high-profile audit assignments.

Mr. Tan obtained an Executive Diploma in Directorship from Singapore Management University in 2023, a Master of Business Administration from the National University of Singapore in 2004, an Advanced Diploma in Computer Studies from the Informatics Computer School, Singapore (validated by the University of Oxford Delegacy of Local Examinations) in 1998, and a Bachelor of Accountancy from Nanyang Technological University in 1995. He had completed the Listed Entity Directors Bridging Programme conducted by the Singapore Institute of Directors in 2025 and has also been a member of the Institute of Singapore Chartered Accountants (previously known as Institute of Certified Public Accountants of Singapore) since 1996.

Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng) ("Mr. Ang")

Mr. Ang was appointed as an Independent Non-Executive Director on 7 June 2024, and is mainly responsible for providing independent judgement on strategy, policy, performance, accountability, internal control and corporate governance.

Mr. Ang has approximately ten years of experience in providing legal support and approximately eight years of experience in private funds and investment management. Since January 2016, Mr. Ang has been working at Tembusu Partners Pte Ltd, a Singapore-based private equity firm which specialises in venture and growth-stage investments in fast-growing markets of Greater China, India, and Southeast Asia. He was first employed as a senior associate and was subsequently promoted to the position of chief investment officer and is responsible for investment, corporate development and legal activities. During his employment, Mr. Ang has taken part in setting up new funds, as well as providing legal support to the firm. From August 2014 to January 2016, he was an associate at TSMP Law Corporation, where he practised as a lawyer.

Mr. Ang obtained a Bachelor of Laws from the National University of Singapore in June 2013. He has held the Chartered Financial Analyst designation since 2020.

Mr. Chan Yang Kang ("Mr. Chan")

Mr. Chan was appointed as an Independent Non-Executive Director on 7 June 2024, and is mainly responsible for providing independent judgement on strategy, policy, performance, accountability, internal control and corporate governance.

Since April 2026, he has been working at Howden Insurance Brokers (HK) Ltd as a senior director where he is responsible for leading and executing M&A advisory and insurance solutions across Asia, driving transaction origination, client relationships, due diligence coordination and strategic growth initiatives for corporate and private equity clients. Prior to that, Mr. Chan has over 13 years of experience in the legal industry, including experience in primary equity and secondary equity

capital market transactions, mergers and acquisitions, equity investments, joint ventures, partnerships and commercial transactions. From September 2023 to September 2025, he was employed by Linklaters LLP and went on secondment to NEOM Company, a company based in the Kingdom of Saudi Arabia leading the project to build a new urban area. He was primarily responsible for providing legal advice to the central legal team of NEOM Company. From May 2020 to August 2023, he was a partner at Hill Dickinson LLP (Hong Kong). From May 2019 to May 2020, he was an associate at Paul Hastings LLP (Hong Kong). From December 2012 to March 2019, he was an associate at Wilson Sonsini Goodrich and Rosati (Hong Kong). From September 2010 to November 2012, he was a solicitor at Chiu & Partners Solicitors (Hong Kong).

Mr. Chan obtained a Bachelor of Laws and a Bachelor of Business (Banking and Finance) from Monash University in 2008. He also obtained a Postgraduate Certificate in Laws from City University of Hong Kong in 2010. He was admitted as a solicitor in Hong Kong in 2013.

Present and Past Directorships of our Directors

The list of present and past directorships of each Director over the last five (5) years up to the Latest Practicable Date, excluding that held in our Company, are set out in the section entitled "Appendix J – List of Present and Past Directorships of our Directors and Executive Officers" of this Offer Document.

None of our Independent Non-Executive Directors has been appointed to the board of any of our subsidiaries.

Expertise of our Directors

As evidenced by their respective business and working experience set out above, our Directors possess the appropriate expertise to act as directors of our Company. Our Directors have been briefed on the roles and responsibilities of a director of a listed company in Singapore. Save for Mrs. Chua and Mr. Thng, our Directors do not have prior experience as directors of public listed companies in Singapore. In accordance with the requirements under the Catalist Rules, Dato' Sri Chua, Mr. Soh, Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng) and Mr. Chan Yang Kang have each attended and/or (as the case may be) will, within the first year of our Company's listing on the SGX-ST, attend the mandatory training as specified under Practice Note 4D of the Catalist Rules. Mr. Tan has undertaken the director training prescribed by the SGX-ST, having completed the Listed Entity Directors Bridging Programme provided by the Singapore Institute of Directors on 20 August 2025, which is a programme recognised under Practice Note 4D of the Catalist Rules.

EXECUTIVE OFFICERS

The particulars of our Executive Officers are set out below:

Name	Age	Address	Designation
Ms. Hou Jing	40	No. 43 Tuas View Circuit Singapore 637360	Group CFO
Mr. Chin Chee Hong	48	No. 43 Tuas View Circuit Singapore 637360	Senior Program Manager

Experience of our Executive Officers

Information on the business and working experience, educational and professional qualifications, if any, and areas of responsibilities of our Executive Officers is set out below:

Ms. Hou Jing

Ms. Hou joined our Group in September 2022. On 2 May 2023, she was appointed as our Group CFO. Her key role is to oversee our Group's financial management, accounting and company secretarial affairs.

Ms. Hou has accumulated more than 10 years of experience in financial management, business strategy planning, accounting and regulatory compliance prior to joining our Group. From September 2018 to August 2022, she worked as the group accountant and subsequently as the group finance manager at Rich Capital Holdings Limited (formerly known as Infinio Group Limited), a Singapore-based company listed on Catalist which engages in the business of development of residential and industrial properties in Singapore. During this employment, she was mainly responsible for overseeing all aspects of the financial reporting cycle, preparing annual forecasts and budgets, and coordinating with internal and external parties to ensure compliance with the Catalist Rules.

Before joining Rich Capital Holdings Limited, Ms. Hou has practised as an auditing professional for seven years. She worked at Cypress Singapore Pac CPA Firm from August 2011 to December 2013, and at Foo Kon Tan Grant Thornton LLP (subsequently renamed as Foo Kon Tan LLP) from January 2014 to September 2018, both of which are accounting firms in Singapore.

Ms. Hou was awarded a Bachelor of Science in Applied Accounting from Oxford Brookes University in 2011, and obtained the Certified Accounting Technician qualification accredited by the Association of Chartered Certified Accountants in 2006. In 2017, she became a member of the Institute of Singapore Chartered Accountants. She was also admitted as a fellow of the Association of Chartered Certified Accountants in 2019.

Mr. Chin Chee Hong

Mr. Chin joined our Group in May 2010. On 31 March 2026, he was appointed as our Senior Program Manager. His main responsibilities involve managing our Group's customer relationships, coordinating between the Group's finance, administrative and production teams, as well as overseeing general project management matters.

Mr. Chin has over 25 years of experience in the semiconductor industry. Prior to joining our Group, Mr. Chin worked as a senior procurement engineer in UMS Semiconductor Pte Ltd from April 2002 to March 2010, where he was responsible for request for quotation processes and technical sourcing management. From November 1999 to February 2001, he worked at NMB Singapore Limited, where he acted as a supervisor, with his main responsibilities including managing daily production output and shift scheduling.

Mr. Chin was awarded a Diploma in Mechanical Engineering from Ngee Ann Polytechnic in 1999.

Present and Past Directorships of our Executive Officers

The list of present and past directorships of our Executive Officers over the last five (5) years up to the Latest Practicable Date, excluding that held in our Company, are set out in the section entitled "Appendix J – List of Present and Past Directorships of our Directors and Executive Officers" of this Offer Document.

Arrangements or Understandings

Save that Dato' Sri Chua (a Director and a Controlling Shareholder) and Mrs. Chua (a Director) are spouses, to the best of our knowledge and belief, there are no arrangements or understandings with any Substantial Shareholders, customers, suppliers or other persons, pursuant to which any of our Directors and Executive Officers was appointed.

REMUNERATION

The compensation paid to our Directors and CEO and our Executive Officers for services rendered to us in all capacities, on an aggregate basis and in remuneration bands of S$250,000[(1)], during FY2024 and FY2025 (being the two (2) most recent completed financial years) and as estimated for FY2026 (being the current financial year), which includes benefits-in-kind, contributions to CPF, directors' fees and bonuses, is as follows:

Names	FY2024	FY2025	FY2026 (estimated)
Directors and CEO			
Dato' Sri Chua	Band C	Band D	Band C
Mrs. Chua	Band B	Band B	Band B
Mr. Soh	Band B	Band F[(2)]	Band C
Mr. Thng	Band A	Band A	Band A
Mr. Tan Chek Kian	Band A	Band A	Band A
Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng)	Band A	Band A	Band A
Mr. Chan Yang Kang	Band A	Band A	Band A
Executive Officers (excluding Directors and CEO)			
Ms. Hou Jing	Band A	Band B	Band A
Mr. Chin Chee Hong	Band A	Band A	Band A

Notes:

(1) Remuneration bands:

Band A: Compensation from S$0 to S$250,000 per annum.

Band B: Compensation of between S$250,001 to S$500,000 per annum.

Band C: Compensation of between S$500,001 to S$750,000 per annum.

Band D: Compensation of between S$750,001 to S$1,000,000 per annum.

Band E: Compensation of between S$1,000,001 to S$1,250,000 per annum.

Band F: Compensation of between S$1,250,001 to S$1,500,000 per annum.

(2) The increase in the remuneration for Mr. Soh from FY2024 to FY2025 is due to the grant of awards representing 7,500,000 Shares to him under the Controlling Shareholders Share Award Scheme on 20 January 2025, and an increase in his remuneration following his appointment as an Executive Director on 28 March 2025.

Save as described in the sections entitled "Shareholders – Ownership Structure" and "Directors, Executive Officers and Employees – Related Employees", there are (i) no family relationships among any of our Directors, Executive Officers or Substantial Shareholders and (ii) no employees of our Company who are immediate family members of any of our Directors, CEO or Substantial Shareholders and whose annual remuneration exceeds S$50,000 during the two most recently completed financial years.

Save as described in the sections entitled "Directors, Executive Officers and Employees – Service Agreement" and "Share Option Scheme and Share Award Scheme" of this Offer Document, as at the date of this Offer Document, we do not have in place any bonus or profit-sharing plan or any other profit-linked agreement or arrangement with any of our Directors or Executive Officers and bonus is expected to be paid on a discretionary basis.

No remuneration was paid or is to be paid in the form of share options to any of our Directors, Executive Officers or employees.

As at the Latest Practicable Date, other than the amounts set aside or accrued as required for compliance with the applicable laws of Singapore and Malaysia, no amounts have been set aside or accrued by our Group to provide for pension, retirement or similar benefits for any of our employees and Directors.

EMPLOYEES

As at the Latest Practicable Date, our Group had a workforce of 189 full-time employees.

The following table sets forth the breakdown of our employees by activity as at the end of each of FY2023, FY2024, FY2025 and 6M2026:

	As at 31 December			As at 30 June
Function	**2023**	**2024**	**2025**	**2026**
Management (Directors and Executive Officers)[(1)]	5	5	5	5
Production (including Quality Control)	118	153	151	156
Sales and procurement	9	11	12	11
Human resources, IT and administration	4	5	5	5
Finance	5	5	6	6
Total	**141**	**179**	**179**	**183**

Note:

(1) Persons included in the Management function will not be included again in the other functions so that there is no double counting.

The following table sets forth the breakdown of our employees by geographic location as at the end of each of FY2023, FY2024, FY2025 and 6M2026:

	As at 31 December			As at 30 June
Geographic location	**2023**	**2024**	**2025**	**2026**
Singapore	110	132	140	149
Malaysia	31	47	39	34
Total	**141**	**179**	**179**	**183**

The increase in the number of employees from FY2023 to FY2024, particularly, the number of employees in the production (including quality control) function was to support the increase in number of purchase orders we received during that period. Other than the foregoing, there was no significant change to the total number of employees during the Period Under Review.

None of our employees are unionised. All our employees have entered into employment contracts with us. We do not employ a significant number of temporary staff and do not experience any significant seasonal fluctuation in the number of employees.

There has not been any incidence of work stoppages and/or labour disputes that has resulted in disruptions to the provision of goods or services provided by our Group.

RELATED EMPLOYEES

As at the Latest Practicable Date, save as disclosed below and in the section entitled "Shareholders – Ownership Structure", there are no family relationships between any of our full-time employees and our Directors, CEO or Substantial Shareholders ("**Related Employees**") and whose annual remuneration exceeds S$50,000.

Name	**Position Held**	**Relationship**
Mr. Soh Cheng Heong	General Manager of SPW	Brother of Mr. Soh
Mr. Soh Shao Enn	Assistant Operations Manager of SPW	Son of Mr. Soh
Ms. Pang	Finance Director of SPW	Spouse of Mr. Soh

The remuneration (including salary, bonus, contributions to CPF, allowances and benefits-in-kind) paid in FY2023, FY2024 and FY2025 to the Related Employees for services rendered to our Group on an individual basis are set out in the following remuneration bands[(1)]:

Name	**FY2023**	**FY2024**	**FY2025**
Mr. Soh Cheng Heong	Band C	Band C	Band C
Mr. Soh Shao Enn	–	–	Band B
Ms. Pang	Band A	Band A	Band B

Note:

(1) Remuneration bands:

"Band A" means up to S$50,000 per annum.

"Band B" means from S$50,001 to S$100,000 per annum.

"Band C" means from S$100,001 to S$150,000 per annum.

Following our Listing, the remuneration of the Related Employees will be reviewed annually by our Remuneration Committee to ensure that their remuneration packages are in line with our staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. Any remuneration, bonuses, pay increases and/or promotions for these Related Employees will also be subject to the review and approval of our Remuneration Committee. In addition, any new employment of related employees and the proposed terms of their employment will be subject to the review and approval of our Nomination Committee. In the event that a member of our Remuneration Committee or Nomination Committee is related to the Related Employee under review, he will abstain from the review.

In line with the Code of Corporate Governance 2018, we will disclose in our annual report details of the remuneration of employees who are Substantial Shareholders, or who are immediate family members of our Directors, our CEO or Substantial Shareholders, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000. The disclosure will also indicate the employee's relationship with our relevant Director(s) or CEO or Substantial Shareholder(s).

STAFF TRAINING AND RECRUITMENT POLICIES

We believe that the training and development of our employees is critical to our continued success as a reliable supplier of precision component engineering services. All new employees undergo comprehensive orientation on our corporate philosophy, culture and policies as well as a briefing on the general safety rules and regulations on their first day of work. We also provide on-the-job training to improve our employees' technical competence and work efficiency. Our human resources team has overall responsibility for staff training administration and conduct an annual review of our training needs.

The training provided to our employees includes training on internal controls and quality requirements relating to our customers' supply chain, industry code of conduct training to ensure that our working conditions are safe and that our business operations are environmentally friendly and conducted ethically, and the restriction of hazardous substances directive training which covers restrictions on the use of certain hazardous substances in our electronic equipment. We also subsidise our welders in obtaining certifications in relation to the standards under ASME BPVC Section IX: 2017.

SERVICE AGREEMENT

Service agreements and letters of appointments with Directors

Our Company entered into separate service agreements (collectively, the "**Service Agreements**", and each a "**Service Agreement**") with each of the Executive Directors and letters of appointment with each of the Non-Executive Directors.

The Service Agreements for Dato' Sri Chua and Mrs. Chua are for an initial term of three years commencing 2 July 2024 and shall thereafter be renewed for a period of three (3) years in writing subject to re-election, provided that either party may terminate the Service Agreement at any time by giving the other not less than three (3) months written notice. The Service Agreement for Mr. Soh is for an initial term of three years commencing 28 March 2025 and shall thereafter be renewed for a period of three (3) years in writing subject to re-election, provided that either party may terminate the Service Agreement at any time by giving the other not less than three (3) months written notice.

Our Company may terminate the Service Agreement if the Executive Director:

(a) is prohibited or disqualified from acting as a director of our Company under any applicable law or is publicly censured or criticised by HKSE or the HK SFC and our Board is of the view that the retention of office by the Executive Director is prejudicial to the interests of our Group or investors in our Company;

(b) is guilty of any gross misconduct or wilful neglect of duty or commits any material breach of the terms of the Service Agreement (or, in the case of a breach which is capable of remedy, fails to remedy such breach to the satisfaction of our Board within fifteen (15) days of being called upon to do so in writing by our Board);

(c) is guilty of conduct likely to bring himself/herself or any member of our Group into disrepute;

(d) becomes bankrupt or makes any arrangement or composition with his/her creditors or has a receiving order made against him/her;

(e) is convicted of any criminal offence involving dishonesty, or the specified penalty for which includes imprisonment (other than an offence which, in the reasonable opinion of our Board, does not affect his/her position in our Company);

(f) persistently refuses to carry out any reasonable lawful order given to him/her in the course of his/her employment or persistently fails to attend diligently to his/her duties under the Service Agreement;

(g) becomes a lunatic or of unsound mind;

(h) be removed from office in accordance with the Articles of Association;

(i) upon retirement by rotation pursuant to the Articles of Association, is ineligible for re-election to office or is otherwise not re-elected to office by our Company's shareholders; or

(j) improperly divulge to any unauthorised person any confidential information or any other business secret or details of the organisation, business or clientele of our Group.

Upon termination of the Executive Director's employment under the Service Agreement, the Executive Director is not entitled to any benefits or severance payments.

The Service Agreements provide for, *inter alia*, the salary payable to the Executive Directors, annual leave and certain restrictive covenants (including non-compete obligations).

Pursuant to the terms of the Service Agreements, each Executive Director agrees and undertakes with our Company that the Executive Director shall not and that he/she will procure that none of his/her associates will:

(a) at any time during the period from the date the Service Agreement commenced to the date upon which the termination of the Service Agreement is effective ("**Termination Date**") ("**Term**") or within one (1) year from the Termination Date:

    (i) engage, employ or solicit for employment by any person in any business any employee, former employee, agent or former agent of any member of our Group (save and except relatives of the Executive Director and former employees whose employment with our Group has been terminated for a period of not less than one (1) year prior to the Termination Date);

    (ii) be interested in, or in any project or proposal for the acquisition or development of or investment in any business or asset which any member of our Group was during the Term considering to acquire or develop, or in which it was considering to invest, unless the said member of our Group shall have decided against such acquisition, development or investment or invited the Executive Director or his/her close associates in writing to participate in, or consented in writing to the Executive Director or his/her associates' acquisition or development of or investment in, such business or asset;

    (iii) be engaged or interested in or concerned with any business which is in any respect in competition with or similar to any business of any member of our Group as at the Termination Date or any time in the year prior thereto; or

    (iv) endeavour to procure orders from, do business with or entice away from any member of our Group, any person who at any time during the year preceding the Termination Date was a customer, supplier or contractor of any members of our Group, provided that this sub-clause shall not apply to endeavours to procure orders not relating to, or do business not similar to, the business or businesses of our Group from time to time; or

(b) at any time after the Termination Date, in Hong Kong, Singapore or any other part of the world use the name or trading style of any member of our Group or represent himself/herself or themselves as carrying on any business of any member of our Group or continuing or being connected with any member of our Group or its business for any purpose whatsoever.

Each of the Executive Directors may be entitled to a bonus in respect of each financial year of our Company in an amount to be determined by our Board of our Company in its absolute discretion.

We have entered into letters of appointment with each of our Non-Executive Directors (collectively, the "**Letters of Appointment**", and each a "**Letter of Appointment**"). The Letter of Appointment with Mr. Thng is for a term of three (3) years commencing from 28 March 2025. The Letter of Appointment for each of Mr. Tan Chek Kian, Mr. Ang Yong Sheng, Jonathan and Mr. Chan Yang Kang is for a term of three (3) years commencing from 2 July 2024.

Upon termination of the Non-Executive Director's appointment, the Non-Executive Director is not entitled to any benefits or severance payments.

The Service Agreements and Letters of Appointment contain restrictions on the disclosure of our confidential information, including trade secrets and information relating to customers of our Group. None of the Service Agreements and Letters of Appointment contain any clauses whereby

our Company may pay a gratuity or other retirement, superannuation, death or disability benefits to any of them or to his widow or dependants or relations or connections or to any persons or may make contributions to any fund or pay premiums for the purchase or provision of any such gratuity, pension or allowance.

Save as disclosed, there are no existing or proposed service agreements between our Group and any of our Directors. There are no existing or proposed service agreements entered or to be entered into by our Directors with our Group which provide for benefits upon termination of employment.

Variable Remuneration Framework

Our Group adopts a variable remuneration framework for our Executive Directors and Executive Officers, which is a discretionary bonus framework determined based on our Company's overall performance, the individual's work performance based on with his or her designated roles and responsibilities and may be adjusted in response to market conditions or the competitive landscape.

Our Directors recognise the importance of corporate governance and the offering of high standards of accountability to Shareholders of our Company. Accordingly, our Board has established three (3) committees: (a) our Audit Committee; (b) our Nomination Committee; and (c) our Remuneration Committee. Our Board will implement the good practices recommended in the Code of Corporate Governance 2018.

INDEPENDENT NON-EXECUTIVE DIRECTORS

We have seven (7) Directors on our Board of Directors, of whom three (3) are Independent Non-Executive Directors. Our Independent Non-Executive Directors do not have any existing business or professional relationship of a material nature with our Group, our other Directors and/or our Substantial Shareholders. Our Independent Non-Executive Directors are also not related to our other Directors and/or our Substantial Shareholders.

None of our Independent Non-Executive Directors nor their immediate family members has been employed by our Company or any of our related corporations for the current financial year and any of the past three (3) financial years or sits on the board of any of our subsidiaries.

Our Directors are of the view that given the current board composition and based on the above, there are sufficient safeguards and checks to ensure that the process of decision-making by our Board is independent and based on collective decision-making.

Our Board will hold at least four (4) meetings every year, with additional meetings for particular matters convened when necessary. Our Board will, at least annually, review the adequacy and effectiveness of our Group's risk management and internal control systems.

Our Board is of the view that our Group's internal controls (including financial, operational, compliance, and information technology controls) are adequate and effective.

AUDIT COMMITTEE

Our Audit Committee comprises our Independent Non-Executive Directors, Mr. Tan Chek Kian, Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng) and Mr. Chan Yang Kang. The Chairman of our Audit Committee is Mr. Tan Chek Kian. The duties of our Audit Committee shall include, without limitation, the following:

(a) to be primarily responsible for making recommendations to our board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal. Where our board disagrees with our Audit Committee's decision on the selection, appointment, resignation or dismissal of external auditors, our Company should provide a detailed explanation of our Audit Committee's view and the reasons for our board's view in the corporate governance report;

(b) to review and monitor periodically the effectiveness, adequacy and scope and results of the external audit, the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. Our Audit Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;

(c) to develop and implement a policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm engaged by our Company or any entity that a reasonable and informed third-party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. Our Audit Committee should report to our board, identifying and making recommendations on any matters where action or improvement is needed;

(d) act as the key representative body for overseeing our Company's relations with the external auditor;

(e) to monitor integrity of our Company's financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and any formal announcements relating to our Group's financial performance and to review significant financial reporting judgements contained in them. In reviewing these materials before submission to our board, our Audit Committee should focus particularly on: (i) any changes in accounting policies and practices; (ii) major judgmental areas; (iii) significant adjustments resulting from audit; (iv) the going concern assumptions and any qualifications; (v) compliance with accounting standards; and (vi) compliance with the GEM Listing Rules, the Catalist Rules and other legal, statutory and regulatory requirements in relation to financial reporting; and (vii) concerns and issues arising from the audits including any matters which the auditors may wish to discuss in the absence of the management, where necessary, before submission to our board for approval. Members of our Audit Committee should liaise with our board and the senior management, and our Audit Committee must meet, at least twice a year, with our Company's auditors. Our Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, and should give due consideration to any matters that have been raised by our Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors;

(f) to review our Company's financial controls, and unless expressly addressed by a separate board risk committee, or by the board itself, to review the adequacy and effectiveness of the risk management and internal control systems and procedures of our Group (including financial, operational, compliance and information technology) and have oversight of the internal control processes of our Group;

(g) to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of our Company's accounting and financial reporting function;

(h) to consider major investigation findings on risk management and internal control matters as delegated by our board or on its own initiative and management's response to these findings;

(i) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, to ensure that the internal audit function is adequately resourced and has appropriate standing within our Company, and to review and monitor periodically its effectiveness, adequacy and the scope of the internal audit;

(j) to ensure that the internal and external auditors have unfettered access to all documents, records, properties and personnel;

(k) to review the cooperation given by management and officers to the internal and external auditors;

(l) to review and discuss with our Company's internal auditors and external auditors, any issues and concerns arising from the internal audits and our external audits, any suspected fraud, irregularity or infringement of any relevant laws, rules and regulations, which has or is likely to have a material impact on our Group's financial performance or financial position and our Company's management's response;

(m) to review the financial and accounting policies and practices of our Group;

(n) to review and give its assessment to our board on the CEO and Group CFO's assurances as to whether the financial records are properly maintained and whether the financial statements give a true and fair view of our Group's operations and finances;

(o) to review half-yearly with management the implementation of internal control recommendations made by the internal and external auditors;

(p) to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control relevant to the preparation of the financial statements and management's response;

(q) to ensure that our board will provide a timely response to the issues raised in the external auditor's management letter;

(r) to report to our board on the matters in the code provisions in relation to audit committees under Part 2 of Appendix C1 to the GEM Listing Rules, and as recommended in Practice Guidance 10 of the Catalist Rules, as each of them may be amended from time to time;

(s) to consider other topics, as defined by our board;

(t) to make recommendations to our board as it deems appropriate on any area within its scope of duties where action or improvement is needed;

(u) to review the procedures (including the whistleblowing policy and system referred to at paragraph (v) below) by which the employees of our Group can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. Our Audit Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;

(v) to establish a whistleblowing policy and system for employees and those who deal with our Group (e.g. customers and suppliers) to raise concerns, in confidence, with our Audit Committee about possible improprieties in any matter related to our Group, and ensure that our Company publicly discloses and clearly communicates to its employees, the existence of such whistleblowing policy and system;

(w) to develop and review our Company's policies and practices on corporate governance and make recommendations to our board;

(x) to review the adequacy of the guidelines and procedures for future potential interested person transactions;

(y) to review future potential conflicts of interest and to set out a framework to resolve or mitigate any potential conflict of interest, and monitor compliance with such framework;

(z) to review and monitor the training and continuous professional development of directors and the executive management team;

(aa) to review and monitor our Company's policies and practices on compliance with legal and regulatory requirements, including to review our Group's compliance with the Catalist Rules or the GEM Listing Rules, including such amendments made thereto from time to time;

(bb) to review and approve transactions falling within the scope of Chapter 9 and Chapter 10 of the Catalist Rules;

(cc) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and

(dd) to review our Company's compliance with the Corporate Governance Code in Appendix C1 to the GEM Listing Rules and the Code of Corporate Governance 2018 and disclosure in the corporate governance report.

In the event that a member of our Audit Committee is interest in any matter being considered by our Audit Committee, he/she will abstain from reviewing and deliberating on that particular transaction or voting on that particular resolution. Our Audit Committee will commission and review the findings of internal investigations into such matters or matters where there is any suspected fraud or irregularity, or failure of internal controls, or infringement of any law, rule or regulation which has or is likely to have a material impact on our Group's operating results and financial position. Our Audit Committee will also ensure that the appropriate follow-up actions are taken.

Prior to the Placement, and for the purposes of the Listing, our Company had engaged an internal auditor, SHINEWING Risk Services Limited, to perform the review and test of controls of our Group's processes.

Adequacy of Internal Controls

Based on the internal controls and risk management framework established and maintained by our Group, work performed by the internal and external auditors, and reviews performed by our management, our Board, after making all reasonable enquiries and to the best of its knowledge and belief, with the concurrence of our Audit Committee, is of the opinion that (i) our Group's current risk management framework is adequate and effective; and (ii) our internal controls are adequate and effective in addressing the financial, operational, compliance and information technology risks of our Group.

Following our Listing on Catalist, our Audit Committee will continually review and make recommendations to the Board on the effectiveness of the internal control procedures within our Group and, if necessary, we will outsource our Group's internal audit function to ensure the adequacy and sufficiency of internal control procedures within our Group.

Audit Committee's Opinion on the Suitability of our Group CFO

Our Audit Committee having conducted an interview with Ms. Hou Jing and having considered:

(a) the qualifications and past working experience of Ms. Hou Jing (as described in the section entitled "Directors, Executive Officers and Employees – Executive Officers" of this Offer Document) which are compatible with her position as our Group CFO;

(b) her abilities, familiarity and diligence in relation to the financial matters and information of our Group;

(c) Ms. Hou Jing's demonstration of the requisite competency in finance-related matters of our Group in connection with the preparation for the Listing of our Company; and

(d) the absence of negative feedback from our Independent Auditor and Reporting Accountant and Internal Auditor, that Ms. Hou Jing is not suitable for the position of our Group CFO,

is of the opinion that Ms. Hou Jing has the necessary expertise and experience to discharge her duties as our Group CFO.

After making all reasonable enquiries, and to the best of the knowledge and belief of our Audit Committee, nothing has come to the attention of the members of our Audit Committee to cause them to believe that Ms. Hou Jing does not have the competence, character and integrity expected of a chief financial officer (or its equivalent rank) of a listed issuer.

NOMINATION COMMITTEE

Our Nomination Committee comprises our Independent Non-Executive Directors, Mr. Chan Yang Kang and Mr. Tan Chek Kian and our Executive Director, Mrs. Chua. The Chairman of our Nomination Committee is Mr. Chan Yang Kang. The duties of our Nomination Committee shall include, without limitation, the following:

(a) review the structure, size and composition (including the appropriate mix of gender, skills, core competencies, knowledge and experience required) of our board at least annually to ensure that our board functions competently and efficiently, assist our board in maintaining a board skills matrix, and make recommendations on any proposed changes to our board to complement our Company's corporate strategy;

(b) identify individuals suitably qualified to become directors and select or make recommendations to our board on the selection of individuals nominated for directorships when a vacancy occurs on our board by reason of disqualification, resignation, retirement, death or an increase in the size of our board;

(c) to assess at least annually, and as and when circumstances require, the independence of the independent non-executive directors and any proposed independent non-executive directors in accordance with the applicable laws and regulations including but not limited to the GEM Listing Rules, the Catalist Rules and the Code of Corporate Governance 2018 and determine their eligibility, the perspective, skills and experience that the proposed independent non-executive director can bring to our board, his/her contribution to diversity of our board and ability to devote sufficient time to our board and board committees;

(d) to identify, review and make recommendations to our board on: (i) the appointment of new directors and executive officers and re-appointment of our directors and succession planning for our directors, in particular the Chairman and CEO of our Company and the other persons having authority and responsibility for planning, directing and controlling the activities of our

Company, having regard to each director's contribution, performance and ability to commit sufficient time, resources and attention to the affairs of our Group, and each director's respective commitments outside our Group including his/her principal occupation and board representations on other companies, if any. Our Nomination Committee will conduct such reviews at least annually, or more frequently as it deems fit; (i) any matters relating to the continuation in office of any director at any time including the suspension or termination of service of an executive director as an employee of our Company subject to the provisions of the law and their service contract; (ii) the appointment of any director to executive or other office, other than to the positions of Chairman and CEO, the recommendation for which would be considered at a meeting of the full board; and (iii) any area it deems appropriate within its scope of duties where action or improvement is needed;

(e) to determine whether or not a director is able to and has been adequately and diligently carrying out his/her duties as a director;

(f) where a director has multiple board representations, deciding whether the director is able and has been adequately carrying out his duties as a director, taking into consideration the director's number of listed company board representations and other principal commitments;

(g) to review the training and professional development programs of our board and ensuring that our new directors are aware of their duties and obligations;

(h) to make recommendations to our board on the development of a process and objective criteria for evaluation of performance and effectiveness of our board, Nomination Committee, Audit Committee and Remuneration Committee, and for assessing the contribution of the Chairman of our Company and each director;

(i) to develop a policy concerning diversity of board members and review the progress on achieving the objectives set for implementing the said policy, and disclose the policy or a summary of the policy in the corporate governance report;

(j) to ensure that no director or any of his/her associates is involved in approving his/her or any of his/her associates' nomination or the nomination of any employees in a family relationship with our director;

(k) to ensure our directors disclose their relationships with our Company, related corporations, Substantial Shareholders or officers which may affect their independence;

(l) to review annually and approve any new employment or the responsibilities of any employees related to any director, the CEO or Substantial Shareholder and their proposed terms of employment;

(m) at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to our board for approval;

(n) to support our Company's regular evaluation of the board's performance; and

(o) to undertake other functions as may be required by law or the applicable regulatory bodies (including but not limited to HKSE and SGX-ST and the Code of Corporate Governance 2018 (and by such amendments made thereto from time to time).

With reference to sub-paragraph (h) above, our Nomination Committee will decide how our board of directors' performance is to be evaluated and propose objective performance criteria which address how our board of directors has enhanced long-term shareholder value. Our Nomination Committee will also implement a process for assessing the effectiveness of our board of directors as a whole and our board committees and for assessing the contribution of our Chairman and each individual director to the effectiveness of our board of directors. Our Chairman will act on the results of the performance evaluation of our board of directors, and in consultation with our Nomination Committee, propose, where appropriate, new members to be appointed to our board of directors or seek the resignation of directors.

Each member of our Nomination Committee is required to abstain from voting, approving or making a recommendation on any resolutions of our Nomination Committee in which he has a conflict of interest in the subject matter under consideration.

Nomination Committee's view of our Independent Non-Executive Directors

Our Nomination Committee, having taken into consideration the following:

(a) the number of listed company directorships of each of our Independent Non-Executive Directors;

(b) the principal occupation and commitments of our Independent Non-Executive Directors;

(c) the confirmations by our Independent Non-Executive Directors stating that they are each able to devote sufficient time and attention to the matters of our Company;

(d) the confirmations by our Independent Non-Executive Directors that each of them is not accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of any Controlling Shareholder of our Company, has no relationship with our Company, its related corporations or with any directors of these corporations, its substantial shareholders or its officers that could interfere or be reasonably perceived to interfere, with the exercise of his or her independent business judgement with a view to the best interests of our Company;

(e) our Independent Non-Executive Directors' working experience and expertise in different areas of specialisation;

(f) the disclosures in the section entitled "General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders" of this Offer Document, where applicable, and

(g) the composition of our Board,

is of the view that (i) each of our Independent Non-Executive Directors is individually and collectively able to devote sufficient time to the discharge of their duties and are suitable and possess relevant experience as Independent Non-Executive Directors of our Company and (ii) our Independent Non-Executive Directors, as a whole, represent a strong and independent element on our Board which is able to exercise objective judgement on corporate affairs independently from our Controlling Shareholders.

Our Independent Non-Executive Directors have confirmed that (i) they are not employed, nor have they been employed by our Company or any of our subsidiaries during the Period Under Review and up to the Latest Practicable Date; and (ii) that none of them has an immediate family member who is employed or has been employed by our Company or any of our subsidiaries during the Period Under Review and up to the Latest Practicable Date, and whose remuneration is or was determined by our Remuneration Committee.

Having taken into consideration the matters disclosed below in relation to our Independent Non-Executive Director, Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng) ("**Mr. Ang**"), and for the reasons set out below, our Nomination Committee is of the opinion that Mr. Ang, has the character and integrity expected of an independent non-executive director of a company listed on Catalist.

The Compulsory Winding-up of FTMS Holdings (S) Pte Ltd

Mr. Ang was previously a non-executive director of FTMS Holdings (S) Pte Ltd ("**FTMS**") since 11 November 2016. He stepped down as a director of FTMS on 18 April 2017, and thereafter, FTMS had moved into compulsory winding up due to insolvency on 5 October 2018, and it is currently in liquidation. FTMS was in the business of training and education, particularly professional accountancy education, and it was unable to raise the necessary financing to continue its operations and meet its working capital requirements. As a result of this financial shortfall, FTMS breached its loan agreements and related agreements with its creditors, including Qualgro Pte Ltd ("**Qualgro**"), as well as Tembusu Growth Fund III Ltd ("**Tembusu**"). Qualgro and Tembusu sold their relevant debt to a third-party in March 2017. Mr. Ang understood that other creditors of FTMS subsequently commenced enforcement actions against FTMS, which ultimately caused FTMS's insolvency. Mr. Ang had not undertaken any executive roles and responsibilities in FTMS.

Private Warnings Issued by Infocomm Media Development Authority ("**IMDA**") to Toku Ltd

Mr. Ang was previously a non-executive director of Toku Ltd ("**Toku**") from 4 December 2017 to 31 January 2018 and from 1 September 2021 to 8 December 2025. Mr. Ang noted from the offer document of Toku dated 14 January 2026 that during some of the periods when Mr. Ang held his non-executive directorship in Toku, there have been incidents from time to time of inadvertent contravention or breach of Toku of its Service-Based Operations ("**SBO**") (Individual) licence, including, contravention/breach of Conditions 4.1 and 5.2 of Annex 14 (which relate to maintaining complete subscriber registration records), and Condition 27 (which relates to the satisfaction of certain directives pertaining to the implementation of Government Measures to Address Spoofed Calls) for Toku's SBO (Individual) licence, in respect of which IMDA had in each case issued a private warning to Toku following the conclusion of IMDA's investigation. For the avoidance of doubt, aside from the above-mentioned private warnings, no fines, penalties, or sanctions have been imposed by IMDA and no further action has been, or is expected to be, taken by IMDA in respect of these contraventions and breaches. Prior to noting the above information from the offer document of Toku, Mr. Ang was otherwise unaware of these matters, and he was not personally involved in these matters nor was he subject to any warning, investigation or disciplinary proceedings by IMDA.

REMUNERATION COMMITTEE

Our Remuneration Committee comprises our Independent Non-Executive Directors, Mr. Tan Chek Kian, Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng) and Mr. Chan Yang Kang. The Chairman of our Remuneration Committee is Mr. Chan Yang Kang. Our Remuneration Committee is responsible for:

(a) evaluating performance of all directors and senior management and making recommendations to our board on our Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

(b) reviewing and approving the management's remuneration proposals with reference to our board's corporate goals and objectives;

(c) making recommendations to our board on the remuneration packages of individual executive directors and senior management, including in relation to benefits in kind, pension rights and compensation payments, and any compensation payable for loss or termination of their office(s) or appointment(s), and to make recommendations to our board on the remuneration of non-executive directors, and to consider all aspects of remuneration, including termination terms, to ensure they are fair;

(d) in determining such packages and arrangements, to give due regard to any relevant legal requirements, and the provisions, guidelines and recommendations of relevant regulatory bodies;

(e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in our Group;

(f) to review and approve compensation payable to executive directors and senior management for any loss or termination of office(s) or appointment(s) to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

(g) reviewing annually the appropriateness and relevance of the remuneration policy and ensuring the remuneration policies and systems of our Group, as approved by our board, support our Group's objectives and strategies and are consistently being administered and being adhered to within our Group;

(h) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;

(i) to ensure that no director or any of his/her associates is involved in deciding his/her own remuneration;

(j) to approve any new employment of related employees and the proposed terms of their employment as well as review annually the remuneration of related employees to ensure that their remuneration are in line with the remuneration policy and to review and approve any remuneration, bonuses, pay increases, promotions and/or other terms of employment for the related employees;

(k) to review and make recommendations on the roles and responsibilities, training and professional development of the senior management team;

(l) to form a view in respect of any service contracts of directors that require the approval of our Shareholders and advise our Shareholders (other than Shareholders who are directors with material interests in the service contracts and their associates) as to whether the terms are fair and reasonable, whether such contracts are in the interests of our Company and our Shareholders as a whole and advise our Shareholders on how to vote;

(m) to consult the chairman of our board and/or the chief executive of our Company about their remuneration proposals for other executive directors. Our Remuneration Committee should have access to independent legal and professional advice if necessary;

(n) to evaluate and make recommendations on any share option and share award schemes that may be adopted by our Company from time to time;

(o) to ensure that share options and share awards offered by our Company to its directors or senior management (if any) are in accordance with Chapter 17 of the GEM Listing Rules and the Catalist Rules, as applicable;

(p) to administer our Company's share option schemes (if any), share award schemes (if any) or other incentives schemes (if any) as they apply to directors and/or senior management (subject to compliance with the provisions of the GEM Listing Rules and the Catalist Rules). It shall recommend to our board the total aggregate amount of any grants to employees (with the specific grants to directors and/or senior management to be at the discretion of the Committee) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment);

(q) to ensure that all provisions regarding the disclosure of remuneration including pensions, as set out in the relevant provisions of the GEM Listing Rules and the Catalist Rules, are fulfiled;

(r) at least once a year, to review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to our board for approval;

(s) if expert advice is sought within and/or outside of our Group on remuneration matters, ensuring that existing relationships, if any, between our Group and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants;

(t) to ensure proper disclosure of the directors' remuneration in the annual report of our Company in accordance with the accounting principles, the GEM Listing Rules and the Catalist Rules;

(u) to make recommendations to our board as it deems appropriate on any area within its scope of duties where action or improvement is needed; and

(v) to undertake other functions as may be required by law or the applicable regulatory bodies (including but not limited to the GEM and SGX-ST) or as recommended by the Singapore Code of Corporate Governance 2018 (and by such amendments made thereto from time to time).

The recommendations of our Remuneration Committee will be submitted for endorsement by our entire Board. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind shall be reviewed by our Remuneration Committee.

Our Remuneration Committee will review annually the remuneration, bonuses, pay increases and/or promotions of employees who are Substantial Shareholders or who are Related Employees and/or Substantial Shareholders, to ensure that their remuneration packages are in line with staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities.

Our Remuneration Committee also periodically considers and reviews remuneration packages in order to maintain their attractiveness, to retain and motivate our Executive Directors to provide good stewardship of our Company and key executives to successfully manage our Company, and to align the level and structure of remuneration with the long-term interests and risk policies of our Company.

Each member of our Remuneration Committee is required to abstain from voting, approving or making a recommendation on any resolutions of our Remuneration Committee in which he has a conflict of interest in the subject matter under consideration.

BOARD PRACTICES

Our Articles of Association provides that at each annual general meeting, one-third (or the number nearest to one-third but not less than one-third) of our directors are required to retire from office by rotation provided that every director shall be subject to retirement at an annual general meeting at least once every three years. However, a retiring director shall be eligible for re-election and shall continue to act as a director throughout the meeting at which he retires.

Further details on the appointment and retirement of directors can be found in "Appendix D – Summary of Certain Provisions of the Memorandum and Articles of our Company and the Cayman Companies Act" of this Offer Document.

THE 2024 SHARE OPTION SCHEME

Our Company adopted a share option scheme (the "**2024 Share Option Scheme**") on 7 June 2024. The 2024 Share Option Scheme complies with Rules 843 to 860 of the Catalist Rules.

Administration of the scheme

The 2024 Share Option Scheme shall be administered by our Board, Remuneration Committee, and/or delegate(s) of the aforementioned ("**2024 Share Option Scheme Administration**"), in their absolute discretion with such powers and duties conferred on it by our Board, provided that no member of the 2024 Share Option Scheme Administration shall participate in any deliberation or decision in respect of awards to be granted to such member or held by such member.

Our Directors are not trustees of the 2024 Share Option Scheme and do not have any direct or indirect interest in the 2024 Share Option Scheme.

Purpose

The purpose of the 2024 Share Option Scheme is to motivate Eligible Participants (as defined below) to optimise their future contributions to our Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with Eligible Participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group, and to enable our Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

Participants

Subject to the provisions in the 2024 Share Option Scheme, our Board shall be entitled to make an offer to any of the following classes of persons (the "**Eligible Participant(s)**"): (1) any director(s) (including executive, non-executive and independent non-executive directors) and employee(s) (whether full-time or part-time) of our Group (including persons who are granted Shares or the options under the 2024 Share Option Scheme as inducement to enter into employment contracts with our Company or its subsidiaries) ("**Employee Participant(s)**"); (2) any director(s) and employee(s) of the holding companies or fellow subsidiaries ("**Holding Company Participant(s)**") or any director(s) and employee(s) of associated companies of our Company (provided that our Company has control over the relevant associated company) (together with the Holding Company Participant(s), "**Related Entity Participant(s)**") who have contributed to the success and development of our Group.

Our Board may consider various factors to determine the basis of eligibility of the potential Eligible Participant, including but not limited to the performance, length of engagement and contribution to our Group.

Grant and Acceptance of Options

On and subject to the terms of the 2024 Share Option Scheme, all applicable statutory requirements, the GEM Listing Rules and the Catalist Rules, our board shall be entitled to make an offer to any Eligible Participant as our board may in its absolute discretion select to subscribe for such number of Shares as our board may determine at the subscription price, and on acceptance of the offer, grant such part of the option as accepted to the Eligible Participant.

A grant of options shall not be made after a matter constituting inside information has come to our Company's knowledge until (and including) the trading day on which such inside information has been announced pursuant to the requirements of the GEM Listing Rules and Catalist Rules and the Inside Information Provisions of Part XIV A of the Securities and Future Ordinance (Chapter 571 of the laws of Hong Kong) or any other applicable law.

An offer shall be made to an Eligible Participant by letter in such form as our board may determine, specifying, among other things: (a) the number of Shares under the option; (b) the subscription price; and (c) option period. The offer shall remain open for acceptance by the Eligible Participant for the period of 21 Business Days from the offer date. No offer shall be capable of or remain open for acceptance after the expiry of ten (10) years commencing on the adoption date of the 2024 Share Option Scheme.

The vesting period for the options shall not be less than twelve (12) months.

A consideration of HK$1.00 is payable on acceptance of the offer of grant of an option. Such consideration shall in no circumstances be refundable nor be deemed to be part of the exercise price.

Events prior to exercise of option

An option under the 2024 Share Option Scheme shall lapse automatically and not be exercisable (to the extent not already exercised) on the occurrence of certain events (unless otherwise waived by our board), including:

(a) the date on which the grantee ceases to be an Eligible Participant by reason of the termination of his employment by resignation or culpable termination or (if so determined by our board) on any other ground on which an employer or a sourcing party would be entitled to terminate his employment or engagement at common law or pursuant to any applicable laws or under the grantee's service contract or supply contract with our Company;

(b) the date of the commencement of the winding-up of our Company;

(c) there is an unsatisfied judgement, order or award outstanding against the grantee or our board has reason to believe that the grantee is unable to pay or to have no reasonable prospect of being able to pay his/its debts; and

(d) a bankruptcy order has been made against any director or shareholder of the grantee (being a corporation) in any jurisdiction.

Take-over and winding up of our Company

Subject to any conditions, restrictions or limitations imposed on an option, an option may be exercised by the grantee at any time during the option period, provided that, among others:

(a) if a general or partial offer is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional (in the case of a takeovers offer or share repurchase offer) or is approved by the requisite majorities at the relevant meetings of the Shareholders (in the case of a scheme of arrangement), the grantee shall be entitled to exercise the option (to the extent which has become exercisable and not already exercised) at any time (in the case of a takeovers offer or share repurchase offer) within one month after the date on which the offer becomes or is

declared unconditional or (in the case of a scheme of arrangement) prior to such time and date as shall be notified by our Company, after which it shall lapse;

(b) in the event of a notice being given by our Company to the Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the grantees may, subject to the provisions of all applicable laws, by notice in writing to our Company exercise the option (to the extent that it has become exercisable and has not already been exercised) either to its full extent or to the extent specified in such notice; or

(c) other than a general or partial offer or a scheme of arrangement contemplated above, if a compromise or arrangement between our Company and our Shareholders and/or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of our Company or its amalgamation with any other company, our Company shall give notice thereof to the grantees and each grantee may until the expiry of the earliest of: (i) the option period; (ii) the period of two (2) months from the date of such notice; and (iii) the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction and becoming effective, exercise in whole or in part his option.

Exercise of options, allotment and listing of shares

An option may be exercised in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) by the grantee before the expiry of the period to be determined and notified by our board to the grantee which in any event shall not be longer than ten (10) years commencing on the date of the offer letter and expiring on the last day of such 10-year period subject to the provisions for early termination as contained in the 2024 Share Option Scheme.

The exercise price of a Share in respect of any particular option granted under the 2024 Share Option Scheme shall be a price determined by our board in its absolute discretion (subject to the GEM Listing Rules and the Catalist Rules) and notified to an Eligible Participant, and shall not be less than whichever is the highest of: (1) the closing price of the Shares as stated in the HKSE's daily quotations sheet on the date of the board resolution on which the grant of options is approved and made to an Eligible Participant ("**Offer Date**"), (2) the average closing price of our Shares as stated in the HKSE's daily quotation sheets for the five (5) Business Days immediately preceding the Offer Date, and (3) the nominal value of a Share on the Offer Date.

Adjustment events

In the event of any change in the capital structure of our Company while any option under the 2024 Share Option Scheme may become or remains exercisable, whether by way of capitalisation/bonus issue, rights issue, consolidation, subdivision or reduction of the share capital of our Company, our board may, if it considers the same to be appropriate, direct that adjustments be made to:

(a) the number of Shares subject to outstanding options;

(b) the subscription price per Share of each outstanding option; and/or

(c) the number of Shares subject to the 2024 Share Option Scheme.

Terms of employment unaffected

The 2024 Share Option Scheme shall not form part of any contract of employment with any Eligible Participant and the grant of an option under the 2024 Share Option Scheme shall not confer on the grantee any additional employment rights or limit in any way the right of the relevant member of our Group to terminate the grantee's employment or confer any additional rights to compensation or damages in consequence of the termination of employment for any reason.

Maximum number of Shares

The maximum number of Shares which may be issued upon exercise of all options to be granted under the 2024 Share Option Scheme and any other schemes of our Company shall not in aggregate exceed 10.0% of the Shares in issue, excluding treasury shares (the "**Scheme Mandate Limit**"); provided that our Company may at any time as our Board may think fit seek approval from our Shareholders to refresh the Scheme Mandate Limit.

Our Company may seek approval of our Shareholders in general meeting to refresh the Scheme Mandate Limit such that the maximum number of Shares which may be issued upon exercise of all options to be granted under the 2024 Share Option Scheme and any other schemes of our Company (as adopted from time to time), shall not exceed 10.0% of our Shares in issue as at the date of the approval by our Shareholders in general meeting where the Scheme Mandate Limit is refreshed (the "**Renewal Limit**"), provided that options previously granted under the 2024 Share Option Scheme or any other share option schemes of our Company (including options outstanding, cancelled, lapsed in accordance with the terms of the 2024 Share Option Scheme or any other schemes of our Company or exercised options) will not be counted for the purpose of calculating the Renewal Limit.

Maximum entitlement of each Eligible Participant

The maximum number of Shares issued and to be issued upon the exercise of the options granted and to be granted pursuant to the 2024 Share Option Scheme and any other schemes to any one Eligible Participant (including exercised, cancelled and outstanding options but excluding any options lapsed) in any 12-months period up to and including the date of grant of the options shall not exceed 1.0% of the Shares in issue from time to time. Where any further grant of options to such an Eligible Participant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding options but excluding any Options lapsed) in the 12-months period up to and including the date of such further grant representing in aggregate over 1.0% of the Shares in issue, such further grant shall be separately approved by our Shareholders in general meeting with such Eligible Participant and his close associates (or associates if the Eligible Participant is a connected person) abstaining from voting and must be subject to such other requirements prescribed under the GEM Listing Rules and Catalist Rules from time to time. A circular shall be sent to our Shareholders with disclosure of the identity of the Eligible Participant, the number and terms of the options to be granted and any options previously granted to such Eligible Participant in the 12-months period, the purpose of granting the options and an explanation as to how the terms of the options serve such purpose. The number and terms (including the subscription price) of options to be granted to such Eligible Participant shall be fixed before the date on which our Shareholders' approval is sought. In respect of any options to be granted, the date of our Board meeting for proposing such further grant shall be taken as the offer date for the purpose of calculating the subscription price.

Rights attaching to shares

Our Shares to be allotted and issued upon the exercise of an option under the 2024 Share Option Scheme shall be subject to all the provisions of our Memorandum and Articles of Association and the laws of the Cayman Islands and shall rank *pari passu* in all respects with the then existing fully-paid Shares in issue, and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment of such Shares, other than any dividend or other distributions previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the allotment date.

Shares allotted and issued upon the exercise of an option under the 2024 Share Option Scheme shall not carry voting rights until the name of the grantee has been duly entered into the register of members of our Company as the holder thereof. The trustee directly or indirectly holding unvested Shares shall abstain from voting on matters that require our Shareholders' approval under the GEM Listing Rules and the Catalist Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

Period of the 2024 Share Option Scheme

Subject to any prior termination by our Company in a general meeting or by our board, the 2024 Share Option Scheme shall be valid and effective for a period of ten (10) years commencing on the date of adoption of the 2024 Share Option Scheme, after which period no further option shall be granted but in all other respects of all options which remain exercisable at the end of such period, the provisions of the 2024 Share Option Scheme shall remain in full force and effect.

Taxes

All taxes (including income tax) arising from the grant or exercise of any option under the 2024 Share Option Scheme granted to any Eligible Participant under the 2024 Share Option Scheme shall be borne by that Eligible Participant.

Costs and expenses

Our Company shall bear the costs of establishing and administering the 2024 Share Option Scheme. For the avoidance of doubt, our Company shall not be liable for any taxes or expenses of such other nature payable on the part of any Eligible Participant in respect of any sale, purchase, vesting or transfer of our Shares (or cash amount of equivalent value being paid), other than for any withholding tax liability of our Company or any member of our Group under applicable laws. Each grantee shall be responsible for all fees of any securities depository relating to or in connection with the allotment and issue or transfer of any Shares, the deposit of share certificate(s), the grantee's securities account with the securities depository, or the grantee's securities sub-account with a depository agent.

The costs of the auditors shall be borne by our Company.

Disclaimer of liability

A grantee of the 2024 Share Option Scheme shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant, acceptance and/or exercise of his option. By accepting an offer or exercising his option under the 2024 Share Option Scheme, the grantee thereof is deemed to have represented to our Company that he has obtained all such consents and shall indemnify our Company in full against

any loss, claim, penalty, demand, liability, costs and expenses made against or incurred by our Company in respect of a breach by the grantee of such representation or failure to obtain such consents. Our Company shall not be responsible for any failure by a grantee to obtain any such consent or for any tax or other liability to which a grantee may become subject as a result of his participation in the 2024 Share Option Scheme. All tax and other matters in connection with the grant, acceptance and/or exercise of an option shall be for the account of the grantee.

Disclosures in annual report

Our Company shall comply with all applicable disclosure obligations, including without limitation, the annual report disclosure requirements under the GEM Listing Rules and the Catalist Rules from time to time relating to the 2024 Share Option Scheme.

Details of, among others, (a) the names of the members of the 2024 Share Option Scheme Administration administering the 2024 Share Option Scheme; (b) the names of participants of the 2024 Share Option Scheme who are directors of our Company, or Controlling Shareholders or Associates or who received 5.0% or more of the total number of Shares comprised in options available under the 2024 Share Option Scheme; (c) the options granted to the persons set out in the foregoing paragraphs (a) and (b) during the financial year under review, the aggregate options granted to them since commencement of the 2024 Share Option Scheme to the end of the financial year under review, the aggregate options exercised since commencement of the 2024 Share Option Scheme to the end of the financial year under review, and the aggregate options outstanding as at the end of the financial year under review; (d) the names of and number and terms of options granted to each Holding Company Participant who receives 5.0% or more of the total number of options available to all Holding Company Participants under the 2024 Share Option Scheme during the financial year under review; and (e) the aggregate number of options granted to the Holding Company Participants for the financial year under review, and since the commencement of the scheme to the end of the financial year under review.

Under the GEM Listing Rules, our Company must disclose in its annual report information relating to options granted and to be granted under the 2024 Share Option Scheme to: (i) the directors, chief executive or substantial shareholders of our Company or their respective Associates; (ii) each participant with options and awards granted and to be granted which would result in our Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed) in the 12-months period up to and including the date of such grant representing in aggregate over 1.0% of the relevant class of shares in issue (excluding treasury shares) ("**1% Individual Limit**"); (iii) each Related Entity Participant with options and awards granted and to be granted in any 12-months period exceeding 0.1% of the relevant class of Shares in issue (excluding Treasury Shares); and (iv) other employee participants and Related Entity Participants by category. The annual report must include (1) a table showing details and movements for options granted to each participant or category of participants, (2) the number of options available for grant under the scheme mandate limit at the beginning and the end of the financial year, and (3) the number of Shares that may be issued in respect of options and awards under all schemes of the issuer during the financial year divided by the weighted average number of shares of the relevant class in issue (excluding Treasury Shares) for the year. Our Company must also include in its annual report a summary of the 2024 Share Option Scheme setting out, amongst others, its purpose, its participants, the total number of Shares available for issue under the scheme as at the date of the annual report, the maximum entitlement of each participant, exercise and vesting periods, the amount payable on application or acceptance of the option, the basis of determining the exercise price, and the remaining life of the scheme.

Alteration of the scheme

The 2024 Share Option Scheme may be altered in any respect by a resolution of our board except that the following shall not be carried out except with the prior sanction of an ordinary resolution of our Shareholders in general meeting (with grantees and their associates abstaining from voting):

(a) any material alteration to its terms and conditions or any change to the terms of options granted (except where the amendment or alteration take effect automatically);

(b) any alteration to the provisions of the 2024 Share Option Scheme in relation to the matters set out in the GEM Listing Rules or Catalist Rules (including but not limited to Rule 23.03 of the GEM Listing Rules, Rules 843 to 848 of the Catalist Rules and Rules 852 to 853 of the Catalist Rules) to the advantage of grantees or Eligible Participants;

(c) any change to the authority of our directors in relation to any alteration to the terms of the 2024 Share Option Scheme; and

(d) any alteration to the paragraph relating to the alteration of the 2024 Share Option Scheme.

Disputes

Any dispute arising in connection with the 2024 Share Option Scheme (whether as to the number of Shares the subject of an option, the amount of the subscription price or otherwise) shall be referred to the auditors of our Company for decision, who shall act as experts and not as arbitrators and whose decision, save in the case of manifest error, shall be final, conclusive and binding.

Abstention from voting

Shareholders who are eligible to participate in the 2024 Share Option Scheme must abstain from voting on any resolution relating to the 2024 Share Option Scheme, including any resolution relating to the implementation of the 2024 Share Option Scheme, or the participation by, and options granted to, Associates of Controlling Shareholders (other than a resolution relating to the participation of, or grant of options to, Holding Company Participant) and should not accept nominations as proxy or otherwise for such voting unless specific instructions have been given in the proxy form on how the vote is to be cast.

The following categories of persons must abstain from voting on any resolution relating to the participation of, or grant of options to a Holding Company Participant:

(a) the associates of our Company's holding company; and

(b) the Holding Company Participants, who are also Shareholders and are Eligible Participants.

In addition, pursuant to the GEM Listing Rules: (1) where any grant of options to an independent non-executive director or a substantial shareholder (as defined in the GEM Listing Rules) of our Company, or any of their respective associates, which would result in our Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed) to such person in the 12-months period up to and including the date of such grant representing in aggregate over 0.1% of the relevant class of Shares in issue (excluding Treasury Shares), the grantee, his/her associates and all core connected persons (as defined in the GEM Listing Rules) of our Company must abstain from voting in favour of the relevant shareholders resolutions; (2) where any grant of options to a participant would exceed the 1.0% Individual Limit, such

participant and his/her close associates (or associates if the participant is a connected person) must abstaining from voting on the relevant shareholders resolutions; and (3) if our Company seeks shareholders' approval for any refreshment of the scheme mandate limit within any three year period, any Controlling Shareholders and their Associates (or if there is no Controlling Shareholder, directors (excluding independent non-executive directors) and the chief executive of our Company and their respective Associates) must abstain from voting in favour of the relevant shareholders resolutions.

Governing law

The 2024 Share Option Scheme shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Grantees, by accepting grants of options in accordance with the 2024 Share Option Scheme, and our Company, submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

Third party rights

The 2024 Share Option Scheme shall not confer on any person any legal or equitable rights (other than under those constituting the Options themselves) against our Company directly or indirectly or give rise to any cause of action at law or in equity against our Company.

Approval by independent Shareholders

Any grant of options pursuant to the 2024 Share Option Scheme (including the number and terms of the options to be granted) to Controlling Shareholders or their respective associates must be approved by independent Shareholders as a separate resolution.

Where any grant of options to a Related Entity Participant, together with all options granted to such person in accordance with the terms of the 2024 Share Option Scheme up to and including the date of such grant, would represent in aggregate 5.0% or more of the total number of options available to the Related Entity Participant, such grant of options to each Related Entity Participant must be approved by independent Shareholders as a separate resolution in general meeting in the manner required, and subject to the requirements set out, in the GEM Listing Rules and Catalist Rules, and a separate resolution must also be passed to approve the aggregate number of options to be made available for grant to the Related Entity Participant.

No share option has been granted during the period and since the adoption of the 2024 Share Option Scheme and there was no option outstanding as at the Latest Practicable Date.

THE CONTROLLING SHAREHOLDERS SHARE AWARD SCHEME

Both SGP Capital Holdings Limited ("**SGP BVI**") and Baccini Capital Holdings Limited ("**Baccini**") are controlling shareholders of our Company under the SFO and the GEM Listing Rules. SGP BVI and Baccini jointly adopted a share award scheme for our Company (the "**Controlling Shareholders Share Award Scheme**") on 20 January 2025. The purpose of the Controlling Shareholders Share Award Scheme is to enable SGP BVI and Baccini to grant awards to eligible employees of our Group, as incentives and/or rewards for their contributions to the development and success of our Group, to incentivise them to remain with our Group and motivate them to contribute to the future development and expansion of our Group by providing them with the opportunity to acquire equity interests in our Company.

The Controlling Shareholders Share Award Scheme is an additional scheme to the 2024 Share Option Scheme for the reasons set out above. It is a discretionary award scheme adopted by SGP BVI and Baccini as controlling shareholders of our Company (and not by our Company itself) without involving the issuance of new shares of our Company so that there is no dilution to the shareholding interest of other Shareholders of our Company, particularly as the controlling shareholders took into consideration that at the time of adoption of the Controlling Shareholders Share Award Scheme, our Company had only been recently listed on GEM on 2 July 2024.

No new shares were or will be issued by our Company as a result of the grant of any award and there will be no transfer of existing treasury shares held or to be held by our Company under the Controlling Shareholders Share Award Scheme. Our Company is also not a party to the grant letters made between SGP BVI, Baccini and each awardee.

Term

Subject to any early joint termination of the Controlling Shareholders Share Award Scheme by SGP and Baccini, the Controlling Shareholders Share Award Scheme shall be valid and effective for ten (10) years commencing on 20 January 2025.

Administration

The respective board of SGP BVI and Baccini shall be responsible for administering the Controlling Shareholders Share Award Scheme in accordance with the rules of the Controlling Shareholders Share Award Scheme (the "**Controlling Shareholders Share Award Scheme Rules**").

Eligible persons

Eligible persons to the Controlling Shareholders Share Award Scheme (the "**Eligible Persons**") refer to (i) our directors, the directors of our Company's subsidiaries, and the employees of our Group whom the respective board of SGP BVI and Baccini consider, in their absolute discretion, have contributed or will contribute to the business and development of our Group, and (ii) close associates of such directors, directors of our Company's subsidiaries and employees of our Group. Eligible Persons do not include any persons who are not employees or directors of our Group, unless they are close associates of employees or directors of our Group.

Source of Shares for the Controlling Shareholders Share Award Scheme

Our Shares awarded under the Controlling Shareholders Share Award Scheme shall be solely funded by existing Shares beneficially held by SGP BVI or Baccini. No new Shares have been or will be issued by our Company as a result of the grant of awards under the Controlling Shareholders Share Award Scheme.

Maximum number of the Shares available for the Controlling Shareholders Share Award Scheme

At any time during the term, the maximum aggregate number of Shares in respect of which Awards may be granted pursuant to the Controlling Shareholders Share Award Scheme shall be 9,750,000 Shares, representing 6.5% of the total issued Share capital of our Company as at the date of the adoption of the Controlling Shareholders Share Award Scheme, i.e. as at 20 January 2025.

As the maximum aggregate number of shares of our Company in respect of which awards may be granted pursuant to the Controlling Shareholders Share Award Scheme (i.e. 9,750,000 Shares) has already been granted, no further awards of shares will be granted by SGP BVI and Baccini under the Controlling Shareholders Share Award Scheme.

Performance target

Awards are granted to the grantees under the Controlling Shareholders Share Award Scheme without performance targets, considering that (i) the grantees are employees of our Group who will contribute directly to the overall business performance, sustainable development and good corporate governance of our Group, (ii) the grant is a recognition for the grantees' past contributions to our Group, and (iii) the awards are subject to certain vesting conditions and terms of the Controlling Shareholders Share Award Scheme, which already cover situations where the awards will lapse in the event the grantees cease to be employees of our Group.

Operations

Pursuant to the Controlling Shareholders Share Award Scheme and in accordance with the Controlling Shareholders Share Award Scheme Rules, the respective board of SGP BVI and Baccini may, jointly have the right and at their absolute discretion, determine the selected persons (who have to be Eligible Persons) of the Controlling Shareholders Share Award Scheme, the number of Shares to be awarded to each selected person, and to determine the terms on which awards are granted.

A notice of grant, setting out the number of Shares to be awarded, the vesting schedule and any performance conditions or other conditions for acceptance of the award, will be issued to each selected person. The consideration for the awards payable by each selected person will be a nominal consideration of HK$1.00 in aggregate for each share transfer under an award, irrespective of the number of Shares underlying the award.

A selected person may accept an offer of the grant of the awards in such manner as set out in the notice of grant. Upon acceptance, the selected person becomes a grantee in the Controlling Shareholders Share Award Scheme. SGP BVI and Baccini should, within ten (10) business days of the date on which the award vests, transfer the Shares to the selected person in accordance with the terms set out in the respective notice of grant.

Rights attached to the awards

SGP BVI or Baccini retains the legal and beneficial interest in our Shares underlying the award that have not yet vested.

An award under the Controlling Shareholders Share Award Scheme is exclusive to the respective selected person and is not assignable or transferable by the selected person and the selected person are not allowed to in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third-party over or in relation to any award.

The awards, while unvested, do not carry any right to vote at general meetings of our Company, or any dividend, transfer or other rights (including those arising on the winding-up of our Company). All voting rights in respect of any award that have not yet vested remain with SGP BVI or Baccini (as the case may be) and may be exercised by SGP BVI or Baccini in any manner as it may at its discretion determine without giving any reason or taking into account any interest of a selected person in an award.

No selected person shall enjoy any of the rights of a Shareholder by virtue of the grant of an award pursuant to the Controlling Shareholders Share Award Scheme, unless and until the Shares underlying the award are actually transferred to the selected person pursuant to the vesting of such award.

A selected person shall not be entitled to any dividends or distributions in respect of any Shares underlying the awards granted until such Shares have been transferred to the selected person pursuant to the vesting of awards. Subject to the foregoing, our Shares to be transferred upon the vesting of the awards shall be subject to all the provisions of our Memorandum and Articles of Association for the time being in force and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights (including those rights arising on a winding-up of our Company) as, the existing fully paid Shares in issue on the date on which those Shares are transferred pursuant to the vesting of the awards and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which Shares transferred, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the date on which our Shares are transferred.

Grant of awards pursuant to the Controlling Shareholders Share Award Scheme

On 20 January 2025, SGP BVI and Baccini granted awards representing in aggregate 9,750,000 Shares of our Company to two senior management members and one employee of our Group. Specifically, awards representing 7,500,000 Shares were granted to Mr. Soh, Executive Director of our Company, awards representing 1,500,000 Shares were granted to Ms. Hou Jing, our Group CFO, and awards representing 750,000 Shares were granted to Mr. Lau Soon Teck, an employee of our Group.

Mr. Soh's award vests in three batches: 2,500,000 Shares vest 60 days after acceptance of the award ("**First Vesting Date**"), 2,500,000 Shares vest one (1) year after the First Vesting Date ("**Second Vesting Date**") and 2,500,000 Shares vest two (2) years after the First Vesting Date ("**Third Vesting Date**"). The First Vesting Date is 21 March 2025, Second Vesting Date is 21 March 2026 and Third Vesting Date is 21 March 2027.

Ms. Hou Jing's and Mr. Lau Soon Teck's awards vest 60 days after acceptance of the awards (i.e. 21 March 2025), subject to compliance with all applicable laws and regulations.

Save for 2,500,000 Shares granted to Mr. Soh which will vest on 21 March 2027, all of the Shares under the Controlling Shareholders Share Award Scheme have vested and been transferred to the relevant employees.

THE 2026 SHARE AWARD SCHEME

Our Company adopted a share award scheme (the "**2026 Share Award Scheme**") on 30 June 2026. The 2026 Share Award Scheme complies with Rules 843 to 860 of the Catalist Rules.

Administration of the scheme

The 2026 Share Award Scheme shall be administered by our board, Remuneration Committee, and/or delegate(s) of the aforementioned ("**2026 Share Award Scheme Administration**"), in their absolute discretion with such powers and duties conferred on it by our board, provided that no member of the 2026 Share Award Scheme Administration shall participate in any deliberation or decision in respect of awards to be granted to such member or held by such member.

Our Directors are not trustees of the 2026 Share Award Scheme and do not have any direct or indirect interest in the 2026 Share Award Scheme.

Purpose

The purpose of the 2026 Share Award Scheme is to reward 2026 Eligible Participants (as defined below) approved for participation in the scheme and who has been granted an award pursuant to the scheme ("**Selected Participants**") for their contributions to our Group, encourage Selected Participants to optimise their future contributions to our Group, as well as attract and retain or otherwise maintain on-going relationships with Selected Participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of our Group, thereby increasing the overall competitiveness of our Group, aligning the interests of the Selected Participants directly with those of our Company and Shareholders, and motivating the performance of 2026 Eligible Participants.

Participants

Subject to the provisions in the 2026 Share Award Scheme, our board shall be entitled to select any 2026 Eligible Participant to be a Selected Participant, grant an award ("**Award**") to such Selected Participant during the 2026 Scheme Period (defined below), and determine the terms and conditions of the awards and the vesting of shares under the award ("**Award Shares**").

"**2026 Eligible Participants**" include 2026 Employee Participants and 2026 Related Entity Participants, who are not Excluded Participants. "**2026 Employee Participants**" are director(s) (including independent non-executive directors) and employee(s) (whether full time or part time) of any member of our Group, and "**2026 Related Entity Participants**" comprise the Holding Company Participants and director(s) and employee(s) of associated companies of our Company (provided that our Company has control over the relevant associated company) who have contributed to the success and development of our Group. An "**Excluded Participant**" is an individual who is a resident in a place where the grant, acceptance or vesting of an Award is not permitted under the laws and regulations of such place or where, in the view of our board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual.

Our board may consider various factors to determine the basis of eligibility of the potential Eligible Participant, including but not limited to the level of responsibilities, the length of service and contribution to our Group.

Grant and acceptance of awards

Our Company shall issue a grant instrument to each Selected Participant, specifying the date of grant, the number of Award Shares, the granting and/or vesting criteria and conditions (including but not limited to performance targets (if any)), the purchase price of Award Shares (if any) and the vesting date.

The purchase price of the Award Shares (if any) shall be such price as determined by our Board based on the prevailing closing price of our Shares, the purpose of the Award, other granting or vesting terms such as the number of Award Shares concerned, and the remuneration packages of the Selected Participants.

The vesting date in respect of any Award shall not be a date which is within twelve (12) months from the date of grant.

Upon receipt of the grant instrument, the Selected Participants are required to confirm their acceptance of the award by returning to our Company a notice of acceptance duly executed by them within ten (10) Business Days after the date of grant (the "**Acceptance Period**") together with a payment of HK$1.00 or such other nominal amount (if any) in favour of our Company as our board may determine. The Award may be accepted by the Selected Participant in respect of less than the number of the Award Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares or an integral multiple thereof and such number is clearly stated in the notice of acceptance. If any Selected Participant fails to return the notice of acceptance or to provide any requested information and documents upon the expiration of the Acceptance Period to our Company, the award automatically lapses forthwith.

Events prior to the vesting date

Unless determined otherwise by our board, the Award Shares, granted but not yet vested, will be automatically and immediately cancelled when the grantee ceases to be a 2026 Eligible Participant as defined in the 2026 Share Award Scheme in the following circumstances:

(a) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement or service to any member of our Group and whether or not it has resulted in his employment or engagement or service being terminated by the relevant member of our Group;

(b) where such a person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;

(c) where such person has been convicted of any criminal offence;

(d) where such person has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time;

(e) where such person commits a material breach of contract(s) between any member of our Group and the Eligible Participant(s); or

(f) where the granting of any Award was based on material misstatement in the financial statements of our Company or any other materially inaccurate performance metric criteria.

Take-over and winding up of our Company

If there is an event of change in control of our Company by way of a takeover, merger, scheme of arrangement, general offer, or our Company shall otherwise be privatised, the 2026 Share Award Scheme Administration shall at their sole discretion determine whether the vesting date of any Awards will be accelerated to an earlier date, whereby the vesting date may be less than twelve (12) months from the grant date (including on the grant date), subject to the compliance with the GEM Listing Rules, Catalist Rules and rules of the 2026 Share Award Scheme.

If an order for the winding-up of our Company is made or a resolution is passed for the voluntary winding-up of our Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in circumstances where substantially the whole of the undertaking, assets and liabilities of our Company pass to a successor company) on or prior to the relevant vesting date, an Award granted under the 2026 Share Award Scheme shall lapse automatically.

Vesting of shares

Upon the satisfaction (or waiver) of all such terms and conditions, an award will vest on the vesting date stated in the grant instrument, upon which the relevant number of Award Shares will be transferred and/or issued to the Selected Participant.

Our Company may satisfy the vesting of Award Shares by issuing and allotting Shares, transferring treasury shares and/or making a cash payment to the Selected Participant in accordance with the rules of the 2026 Share Award Scheme, the GEM Listing Rules and the Catalist Rules.

Adjustment events

In the event of any alteration in the capital structure of our Company following the commencement of the 2026 Share Award Scheme due to capitalisation/bonus issue, rights issue, consolidation, subdivision or reduction of the share capital of our Company, the 2026 Share Award Scheme Administration shall adjust:

(a) the purchase price (if any) of the outstanding Awards; and/or

(b) the number of Award Shares subject to any outstanding Awards that have been granted but remain unvested,

in accordance with the 2026 Share Award Scheme, provided that any such adjustment shall give the Selected Participant the same proportion of the equity capital of our Company as that to which he was previously entitled and shall otherwise comply with the applicable requirements of the GEM Listing Rules and the Catalist Rules. All fractional Shares (if any) arising out of such alteration in the capital structure of our Company in respect of the Award Shares of a Selected Participant shall be deemed forfeited and shall not be transferred to the relevant Selected Participant on the relevant vesting date.

Terms of employment unaffected

The 2026 Share Award Scheme shall not form part of any contract of employment, appointment or engagement between our Group and the 2026 Eligible Participants, and the rights and obligations of the 2026 Eligible Participants under the terms of their office or employment or engagement shall not be affected by their participation in the 2026 Share Award Scheme or any right which he may have to participate in it and the 2026 Share Award Scheme shall afford such 2026 Eligible Participants no additional rights to compensation or damages in consequence of the termination of such office or employment or engagement for any reason. Furthermore, the 2026 Eligible Participants shall not be entitled to any right to compensation or damages or any other benefit whatsoever for the loss of any rights under the 2026 Share Award Scheme due to the termination of such office or employment or engagement for any reason.

Maximum number of Shares

The maximum number of Shares which may be issued pursuant to awards to be granted under the 2026 Share Award Scheme and any other schemes of our Company shall not in aggregate exceed 10.0% of the Shares in issue (excluding treasury shares) ("**2026 Scheme Mandate Limit**"), provided that our Company may at any time as our board may think fit seek approval from our Shareholders to refresh the 2026 Scheme Mandate Limit.

Maximum entitlement of each 2026 Eligible Participant

No Shares shall be granted to any 2026 Eligible Participant under the 2026 Share Award Scheme if such grant of Shares to such person would result in our Shares issued and to be issued in respect of all award shares and options granted (excluding any award shares and share options lapsed) in accordance with the terms of the 2026 Share Award Scheme and other share scheme(s) adopted by our Company to such person in the 12-months period (or such other time period as may be specified by the HKSE and/or SGX-ST from time to time) up to and including the date of such grant representing in aggregate over 1.0% (or such other percentage as may be specified by the HKSE and/or SGX-ST from time to time) of Shares in issue (excluding treasury shares, if any), unless: (a) such grant has been duly approved, in the manner prescribed by the relevant provisions of the GEM Listing Rules and Catalist Rules, by resolution of our Shareholders in general meeting, at which such person and his/her close associates (or his/her associates if such person is a connected person) shall abstain from voting; (b) a circular regarding the grant has been dispatched to our Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of the GEM Listing Rules and Catalist Rules; and (c) the number and terms of such Shares are fixed before the general meeting of our Company at which the same are approved.

Rights attaching to shares

Awards granted but unvested under the 2026 Share Award Scheme will not entitle the Selected Participants to any voting, dividend, transfer and other rights (including those arising on liquidation of our Company). Award Shares vested pursuant to the 2026 Share Award Scheme will be subject to all the provisions of our Constitution and will rank *pari passu* in all respects with other Shares in issue on the date they are transferred to the Selected Participant and accordingly, will entitle the holders to the same voting, dividend, transfer and other rights (including those arising on liquidation of our Company) as the existing fully paid Shares in issue on the date on which they are transferred upon vesting of an award. Without prejudice to the generality of the foregoing, Award Shares vested pursuant to the 2026 Share Award Scheme shall entitle their holders to participate in all dividends or other distributions paid or made on or after the date on which the Shares are transferred to the Selected Participant.

Period of the 2026 Share Award Scheme

The 2026 Share Award Scheme shall be valid and effective for the period commencing on 30 June 2026 and ending on the business day immediately prior to the 10th anniversary of 30 June 2026 ("**2026 Scheme Period**"), after which no further awards shall be granted while the provisions of the 2026 Share Award Scheme will in all other respects remain in full force and effect and Award Shares granted but not vested before the end of the 2026 Scheme Period may still be vested in accordance with the term and conditions of the relevant awards.

Taxes

Other than the stamp duty to be borne by our Company, all other taxes (including personal income taxes, professional taxes, salary taxes, withholding taxes and other taxes, as applicable), duties, social security contributions, impositions, charges and other levies arising out of or in connection with the Selected Participant's participation in the 2026 Share Award Scheme or in relation to the Award Shares or cash amount of equivalent value of the Award Shares (the "**2026 Share Award Scheme Taxes**") shall be borne by the Selected Participant and our Group shall not be liable for any 2026 Share Award Scheme Taxes.

Costs and expenses

Our Company shall bear the costs of establishing and administering the 2026 Share Award Scheme. Any stamp duty, levy, trading fee, and other, if any, direct cost and expense arising on the vesting of Award Shares to Selected Participants shall be borne by our Company. Each Selected Participant shall be responsible for all fees of any securities depository relating to or in connection with the allotment and issue or transfer of any Shares, the deposit of share certificate(s), the Selected Participant's securities account with the securities depository, or the grantee's securities sub-account with a depository agent.

Disclaimer of liability

The Selected Participants will indemnify all members of our Group against any liability each of them may have to pay or account for any 2026 Share Award Scheme Taxes, including any withholding liability in connection with such taxes. In addition, our Company shall not be responsible for any failure by any 2026 Eligible Participant to obtain any consent or approval required for such 2026 Eligible Participant to participate in the 2026 Share Award Scheme as a Selected Participant or for any Taxes, expenses, fees or any other liability to which a 2026 Eligible Participant may become subject as a result of participation in the 2026 Share Award Scheme.

Alteration of the scheme

Our board may alter, from time to time:

(a) the authority of the 2026 Share Award Scheme Administration to alter the terms of the 2026 Share Award Scheme;

(b) any alteration to the provisions of the 2026 Share Award Scheme in relation to the matters set out in the GEM Listing Rules or Catalist Rules (including but not limited to Rule 23.03 of the GEM Listing Rules, Rules 843 to 848 of the Catalist Rules and Rules 852 to 853 of the Catalist Rules) to the advantage of the Selected Participants;

(c) terms and conditions of the 2026 Share Award Scheme which are of a material nature; or

(d) provisions relating to the matters set out in rule 23.03 of the GEM Listing Rules to the advantage of Selected Participants or prospective Selected Participants,

provided that approval from our Shareholders in general meeting (with the Selected Participants and their associates abstaining from voting) has been obtained.

Disclosures in annual report

Our Company shall comply with all applicable disclosure obligations required under the GEM Listing Rules and the Catalist Rules from time to time relating to the 2026 Share Award Scheme.

Details of, among others, (a) the names of the members of the 2026 Share Award Scheme Administration administering the 2026 Share Award Scheme; (b) the names of participants of the 2026 Share Award Scheme who are directors of our Company, or Controlling Shareholders or Associates or who received 5.0% or more of the total number of Shares pursuant to the grant of awards available under the 2026 Share Award Scheme; (c) the awards granted to the persons set out in the foregoing paragraphs (a) and (b) during the financial year under review, the aggregate awards granted to them since commencement of the 2026 Share Award Scheme to the end of the

financial year under review, the aggregate awards exercised since commencement of the 2026 Share Award Scheme to the end of the financial year under review, and the aggregate awards outstanding as at the end of the financial year under review; (d) the names of and number and terms of awards granted to each Holding Company Participant who receives 5.0% or more of the total number of awards available to all Holding Company Participants under the 2026 Share Award Scheme during the financial year under review; (e) the aggregate number of awards granted to the Holding Company Participants for the financial year under review, and since the commencement of the scheme to the end of the financial year under review; and (f) the number and proportion of awards granted at a discount during the financial year under review in respect of every 10.0% discount range, up to the maximum quantum of discount granted.

Under the GEM Listing Rules, our Company must disclose in its annual report information relating to awards granted and to be granted under the 2026 Share Award Scheme to: (i) the directors, chief executive or substantial shareholders of our Company or their respective Associates; (ii) each participant with options and awards granted and to be granted in excess of the 1.0% Individual Limit; (iii) each 2026 Related Entity Participant with options and awards granted and to be granted in any 12-months period exceeding 0.1% of the relevant class of Shares in issue (excluding Treasury Shares); and (iv) other 2026 Employee Participants and 2026 Related Entity Participants by category. The annual report must include (1) a table showing details and movements for awards granted to each participant or category of participants, (2) the number of awards available for grant under the scheme mandate limit at the beginning and the end of the financial year, and (3) the number of Shares that may be issued in respect of options and awards granted under all schemes of our Company during the financial year divided by the weighted average number of shares of the relevant class in issue (excluding Treasury Shares) for the year. Our Company must also include in its annual report a summary of the 2026 Share Award Scheme setting out, amongst others, its purpose, its participants, the total number of Shares available for issue under the scheme as at the date of the annual report, the maximum entitlement of each participant, vesting period, the amount payable on application or acceptance of the award, the basis of determining the purchase price of Shares awarded (if any), and the remaining life of the scheme.

Disputes

Any dispute arising in connection with the 2026 Share Award Scheme shall be referred to the 2026 Share Award Scheme Administration, whose decision shall be final and binding. Notwithstanding this, the authority of the 2026 Share Award Scheme Administration to administer the 2026 Share Award Scheme is subject to the powers of our board. In particular, nothing shall prejudice our board's ultimate authority to:

(a) override or modify any decision made by the 2026 Share Award Scheme Administration in the administration of the 2026 Share Award Scheme,

(b) revoke, in whole or in part, any delegation to the 2026 Share Award Scheme Administration at any time, and/or

(c) derogate from the discretion vested in the 2026 Share Award Scheme Administration.

Abstention from voting

Shareholders who are eligible to participate in the 2026 Share Award Scheme must abstain from voting on any resolution relating to the 2026 Share Award Scheme, including any resolution relating to the implementation of the 2026 Share Award Scheme, or the making of offers and grants of Awards under the 2026 Share Award Scheme at a discount not exceeding the maximum discount, or the participation by, and Awards granted to, Associates of Controlling Shareholders (other than a resolution relating to the participation of, or grant of awards to, Holding Company Participants) and should not accept nominations as proxy or otherwise for such voting unless specific instructions have been given in the proxy form on how the vote is to be cast.

The following categories of persons shall abstain from voting on any resolution relating to the participation of, or grant of Awards to Holding Company Participant:

(a) our Company's holding company and its associates; and

(b) the Holding Company Participants, who are also Shareholders and are 2026 Eligible Participants.

In addition, pursuant to the GEM Listing Rules: (1) where any grant of awards to a director (other than an independent non-executive director) or chief executive of our Company, or any of their respective Associates, which would result in our Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the relevant class of shares in issue (excluding Treasury Shares), the grantee, his/her associates and all core connected persons (as defined in the GEM Listing Rules) of our Company must abstain from voting in favour of the relevant Shareholders resolutions; (2) where any grant of awards to an independent non-executive director or a substantial shareholder (as defined in the GEM Listing Rules) of our Company, or any of their respective associates, which would result in our Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed) to such person in the 12-months period up to and including the date of such grant representing in aggregate over 0.1% of the relevant class of Shares in issue (excluding Treasury Shares), the grantee, his/her associates and all core connected persons of our Company (as defined in the GEM Listing Rules) must abstain from voting in favour of the relevant shareholders resolutions; (3) where any grant of awards to a participant would exceed the 1.0% Individual Limit, such participant and his/her close associates (or associates if the participant is

a connected person) must abstaining from voting on the relevant shareholders resolutions; and (4) if our Company seeks shareholders' approval for any refreshment of the scheme mandate limit within any three (3) year period, any Controlling Shareholders and their Associates (or if there is no Controlling Shareholder, Directors (excluding independent non-executive directors) and the chief executive of our Company and their respective Associates) must abstain from voting in favour of the relevant shareholders resolutions.

Governing law

The 2026 Share Award Scheme shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Selected Participants, by accepting grants of awards in accordance with the 2026 Share Award Scheme, and our Company, submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

Third Party Rights

The 2026 Share Award Scheme shall not confer on any person any legal or equitable rights (other than those constituting and attaching to our Shares awarded themselves) directly or indirectly, or give rise to any cause of action at law or in equity, against our Group.

Approval by independent Shareholders

Any grant of an award pursuant to the 2026 Share Award Scheme (including the number and terms of the awards to be granted) to Controlling Shareholders or any of their respective associates must be approved by independent Shareholders as a separate resolution.

Where the aggregate number of Shares over which awards may be granted pursuant to the 2026 Share Award Scheme to a Holding Company Participant, together with all Shares under awards granted to such person in accordance with the terms of the 2026 Share Award Scheme up to and including the date of such grant, would represent in aggregate 5.0% or more of the total number of Shares available to Holding Company Participant under the 2026 Share Award Scheme, such grant of Awards to each Holding Company Participant must be approved by independent Shareholders as a separate resolution in general meeting, and a separate resolution must also be passed to approve the aggregate number of Awards to be made available for grant to Holding Company Participant.

No Award has been granted during the period and since the adoption of the 2026 Share Award Scheme.

EXCHANGE CONTROLS

The following is a description of the exchange controls that exist in the jurisdictions our Group operates in.

Singapore

There are currently no exchange control restrictions in effect in Singapore.

Malaysia

Financial Services Act 2013 ("FSA 2013")

In exercise of the power conferred by the FSA 2013, the Central Bank of Malaysia issued Foreign Exchange Policy Notices which, among others, regulate the remittance of funds from and into Malaysia. Pursuant to the Foreign Exchange Policy Notices:

(a) non-residents are free to make or receive payment in Malaysia in MYR to or from residents for, among others, the income earned or expense incurred in Malaysia or the settlement of a trade in goods or services;

(b) residents are free to make or receive payment in foreign currency, to or from non-residents for any purpose, excluding payment for certain derivative related exceptions as set out in the Foreign Exchange Policy Notices; and

(c) non-residents are free to repatriate from Malaysia, funds including any income earned or proceeds from divestment of MYR assets, provided that the repatriation is made in foreign currency and the conversion of MYR into foreign currency is undertaken in accordance with the requirements as set out under the Foreign Exchange Policy Notices.

Any person who fails to comply with the Foreign Exchange Policy Notices is guilty of an offence and is liable on conviction to imprisonment for ten (10) years or to a fine not exceeding MYR50,000,000 or to both.

Hong Kong

The Basic Law of Hong Kong provides that no foreign exchange control policies shall be applied in Hong Kong and the Hong Kong dollar shall be freely convertible. As such, there are no foreign exchange control restrictions or similar laws, decrees, regulatory or other requirements in Hong Kong.

Cayman Islands

There are currently no exchange control restrictions in the Cayman Islands.

A letter of eligibility has been obtained from the SGX-ST for the listing and quotation of our Shares, the Placement Shares, the Option Shares and the Award Shares. For the purpose of trading on the SGX-ST, a board lot of our Shares will comprise 100 Shares. Upon listing and quotation on the SGX-ST, our Shares will be traded on GEM and the SGX-ST. The principal register of members will be maintained in the Cayman Islands (the "**Principal Share Register**") by Conyers Trust Company (Cayman) Limited whose address is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.

Our Company has established a branch register of members in Hong Kong (the "**Hong Kong Branch Share Register**") which is maintained by Tricor Investor Services Limited whose address is 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (the "**Hong Kong Branch Share Registrar and Transfer Office**"). Further, our Company has established a branch register of members in Singapore (the "**Singapore Branch Share Register**") which is maintained by Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) (the "**Singapore Branch Share Registrar and Transfer Office**"), whose address is 9 Raffles Place #26-01 Republic Plaza Singapore 048619.

CLEARANCE, TRADING AND SETTLEMENT OF SHARES ON THE SGX-ST

Upon listing and quotation on Catalist, our Shares will be traded under the book-entry settlement system of CDP, and all dealings in and transactions of our Shares through Catalist will be effected in accordance with the terms and conditions for the operation of the Securities Accounts with CDP, and the terms and conditions for CDP to act as depository for foreign securities as amended from time to time.

CDP, a wholly-owned subsidiary of Singapore Exchange Limited, is incorporated under the laws of Singapore and acts as a depository and clearing organisation. CDP holds securities for its accountholders and facilitates the clearance and settlement of securities transactions between accountholders through electronic book-entry changes in the Securities Accounts maintained by such accountholders with CDP. An investor may open a direct account with CDP or a sub-account with any CDP Depository Agent. A CDP Depository Agent may be a member company of the SGX-ST, bank, merchant bank or trust company.

Our Shares that are traded on the SGX-ST will be scripless shares registered on the Singapore Branch Share Register in the name of CDP or its nominee and held by CDP for and on behalf of persons who maintain, either directly or through CDP Depository Agents, Securities Accounts with CDP. Persons named as direct securities account holders and CDP Depository Agents in the CDP Depository Register maintained by CDP will not be treated, under the Cayman Companies Act and our Articles of Association, as members of our Company in respect of the number of our Shares credited to their respective Securities Accounts with CDP. Accordingly, CDP Depositors and CDP Depository Agents on whose behalf CDP holds Shares for may not be accorded the full rights of membership, such as voting rights, the right to appoint proxies, or the right to receive shareholders' circulars, proxy forms, annual reports, prospectuses and takeover documents. In such an event, CDP Depositors and CDP Depository Agents will be accorded only such rights as CDP may make available to them pursuant to CDP's terms and conditions to act as depository for foreign securities.

Dealings in our Shares will be carried out on the SGX-ST in Singapore dollars and will be effected for settlement in CDP on a scripless basis. Settlement of trades executed on the SGX-ST will take place on the second Market Day after the trade date. When a seller does not have sufficient Shares in the account for settlement by the start of the final settlement run at 1:30 pm on the second Market Day after the trade day, CDP will conduct a buy-in on that afternoon (unless the

intended settlement date of the trades executed on the SGX securities market falls on a day with half day trading, buying-in will be conducted only for a day on the next business day). Securities bought in successfully will be used to fulfil the seller's delivery obligation on the next Business Day.

Shareholders are responsible for ensuring our Shares are credited into their Securities Accounts maintained with CDP or securities sub-account with a CDP Depository Agent, as the case may be, in time for the settlement of trades on the SGX-ST, as buying-in may be instituted against the relevant clearing member of the CDP if our Shares are not available in the balance of the Securities Accounts or securities sub-accounts of Shareholders for settlement pursuant to their trades.

CLEARING FEES IN RESPECT OF TRADING ON THE SGX-ST

A clearing fee for the trading of our Shares on the SGX-ST is payable at the rate of 0.0325% of the transaction value. The clearing fees, instruments of transfer deposit fees and share withdrawal fees may be subject to GST at the prevailing rate of nine per cent. (9%) (or such other rate prevailing from time to time).

VOTING INSTRUCTIONS

Investors who trade Shares listed on the SGX-ST would hold their Shares through the CDP system. Investors holding Shares through the CDP system may only exercise the voting rights for the deposited Shares through the CDP system and in accordance with the terms and conditions for the operation of Securities Accounts with CDP, and the terms and conditions for CDP to act as depository for foreign securities as amended from time to time.

Under the Cayman Companies Act, only persons who agree to become members of a company and whose names are entered on the register of members of such company are considered members, with rights to attend and vote at general meetings. Accordingly, CDP Depositors holding Shares through CDP are not recognised as members of our Company, and do not under the Cayman Companies Act have a right to attend and to vote at general meetings of our Company. Our Company, through our Singapore Branch Share Registrar and Transfer Office, will send notices of Shareholders' meetings to CDP Depositors by post. In the event that CDP Depositors wish to attend and vote at general meetings of our Company, CDP will have to appoint them as proxies, pursuant to our Articles of Association and the Cayman Companies Act.

Our Company, through the Singapore Share Registrar and Transfer Office, will make arrangements with CDP to appoint the relevant CDP Depositors as proxies, in accordance with Article 75(1) of our Articles of Association, so that the appointed CDP Depositors can attend and vote at the general meetings of our Company. At any general meeting of our Company, CDP may appoint more than two (2) proxies in accordance with Article 75(1) of our Articles of Association. Pursuant to Article 81(4) of our Articles of Association, provided that CDP is a member of our Company, it may authorise such persons as it thinks fit to act as its representatives at any meeting of our Company provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under our Articles of Association shall be entitled to exercise the same rights and powers as if such person was the registered holder of our Shares held by CDP (or its nominee) in respect of the number and class of shares specified in the relevant authorisation including the right to vote individually on a show of hands or on a poll.

TRADING AND SETTLEMENT OF SHARES ON GEM

Settlement of transactions between CCASS Participants is required to take place in CCASS on the second (2nd) Hong Kong Business Day after the relevant trading day. All activities under CCASS are subject to the CCASS Rules in effect from time to time. Investors should seek the advice of their stockbroker or other professional adviser for details of the settlement arrangements as such arrangements may affect their rights and interests.

Investors in Hong Kong (other than those holding a physical scrip of the Shares) must settle their trades executed on GEM through their brokers directly or through custodians. For an investor in Hong Kong who has deposited his Shares in his designated CCASS Participant's stock account maintained with CCASS, settlement will be effected by CCASS in accordance with the CCASS Rules. For an investor who holds a physical scrip of our Shares in Hong Kong, he may transact our Shares off GEM by executing the standard transfer forms and bought sold notes, and present the stamped standard transfer forms and bought sold notes to the Hong Kong Branch Share Registrar and Transfer Office in Hong Kong for recording the transfer of our Shares.

TRANSACTION COSTS OF DEALING IN SHARES LISTED ON GEM

The transaction costs of dealings in our Shares on GEM include:

- HKSE trading fee of 0.00565% of the consideration of the transaction, charged to each of the buyer and seller and rounded to the nearest cent;
- HK SFC transaction levy of 0.0027% of the consideration of the transaction, charged to each of the buyer and seller;
- Hong Kong Accounting and Financial Reporting Council transaction levy of 0.00015% of the consideration of the transaction, charged each of the buyer and seller;
- Standard Form of Transfer stamp duty of HK$5.00 per transfer form (if applicable), payable by the seller;
- Stamp duty at a total rate of 0.2% on the higher of the value of the transaction or the consideration, with 0.1% payable by each of the buyer and the seller;
- Brokerage commission, which is freely negotiable with the broker and the applicable stock settlement fee; and
- Transfer fee, in which the Hong Kong Branch Share Registrar and Transfer Office will charge (at the rate of HK$2.50 per certificate issued or cancelled) the higher of (i) the number of certificates to be issued; or (ii) the number of certificates to be cancelled, for each transfer of Ordinary Shares from one (1) registered owner to another, each share certificate cancelled or issued by it and any applicable fee as stated in the share transfer forms used in Hong Kong.

MOVEMENT OF SHARES BETWEEN HONG KONG AND SINGAPORE

Through the movement mechanisms discussed below, it is possible for investors to purchase Shares on the SGX-ST and sell them on GEM and *vice versa*. All of the linked movements between CDP and CCASS are effected only on a free-of-payment basis (that is, there is no related cash movement parallel to the securities movement, and any related cash transfers may only be effected outside CDP and CCASS directly between the buyer and seller through their own arrangements).

Investors should be aware that while there is no time difference between the Singapore and Hong Kong markets, GEM has shorter trading hours than the SGX-ST. The trading hours on the SGX-ST are from 9.00 a.m. to 12.00 p.m. and 1.00 p.m. to 5.00 p.m. on a Market Day, and the trading hours on GEM are from 9.30 a.m. to 12.00 p.m. and 1.00 p.m. to 4.00 p.m. on a trading day in Hong Kong.

Transfer of Shares from Hong Kong to Singapore

Shareholders should note that only Shares which are registered on the Singapore Branch Share Register and deposited with CDP are valid for settlement of trades done on the SGX-ST. Therefore, Shareholders who currently hold their Shares on the Hong Kong Branch Share Register and wish to trade on the SGX-ST must effect a removal of our Shares from the Hong Kong Branch Share Register to the Singapore Branch Share Register and must procure the deposit of our Shares with CDP. In this regard, the investor should ensure that (i) he has a Securities Account in his own name with CDP or a securities sub-account with a CDP Depository Agent; and (ii) our Shares are credited to his Securities Account or securities sub-account before dealing in our Shares.

Under normal circumstances, the removal and deposit of our Shares generally require fifteen (15) Business Days to complete (excluding posting time, and the time taken to withdraw Shares deposited with CCASS in Step 2 below), and would involve the following procedures:

(1) If the investor's Shares are registered in the investor's own name, the investor shall complete a combined removal and transfer form available from the Hong Kong Branch Share Registrar and Transfer Office and submit the same together with the same share certificate(s) in his name to the Hong Kong Branch Share Registrar and Transfer Office.

(2) If the investor's Shares have been deposited with CCASS, the investor must first withdraw the said Shares from his investor participant stock account with CCASS or from the stock account of a CCASS Participant and submit the relevant share transfer form(s) executed by HKSCC Nominees Limited (for re-registration in his own name), the relevant share certificate(s) and a duly completed combined removal and transfer form to the Hong Kong Branch Share Registrar and Transfer Office. The investor must also arrange for stamp duty payment and clearance on the transfer documents with the Hong Kong Stamp Office.

(3) Upon receipt of the combined removal and transfer form, the relevant share certificate(s) and where appropriate, the completed share transfer form(s) executed by HKSCC Nominees Limited, the Hong Kong Branch Share Registrar and Transfer Office shall take all actions necessary to effect the removal and the transfer of our Shares from the Hong Kong Branch Share Register to the Singapore Branch Share Register.

(4) The Hong Kong Branch Share Registrar shall then notify the Singapore Share Registrar and Transfer Office of the removal whereupon the Singapore Share Registrar and Transfer Office will update the Singapore Branch Share Register, and will issue share certificate(s) in the name of the investor or CDP, as the case may be, and deliver the share certificate(s) to the investor or CDP. Upon receipt of the relevant documents and prescribed payment from the Singapore Share Registrar and Transfer Office, CDP shall credit the specified number of Shares into the investor's Securities Account or sub-account with a CDP Depository Agent. The investor should ensure that our Shares are credited to his Securities Account or sub-account with a CDP Depository Agent before dealing in our Shares.

Shareholders requesting removals of Shares from the Hong Kong Branch Share Register to the Singapore Branch Share Register are required to pay the fees and charges set out below and the following must accompany the removal forms:

(a) a cheque or bank draft in Hong Kong dollars made payable to **Tricor Investor Services Ltd** for: (i) the total sum of the removal fees (HK$350) for our Shares to be removed from the Hong Kong Branch Share Register (the "**Removed Shares**") and HK$2.50 for each share certificate rendered for cancellation on the Hong Kong Branch Share Register (under Standard Service); or (ii) the total sum of the higher of 0.05% of market value (based on the closing price of our Company's Shares in Hong Kong on the preceding day when Hong Kong Branch Share Registrar and Transfer Office receives instructions from the Shareholder) with a minimum charge of HK$1,000 and HK$20.00 for each share certificate rendered for cancellation on the Hong Kong Branch Share Register (under Express Service). The availability of the Express Service is subject to the discretion of the Hong Kong Branch Share Registrar. Please refer to the latest combined removal and transfer form or contact the Hong Kong Branch Share Registrar and Transfer Office for the latest fees and charges; and

(b) bank drafts in Singapore Dollars (inclusive of Singapore prevailing nine per cent. (9%) (or such other rate prevailing from time to time)) made payable to:

    (i) **Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)** for the sum of removal fees of S$53.60 (inclusive of Singapore prevailing nine per cent. (9%) GST) including payment for CDP deposit fee or such other amount required by CDP for each removal to be affected; and

    (ii) **Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)** for the sum of S$2.18 (inclusive of Singapore prevailing nine per cent. (9%) GST) for each share certificate to be issued on the Singapore Branch Share Register for each removal to be effected.

Transfer of Shares from Singapore to Hong Kong

Shareholders should note that for the purposes of trading on GEM, our Shares must be registered on the Hong Kong Branch Share Register and deposited into CCASS for credit to the Shareholder's investor participant stock account or his designated CCASS Participant's stock account. A Shareholder who holds his Shares through CDP and wishes to move his Shares from CDP to CCASS must effect a removal of our Shares from the Singapore Branch Share Register to the Hong Kong Branch Share Register, and can do so in the following manner:

1. If the investor's Shares have been deposited with CDP, the investor must first request or instruct his CDP Depository Agent to request on his behalf withdrawal of his Shares from CDP by completing and signing a Request for Withdrawal of Securities Form ("**Withdrawal Form**") available from CDP and submitting the same together with the duly completed transfer form pre-signed by the investor(s) as transferee(s) to CDP.

2. The investor shall complete a share removal form for the removal of Shares from the Singapore Branch Share Register to the Hong Kong Branch Share Register obtained from the Singapore Share Registrar and Transfer Office and submit the share removal form to the Singapore Share Registrar and Transfer Office.

3. CDP will sign as transferor and send the duly completed transfer form together with share certificate(s) registered under the name of CDP to the Singapore Share Registrar and Transfer Office directly.

4. Upon receipt of the duly completed transfer form and share certificate(s) from CDP and the share removal form from the investor, the Singapore Share Registrar and Transfer Agent shall take all actions necessary to effect the transfer and removal of Shares from the Singapore Branch Share Register.

5. The Singapore Share Registrar and Transfer Office shall then notify the Hong Kong Branch Share Registrar and Transfer Office of the removal whereupon the Hong Kong Branch Share Registrar and Transfer Office shall update the Hong Kong Branch Share Register and issue share certificate(s) in the name of the investor and make such share certificate(s) available for collection by the investor(s) at the Hong Kong Branch Share Registrar and Transfer Office's office unless other delivery method is requested upon submission of the share removal form and relevant fees will be separately agreed. Despatch of share certificate(s) will be made at the risk and expense of the investor as specified in the share removal form.

6. If the investor's Shares, upon being registered in the Hong Kong Branch Share Register, are to be deposited with CCASS, the investor must deposit our Shares into CCASS for credit to his investor participant stock account or his designated CCASS Participant's stock account. For deposit of Shares into CCASS or to effect a sale of Shares in Hong Kong, the investor should execute a transfer form which is in use in Hong Kong and which can be obtained from the offices of the Hong Kong Branch Share Registrar and Transfer Office and deliver it together with his share certificate(s) issued by the Hong Kong Branch Share Registrar and Transfer Office to HKSCC Nominees Limited directly if he intends to deposit our Shares into CCASS for credit to his investor participant stock account or via a CCASS Participant if he wants our Shares to be credited to his designated CCASS Participant's stock account.

Under normal circumstances, steps 2 to 5 generally require fifteen (15) business days (excluding posting time) to complete. The time taken to deposit Shares into CCASS in Step 6 above may vary, depending on whether the investor arranges for the deposit of his Shares into CCASS directly, or via a CCASS Participant, and may take at least one (1) Hong Kong Business Day or more.

Shareholders requesting removals of Shares from the Singapore Branch Share Register to the Hong Kong Branch Share Register are required to pay the fees and charges set out below and item (a) must accompany the relevant form:

(a) Bank draft in Singapore dollars (inclusive of Singapore prevailing nine per cent. (9%) GST (or such other rate prevailing from time to time)) made payable to:

    (i) **The Central Depository (Private) Limited** for the sum of:

        1. S$10.90 (inclusive of Singapore prevailing nine per cent. (9%) GST) as payment for withdrawal request fee for shares quantity 1,000 and less;

        2. S$27.25 (inclusive of Singapore prevailing nine per cent. (9%) GST) as payment for withdrawal request fee for shares quantity more than 1,000;

        3. S$2.18 (inclusive of Singapore prevailing nine per cent. (9%) GST) as payment for transfer fee per certificate;

(ii) **Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)** for the sum of removal fees of S$34.88 (inclusive of Singapore prevailing nine per cent. (9%) GST) for each removal and transfer to be effected; and

(iii) (this fee is payable upon collection of the share certificate(s) in respect of our Shares to be issued from the Hong Kong Branch Share Registrar and Transfer Office) a cheque or bank draft in Hong Kong Dollars made payable to **Tricor Investor Services Ltd** for: (i) the total sum of the issuance fees (HK$25) for the Shares and HK$2.50 for each share certificate issued on the Hong Kong Branch Share Register (under Standard Service) or (ii) the total sum of the higher of 0.05% of market value (based on the closing price of our Shares in Hong Kong on the preceding day when the Hong Kong Branch Share Registrar and Transfer Office receives instructions from the Singapore Share Registrar and Transfer Agent) or HK$20.00 for each share certificate issued on the Hong Kong Share Register (under Express Service). The exact fee to be paid under Express Service will be calculated and advised by the Hong Kong Branch Share Registrar and Transfer Office. The availability of the Express Service is subject to the discretion of the Hong Kong Branch Share Registrar and Transfer Office and is not available during peak operation seasons of the Hong Kong Branch Share Registrar and Transfer Office. Please refer to the share removal form for the latest fees and charges.

WITHDRAWAL OR DEPOSIT OF SHARES FROM OR INTO CDP

Persons holding Shares in a Securities Account with CDP or securities sub-account with a depository agent may withdraw any number of Shares they own and obtain physical share certificates by executing a Withdrawal Form and submitting the same, together with the transfer form pre-signed by the investor(s) as transferee(s) and the withdrawal fee, to CDP. CDP will then sign as transferor and send the duly completed and signed transfer form together with share certificate(s) registered under the name of CDP to the Singapore Share Registrar and Transfer Office as agent of the Singapore Branch Share Register. Upon receipt of the above documents, the Singapore Share Registrar and Transfer Office will effect the transfer of Shares from CDP to the investor(s) and issue physical Singapore share certificates in the name of the investor. Such share certificates will not, however, be valid for delivery pursuant to trades transacted on the SGX-ST, although they will be prima facie evidence of title and may be transferred in accordance with the Memorandum and Articles of Association.

Persons holding physical share certificates in their own names and who wish to trade on the SGX-ST must submit to CDP their physical share certificates together with the Request for Deposit of Securities Form for the Deposition of Shares into CDP, along with the duly executed transfer form in favour of CDP as transferee, to have their respective Securities Accounts or securities sub-accounts credited with the number of Shares before they can effect any trades.

In the absence of unforeseen circumstances, (i) in the case of a deposit of securities into CDP, CDP will credit the securities twelve (12) Market Days or later after the date of lodgement of share certificate(s) with CDP and upon receipt of confirmation from the Singapore Share Registrar and Transfer Office that the securities have been registered in the name of CDP or its nominee (as the case may be), and (ii) in the case of a withdrawal of securities from CDP, CDP will debit the securities and lodge with the Singapore Share Registrar and Transfer Office the certificates from the securities withdrawn within six (6) Market Days from the date of receipt of the Withdrawal Form to affect the registration of the securities to the transferee.

INFORMATION ON DIRECTORS, EXECUTIVE OFFICERS AND CONTROLLING SHAREHOLDERS

1. Save as disclosed in the section entitled "Corporate Governance – Nomination Committee – Nomination Committee's view of our Independent Non-Executive Directors" of this Offer Document, as at the date of this Offer Document, none of our Directors, Executive Officers or Controlling Shareholders has:

   (a) at any time during the last ten (10) years, had an application or a petition under any bankruptcy laws of any jurisdiction filed against him or her or against a partnership of which he or she was a partner at the time when he or she was a partner or at any time within two (2) years after the date he or she ceased to be a partner;

   (b) at any time during the last ten (10) years, had an application or a petition under any law of any jurisdiction filed against an entity (not being a partnership) of which he or she was a director or an equivalent person or a key executive, at the time when he or she was a director or an equivalent person or a key executive of that entity or at any time within two (2) years after the date he or she ceased to be a director or an equivalent person or a key executive of that entity, for the winding-up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency;

   (c) any unsatisfied judgement against him or her;

   (d) ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he or she is aware) for such purpose;

   (e) ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he or she is aware) for such breach;

   (f) at any time during the last ten (10) years, had judgement entered against him or her in any civil proceeding in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his or her part, or has been the subject of any civil proceedings (including any pending civil proceedings of which he or she is aware) involving an allegation of fraud, misrepresentation or dishonesty on his or her part;

   (g) ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust;

   (h) ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust;

(i) ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body permanently or temporarily enjoining him or her from engaging in any type of business practice or activity;

(j) ever, to his or her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:

(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere;

(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;

(iii) any business trust which has been investigated for breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

in connection with any matter occurring or arising during the period when he or she was so concerned with the entity or business trust; and

(k) ever been the subject of any current or past investigation or disciplinary proceedings, or been reprimanded or issued any warning, by the Authority or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere.

2. There is no shareholding qualification for Directors under our Articles of Association.

3. Save as disclosed in the sections entitled "Share Capital" and "Share Option Scheme and Share Award Scheme" of this Offer Document, no option to subscribe for shares in, or debentures of our Company has been granted to, or was exercised by, any Director or Executive Officer within the last two (2) years preceding the date of this Offer Document.

4. Save as disclosed in the section entitled "Interested Person Transactions" of this Offer Document, no Director is interested, directly or indirectly, in the promotion of, or in any property or assets which have, within the two (2) years preceding the date of this Offer Document, been acquired or disposed of by or leased to us or any of our subsidiaries, or are proposed to be acquired or disposed of by or leased to us or any of our subsidiaries.

5. No sum or benefit has been paid or is agreed to be paid to any Director or expert, or to any firm in which such Director or expert is a partner or any corporation in which such Director or expert holds shares or debentures, in cash or shares or otherwise, by any person to induce him to become, or to qualify him as, a Director, or otherwise for services rendered by him or by such firm or corporation in connection with the promotion or formation of our Company.

6. Save as disclosed in the sections entitled "Interested Person Transactions" and "Directors, Executive Officers and Employees" of this Offer Document, in relation to conflicts of interest:

   (a) none of our Directors, Executive Officers, Substantial Shareholders or any of their Associates has had any interest, direct or indirect, in any transactions to which our Company was or is to be a party;

   (b) none of our Directors, Executive Officers, Substantial Shareholders or any of their Associates has any interest, direct or indirect, in any company carrying on the same business or a similar trade which competes materially and directly with the existing business of our Group;

   (c) none of our Directors, Executive Officers, Substantial Shareholders or any of their Associates has any interest, direct or indirect, in any company that is our customer or supplier of goods and services; and

   (d) none of our Directors has any interest in any existing contract or arrangement which is significant in relation to the business of our Company and our subsidiaries, taken as a whole.

CHANGES IN SHARE CAPITAL

7. As at the Latest Practicable Date, there is only one (1) class of shares in the capital of our Company, being ordinary shares in the share capital of our Company. There is no founder, management or deferred share. Our existing Shares do not carry voting rights which are different from the Placement Shares. The rights and privileges attached to our Shares are stated in our Articles of Association.

8. Save as disclosed in the section entitled "Share Capital" of this Offer Document, there are no changes in the issued and paid-up share capital or the number and classes of shares of our Company or our subsidiaries within the three (3) years preceding the Latest Practicable Date.

9. Save as disclosed in the section entitled "Share Capital" of this Offer Document, no shares in, or debentures of, our Company or any of our subsidiaries have been issued, or are proposed to be issued, as fully or partly paid-up for cash, or for a consideration other than cash, during the last three (3) years preceding the date of this Offer Document.

10. Save as disclosed under the sections entitled "Share Capital" and "Share Option Scheme and Share Award Scheme" of this Offer Document, as at the Latest Practicable Date, no person has been, or is entitled to be, given an option to subscribe for any shares in or debentures of our Company or any of our subsidiaries.

MEMORANDUM AND ARTICLES OF ASSOCIATION

11. The nature of our Company's business has been stated earlier in this Offer Document.

12. A summary of our Articles of Association relating to, among others, directors' powers to vote on contracts in which they are interested, directors' remuneration, directors' borrowing powers, directors' retirement, directors' share qualification, rights pertaining to shares, convening of general meetings and alteration of capital are set out in "Appendix D – Summary of our Articles of Association" to this Offer Document. Our Articles of Association

is available for inspection at our registered office in accordance with the section entitled "General and Statutory Information – Documents Available For Inspection" of this Offer Document.

MATERIAL CONTRACTS

13. The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by our Group within the two (2) years preceding the date of lodgement of this Offer Document and are or may be material:

    (a) the underwriting agreement dated 20 June 2024 relating to the offering of our Shares pursuant to the public offer on GEM, entered into by, among others, our Company and the following underwriters: UOB Kay Hian (Hong Kong) Limited, Chiyu International Capital Limited, Cinda International Capital Limited, Maxa Capital Limited and Tiger Brokers (HK) Global Limited;

    (b) a deed of indemnity dated 18 June 2024 executed by Dato' Sri Chua, Mrs. Chua, SGP BVI and Baccini in favour of our Company, pursuant to which they have, among others, agreed and undertaken, jointly and severally, with our Company to indemnify our Company (on our own behalf and as trustee for our subsidiaries) and at all times keep us fully indemnified on demand from and against all taxation falling on any member of our Group resulting from, or by reference to, any income, profit or gains earned, accrued or received and/or business and/or assets acquired before the date on which the offering of our Shares pursuant to the public offer on GEM and the placement tranche in connection with our listing on GEM becomes unconditional; and

    (c) a deed of non-competition dated 18 June 2024 entered into by Dato' Sri Chua, Mrs. Chua, SGP BVI and Baccini (collectively, the "**Undertaking Shareholders**") in favour of our Company for the purpose of the listing of our Company on GEM, pursuant to which each of such Undertaking Shareholders has unconditionally and irrevocably undertaken to our Company (for itself and on behalf of each other member of our Group) that he/she/it would not, and would procure that his/her/its close associates (except any members of our Group) would not, directly or indirectly, during the relevant restricted period, either on his/her/its own account or in conjunction with or on behalf of any person, firm or company, among other things, carry on, participate or be interested or engaged in or acquire or hold (in each case whether as a shareholder, director, partner, agent, employee or otherwise, and whether for profit, reward or otherwise) any activity or business which competes or is likely to compete, directly or indirectly, with the business carried on or contemplated to be carried on by any member of our Group from time to time.

LITIGATION

14. As at the Latest Practicable Date, our Group was not engaged in any legal or arbitration proceedings in the last twelve (12) months before the date of the lodgement of this Offer Document, as plaintiff or defendant in respect of any claims or amounts which are material in the context of the Placement and our Directors have no knowledge of any proceedings pending or threatened against our Company or any member of our Group or any facts likely to give rise to any litigation, claims or proceedings which might materially affect the financial position or profitability of our Group.

MISCELLANEOUS

15. There has not been any public take-over offer by a third-party in respect of our Shares, or by our Company in respect of shares of another corporation or units of a business trust, which has occurred between the date of incorporation of our Company and the Latest Practicable Date.

16. Save as disclosed in the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements" and "Share Capital – Significant Changes in Percentage of Ownership" of this Offer Document, no commission, discount or brokerage has been paid or other special terms granted within the two (2) years preceding the Latest Practicable Date or is payable to any Director, promoter, expert, proposed director or any other person for subscribing for and/or purchasing or agreeing to subscribe for and/or purchase or procuring or agreeing to procure subscription for and/or purchase of any shares in or debentures of our Company or any of our subsidiaries.

17. Save as disclosed in the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements", no expert employed on a contingent basis by our Company or any of our subsidiaries, has a material interest, whether direct or indirect, in the shares of our Company or our subsidiaries, or has a material economic interest, whether direct or indirect, in our Company, including an interest in the success of the Placement.

18. Application monies received by our Company in respect of successful applications (including successful applications which are subsequently rejected) will be placed in a separate non-interest bearing account with The Bank of East Asia Limited, Singapore Branch, as our receiving bank. Any refund of all or part of the application monies to unsuccessful or partially successful applicants will be made without any interest or any share of revenue or any other benefit arising therefrom.

19. Save as disclosed in the sections entitled "Risk Factors", "Capitalisation and Indebtedness", "General Information on our Group", "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Trend Information" of this Offer Document, and the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" and the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendices A and B to this Offer Document, the financial condition and operations of our Group are not likely to be affected by any of the following:

    (a) known trends or demands, commitments, events or uncertainties that will result in or are reasonably likely to result in our Group's liquidity increasing or decreasing in any material way;

    (b) material commitments for capital expenditure;

    (c) unusual or infrequent events or transactions or any significant economic changes that may materially affect the amount of reported income from operations; and

    (d) known trends or uncertainties that have had or that we reasonably expect to have a material favourable or unfavourable impact on revenues or operating income.

20. Save as disclosed in the sections entitled "Risk Factors", "Management's Discussion and Analysis of Financial Position and Results of Operations" and "Trend Information" of this Offer Document, and the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" and the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendices A and B to this Offer Document, our Directors are not aware of any event which has occurred between FY2025 and the Latest Practicable Date, which may have a material effect on the financial position and results of operations of our Group or the financial information provided in this Offer Document.

21. Details, including the name, address and professional qualifications (including membership in a professional body) of the auditors of our Company for the Period Under Review are as follows:

Name and address	Professional body	Partner-in-charge/ Professional qualification	Appointment Period under Period Under Review
PricewaterhouseCoopers LLP 7 Straits View Marina One, East Tower, Level 12 Singapore 018936	Public Accountants and Chartered Accountants Singapore	Rebekah Khan (A member of the Institute of Singapore Chartered Accountants)	15 January 2025 to the date of this Offer Document
PricewaterhouseCoopers 22/F, Prince's Building Central Hong Kong	Certified Public Accountants under the Professional Accountant Ordinance (Chapter 50 of the Laws of Hong Kong) Registered Public Interest Entity Auditor under Accounting and Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong)	Rodia Lo (A member of the Hong Kong Institute of Certified Public Accountants)	1 January 2023 to 15 January 2025

We currently have no intention of changing our Group's present auditors after the Listing.

CONSENTS

22. PricewaterhouseCoopers LLP, the Independent Auditor and Reporting Accountant, has given and has not withdrawn their written consent to the issue of this Offer Document with the inclusion herein of, and all references to (i) its name, (ii) the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" as set out in Appendix A to this Offer Document and (iii) the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendix B to this Offer Document, in the form and context in which it is included and references to its name in the form and context in which it appears in this Offer Document

including as set out in the section entitled "Corporate Governance – Audit Committee – Audit Committee's Opinion on the Suitability of our Group CFO" of this Offer Document and to act in such capacity in relation to this Offer Document.

23. China Insights Industry Consultancy Limited, the Industry Consultant, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of, and all references to (i) its name; (ii) the statements attributed to it in the sections entitled "Risk Factors" and "General Information on our Group", which were prepared for the purpose of incorporation in this Offer Document; (iii) the section entitled "Industry and Market Data" of this Offer Document, which was prepared for the purpose of incorporation in this Offer Document; and (iv) the "Independent Market Report of the Industry Consultant" as set out in Appendix E to this Offer Document which was prepared for the purpose of incorporation in this Offer Document in the form and context in which they are included and appear in this Offer Document and to act in such capacity in relation to this Offer Document.

24. UOB Kay Hian Private Limited, the Sponsor, Issue Manager and Placement Agent has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of, and all references to its name in the form and context in which they are included and appear in this Offer Document and its opinion as set out in the sections entitled "Management's Discussion and Analysis of Financial Position and Results of Operations – Liquidity and Capital Resources" and "General Information on our Group – Name Changes of our Group – Directors' and Sponsor's views" of this Offer Document and to act in such capacity in relation to this Offer Document.

25. Drew & Napier LLC, the Legal Adviser to our Company as to Singapore Law, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.

26. Dentons Rodyk & Davidson LLP, the Legal Adviser to the Sponsor, Issue Manager and Placement Agent as to Singapore Law, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.

27. Shearn Delamore & Co, the Legal Adviser to our Company as to Malaysia Law, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto, and as set out in the section entitled "Risk Factors – Risks relating to our Business and Industry – There were certain delays in the process of updating the business address of our Malaysian subsidiary in the work permits of its foreign employees" and the section entitled "Risk Factors – Risks relating to our Business and Industry – Our business could be adversely affected by any lapses in environmental, social and governance matters" of this Offer Document, in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.

28. Deacons, the Legal Adviser to our Company as to Hong Kong Law, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.

29. Conyers Dill & Pearman, the Legal Adviser to our Company as to Cayman Islands Law, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.

30. SHINEWING Risk Services Limited, the Internal Auditor to our Company, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto, and as set out in the section entitled "Corporate Governance – Audit Committee – Audit Committee's Opinion on the Suitability of our Group CFO" of this Offer Document, in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.

31. Sim Chong LLC, the Singapore Special Counsel to our Company, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto, and as set out in the section entitled "General Information on our Group – Name Changes of our Group – Singapore Special Counsel's views and Directors' and Sponsor's views" of this Offer Document, in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.

32. Hogan Lovells Cadwalader International LLP, the International Sanctions Legal Adviser to our Company, has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion herein of its name and all references thereto, and as set out in the section entitled "Risk Factors – Risks relating to our Business and Industry – Our business may be adversely affected by international sanctions" of this Offer Document, in the form and context in which it appears in this Offer Document and to act in such capacity in relation to this Offer Document.

33. Each of Drew & Napier LLC, Dentons Rodyk & Davidson LLP, Shearn Delamore & Co, Deacons and Conyers Dill & Pearman does not make or purport to make any statement in this Offer Document, is not aware of any statement in this Offer Document which purports to be based on a statement made by it, and makes no representation, express or implied, regarding, and to the extent permitted by law takes no responsibility for, any statement in or omission from this Offer Document.

RESPONSIBILITY STATEMENT BY OUR DIRECTORS

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

DOCUMENTS AVAILABLE FOR INSPECTION

35. The following documents or copies thereof may be inspected at the registered office of Metasurface Technologies at No. 43 Tuas View Circuit, Singapore 637360 during normal business hours for a period of six (6) months from the date of registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority:

    (a) our Memorandum and Articles of Association;

    (b) the "Independent Auditor's Report and the Audited Consolidated Financial Statements for the Financial Years Ended 31 December 2023, 2024 and 2025" as set out in Appendix A to this Offer Document;

    (c) the "Independent Auditor's Review Report and the Unaudited Condensed Interim Consolidated Financial Statements for the Six-Month Period Ended 30 June 2026" as set out in Appendix B to this Offer Document;

    (d) the "Independent Market Report of the Industry Consultant" as set out in Appendix E to this Offer Document;

    (e) the material contracts referred to in the section entitled "General and Statutory Information – Material Contracts" of this Offer Document;

    (f) the letters of consent referred to in the section entitled "General and Statutory Information – Consents" of this Offer Document;

    (g) the Service Agreements referred to in the section entitled "Directors, Executive Officers and Employees – Service Agreement" of this Offer Document;

    (h) the opinion from the Singapore Special Counsel referred to in the section entitled "General Information on our Group – Name Changes of our Group – Singapore Special Counsel's views" of this Offer Document; and

    (i) the 2024 Share Option Scheme; and

    (j) the 2026 Share Award Scheme.

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METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

(Incorporated in Cayman Islands. Registration Number: 200000161Z)

CONSOLIDATED FINANCIAL STATEMENTS

For the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES
(Incorporated in Cayman Islands)

CONSOLIDATED FINANCIAL STATEMENTS
For the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025

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INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025

Metasurface Technologies Holdings Limited
Cricket Square, Hutchins Drive,
PO Box 2681,
Grand Cayman, KY1-1111,
Cayman Islands

Opinion

We have audited the accompanying consolidated financial statements of Metasurface Technologies Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2023, 31 December 2024 and 31 December 2025, and the consolidated statement of comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows for each of the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025, and the notes to the consolidated financial statements, including a summary of material accounting policy information, as set out on pages A-7 to A-107.

In our opinion, the accompanying consolidated financial statements of the Group present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, 31 December 2024 and 31 December 2025, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for each of the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025 in accordance with the IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025 (continued)

Responsibilities of Directors and the Audit Committee for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025 (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 DECEMBER 2023, 31 DECEMBER 2024 AND 31 DECEMBER 2025 (continued)

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

Restriction on distribution and use

This report is made solely to you as a body for the inclusion in the Preliminary Offer Documents of the Company to be issued in relation to the proposed offering of the shares of the Company in connection with the Company's listing on Catalist Board of the Singapore Exchange Securities Trading Limited.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore

Rebekah Khan
Partner
28 September 2026

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023, 31 December 2024 and 31 December 2025

	Note	2023 S$'000	2024 S$'000	2025 S$'000
Revenue	4	38,769	37,722	47,598
Cost of sales	7	(24,354)	(24,856)	(29,906)
Gross profit		14,415	12,866	17,692
Other income				
- Interest income	5	-	291	576
- Others	5	2,731	2,450	851
Other (losses)/gains, net				
- Impairment loss on financial assets	6	-	(97)	(88)
- Others	6	(426)	1,189	5,334
Administrative expenses	7	(11,666)	(10,320)	(10,670)
Operating profit		5,054	6,379	13,695
Finance costs	8	(1,343)	(1,237)	(1,867)
Share of loss from an associate	18	(366)	(438)	(248)
Profit before tax		3,345	4,704	11,580
Income tax expense	10	(1,061)	(1,511)	(1,477)
Profit from continuing operations		2,284	3,193	10,103
Discontinued operation				
Profit from discontinued operation	39	2,143	-	-
Profit for the year		4,427	3,193	10,103
Profit/(loss) attributable to:				
Owners of the Company		4,607	3,193	10,103
Non-controlling interests		(180)	-	-
Other comprehensive (loss)/income				
Items that may be reclassified to profit or loss				
Currency translation differences on foreign operations		(9)	(110)	22
Items that may not be reclassified to profit or loss				
Fair value gain of financial assets at FVOCI	23	-	-	28,660
Total comprehensive income for the year		4,418	3,083	38,785
Total comprehensive income/(loss) for the year attributable to:				
Owners of the Company		4,598	3,083	38,785
Non-controlling interests		(180)	-	-
		4,418	3,083	38,785
Total comprehensive income for the year attributable to owners of the Company arising from:				
- Continuing operations		2,455	3,083	38,785
- Discontinued operation		2,143	-	-
		4,598	3,083	38,785

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023, 31 December 2024 and 31 December 2025

	Note	2023 S$'000	2024 S$'000	2025 S$'000
Earnings per share for profit attributable to owners of the Company for the year				
Basic/diluted earnings per ordinary share (expressed in S$ per share)	11			
Continuing operations		0.02	0.02	0.07
Discontinued operation		0.02	-	-
		0.04	0.02	0.07

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2023, 31 December 2024 and 31 December 2025

	Note	2023 S$'000	2024 S$'000	2025 S$'000
ASSETS				
Non-current assets				
Property, plant, and equipment	12	5,710	5,900	7,668
Prepayments	22	203	-	80
Right-of-use assets	13	26,249	25,951	24,056
Investment property	14	575	534	493
Goodwill	15	4,429	4,429	4,429
Intangible assets	16	2,281	1,993	1,704
Other assets	17	359	371	373
Other receivables				
- Amount due from an associate/investee	21	2,880	2,783	1,924
Investment in an associate	18	1,015	895	-
Financial assets, at FVOCI	23	-	-	35,977
Deferred tax assets	19	644	614	247
Total non-current assets		44,345	43,470	76,951
Current assets				
Inventories	20	6,641	6,076	6,950
Trade and other receivables	21	7,742	8,955	9,221
Prepayments	22	1,907	25	156
Cash and bank balances	24	9,225	17,974	22,263
Total current assets		25,515	33,030	38,590
Total assets		69,860	76,500	115,541
EQUITY AND LIABILITIES				
Equity				
Share capital	25	1	26	26
(Accumulated losses)/Retained profits		(6,117)	(2,924)	7,179
Currency translation reserve		(154)	(264)	(242)
Share premium	25	-	8,327	8,327
Capital reserve	25	33,267	34,247	35,951
Fair value reserve	25	-	-	28,660
Total equity attributable to owners of the Company		26,997	39,412	79,901
LIABILITIES				
Current liabilities				
Borrowings	26	4,018	2,390	2,227
Lease liabilities	27	2,652	2,434	2,069
Trade and other payables	28	8,053	5,646	6,270
Contract liabilities	4	-	-	15
Income tax payable		1,381	1,186	1,124
Total current liabilities		16,104	11,656	11,705

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2023, 31 December 2024 and 31 December 2025

	Note	2023 S$'000	2024 S$'000	2025 S$'000
Non-current liabilities				
Borrowings	26	219	145	67
Lease liabilities	27	26,214	24,613	23,211
Provisions	29	269	279	289
Deferred tax liabilities	19	57	395	368
Total non-current liabilities		26,759	25,432	23,935
Total liabilities		42,863	37,088	35,640
Total equity and liabilities		69,860	76,500	115,541
Net current assets		9,411	21,374	26,885

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023, 31 December 2024 and 31 December 2025

		Attributable to owners of the Company						
	Note	Share capital S$'000	Accumulated losses S$'000	Currency translation reserve S$'000	Capital reserve S$'000	Total S$'000	Non-controlling interests S$'000	Total equity S$'000
At 1 January 2023		**-***	**(10,724)**	**(145)**	**32,165**	**21,296**	**1,013**	**22,309**
Profit/(loss) for the financial year		-	4,607	-	-	4,607	(180)	4,427
Other comprehensive loss for the financial year, net of tax		-	-	(9)	-	(9)	-	(9)
Total comprehensive income/(loss) for the financial year		-	4,607	(9)	-	4,598	(180)	4,418
Transactions with owners:								
Share swap as part of re-organisation:								
Share issuance to the original parent in exchange for existing shares	25(b)	1	-	-	19,368	19,369	-	19,369
Share re-organisation	25(b)	-	-	-	(19,369)	(19,369)	-	(19,369)
Disposal of a subsidiary	39	-	-	-	-	-	(928)	(928)
Share-based payment expenses for the employees and shareholders	32	-	-	-	1,149	1,149	49	1,198
Change in non-controlling interests in a subsidiary	38	-	-	-	(46)	(46)	46	-
At 31 December 2023		**1**	**(6,117)**	**(154)**	**33,267**	**26,997**	**-**	**26,997**

* Less than S$1,000

The accompanying notes form an integral part of these financial statements.

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023, 31 December 2024 and 31 December 2025

		Attributable to owners of the Company					
	Note	Share capital S$'000	Accumulated losses S$'000	Currency translation reserve S$'000	Share premium S$'000	Capital reserve S$'000	Total equity S$'000
At 1 January 2024		**1**	**(6,117)**	**(154)**	**-**	**33,267**	**26,997**
Profit for the financial year		-	3,193	-	-	-	3,193
Other comprehensive loss for the financial year, net of tax		-	-	(110)	-	-	(110)
Total comprehensive income/(loss) for the financial year		-	3,193	(110)	-	-	3,083
Transactions with owners:							
Issuance of shares upon listing	25(a)	5	-	-	11,343	-	11,348
Capitalisation of shares	25(a)	20	-	-	-	(20)	-
Capitalisation of listing expenses	25(a)	-	-	-	(3,016)	-	(3,016)
Reclassification of put option to equity	28	-	-	-	-	1,000	1,000
At 31 December 2024		**26**	**(2,924)**	**(264)**	**8,327**	**34,247**	**39,412**

The accompanying notes form an integral part of these financial statements.

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023, 31 December 2024 and 31 December 2025

		Attributable to owners of the Company						
	Note	Share capital S$'000	(Accumulated losses)/ Retained profits S$'000	Currency translation reserve S$'000	Share premium S$'000	Capital reserve S$'000	Fair value reserve S$'000	Total equity S$'000
At 1 January 2025		**26**	**(2,924)**	**(264)**	**8,327**	**34,247**	**-**	**39,412**
Profit for the financial year		-	10,103	-	-	-	-	10,103
Other comprehensive income for the financial year, net of tax	25	-	-	22	-	-	28,660	28,682
Total comprehensive income for the financial year		-	10,103	22	-	-	28,660	38,785
Transactions with owners:								
Share-based payment expenses for the employees	32	-	-	-	-	1,704	-	1,704
At 31 December 2025		**26**	**7,179**	**(242)**	**8,327**	**35,951**	**28,660**	**79,901**

The accompanying notes form an integral part of these financial statements.

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023, 31 December 2024 and 31 December 2025

	Note	2023 S$'000	2024 S$'000	2025 S$'000
Cash flows from operating activities				
Net cash generated from operations	33(a)	11,478	7,402	11,479
Interest received		-	291	576
Income tax paid		(992)	(1,333)	(1,197)
Net cash generated from operating activities		10,486	6,360	10,858
Cash flows from investing activities				
Additions of property, plant and equipment	12	(174)	(1,097)	(2,674)
Additions of right-of-use assets		(100)	(423)	(63)
Proceeds from lease modification of right-of-use assets		-	-	190
Disposal of a subsidiary, net of cash disposed	39	(133)	-	-
Net cash used in investing activities		(407)	(1,520)	(2,547)
Cash flows from financing activities				
Proceeds from issue of new shares of a subsidiary		1,000	-	-
Payment of listing expenses		(787)	(1,204)	-
Interest paid	33(b)	(1,287)	(1,209)	(1,083)
Payment of principal portion of lease liabilities	33(b)	(2,803)	(2,870)	(2,570)
Proceeds of borrowings	33(b)	300	110	-
Issuance of new shares	25	-	11,348	-
Repayment of borrowings	33(b)	(1,505)	(1,921)	(348)
Advances from a director	33(b)	228	-	-
Repayment of advances from a director	33(b)	(225)	(228)	-
Net cash (used in)/generated from financing activities		(5,079)	4,026	(4,001)
Net increase in cash and cash equivalents		5,000	8,866	4,310
Effect of currency translation on cash and cash equivalents		21	(117)	(21)
Cash and cash equivalents as at beginning of the year		4,204	9,225	17,974
Cash and cash equivalents as at end of the year	24	9,225	17,974	22,263

The accompanying notes form an integral part of these financial statements.

METASURFACE TECHNOLOGIES HOLDINGS LIMITED AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT
For the financial year ended 31 December 2023, 31 December 2024 and 31 December 2025

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

1. General information

Metasurface Technologies Holdings Limited (the ''Company'') is a limited liability company incorporated on 7 December 2021 in the Cayman Islands. The registered office of the Company is at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The principal activity of the Company is an investment holding company. Pursuant to a reorganisation (the "Reorganisation") in preparation for the listing of the Company's shares on the GEM Board of The Stock Exchange of Hong Kong Limited (the "GEM Board"), the Company became the holding company of the other companies comprising the Group.

The Company and its subsidiaries (the "Group") headquartered in Singapore principally engaged in the business of, among others, precision machining services and precision welding services. The principal activities of its subsidiaries are disclosed below.

The ultimate controlling party is Mr. Chua Chwee Lee and Ms. Jee Wee Jene (''Mr. Chua'' and ''Mrs. Chua'', the ''Controlling Shareholders''), who are also directors of the Company.

Information about subsidiaries

Particulars of the Company's subsidiaries are as follows:

Name	Principal activities	Country, principal country of operations and date of incorporation	Issued and fully paid share capital	Proportion of ordinary shares directly held by parent	Proportion of ordinary shares directly held by Group
				31 December 2023, 2024 and 2025	
			$'000	%	%
Directly held by the Company					
Metasurface Technologies Pte. Ltd.*	Manufacture of dies, moulds, tools, jigs and fixtures, Singapore	Singapore, 6 January 2000	S$25,936	100	100
Indirectly held by the Company					
Singapore Precision Welding Pte. Ltd.	Manufacturer and suppliers of ultra high vacuum) & high vacuum weldment, ultra high purity & high purity gas line weldment for semiconductor industry, Singapore	Singapore, 15 November 2006	S$70	-	100
SGP 1st Engineering Sdn. Bhd.	Industries engineering, Malaysia	Malaysia, 6 August 2013	MYR1,361	-	100

* Pursuant to restructuring deed dated 26 April 2023, each shareholder of Metasurface Technologies transferred all shares in Metasurface Technologies held by him/her to the Company, at a consideration of S$1 for which the Company issued 5,596,510 ordinary shares in the Company to him/her (or an entity designated by him/her) in proportion of their respective shareholdings in Metasurface Technologies (Note 25).

2 Material accounting policy information

2.1 Basis of preparation

The consolidated financial information has been prepared in accordance with IFRS Accounting Standards and the disclosure requirements of the IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards
- IAS Standards
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations).

The consolidated financial statements have been prepared on a historical cost basis except as disclosed in Note 2.10 and 2.14.

New standards and interpretations not yet adopted

The following standards and amendments were in issue but not yet effective and have not been early adopted by the Group:

Description	Effective for annual periods beginning on or after
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 – Annual improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to IFRS 10 and IAS 28 – Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Group is assessing the full impact of these new and amended standards. Certain of them may lead to changes in presentation, disclosure and measurements of certain items on the Group's results of operations and financial position, but the impacts are not expected to be significant.

2 Material accounting policy information (continued)

2.2 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency").

For the purposes of the Consolidated Financial Statements, the results and financial position of each entity in the Group are expressed in Singapore dollars ("S$"), which is the functional currency of the Company and the presentation currency for the Consolidated Financial Statements.

(ii) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the end of each reporting period are recognised in profit or loss.

Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the Consolidated Financial Statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss as part of the gain or loss on disposal.

All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other (losses)/gains - net".

2. Material accounting policy information (continued)

2.2 Foreign currency translation (continued)

(iii) Translation of Group entities' financial statements

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing exchange rates at the reporting date;
- income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

2. Material accounting policy information (continued)

2.2 Foreign currency translation (continued)

(iii) Translation of Group entities' financial statements (continued)

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

2.3 Principles of Consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the Consolidated Financial Statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the owners of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

2. Material accounting policy information (continued)

2.3 Principles of Consolidation and equity accounting (continued)

(ii) Disposal of subsidiary

When a change in the Group's ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

(iii) Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the owners of the Company.

(iv) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Interests in associates are accounted for using the equity method of accounting (see below), after initially being recognised at cost.

Gain or losses on dilution of equity interest in associates are recognised in the consolidated statement of comprehensive income.

Equity method

Under the equity method of accounting, the investments in associate is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

2. Material accounting policy information (continued)

2.3 Principles of Consolidation and equity accounting (continued)

(iv) Associates (continued)

Equity method (continued)

Unrealised gains on transactions between the Group and its associates is eliminated to the extent of the Group's interest in the entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.8.

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the Consolidated Financial Statements of the investee's net assets including goodwill.

2.5 Segment reporting

An operating segment is a component in the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

Operating segments are reported in a manner consistent with the internal reporting provided and reviewed regularly to the chief operating decision-makers of the Group ("CODM"), which has been identified as the chief executive officer, chief financial officer and the chief operating officer of the Group.

2. Material accounting policy information (continued)

2.6 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

No provision for depreciation is made on freehold land. Depreciation of other property, plant and equipment is calculated on the straight-line method so as to write off the cost of the assets over their estimated useful lives as follows:

Category	Useful life
Freehold building	50 years
Office equipment	10 years
Other property, plant and equipment	3 to 20 years
Plant and machinery	3 to 15 years
Motor vehicles	10 years
Computers	3 years
Furniture and fittings	10 years

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate. The effects of any revision are recognised in profit or loss when the changes arise.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

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

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

2. Material accounting policy information (continued)

2.7 Investment property

Investment property is property that held for long-term rental yields and/or for capital appreciation. Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives as follows:

	Useful life
Leasehold property	28 years

The residual values, useful lives and depreciation method of investment property is reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise. Investment property is subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised and the carrying amounts of the replaced components are recognised in profit or loss. The cost of maintenance, repairs and minor improvements is recognised in profit or loss when incurred.

On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognised in profit or loss.

2.8 Impairment of non-financial assets

Goodwill

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

An impairment loss is recognised when the carrying amount of a cash-generating unit, including the goodwill, exceeds the recoverable amount of the cash-generating unit. The recoverable amount of a cash-generating unit is the higher of the cash-generating unit's fair value less cost to sell and value-in-use.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

Non-financial assets other than goodwill

Non-financial assets of the Group comprise investment property, property, plant and equipment, right-of-use assets, investment in an associate, intangible assets and prepayments.

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

2. Material accounting policy information (continued)

2.8 Impairment of non-financial assets (continued)

Non-financial assets other than goodwill (continued)

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

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

2.9 Intangible assets

Goodwill

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired. Goodwill on subsidiaries is recognised separately as intangible assets and carried at cost less accumulated impairment losses. Gains and losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the entity sold. Goodwill is not amortised but is tested for impairment annually.

License, patents, customer contracts and customer relationship

License, patents, customer contracts and relationship acquired are initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are to be amortised to profit or loss using the straight-line method over years, which is the shorter of their estimated useful lives and periods of contractual rights as follows:

Category	Useful life
Know-how	7 years
Customer contracts	0.5 years
Customer relationship	10 years
License	10 years

2.9 Intangible assets (continued)

License, patents, customer contracts and customer relationship (continued)

The useful lives of know-how and license are estimated with reference to the technical obsolescence and product life cycles, expected usage and the expiries of the respective contracts.

The useful life of customer-contracts and customer relationships are estimated based on the attrition rate, historical experience, contract periods and life cycles of customers.

2.10 Financial assets

(a) Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes a party to the contractual provisions of the instruments.

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

(b) Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVPL"). The Group's debt instruments at amortised cost comprise trade and other receivables, and cash and cash equivalents.

Debt instruments that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in profit or loss using the effective interest method. Gains and losses on debts instrument are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

2.10 Financial assets (continued)

(b) Subsequent measurement (continued)

Investments in equity instruments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains / losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(c) Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

(d) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 35 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2. Material accounting policy information (continued)

2.11 Financial liabilities

Financial liabilities of the Group comprise trade and other payables, borrowings and lease liabilities. Financial liabilities are presented as current liabilities unless the Group has the right to defer settlement for at least 12 months after the statement of financial position date, in which case they are presented as non-current liabilities.

For a contract that contains an obligation for an entity to purchase its own equity instruments for cash or another financial asset gives rise to a financial liability for the present value of the redemption amount (for example, for the present value of the forward repurchase price, option exercise price or other redemption amount).

(a) Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

(b) Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

(c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.12 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2. Material accounting policy information (continued)

2.13 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write down on cost is made for where the cost is not recoverable or if the selling prices have declined. Cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Allowance is made for obsolete, slow moving and defective inventories.

2.14 Keyman insurance

The Group acquired a keyman insurance contract. The insurance contract is initially recognised at the amount of the premium paid and subsequently carried at cash surrender value at the end of each reporting period, with changes in cash surrender value recognised in profit or loss.

Changes in the cash surrender value are recognised in "other gains, net".

2.15 Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 21 for further information about the Group's accounting for trade receivables and Note 35 for a description of the Group's impairment policies.

Prepayments, deposits and other receivables mainly comprise prepaid listing expense based on the percentage of work done by professional parties, prepaid expenses for goods and services, rental deposits, utilities deposits as well as GST receivables.

2. Material accounting policy information (continued)

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.17 Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

2. Material accounting policy information (continued)

2.18 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.19 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.20 Borrowings and borrowing costs

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between initial recognised amount and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2. Material accounting policy information (continued)

2.20 Borrowings and borrowing costs (continued)

Borrowings (continued)

Where the terms of a financial liability are renegotiated and the Company issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. Borrowings are classified as current liabilities unless the Group has the right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

2.21 Employee benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund and Malaysian Employees Provident Fund, on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2. Material accounting policy information (continued)

2.22 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.8 "Impairment of non-financial assets".

The Group's right-of-use assets are presented in Note 13.

2. Material accounting policy information (continued)

2.22 Leases (continued)

(a) As lessee (continued)

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the lessee's incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are presented in Note 27.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2. Material accounting policy information (continued)

2.22 Leases (continued)

(b) As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Group's investment properties is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.23 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.24 Revenue and income recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

The Group's recognition policies on revenue from contracts with customers, other sources of revenue and other income are further described as follows.

(a) Sales of goods and services

The Group supplies parts and components of precision engineering equipment through provision of precision machining and precision welding services.

2. Material accounting policy information (continued)

2.24 Revenue and income recognition (continued)

(a) Sales of goods and services (continued)

Revenue from sale of goods and services in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO. Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services.

Revenue is recognised at a point in time upon satisfaction of the PO, which generally coincides with the delivery of goods and when services are rendered. Revenue from these sales is recognised based on the price specified in the contract and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No significant element of financing is deemed present as the sales are made with a credit term of 30 to 60 days, which is consistent with market practice. The Group concluded obligation to repair or replace faulty products under the standard warranty terms is remote and no provision has been recognised.

(b) Service income

Service income represents the provision of handling and logistics services to the customers. The service income is recognised as other income in profit or loss upon completion of the services.

(c) Scrap material sales income

The sale value of scrap is credited to profit and loss account as other income.

(d) Other income – lease income

Lease income from operating leases where the Group is a lessor is recognised in other income on a straight-line basis over the lease term.

2.25 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

2. Material accounting policy information (continued)

2.25 Current and deferred income tax (continued)

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2. Material accounting policy information (continued)

2.25 Current and deferred income tax (continued)

(b) Deferred income tax (continued)

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(c) Offsetting

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.26 Key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group. The key management personnel include all directors of the Company.

2.27 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group if that person:

(i) has control or joint control over the Group;
(ii) has significant influence over Group; or
(iii) is a member of the key management personnel of the Group or of a parent of the Group.

2. Material accounting policy information (continued)

2.27 Related parties (continued)

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
(iii) Both entities are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
(vi) The entity is controlled or jointly controlled by a person identified in (a).
(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2.28 Share capital

Classification

Ordinary shares with discretionary dividends are classified as equity. Incremental costs directly attributable to the issue of new shares or options are deducted against equity. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regards to the Company's residual assets.

Dividend

Liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period. Distributions to holders of an equity instrument is recognised directly in equity.

2. Material accounting policy information (continued)

2.29 Share-based payments

The Group operates an equity-settled, share-based compensation plan. Share-based compensation benefits are provided to employees and shareholders. Information relating to these schemes is set out in Note 32.

The fair value of shares granted is recognised as an employee benefits expense or share-based payments to shareholders with a corresponding increase in equity. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. The fair value of the options granted is derived from the Level 1 quoted market price of the Group's shares on grant date.

If the equity instruments granted vest immediately, the counterparty is not required to complete a specified period of service before becoming unconditionally entitled to those equity instruments. In the absence of evidence to the contrary, the Company shall presume that services rendered by the counterparty as consideration for the equity instruments have been received. In this case, on grant date the entity shall recognise the services received in full, with a corresponding increase in equity.

2.30 Discontinued operation

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business, is part of a single co-ordinated plan to dispose of such a line of business. The results of discontinued operation are presented separately in the consolidated statements of comprehensive income.

3. Critical accounting estimates and judgements

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

3. Critical accounting estimates and judgements (continued)

(a) Impairment of non-financial assets

The Group performed impairment assessment at each reporting date to determine whether the goodwill may be impaired. The Group estimates the recoverable amount of the goodwill or the cash-generating unit ("CGU"), based on the value in use calculation ("VIU"). The VIU is based on discounted cash flow forecast of the CGU, the preparation of which requires management to use assumptions and estimates relating to revenue growth rate, terminal growth rate and pre-tax discount rate of the CGU. The assumptions and estimates used are inherently subjective and may be affected by uncertainties around future market or economic condition. The impairment assessment and the carrying amount of the goodwill are disclosed in Note 15 to the financial statements.

Non-financial assets other than goodwill of the Group comprise customer relationship, right-of-use assets and property, plant and equipment are reviewed for impairment whenever there is any indication that the assets may be impaired. If any such indication exists, an impairment assessment will be performed accordingly. The recoverable amount of an asset or group of assets is assessed as the higher of its fair value less costs of disposal and its value in use. Non-financial assets other than goodwill of the Group that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Management has concluded that there was no impairment in respect of these assets at the reporting date. The carrying amounts of the Group's intangible assets are disclosed in Note 16 to the financial statements.

(b) Impairment of amount due from an associate/investee

The loss allowances for amount due from an associate/investee are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period. The carrying amount of amount due is S$2,880,000, S$2,783,000 and S$1,924,000 for the years ended 31 December 2023, 2024 and 2025 respectively, net of allowance for expected credit loss.

3. Critical accounting estimates and judgements (continued)

(c) Useful lives of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over its estimated useful life which is estimated to be within 3 to 50 years based on assets specifications, industry norms, and other factors. This estimate is dependent on variables such as usage levels and technological developments and will be reassessed at the end of every reporting period. The carrying amount of the Group's property, plant and equipment is disclosed in Note 12.

(d) Share based payments

Share-based payments in 2023 comprises anti-dilution rights granted to certain management and shareholders of the Group, acquisition of identified and unidentified goods and services. The fair value of the shares granted is recognised in profit or loss as share-based payment expense. The fair value of the shares granted is derived using the market approach and subject to assumptions.

In the market approach, the fair value of the equity interest in the entities now comprising the Group is based on the multiplication of the normalised earnings before interest, tax, depreciation and amortisation by an appropriate market multiple. The market approach result is then adjusted for a discount for lack of marketability to arrive at fair value.

The share-based payments recognised are disclosed in Note 32.

4. Revenue and operating segments

(a) Revenue from contracts with customers

(i) Disaggregation of revenue from contracts with customers:

	2023 S$'000	2024 S$'000	2025 S$'000
Sale of goods and its related services:			
Precision machining	15,545	17,077	24,874
Precision welding	23,224	20,645	22,724
	38,769	37,722	47,598
Total revenue from contracts with customers	38,769	37,722	47,598
Timing of revenue recognition for revenue			
Point in time	38,769	37,722	47,598

(ii) Contract liabilities

Service fee received in advance where the goods or services have not been delivered are recognised as contract liabilities. The revenue will be recognised in profit or loss at a point in time when the goods or services are delivered.

Revenue recognised in relation to contract liabilities

	2023 S$'000	2024 S$'000	2025 S$'000
Revenue recognised in current period that was included in the contract liability balance at the beginning of the period	297	-	-

4. Revenue and operating segments (continued)

(a) Revenue from contracts with customers (continued)

(ii) Contract Liabilities (continued)

Unsatisfied performance obligations

	2023 S$'000	2024 S$'000	2025 S$'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 December			
- Advance service fee received	-	-	15

Management expects that the transaction price allocated to unsatisfied performance obligations as at 31 December 2025 may be recognised as revenue within 12 months from the end of reporting period. As permitted under IFRS 15, the aggregated transaction price allocated to unsatisfied contracts of periods one year or less is not disclosed.

(b) Information about major customers

Revenue from each major customer which contributed 10% or more of the Group's revenue during the years ended 31 December 2023, 2024 and 2025, is set out below:

	2023 S$'000	2024 S$'000	2025 S$'000
Customer A	8,400	9,672	12,744
Customer B	7,804	11,985	14,859
Customer F	8,960	6,457	4,414

5. Other income

	2023 S$'000	2024 S$'000	2025 S$'000
Continuing operations			
Rental income	1,299	1,348	454
Service income	1,190	894	171
Scrap material sales income	134	96	159
Government grants (Note)	87	47	43
Interest income	-	291	576
Others	21	65	24
	2,731	2,741	1,427

5. Other income (continued)

	2023 S$'000	2024 S$'000	2025 S$'000
Discontinued operation			
Others	1	-	-

Note:

Government grants consist of Senior Employment Credit, Progressive Wage Credit Scheme and CPF Transition Offset.

The Senior Employment Credit effected from 2023 to 2035, by providing wage offsets to support employers in hiring senior workers aged above 60.

The Progressive Wage Credit Scheme was introduced to provide transitional wage support for employers to adjust to upcoming mandatory wage increases for lower-wage workers and voluntarily raise wages of lower-wage workers for eligible resident employees from 2022 to 2026.

The CPF Transition Offset was introduced to alleviate the rise in business costs due to the increase in CPF contribution rates for senior workers from 2022 to 2027.

There are no unfulfilled conditions or other contingencies attaching to these grants.

6. Other (losses)/gains, net

	2023 S$'000	2024 S$'000	2025 S$'000
Continuing operations			
Impairment loss on financial assets (Note 21)	-	(97)	(88)
Net currency exchange (losses)/gains	(489)	591	(1,343)
Gain on disposal of plant and equipment	-	238	-
Gain on lease modification of right-of-use assets	40	42	7
Remeasurement gain arising from loss of significant influence over an associate and reclassification of the investment to fair value through other comprehensive income (Note 23)	-	-	6,397
Gain on dilution of shareholding in an associate (Note 18)	23	318	273
	(426)	1,092	5,246
Discontinued operation			
Gain on disposal of a subsidiary			
- Gain on disposal of controlling interest (Note 39)	1,574	-	-
- Gain on retained investment (Note 39)	955	-	-
	2,529	-	-

7. Expenses by nature

	2023 S$'000	2024 S$'000	2025 S$'000
Continuing operations			
Change in work-in-progress and finished goods	378	(179)	(792)
Raw materials and consumables used	13,095	15,235	19,433
Production and direct costs*	2,718	2,116	2,256
Allowance/(reversal of allowance) for inventory obsolescence	414	(288)	10
Depreciation of property, plant and equipment (Note 12)	1,291	983	977
Depreciation of right-of-use assets (Note 13)	2,086	2,263	2,252
Depreciation of investment property (Note 14)	41	41	41
Amortisation of intangible assets (Note 16)	288	288	289
Business development expenses	289	519	423
Employee benefit expenses (Note 9.1)	11,087	9,585	12,880
Share-based payments for the shareholders (Note 32)	875	-	-
Listing expenses**	1,896	2,604	-
Professional fees	187	179	481
Auditor's remuneration			
- Audit services	48	270	319
- Non-audit services**	-	-	-
Repair and maintenance	186	452	291
Property tax	249	205	216
Utilities	345	330	377
Insurance	157	137	336
Other expenses	390	436	787
Total cost of sales and administrative expenses	36,020	35,176	40,576
Discontinued operation			
Amortisation of intangible assets (Note 16)	209	-	-
Employee benefit expenses (Note 9.1)	139	-	-
Other expense	39	-	-
	387	-	-

* Included in the production and direct costs are mainly handling, delivery, freight charges, welding gases and subcontractor costs.

** During the year ended 31 December 2023 and 2024, auditor's remuneration for non-audit services of S$693,000 and S$538,000 represented the audit fees in connection with the listing of the Company on GEM of The Stock Exchange of Hong Kong Limited, of which were included as part of the listing expenses in the consolidated statement of comprehensive income and the remaining approximately S$Nil and S$308,000 represented the portion of listing expenses capitalised into equity upon listing during 2024.

8. Finance costs

	2023 S$'000	2024 S$'000	2025 S$'000
Continuing operations			
Interest expense on borrowings (Note 33(b))	207	145	96
Interest expense on lease liabilities (Note 27)	1,080	1,064	987
Interest expense on provision for reinstatement cost (Note 29)	9	10	10
Interest expense on deposits received	18	47	3
Interest expense/(income) on non-Listing put option	29	(29)	-
Discounting of amount due from an investee (Note 21)	-	-	864
Unwinding of discount on amount due from an investee (Note 21)	-	-	(93)
	1,343	1,237	1,867

9. Employee benefit expenses

9.1 Employee benefit expenses (including directors' emoluments)

	2023 S$'000	2024 S$'000	2025 S$'000
Continuing operations			
Salaries and bonuses	7,535	8,702	10,213
Contributions to defined contribution retirement benefits schemes	987	600	624
Share-based payments for the employees (Note 32)	2,276	-	1,704
Staff welfare	289	283	339
	11,087	9,585	12,880
Discontinued operation			
Salaries and bonuses	33	-	-
Share-based payments for the employees (Note 32)	106	-	-
	139	-	-

Employee benefit expenses was charged to profit or loss during the years ended 31 December 2023, 2024 and 2025 as set out below:

	2023 S$'000	2024 S$'000	2025 S$'000
Cost of sales	5,349	5,732	6,866
Administrative expenses	5,738	3,853	6,014
Total	11,087	9,585	12,880

9. Employee benefit expenses (continued)

9.1 Employee benefit expenses (including directors' emoluments) (continued)

During the years ended 31 December 2023, 2024 and 2025, no forfeited contributions were utilised by the Group to reduce its contributions to retirement benefits schemes. There is no balance available as at 31 December 2023, 2024 and 2025 to reduce future contributions.

Five highest paid individuals

The five highest paid individuals during the years ended 31 December 2023, 31 December 2024 and 31 December 2025 included three, two and three directors of the Company for the years ended 31 December 2023, 2024 and 2025 with details of the emoluments reflected in the analysis shown in Note 9.2. Details of the emoluments payable to five highest paid individuals for the years ended 31 December 2023, 2024 and 2025 were as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Salaries and allowances	1,234	1,453	1,632
Bonus	188	156	205
Contributions to defined contribution retirement benefits schemes	73	114	122
Share-based payments for the employees (Note 32)	2,276	-	1,155
Total	3,771	1,723	3,114

The emoluments of the remaining two non-director individuals who are senior management fell within the following bands:

Number of individuals

	2023 S$'000	2024 S$'000	2025 S$'000
Emolument bands			
Nil to S$180,000 (equivalent to Nil to HK$1,000,000)	1	1	-
S$180,001 to S$270,000 (equivalent to HK$1,000,001 to HK$1,500,000)	1	1	1
S$360,001 to S$450,000 (equivalent to HK$2,000,001 to HK$2,500,000)	-	-	1

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9. Employee benefit expenses (continued)

9.2 Benefits and interests of directors

(a) Directors' emoluments

The emoluments paid or payable to the directors of the Company were as follows:

Year ended 31 December 2023

Name	Fees S$'000	Salary (note (i)) S$'000	Discretionary bonuses (note (ii)) S$'000	Allowances and benefits in kind S$'000	Employer's contribution to a retirement benefit scheme S$'000	Other emoluments paid or payable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiaries undertaking (note (iii)) S$'000	Total S$'000
Mr. Chua Chwee Lee	-	617	75	-	22	-	714
Ms. Jee Wee Jene	-	257	21	-	17	-	295
Mr. Thng Chong Kim	-	84	-	-	10	2,276	2,370
	-	958	96	-	49	2,276	3,379

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9. Employee benefit expenses (continued)

9.2 Benefits and interests of directors (continued)

(a) Directors' emoluments (continued)

Year ended 31 December 2024

Name	Fees S$'000	Salary (note (i)) S$'000	Discretionary bonuses (note (ii)) S$'000	Allowances and benefits in kind S$'000	Employer's contribution to a retirement benefit scheme S$'000	Total S$'000
Mr. Tan Chek Kian	12	-	-	-	-	12
Mr. Chan Yang Kang	12	-	-	-	-	12
Mr. Ang Yong Sheng, Jonathan	12	-	-	-	-	12
Mr. Chua Chwee Lee	-	618	56	-	24	698
Ms. Jee Wee Jene	-	258	26	-	24	308
Mr. Thng Chong Kim	-	60	-	-	7	67
	36	936	82	-	55	1,109

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9. Employee benefit expenses (continued)

9.2 Benefits and interests of directors (continued)

(a) Directors' emoluments (continued)

Year ended 31 December 2025

Name	Fees S$'000	Salary (note (i)) S$'000	Discretionary bonuses (note (ii)) S$'000	Employer's contribution to a retirement benefit scheme S$'000	Share-based payments for the employees S$'000	Total S$'000
Mr. Tan Chek Kian	25	-	-	-	-	25
Mr. Chan Yang Kang	25	-	-	-	-	25
Mr. Ang Yong Sheng, Jonathan	25	-	-	-	-	25
Mr. Chua Chwee Lee	-	746	61	41	-	848
Ms. Jee Wee Jene	-	261	31	21	-	313
Mr. Thng Chong Kim	-	60	-	7	-	67
Mr. Soh Cheng Joo	-	337	76	17	908	1,338
	75	1,404	168	86	908	2,641

Notes:
(i) Salary to a director is generally an emolument paid or payable to the directors in respect of that person's services in connection with the management of the affairs of the Company or its subsidiaries undertakings.
(ii) Discretionary bonuses are determined based on the financial performance of the Group and the performance of each individual.
(iii) The share-based payments paid to Mr. Thng Chong Kim comprised of S$217,000 for his services rendered under the continuing operations for the year ended 31 December 2023. The share-based payments compensated for his services rendered under the discontinued operation was S$2,059,000 for the year ended 31 December 2023.

9 Employee benefit expenses (continued)

9.2 Benefits and interests of directors (continued)

(b) Directors' retirement and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits during the years ended 31 December 2023, 2024 and 2025.

(c) Consideration provided to third parties for making available directors' services

The Group did not pay consideration to any third parties for making available directors' services during the years ended 31 December 2023, 2024 and 2025.

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

Other than disclosed in Note 28 and Note 33(b), there are no loans, quasi-loans and other dealings in favour of directors, controlled body corporate by and connected entities with such Directors during the years ended 31 December 2023, 2024 and 2025.

(e) Directors' material interests in transactions, arrangements or contracts

Other than disclosed in Note 30, there are no significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of 31 December 2023, 2024 and 2025 or at any time during the years ended 31 December 2023, 2024 and 2025.

10. Income taxes

Singapore and Malaysia, two of the Group's main tax jurisdictions, had headline corporate tax rates of 17% and 24% for financial years ended 31 December 2023, 2024 and 2025 respectively.

The amount of income tax expense charged to the consolidated statements of comprehensive income represents:

	2023 S$'000	2024 S$'000	2025 S$'000
Income tax			
- Current year	1,412	1,244	1,204
- Over provision in prior year	(32)	(101)	(67)
	1,380	1,143	1,137
Deferred tax			
- Current year	(134)	138	332
- (Over)/Under provision in prior year	(185)	230	8
	(319)	368	340
Income tax expense	1,061	1,511	1,477

The taxation on the Group's profit before tax differs from the theoretical amount that would arise using the tax rate applicable to the Group as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Reconciliation of taxation			
Profit from continuing operations before income tax	3,345	4,704	11,580
Profit from discontinued operation before income tax	2,143	-	-
Profit before tax	5,488	4,704	11,580
Tax calculated at tax rate of 17%	933	800	1,968
Difference in overseas tax rate	8	(38)	15
Expenses not deductible for tax purposes	791	631	827
Income not subject to tax	(437)	(110)	(1,188)
Unabsorbed capital allowance and unutilised tax losses not recognised as deferred tax assets	-	116	52
Utilisation of unabsorbed capital allowance and unutilised tax losses previously not recognised	-	-	(121)
Tax exemption (Note)	(17)	(17)	(17)
(Over)/under provision in prior year	(217)	129	(59)
Income tax expense from continuing operations	1,061	1,511	1,477

10. Income taxes (continued)

Note: During the years of assessment 2020 onwards, tax exemption relates to 75% tax exemption of the first S$10,000 of normal chargeable income and a further 50% tax exemption on the next S$190,000 of normal chargeable income.

11. Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to owners of the Company by the number of ordinary shares outstanding during the financial year.

	2023 S$'000	2024 S$'000	2025 S$'000
Profit attributable to owners of the Company (S$'000)			
Continuing operations	2,284	3,193	10,103
Discontinued operations	2,323	-	-
	4,607	3,193	10,103
Weighted average number of ordinary shares in issue for basic earnings per share (Note)	123,000,000	136,500,000	150,000,000
Earnings per share (S$)			
Continuing operations	0.02	0.02	0.07
Discontinued operations	0.02	-	-
	0.04	0.02	0.07

Note: The weighted average number of 123,000,000 ordinary shares for financial year ended 31 December 2023 have been retrospectively adjusted for the effect of the issuance of shares in connection with the Reorganisation completed on 16 May 2023 and 117,403,489 shares capitalised on 2 July 2024.

(b) Diluted earnings per share

As the Company has no dilutive instruments for the years ended 31 December 2023, 2024 and 2025, the Group's diluted earnings per share equals to its basic earnings per share.

12. Property, plant and equipment

Group	Freehold land S$'000	Freehold building S$'000	Office equipment S$'000	Other property, plant and equipment S$'000	Plant and machineries S$'000	Motor vehicles S$'000	Furniture and fittings S$'000	Computers S$'000	Construction in progress S$'000	Total S$'000
2023										
Cost										
At 1 January 2023	608	1,419	41	1,655	20,973	152	672	536	-	26,056
Additions	-	-	-	-	43	-	37	94	-	174
Disposal of a subsidiary (Note 39)	-	-	-	-	-	-	-	(308)	-	(308)
Currency translation differences	(35)	(81)	(1)	(8)	(24)	(1)	(2)	-	-	(152)
At 31 December 2023	573	1,338	40	1,647	20,992	151	707	322	-	25,770
Accumulated depreciation										
At 1 January 2023	-	170	35	1,105	16,855	117	294	245	-	18,821
Depreciation for the year	-	27	3	109	1,032	12	67	41	-	1,291
Disposal of a subsidiary (Note 39)	-	-	-	-	-	-	-	(8)	-	(8)
Currency translation differences	-	(10)	(1)	(7)	(24)	-*	(2)	-	-	(44)
At 31 December 2023	-	187	37	1,207	17,863	129	359	278	-	20,060
Carrying amount										
At 31 December 2023	573	1,151	3	440	3,129	22	348	44	-	5,710

12. Property, plant and equipment (continued)

Group	Freehold land S$'000	Freehold building S$'000	Office equipment S$'000	Other property, plant and equipment S$'000	Plant and machineries S$'000	Motor vehicles S$'000	Furniture and fittings S$'000	Computers S$'000	Construction in progress S$'000	Total S$'000
2024										
Cost										
At 1 January 2024	573	1,338	40	1,647	20,992	151	707	322	-	25,770
Additions	-	-	*	-	150	-	-	-	947	1,097
Disposal	-	-	-	-	(1,707)	(78)	-	-	-	(1,785)
Currency translation differences	34	80	1	8	24	1	2	*	-	150
At 31 December 2024	607	1,418	41	1,655	19,459	74	709	322	947	25,232
Accumulated depreciation										
At 1 January 2024	-	187	37	1,207	17,863	129	359	278	-	20,060
Depreciation for the year	-	27	3	78	781	5	67	22	-	983
Disposal	-	-	-	-	(1,692)	(65)	-	-	-	(1,757)
Currency translation differences	-	12	1	7	24	-*	2	-	-	46
At 31 December 2024	-	226	41	1,292	16,976	69	428	300	-	19,332
Carrying amount										
At 31 December 2024	607	1,192	-	363	2,483	5	281	22	947	5,900

12. Property, plant and equipment (continued)

	Freehold land	Freehold building	Office equipment	Other property, plant and equipment	Plant and machineries	Motor vehicles	Furniture and fittings	Computers	Construction in progress	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group										
2025										
Cost										
At 1 January 2025	607	1,418	41	1,655	19,459	74	709	322	947	25,232
Additions	-	-	-	2,063	377	-	233	1	-	2,674
Reclassification	-	-	-	947	-	-	-	-	(947)	-
Currency translation differences	24	56	1	6	17	-	2	-	-	106
At 31 December 2025	631	1,474	42	4,671	19,853	74	944	323	-	28,012
Accumulated depreciation										
At 1 January 2025	-	226	41	1,292	16,976	69	428	300	-	19,332
Depreciation for the year	-	29	-	218	666	1	40	23	-	977
Currency translation differences	-	10	1	5	17	-	2	-	-	35
At 31 December 2025	-	265	42	1,515	17,659	70	470	323	-	20,344
Carrying amount										
At 31 December 2025	631	1,209	-	3,156	2,194	4	474	-	-	7,668

* Less than S$1,000

12. Property, plant and equipment (continued)

(a) Depreciation was charged to profit or loss during the years ended 31 December 2023, 2024 and 2025 as set out below:

	2023 S$'000	2024 S$'000	2025 S$'000
Cost of sales	1,032	781	666
Administrative expenses	259	202	311
Total	1,291	983	977

(b) Bank borrowing is secured on property, plant and equipment of the Group with carrying amount of S$1,724,000, S$1,799,000 and S$1,840,000 as at 31 December 2023, 2024 and 2025 respectively (Note 26(a)).

13. Right-of-use assets

	Leasehold property S$'000	Machineries S$'000	Motor vehicles S$'000	Total S$'000
Group				
2023				
Cost				
At 1 January 2023	29,821	9,406	791	40,018
Addition	-	620	790	1,410
Lease modification	-	-	(269)	(269)
At 31 December 2023	29,821	10,026	1,312	41,159
Accumulated depreciation				
At 1 January 2023	10,419	2,188	367	12,974
Depreciation for the year	1,279	660	147	2,086
Lease modification	-	-	(150)	(150)
At 31 December 2023	11,698	2,848	364	14,910
Carrying amount				
At 31 December 2023	18,123	7,178	948	26,249

13. Right-of-use assets (continued)

	Leasehold property S$'000	Machineries S$'000	Motor vehicles S$'000	Total S$'000
Group				
2024				
Cost				
At 1 January 2024	29,821	10,026	1,312	41,159
Addition	-	1,303	780	2,083
Lease modification	-	-	(237)	(237)
31 December 2024	29,821	11,329	1,855	43,005
Accumulated depreciation				
At 1 January 2024	11,698	2,848	364	14,910
Depreciation for the year	1,283	731	249	2,263
Lease modification	-	-	(119)	(119)
At 31 December 2024	12,981	3,579	494	17,054
Carrying amount				
At 31 December 2024	16,840	7,750	1,361	25,951

	Leasehold property S$'000	Machineries S$'000	Motor vehicles S$'000	Total S$'000
Group				
2025				
Cost				
At 1 January 2025		11,329	1,855	43,005
Addition	-	-	859	859
Lease modification	-	-	(880)	(880)
31 December 2025	29,821	11,329	1,834	42,984
Accumulated depreciation				
At 1 January 2025	12,981	3,579	494	17,054
Depreciation for the year	1,236	764	252	2,252
Lease modification	-	-	(378)	(378)
At 31 December 2025	14,217	4,343	368	18,928
Carrying amount				
At 31 December 2025	15,604	6,986	1,466	24,056

The lease payments of these right-of-use assets are payable on a monthly-basis and the details of related lease liabilities is disclosed in Note 27.

13. Right-of-use assets (continued)

The Group entered into lease arrangements for leasehold property, machineries and motor vehicles. The lease terms of these leased assets are disclosed as follows:

	Lease term (Years)
Leasehold property	23.5
Machineries	10 - 15
Motor vehicles	10

Depreciation was charged to profit or loss during the years ended 31 December 2023, 2024 and 2025 as set out below:

	2023 S$'000	2024 S$'000	2025 S$'000
Cost of sales	1,368	1,462	1,468
Administrative expenses	718	801	784
Total	2,086	2,263	2,252

14. Investment property

	S$'000
Cost	
As at 1 January 2023, 31 December 2023, 31 December 2024 and 31 December 2025	1,150
Accumulated depreciation	
As at 1 January 2023	(534)
Depreciation for the year	(41)
As at 31 December 2023	(575)
Depreciation for the year	(41)
As at 31 December 2024	(616)
Depreciation for the year	(41)
As at 31 December 2025	(657)
Carrying amount	
As at 31 December 2023	575
As at 31 December 2024	534
As at 31 December 2025	493

14. Investment property (continued)

Amounts recognised in profit and loss for an investment property

	2023 S$'000	2024 S$'000	2025 S$'000
Rental income from operating leases	99	102	102
Direct expenses from property that generated rental income	57	18	26

The investment property as at 31 December 2023, 2024 and 2025 was pledged for a term loan as disclosed in Note 26(a)(i).

Fair value measurement

	2023 S$'000	2024 S$'000	2025 S$'000
Fair value for disclosure purposes only:			
Fair value at end of financial year	900	900	950

The fair value of the investment property was measured as at 31 December 2023, 2024 and 2025 based on a valuation made by a firm of independent professional valuers. The firm holds a recognised and relevant professional qualification with sufficient recent experience in the location and category of the investment property being valued.

Valuation techniques and inputs used to derive Level 2 fair values

Level 2 fair value of the Group's property was derived using the direct comparison method. Market transactions of comparable properties were subjected to allowances for variable factors. The most significant input into this valuation approach is the comparable market transactions or asking prices available in the relevant market.

15. Goodwill

	S$'000
At 1 January 2023, 31 December 2023, 31 December 2024 and 31 December 2025	4,429

Impairment tests for goodwill

The goodwill is arisen from the acquisition of SPW, a subsidiary of the Group, under the precision welding segment, being a cash generating unit ("CGU") of the Group.

15. Goodwill (continued)

Impairment tests for goodwill (continued)

The Group assesses whether goodwill has suffered any impairment on an annual basis. For the years ended 2023, 2024 and 2025, the recoverable amount was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated terminal growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which the CGU operates. The pre-tax discount rate reflects specific risks relating to the relevant segment and the countries in which it operates.

The following table sets out the key assumptions for the value-in-use calculation:

	2023	2024	2025
Revenue growth rate	4.3%	4.3%	5.5%
Pre-tax discount rate	16.9%	18.1%	18.1%
Terminal growth rate	1.8%	1.8%	2.5%

The directors and management have considered and assessed reasonably possible changes for other key assumptions and have not identified any instances that could cause the carrying amount of the CGU to exceed its recoverable amount.

If the following key parameters (i.e. revenue growth rate and pre-tax discount rate) change, with all other variables held constant, the headroom between the estimated recoverable amount and the carrying amount of the relevant goodwill would be as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Revenue growth rate decreased by (2023: 4%, 2024: 4% and 2025: 4%)	18,795	12,723	14,490
Pre-tax discount rate increased by (2023: 3%, 2024: 3% and 2025: 3%)	22,575	15,557	15,863

There was no impairment of goodwill for the years ended 31 December 2023, 2024 and 2025.

16. Intangible assets

	Know-how S$'000	Customer contracts S$'000	Customer relationship S$'000	License S$'000	Total S$'000
Group					
Cost					
At 1 January 2023	1,900	776	2,881	2,880	8,437
Disposal of a subsidiary (note a, b) (Note 39)	(1,900)	-	-	(2,880)	(4,780)
At 31 December 2023, 31 December 2024 and 31 December 2025	-	776	2,881	-	3,657
Accumulated amortisation					
At 1 January 2023	(340)	(776)	(312)	(312)	(1,740)
Amortisation for the year*	(101)	-	(288)	(108)	(497)
Disposal of a subsidiary (Note 39)	441	-	-	420	861
At 31 December 2023	-	(776)	(600)	-	(1,376)
Amortisation for the year	-	-	(288)	-	(288)
At 31 December 2024	-	(776)	(888)	-	(1,664)
Amortisation for the year	-	-	(289)	-	(289)
At 31 December 2025	-	(776)	(1,177)	-	(1,953)
Carrying amounts					
As at 31 December 2023	-	-	2,281	-	2,281
As at 31 December 2024	-	-	1,993	-	1,993
As at 31 December 2025	-	-	1,704	-	1,704

***** Pursuant to a share purchase agreement dated 16 May 2023, the amortisation expenses from know-how and license have been presented as discontinued operation in the Group's consolidated statements of comprehensive income for the financial year ended 31 December 2023. Please refer to Note 39 for details.

Note (a)

On 8 September 2021 and 1 November 2021, Mr. Thng transferred know-how to the Group in exchange for certain shareholding in Metasurface Technologies and Metaoptics Technologies.

The valuation of the know-how acquired by the Group was undertaken by an independent qualified professional valuer. The fair values of the know-how amounting to S$1,900,000 were derived using the income approach, relief from royalty method and subject to a number of assumptions including as royalty rates, useful lives of the know-how, discount rates and rates of obsolescence.

Note (b)

The Group entered into a licence agreement with Accelerate (the ''Licence Agreement'') on 10 December 2021, pursuant to which Accelerate grants the Group the rights to, among others, use Accelerate's technologies and intellectual property rights to develop enhancements and to commercialise Accelerate's technologies and licensed products for a consideration of S$2,880,000.

17. Other assets

	2023 S$'000	2024 S$'000	2025 S$'000
Keyman insurance:			
At 1 January	359	359	371
Unrealised gain recognised in profit or loss	-*	12	2
At 31 December	359	371	373

* Less than S$1,000.

Keyman insurance asset (life insurance settlement contract) is initially recognised at the amount of the premium paid and subsequently carried at cash surrender value at the end of each reporting period, with changes recognised in profit or loss.

Changes in the cash surrender value are recognised in "other (losses)/gains, net".

18. Investment in an associate

Following the disposal of Metaoptics Technologies as a subsidiary with loss of control (Note 39), the Group considers that it still has significant influence and reclassified it as an investment in an associate. The investment in Metaoptics Technologies is initially recognised at its fair value on 16 May 2023 upon its loss of control.

Following the Group's disposal of Metaoptics Technologies on 16 May 2023 (Note 39), Metaoptics Technologies has entered into share subscription agreements in December 2023 and allotted additional ordinary shares to Autec, Aquaspring and Haur-Jye Technology Co., Ltd. Upon completion of the share issuance, Metasurface Technologies' shareholding was diluted and decreased from 20.2% to 18.78%. As at 31 December 2023 and 2024, the Group held 18.78% and 16.19% in Metaoptics Technologies respectively.

On 21 March 2025, Metaoptics Ltd. was incorporated in the Cayman Islands under the Cayman Islands Companies Act. Subsequently on 30 April 2025, Metaoptics Ltd. acquired the entire issued and paid-up share capital of Metaoptics Technologies pursuant to a sale and purchase agreement with all of the shareholders of Metaoptics Technologies. Following the completion of the sale and purchase agreement, all the shareholders including Metasurface Technologies became the shareholders of Metaoptics Ltd. As at 31 December 2025, the Group held 12.57% in Metaoptics Ltd., an investee of the Group.

18. Investment in an associate (continued)

Following Metaoptics Ltd.'s public listing on the Catalist Board of the Singapore Exchange, Metasurface Technologies' shareholding was further diluted and decreased to 12.9%, with a change in the composition of its board of directors as well. As a result, Metasurface Technologies lost significant influence and Metaoptics Ltd. ceased to be an associate of the Group on 27 June 2025 and was reclassified as an investment carried at fair value through other comprehensive income.

	2023 S$'000	2024 S$'000	2025 S$'000
Equity investment at cost			
At 1 January	-	1,015	895
Fair value of the retained interest arising from the partial disposal of a subsidiary (Note 39)	1,358	-	-
Share of (loss)/gain			
- Share of results of an associate	(366)	(438)	(248)
- Gain on dilution of shareholding in an associate (Note 6)	23	318	273
	1,015	895	920
Reclassification of an associate to an investment carried at fair value through other comprehensive income (Note 23)	-	-	(920)
At 31 December	1,015	895	-

The summarised financial information of the associate, not adjusted for the proportion ownership interest held by the Group, was as follows:

	2023 S$'000	2024 S$'000	Date of disposal S$'000
Summarised statement of financial position			
Current assets	358	1,305	3,051
Non-current assets	9,081	6,892	6,468
Current liabilities	(3,168)	(554)	(1,342)
Non-current liabilities	(865)	(2,118)	(2,031)
Net assets	5,406	5,525	6,146
Group's share in %	18.78%	16.19%	14.97%
Group's share in net assets	1,015	895	920
Carrying amounts on the date of disposal/as at end of period	1,015	895	920

18. Investment in an associate (continued)

	2023 S$'000	2024 S$'000	Date of disposal S$'000
Summarised statement of profit or loss			
Revenue	-	79	98
Cost of sales	-	(53)	(60)
Gross profit	-	26	38
Expenses	(1,947)	(2,553)	(1,698)
Loss before tax	(1,947)	(2,527)	(1,660)
Tax expenses	-	(178)	-
Loss after tax	(1,947)	(2,705)	(1,660)
Group's share in %	18.78%	16.19%	14.97%
Share of losses for the period	(366)	(438)	(248)

19. Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

The balances shown in the consolidated statement of financial position, after appropriate offsetting, are as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Deferred tax assets	644	614	247
Deferred tax liabilities	(57)	(395)	(368)

The movement in the net deferred income tax account is as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
At 1 January	268	587	219
(Charged)/credited to profit or loss (Note 10)	319	(368)	(340)
At end of year	587	219	(121)

19. Deferred income taxes (continued)

The movement in deferred income tax assets and liabilities prior to offsetting of balances within the same tax jurisdiction is as follows:

Deferred income tax assets

	Tax losses S$'000	Lease liabilities S$'000	Unabsorbed capital allowance S$'000	Total S$'000
At 1 January 2023	220	4,374	477	5,071
(Charged)/credited to profit or loss	(45)	(166)	113	(98)
At 31 December 2023	175	4,208	590	4,973
(Charged)/credited to profit or loss	-	(167)	(348)	(515)
At 31 December 2024	175	4,041	242	4,458
(Charged)/credited to profit or loss	(36)	(195)	(221)	(452)
At 31 December 2025	139	3,846	21	4,006

Deferred income tax liabilities

	Property, plant and equipment S$'000	Right-of-use assets S$'000	Intangible assets S$'000	Total S$'000
At 1 January 2023	912	3,337	554	4,803
(Credited)/Charged to profit or loss	(362)	110	(165)	(417)
At 31 December 2023	550	3,447	389	4,386
(Credited)/Charged to profit or loss	(379)	281	(49)	(147)
At 31 December 2024	171	3,728	340	4,239
Charged/(Credited) to profit or loss	315	(378)	(49)	(112)
At 31 December 2025	486	3,350	291	4,127

Deferred income tax assets are recognised for tax losses and unabsorbed capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised tax losses of SNil, S478,000 and S$214,000 as at 31 December 2023, 2024 and 2025, respectively, which can be carried forward for a maximum period of ten consecutive years of assessment. These unrecognised tax losses can be carried forward and used to offset against future taxable income subject to those companies meeting certain statutory requirements. In addition, the Group has unrecognised capital allowances of SNil, S5,000 and S$Nil as at 31 December 2023, 2024 and 2025, respectively with no expiry date.

20. Inventories

	2023 S$'000	2024 S$'000	2025 S$'000
Raw materials	1,984	1,487	1,657
Work in progress	3,629	3,463	3,485
Finished goods	1,220	1,180	1,856
Product consumables	222	72	88
	7,055	6,202	7,086
Less: Allowance for inventory obsolescence	(414)	(126)	(136)
	6,641	6,076	6,950

The cost of inventories recognised as an expense and included in "cost of sales" amounted to S$14,901,000, S$16,937,000, S$21,563,000 for the year ended 31 December 2023, 2024 and 2025 respectively. The allowance for inventory obsolescence recognised as an expense and included in "cost of sales" amounted to S$414,000 and S$10,000 for the year ended 31 December 2023 and 2025 respectively. The Group reversed an allowance for inventory obsolescence of S$288,000 provided for in 2023, as the inventories were sold above the carrying amounts in 2024. The reversal has been included in "cost of sales".

21. Trade and other receivables

	2023 S$'000	2024 S$'000	2025 S$'000
Non-current			
Non-trade			
Amount due from an associate/investee	2,880	2,880	2,880
Less: Discounting of amount due from an investee (Note 8)	-	-	(864)
Add: Unwinding of discount on amount due from an investee (Note 8)	-	-	93
Less: Loss allowance	-	(97)	(185)
	2,880	2,783	1,924
Current			
Trade			
Trade receivables from third parties	6,614	7,504	7,734
Non-trade			
Amounts due from shareholders	-*	-	-
Other receivables from third party	-	73	121
GST receivables	36	225	158
	36	298	279
Deposits	1,092	1,153	1,208
	7,742	8,955	9,221

* Less than S$1,000.

21. Trade and other receivables (continued)

a) Trade receivables from contracts with customers

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 to 60 days after the invoice date and therefore are all classified as current.

As at 31 December 2023, 2024 and 2025, the ageing analysis of the trade receivables based on invoice date were as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
0 to 30 days	4,642	5,084	6,134
31 to 60 days	1,597	2,000	1,254
61 to 90 days	196	374	145
Over 90 days	179	46	201
	6,614	7,504	7,734

The Group's trade receivables are denominated in Singapore Dollar ("S$").

b) Amounts due from shareholders are non-trade in nature, interest-free and repayable on demand.

c) Amount due from an associate/investee is non-trade in nature, interest-free with (2023 and 2024: repayable on demand) fixed term of repayment as of 31 December 2025.

d) The Group's exposure to credit risk is disclosed in Note 35(a) ''Credit risk''.

22. Prepayments

	2023 S$'000	2024 S$'000	2025 S$'000
Non-current	203	-	80
Current	1,907	25	156
	2,110	25	236

Included in prepayments were primarily prepaid listing expenses amounting to S$1,812,000 as at 31 December 2023 which had been capitalised in equity upon listing of the Group.

23. Financial assets, at FVOCI

	2023 S$'000	2024 S$'000	2025 S$'000
Beginning of financial year	-	-	-
Reclassification of an associate to an investment carried at fair value through other comprehensive income on the date of disposal (Note 18)	-	-	920
Remeasurement gain arising from loss of significant influence over an associate and reclassification of the investment to fair value through other comprehensive income (Note 6)	-	-	6,397
Fair value gains (Note 25(c))	-	-	28,660
End of financial year	-	-	35,977

	2023 S$'000	2024 S$'000	2025 S$'000
Non-current assets			
Listed equity security:			
- Metaoptics Ltd. (Note 18)	-	-	35,977
	-	-	35,977

24. Cash and bank balances

	2023 S$'000	2024 S$'000	2025 S$'000
Cash at bank	9,224	17,973	22,261
Cash on hand	1	1	2
	9,225	17,974	22,263

The currency exposure profile of cash and cash equivalents is disclosed in Note 35.

25. Share capital and reserves

(a) Share capital

Share capital as at 31 December 2023, 2024 and 2025 represent the paid-up share capital of the Company.

	No. of ordinary shares		Amount	
	Authorised share capital	Issued share capital	Authorised share capital S$'000	Share capital S$'000
2023				
Beginning of financial year, ordinary shares at par value, HK$0.001	380,000,000	1	67	-*
Share re-organisation (Note (i))	-	5,596,510	-	1
End of financial year, ordinary shares at par value, HK$0.001	380,000,000	5,596,511	67	1

	No. of ordinary shares		Amount			
	Authorised share capital	Issued share capital	Authorised share capital S$'000	Share capital S$'000	Share premium S$'000	Total S$'000
2024						
Beginning of financial year, ordinary shares at par value, HK$0.001	380,000,000	5,596,511	67	1	-	1
Increased in authorised share capital (Note (ii))	620,000,000	-	105	-	-	-
Capitalisation issue (Note (iii))	-	117,403,489	-	20	-	20
Issuance of shares (Note (iv))	-	27,000,000	-	5	8,327	8,332
End of financial year, ordinary shares at par value, HK$0.001	1,000,000,000	150,000,000	172	26	8,327	8,353

25. Share capital and reserves (continued)

(a) Share capital (continued)

	No. of ordinary shares		Amount			
	Authorised share capital	Issued share capital	Authorised share capital S$'000	Share capital S$'000	Share premium S$'000	Total S$'000
2025						
Beginning and end of financial year, ordinary shares at par value, HK$0.001	1,000,000,000	150,000,000	172	26	8,327	8,353

* Less than S$1,000.

(i) On 26 April 2023, pursuant to a restructuring deed, each shareholder of Metasurface Technologies transferred all shares in Metasurface Technologies held by him/her to the Company, at a consideration for which the Company issued 5,596,510 ordinary shares in the Company to him/her (or an entity designated by him/her) in proportion of their respective shareholdings in Metasurface Technologies.

(ii) On 7 June 2024, the Company's authorised share capital was increased from HK$380,000 divided into 380,000,000 Shares of HK$0.001 each, to HK$1,000,000 divided into 1,000,000,000 Shares of HK$0.001 each, by the creation of 620,000,000 Shares of HK$0.001 each.

(iii) On 2 July 2024, the Company has capitalised in consideration of 117,403,489 ordinary shares of the Company being issued and allotted pursuant to the resolutions passed by the shareholders' meeting on 7 June 2024.

(iv) On the same day, the Company issued 27,000,000 ordinary shares by way of public offer and placing and the Company's shares were listed on GEM of The Stock Exchange of Hong Kong Limited amounting to S$11,343,000 net of listing expenses capitalised at S$3,016,000.

25. Share capital and reserves (continued)

(b) Capital reserves

Capital reserve represents:

(i) The difference between the share capital of the Company issued of S$1,000 to acquire Metasurface Technologies and the existing net assets carrying value of Metasurface Technologies, which amounted to S$19,370,000 as at the date of acquisition, which resulted in a debit balance of approximately S$19,369,000; and

(ii) The contributions from the owners and the non-controlling interests to the share-based payments for the employees and shareholders upon the issuance or transfer of shares of the subsidiaries of the Group amounted to S$1,149,000 for the year ended 31 December 2023; and

(iii) The contributions from the owners to the share-based payments for the employees and shareholders upon the issuance or transfer of shares of the subsidiaries of the Group amounted to S$Nil and S$1,704,000 for the year ended 31 December 2024 and 2025 respectively.

(c) Fair value reserves

	2023 S$'000	2024 S$'000	2025 S$'000
Beginning of financial year	-	-	-
Financial assets, at FVOCI			
- Fair value gains (Note 23)	-	-	28,660
End of financial year	-	-	28,660

26. Borrowings

	2023 S$'000	2024 S$'000	2025 S$'000
Current (Note (a))			
Bank loans (Note (a) & (b))			
- secured and guaranteed	2,064	2,316	2,149
- unsecured and guaranteed	1,954	74	78
	4,018	2,390	2,227
Non-current			
Bank loan, unsecured and guaranteed (Note (a))	219	145	67
	4,237	2,535	2,294

26. Borrowings (continued)

(a) Securities granted

(i) Bank borrowing of S$285,000, S$230,000 and S$170,000 as at 31 December 2023, 2024 and 2025 respectively was secured by a mortgage of the investment property of the Group as disclosed in Note 14 above; b) corporate guarantee of the Company as at 31 December 2025 (2023 & 2024: personal guarantees of Mr. Chua and Mrs. Chua). The loan was repayable over 18 years commencing from August 2010. The effective interest rate was 3.44%, 3.42% and 3.43% as at 31 December 2023, 2024 and 2025 respectively.

(ii) Bank borrowing of MYR 6,194,000 (equivalent to approximately S$1,779,000), MYR 5,846,000 (equivalent to approximately S$1,779,000) and MYR 5,424,000 (equivalent to approximately S$1,717,000) as at 31 December 2023, 2024 and 2025 respectively was repayable monthly over a period of 20 years commencing from August 2016. It was secured by a) corporate guarantee of a subsidiary of the Group as at 31 December 2025 (2023 and 2024: personal guarantee of Mr. Chua); b) legal charge over the properties of the Group as disclosed in Note 12 above. The effective interest rate was 4.44%, 4.79% and 4.28% as at 31 December 2023, 2024 and 2025 respectively.

(iii) Bank borrowing of S$111,000, S$23,000 and S$NIL as at 31 December 2023, 2024 and 2025 was guaranteed by a corporate guarantee of the Company as at 31 December 2025 (2023 & 2024: personal guarantees of Mr. Chua and Mrs. Chua). The loan was repayable over 5 years commencing from April 2020. The effective interest rate was 7% per annum as at 31 December 2023 and 2024.

(iv) Bank borrowing of S$1,489,000, S$Nil and S$Nil as at 31 December 2023, 2024 and 2025 respectively was repayable monthly over a period of 5 years commencing from June 2020. It was secured by a property owned by Mr. Chua and Mrs. Chua and their personal guarantees. The effective interest rate was 2.75% per annum as at 31 December 2023.

(v) Bank borrowing of S$284,000, S$284,000 and S$262,000 as at 31 December 2023, 2024 and 2025 respectively was secured by a legal assignment of all company's rights, title, interest and benefits under and arising out of the Keyman Insurance Policy (Note 17) including all proceeds receivable under the policy and all proceeds of any repayment or refund of premiums by the insurer. The effective interest rate was 5.75% per annum as at 31 December 2023, 2024 and 2025.

26. Borrowings (continued)

(a) Securities granted (continued)

(vi) Bank borrowing of S$289,000, S$219,000 and S$145,000 as at 31 December 2023, 2024 and 2025 was guaranteed by the personal guarantee of Mr. Chua Cand Mrs. Chua. The loan was repayable over 4 years commencing from November 2023. The effective interest rate was 5.5% per annum as at 31 December 2023, 2024 and 2025.

(b) Financial covenant

In accordance with the loan agreements relating to a total loan balance of S$2,351,000, S$1,955,000 and S$1,826,000 as at 31 December 2023, 2024 and 2025 the lenders reserved their right to demand repayment at their discretion at any time (the "on-demand clauses") although the agreed repayment schedules are more than one year. As a result of these on-demand clauses, the Group does not have the right to defer settlement of these liabilities for more than twelve months. Accordingly, these borrowings have been classified as current liabilities as at 31 December 2023, 2024 and 2025.

Under the terms of the bank borrowings, which have a carrying amount of S$396,000, S$253,000 and S$171,000 as at 31 December 2023, 2024 and 2025, the Group is required to comply with the following financial covenants at all times:

- the carrying amount of the bank borrowing shall not at any time exceed certain percentage of the market value of the property; and
- to maintain at least a certain percentage of active local participation and ownership of the Group.

The Group has complied with these covenants throughout the reporting period.

(c) Note 35(b) set out disclosures of liquidity risk.

27. Lease liabilities

	2023 S$'000	2024 S$'000	2025 S$'000
Current			
Leasehold property	982	1,112	1,155
Leased machineries	1,531	1,124	779
Leased motor vehicles	139	198	135
	2,652	2,434	2,069
Non-current			
Leasehold property	23,737	22,624	21,469
Leased machineries	2,015	1,187	769
Leased motor vehicles	462	802	973
	26,214	24,613	23,211
	28,866	27,047	25,280

The Group as a lessee

The Group has lease contracts for leasehold property, machineries and motor vehicles. The lease terms of these leased assets are disclosed in Note 13.

The Group also has certain leases of office equipment with low value. The Group applies the 'lease of low-value assets' recognition exemptions for these leases.

(i) Amounts recognised in the profit or loss

	2023 S$'000	2024 S$'000	2025 S$'000
Depreciation expenses:			
- Right-of-use assets (Note 13)	2,086	2,263	2,252
- Investment property (Note 14)	41	41	41
Interest expense on lease liabilities (Note 8)	1,080	1,064	987
Expense relating to short-term and low-value leases	8	-	5

(ii) Total cash outflows

The Group had total cash outflows for leases including short-term and low-value leases of S$3,891,000, S$3,934,000 and S$3,562,000 for the years ended 31 December 2023, 2024 and 2025 respectively.

27. Lease liabilities (continued)

The Group as a lessee (continued)

(ii) Total cash outflows (continued)

The future minimum rentals payable under non-cancellable operating leases are as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Not later than one year	1,893	1,954	1,955
Two to five years	8,020	8,277	8,539
More than five years	22,248	20,033	17,815

The Group as a lessor

The Group leases certain portion of the warehouse premise to third party under operating lease arrangements.

The future minimum rentals receivable under non-cancellable operating leases are as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Not later than one year	1,404	140	-
Two to five years	217	-	-

28. Trade and other payables

	2023 S$'000	2024 S$'000	2025 S$'000
Current			
Trade			
Trade payables to third parties	2,357	3,139	3,586
	2,357	3,139	3,586
Non-trade			
Other payables to third party	350	529	124
Amount due to a shareholder (Note (a))	1,029	-	-
Amount due to a director	228	-	-
Accrued expenses	3,593	1,663	2,311
Deposits received	496	315	249
	5,696	2,507	2,684
	8,053	5,646	6,270

Note (a): The amount due to a shareholder relates to a non-Listing put option granted to the shareholder. Upon Listing in 2024, the non-Listing put option to require the Company to purchase all of its shares expired without delivery and the carrying amount of the non-Listing put option has been reclassified to equity during the year ended 31 December 2024.

Trade payables to third parties are non-interest bearing and are generally on 30 to 60 days' terms based on invoice date.

The amounts due to a director and third parties are unsecured, non-interest bearing and repayable on demand.

The aging analysis of trade payables of the Group based on invoice date were as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
0 - 30 days	1,703	1,360	2,475
31 - 60 days	244	1,209	848
61 - 90 days	143	260	117
Over 90 days	267	310	146
	2,357	3,139	3,586

29. Provisions

	2023 S$'000	2024 S$'000	2025 S$'000
Beginning of financial year	260	269	279
Amortisation of discount (Note 8)	9	10	10
End of financial year	269	279	289

The provision for reinstatement cost is based on the present value of costs to be incurred to remove the renovations from the leasehold property. The estimate is based on quotations from external contractors.

30. Related parties

For the purposes of this report, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

The Group has related party relationship with the related corporations with common shareholders, its directors and key management personnel.

The relationships of related parties are identified below:

Names of related parties	Country of incorporation/ residence	Relationship with the Group
Mr. Chua Chwee Lee	Singapore	Executive director of the Company, chairman of the Board, chief executive officer, and controlling shareholder of the Company
Ms. Jee Wee Jene	Singapore	Executive director of the Company and controlling shareholder of the Company
Mr. Thng Chong Kim	Singapore	Executive director of the Company (Note)
Ms. Pang Chen May	Malaysia	A shareholder and director of the Company and director of a subsidiary of the Company
Metaoptics Ltd. (Note 18)	Singapore	Reclassed in 2025 from an associate to an investment carried at fair value through other comprehensive income

Note: The related party transactions with Mr. Thng Chong Kim includes the share-based payments (Notes 9.1 and 32), director's emolument (Note 9.2) and share transfers to Mr. Thng during the years ended 31 December 2023.

30. Related parties (continued)

Key management personnels are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnels include all directors of the Company.

(a) Details of the related party transactions (other than key management personnel remuneration disclosed in Note 9.2 above and share based payments disclosed in Note 32 below) with the Group and the Company are as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
(i) Purchase of goods and services			
Metasurface & Co	-	179	277
(ii) Shared administrative fee			
Metaoptics Technologies Pte. Ltd.	3	7	-
(iii) Discounting of amount due from			
Metaoptics Ltd.	-	-	864
(iv) Unwinding of discount on amount due			
from Metaoptics Ltd.	-	-	93

The related party transactions were charged in accordance with the terms of the respective agreements. Outstanding balances are disclosed accordingly in Note 21 and 28 respectively.

(b) Key management compensation

Key management includes the directors of the Group. The compensation paid or payable to key management for employee services is disclosed in Note 9.

(c) Amount due from an associate/investee

As at 31 December 2023 and 2024, the amount due from an associate was S$2,880,000 and S$2,783,000. It is non-trade in nature, interest-free and the Group will not seek for repayment for the next 12 months.

As at 31 December 2025, the amount due from an investee was S$1,924,000. It is non-trade in nature, interest-free with fixed term of repayment.

31. Contingencies and capital commitments

(a) Contingencies

The Group had no material contingent liabilities as at 31 December 2023, 2024 and 2025.

(b) Capital commitments

There was no capital expenditures contracted for but not recognised as at 31 December 2023, 2024 and 2025.

32. Share-based payments

Set out below are the summaries of share-based payments arising from shares granted and anti-dilution rights during the year ended 31 December 2023:

Year ended 31 December 2023

Entity	Transaction type	Grant date	Share issuance date	Number of shares	Vesting period	Transaction price	Fair value of share/anti-dilution rights at grant date	Share-based payments	Note
						S$	S$	S$'000	
Employee:									
Metaoptics Technologies	Transfer of shares	2 January 2023	2 January 2023	7,549	Fully vested	1.00	14.04	106	(a)
Metasurface Technologies	Exercise of anti-dilution rights	13 December 2021	30 January 2023	14,728	Fully vested	1.00	14.74	217	(b)
Metaoptics Technologies	Grant of shares	16 May 2023	16 May 2023	125,767	Fully vested	180,000	17.80	2,059	(c)
								2,382	
Shareholders:									
Metasurface Technologies	Grant of shares	30 January 2023	30 January 2023	139,913	Fully vested	1,000,000	12.84	797	(d)
Metasurface Technologies	Exercise of anti-dilution rights	14 October 2022	30 January 2023	7,364	Fully vested	1.00	10.57	78	(b)
								875	
								3,257	

All the share granted or transfer to the employees and shareholders have been vested during the financial year ended 31 December 2023.

32. Share-based payments (continued)

(a) On 2 January 2023, Metasurface Technologies transferred 7,549 shares of Metaoptics Technologies to Dr. Kuznetsov at no consideration as part of his remuneration package for his service to Metaoptics Technologies.

(b) On 30 January 2023, in conjunction with the 3rd Pre-IPO Investment, each of Mr. Chua and Mrs. Chua transferred 7,364 ordinary shares (in total 14,728 ordinary shares) in Metasurface Technologies to Mr. Thng at a nominal consideration of S$1 pursuant to the First Undertaking. Pursuant to Accelerate's anti-dilution right under the amended and restated shareholders' agreement dated 30 January 2023 entered into among others, Metasurface Technologies, Accelerate and MMI, Accelerate subscribed for, and Metasurface Technologies allotted and issued to Accelerate, 7,364 ordinary shares in Metasurface Technologies at a nominal consideration of S$1.

(c) On 16 May 2023, pursuant to a share purchase agreement the same date entered into between Mr. Thng and Metasurface Technologies, Metasurface Technologies transferred 125,767 ordinary shares in Metaoptics Technologies held by it, representing approximately 33.3% of the entire issued share capital of Metaoptics Technologies, to Mr. Thng at a consideration of S$180,000. The consideration was determined based on a negotiation between Metasurface Technologies and Mr. Thng. Upon completion of the share transfer, Metaoptics Technologies became an associate of the Group and since then has been held by Metasurface Technologies as to approximately 20.2%.

Further to the share transfer, on 9 June 2023, Mr. Thng transferred 25,500 ordinary shares in Metaoptics Technologies, representing approximately 6.76% of the entire issued share capital of Metaoptics Technologies, to MMI at a consideration of S$36,496. Upon completion of this share transfer, Mr. Thng held approximately 36.56% equity interest in Metaoptics Technologies.

(d) On 30 January 2023, pursuant to a share subscription agreement entered into between Metasurface Technologies and MMI dated the same date, MMI subscribed for, and Metasurface Technologies allotted and issued to MMI, 139,913 ordinary shares in Metasurface Technologies at a consideration of S$1,000,000 (the "3rd Pre-IPO Investment", together with the 1st Pre-IPO Investment and the 2nd Pre-IPO Investment, the "Pre-IPO Investments"). The consideration was determined by commercial negotiations between Metasurface Technologies and MMI.

32. Share-based payments (continued)

The valuation of the share-based payment transactions during the year ended 31 December 2023 was undertaken by an independent qualified professional valuer. The valuer has appropriate professional qualifications and recent experience in the valuation of similar business enterprise. The fair values of the shares granted are derived using the market approach in relation to Metasurface Technologies' share-based payment transactions and the asset-based valuation approach in relation to Metaoptics Technologies' share-based payment transactions. These valuation approaches are subject to a number of assumptions and with regard to the limitation of the models.

In the market approach, the fair value of the share-based payment transactions is based on the multiplication of the normalised earnings before interest, tax, depreciation and amortisation (''adjusted EBITDA'') and appropriate market multiple, which is derived from an analysis of the trading multiples of certain comparable companies. These trading multiples were computed based on the enterprise values (i.e. market capitalisation implied from traded stock price plus debt) of the comparable companies as at the valuation date divided by their EBITDA. The market approach result is then adjusted for a discount for lack of marketability to arrive at the fair value.

In the asset-based valuation approach, the fair value of the share-based payment transactions is based on the net asset value of the Metaoptics Technologies at the grant date. Under this method, all operating assets and liabilities (including off-balance sheet, intangible and contingent) are adjusted to reflect the application standard or type of value. After all of the operating assets and liabilities of a business are defined and valued, the difference between the value of the total assets and total liabilities provides an estimate of the value for the equity of the business.

32. Share-based payments (continued)

Set out below are the summaries of share-based payments arising from shares transferred during the year ended 31 December 2025:

Year ended 31 December 2025

Entity	Transaction type	Grant date	Number of shares	Vesting period	Transaction price	Fair value of share at grant date	Share-based payments	Note
					HK$	S$	S$'000	
Employee:								
Metasurface Technologies Pte Ltd	Transfer of shares	20 January 2025	1,500,000	Fully vested	1.00	0.1648	247	(a)
Singapore Precision Welding Pte Ltd	Transfer of shares	20 January 2025	3,250,000	Fully vested	1.00	0.1648	535	(a)
Singapore Precision Welding Pte Ltd	Transfer of shares	24 January 2025	2,640,000	Fully vested	1.00	0.1613	426	(b)
Singapore Precision Welding Pte Ltd	Transfer of shares	20 January 2025	2,500,000	9 April 2026	1.00	0.1648	320	(a)
Singapore Precision Welding Pte Ltd	Transfer of shares	20 January 2025	2,500,000	9 April 2027	1.00	0.1648	176	(a)
							1,704	

(a) On 20 January 2025, SGP BVI and Baccini, controlling shareholders of the Company have jointly adopted a share award scheme and transferred certain shares to three employees of the Group.

(b) On 24 January 2025, a shareholder of the Company who is a director of Singapore Precision Welding Pte. Ltd., an indirect wholly-owned subsidiary of the Group transferred certain shares held by her to six employees of the Group.

32. Share-based payments (continued)

Issuance of share awards

On 20 January 2025, SGP BVI and Baccini, controlling shareholders of the Company have jointly adopted a share award scheme and transferred certain shares to three employees of the Group.

The shares will be vested as set out below:

Employee	Number of shares	Vesting date/end of performance period
Employee 1*	1,500,000	2025
Employee 2*	750,000	2025
Employee 3**	2,500,000 2,500,000 2,500,000	2025 2026 2027

* The share awards granted to the employees have been vested during the financial year ended 31 December 2025.

** The share awards granted to the employee who is a shareholder and director of the Company are subjected to the vesting condition that the employee has to remain employed at the Group on the vesting date.

Share transfers

On 24 January 2025, a shareholder of the Company who is a director of Singapore Precision Welding Pte. Ltd., an indirect wholly-owned subsidiary of the Group transferred certain shares held by her to six employees of the Group.

33. Notes to the consolidated statements of cash flows

(a) Reconciliation of profit before tax to net cash generated from operations

	2023 S$'000	2024 S$'000	2025 S$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax			
Continuing operations	3,345	4,704	11,580
Discontinued operation	2,143	-	-
	5,488	4,704	11,580
Adjustments for:			
Depreciation of property, plant and equipment (Note 12)	1,291	983	977
Depreciation of right-of-use assets (Note 13)	2,086	2,263	2,252
Depreciation of investment property (Note 14)	41	41	41
Amortisation of intangible assets (Note 16)	497	288	289
Impairment loss on financial assets (Note 6)	-	97	88
Share-based payments for the employees and shareholders (Note 32)	3,257	-	1,704
Gain on disposal of plant and equipment (Note 6)	-	(238)	-
Gain on lease modification of right-of-use assets (Note 6)	(40)	(42)	(7)
Gain on disposal of controlling interest (Note 6)	(1,574)	-	-
Gain on retained investment (Note 6)	(955)	-	-
Allowance/(reversal of allowance) for inventory obsolescence (Note 7)	414	(288)	10
Finance costs (Note 8)	1,343	1,237	1,867
Interest income (Note 5)	-	(291)	(576)
Unrealised currency translation (gain)/loss	(22)	(28)	134
Gain on dilution of shareholding in an associate (Note 6)	(23)	(318)	(273)
Remeasurement gain arising from loss of significant influence over an associate and reclassification of the investment to fair value through other comprehensive income (Note 6)	-	-	(6,397)
Share of loss of an associate (Note 18)	366	438	248
Operating cash flows before working capital changes (note)	12,169	8,846	11,937
Changes in working capital:			
Decrease/(Increase) in inventories	818	861	(878)
Increase in trade and other receivables	(1,601)	(810)	(252)
(Increase)/Decrease in prepayments	(261)	274	(210)
Increase in other assets	-	(12)	(2)
Increase/(Decrease) in trade and other payables	353	(1,757)	869
Increase in contract liabilities	-	-	15
Net cash generated from operations	11,478	7,402	11,479

33. Notes to the consolidated statements of cash flows (continued)

(a) Reconciliation of profit before tax to net cash generated from operations (continued)

Note:

Operating cash flows before working capital changes includes:

	2023 S$'000	2024 S$'000	2025 S$'000
Continuing operations	12,240	8,846	11,937
Discontinued operation	(71)	-	-
	12,169	8,846	11,937

(b) Reconciliation of liabilities arising from financing activities

This section sets out an analysis of liabilities arising from financing activities and the movements for each of the years presented.

	Amount due to a director S$'000	Lease liabilities S$'000	Borrowings S$'000	Total S$'000
As at 1 January 2023	225	30,401	5,542	36,168
Financing cash flows:				
- Advances from a director	228	-	-	228
- Repayment of advances to a director	(225)	-	-	(225)
- Interest paid	-	-	(207)	(207)
- Repayment of borrowings	-	-	(1,505)	(1,505)
- Capital element of lease liabilities paid	-	(2,803)	-	(2,803)
- Interest element of lease liabilities paid	-	(1,080)	-	(1,080)
- Proceeds of new borrowings	-	-	300	300
Other changes:				
- Increase in liabilities from entering into new leases	-	1,310	-	1,310
- Interest expense	-	1,080	207	1,287
- Translation difference and reclassification	-	(42)	(100)	(142)
As at 31 December 2023	228	28,866	4,237	33,331

33. Notes to the consolidated statements of cash flows (continued)

(b) Reconciliation of liabilities arising from financing activities (continued)

	Amount due to a director S$'000	Lease liabilities S$'000	Borrowings S$'000	Total S$'000
As at 1 January 2024	228	28,866	4,237	33,331
Financing cash flows:				
- Repayment loan to a director	(228)	-	-	(228)
- Interest paid	-	-	(145)	(145)
- Repayment of borrowings	-	-	(1,921)	(1,921)
- Capital element of lease liabilities paid	-	(2,870)	-	(2,870)
- Interest element of lease liabilities paid	-	(1,064)	-	(1,064)
- Proceeds of new borrowings	-	-	110	110
Other changes:				
- Increase in liabilities from entering into new leases	-	1,134	-	1,134
- Lease modification	-	(83)	-	(83)
- Interest expense	-	1,064	145	1,209
- Translation difference and reclassification	-	-	109	109
As at 31 December 2024	-	27,047	2,535	29,582

	Lease liabilities S$'000	Borrowings S$'000	Total S$'000
As at 1 January 2025	27,047	2,535	29,582
Financing cash flows:			
- Interest paid	-	(96)	(96)
- Repayment of borrowings	-	(348)	(348)
- Capital element of lease liabilities paid	(2,570)	-	(2,570)
- Interest element of lease liabilities paid	(987)	-	(987)
Other changes:			
- Increase in liabilities from entering into new leases	943	-	943
- Lease modification	(140)	-	(140)
- Interest expense	987	96	1,083
- Translation difference and reclassification	-	107	107
As at 31 December 2025	25,280	2,294	27,574

34. Fair value of assets and liabilities

(a) Assets and liabilities not carried at fair value but which fair values are disclosed:

	Carrying amount S$'000	Fair value measurement Level 2 S$'000
Group		
As at 31 December 2023		
Investment property	575	900
As at 31 December 2024		
Investment property	534	900
As at 31 December 2025		
Investment property	493	950

The above does not include financial assets and financial liabilities whose carrying amounts measured on the amortised cost basis approximate their fair value due to their short-term nature and where the effect if discounting is immaterial or that they are floating rate instruments that are-priced to market interest rates on or near the end of the reporting period.

Fair value measurement of the investment property is disclosed in Note 14.

(b) Assets and liabilities not measured at fair value

Cash and cash equivalents, other receivables, other payables including amounts due to directors

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

Borrowings and lease liabilities

The carrying amounts of borrowings and lease liabilities approximate their fair values as they are subject to interest rates close to market rate of interests for similar arrangements with financial institutions.

34. Fair value of assets and liabilities (continued)

(c) Assets and liabilities measured at fair value

The table below presents assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1 S$	Total S$
2025		
Assets		
Financial assets, at FVOCI	35,977	35,977
Total assets	**35,977**	**35,977**

The fair value of financial instruments traded in active markets (financial assets, at FVOCI) are based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

35. Financial risk management

Financial instruments by categories

The table below provides an analysis of financial instruments categorised as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Financial assets, at amortised cost			
Trade receivables	6,614	7,504	7,734
Other receivables*	3,972	4,009	3,253
Cash and bank balances	9,225	17,974	22,263
Financial assets, at FVOCI	-	-	35,977
	19,811	29,487	69,227

*Excluding prepayments and GST receivables

35. Financial risk management (continued)

Financial instruments by categories (continued)

	2023 S$'000	2024 S$'000	2025 S$'000
Financial liabilities, at amortised cost			
Lease liabilities	28,866	27,047	25,280
Trade and other payables	8,053	5,646	6,270
Loans and borrowings	4,237	2,535	2,294
	41,156	35,228	33,844

The Group's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest rate risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is and has been the Group's policy throughout the year ended 31 December 2023, 2024 and 2025 that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which the Group manages and measures the risks.

(a) Credit risk

Credit risk is managed on a group basis. The Group's financial assets are trade and other receivables and cash and bank balances.

The amount of those assets stated in the Consolidated Statements of Financial Position represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group's credit risk is concentrated on a number of long-established customers. As at 31 December 2023, 31 December 2024 and 2025 trade receivables from the top three customers accounted for approximately 15.4%, 28.3%, 27.7%; 34.46%, 32.36%, 7.97% and 28.45%, 31.42%, 2.46% of the Group's total trade receivables, respectively.

The Group has policies in place to ensure that sales are made to customers with an appropriate credit history and to limit the amount of credit limit to customers to minimise credit risk resulting from counterparty default.

35. Financial risk management (continued)

(a) Credit risk (continued)

In estimating the expected credit loss, the Group applies the IFRS simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. Credit evaluation on individual customer is performed by management. The evaluation focused on assessing credit risk characteristics of each customer, as well as pertaining to the current and future general economic environment in which the customer operates. Management estimates the expected credit loss rate of each customer by performing quantitative assessment on the customers' credit rating, and apply default probability, the likelihood of recovery of the individual customer and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. Based on the management's analysis, the loss allowance was determined as immaterial and hence no provision was provided.

The credit risk on cash and bank balances are minimal as they are placed with reputable financial institutions with high credit ratings and no history of default.

Amount due from an associate/investee

Expected credit losses ("ECL") are unbiased and probability-weighted estimates of credit losses determined by evaluating a range of possible outcomes, considering past events, current conditions and assessments of future economic conditions at the reporting date. The ECL associated with a financial instrument is typically a product of its probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted using the original effective interest rate to the reporting date.

The Group relies on a Monte Carlo simulations approach to consider probability-weighted forward-looking scenarios in estimating ECL. The Monte Carlo simulation generates multiple possible future cash flow scenarios by incorporating historical financial data, sector-specific growth rates and market volatility assumptions.

The following table sets out the key assumptions in the computation of ECL:

Year ended 31 December 2024	**Scenario 1: Downside**	**Scenario 2: Upside**
Probability Weights	10%	90%
Probability of Default ("PD")	27.26%	0.70%
PD after Probability Weights		**3.36%**

35. Financial risk management (continued)

(a) Credit risk (continued)

Year ended 31 December 2025	**Scenario 1: Base Case**	**Scenario 2: Upside**	**Scenario 3: Downside**
Probability Weights	40%	20%	40%
Probability of Default ("PD")	0.40%	0.10%	15.54%
PD after Probability Weights			**6.40%**

Based on the management's analysis, the expected credit loss allowance of SNil, S97,000 and S$184,000 are provided as at 31 December 2023, 2024 and 2025 respectively.

Sensitivity of ECL

The Group assessed ECL sensitivity for the amount due from an associate/investee under Stage 1 as no significant increase in credit risk since initial recognition of the receivables. The reasonably possible changes in key assumptions did not result in a material impact as at 31 December 2025.

As ECL estimation relies on multiple variables, no single analysis can fully demonstrate the sensitivity of the ECL to changes in macroeconomic variables.

(b) Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from the maturities of financial liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Group's operations are financed mainly through equity and borrowings. The directors are satisfied that funds are available to finance the operations of the Group.

35. Financial risk management (continued)

(b) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount S$'000	Contractual cash flows S$'000	One year or less S$'000	Two to five years S$'000	More than five years S$'000
Group					
31 December 2023					
Financial liabilities					
Borrowings	4,237	4,878	1,777	1,663	1,438
Lease liabilities	28,866	36,531	3,651	10,563	22,317
Trade and other payables	8,053	8,075	7,565	510	-
Total undiscounted financial liabilities	41,156	49,484	12,993	12,736	23,755

	Carrying amount S$'000	Contractual cash flows S$'000	One year or less S$'000	Two to five years S$'000	More than five years S$'000
Group					
31 December 2024					
Financial liabilities					
Borrowings	2,535	2,535	2,390	145	-
Lease liabilities	27,047	33,992	3,475	10,174	20,343
Trade and other payables	5,646	5,646	5,646	-	-
Total undiscounted financial liabilities	35,228	42,173	11,511	10,319	20,343

	Carrying amount S$'000	Contractual cash flows S$'000	One year or less S$'000	Two to five years S$'000	More than five years S$'000
Group					
31 December 2025					
Financial liabilities					
Borrowings	2,294	2,294	708	859	727
Lease liabilities	25,280	31,196	3,017	10,157	18,022
Trade and other payables	6,270	6,270	6,270	-	-
Total undiscounted financial liabilities	33,844	39,760	9,995	11,016	18,749

35. Financial risk management (continued)

(c) Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest earning assets and interest-bearing financial liabilities.

Interests earning financial assets are mainly bank balances which are short-term in nature. Therefore, any future variations in interest rates will not have a material impact on the results of the Group.

Interests bearing financial liabilities are mainly borrowings. The interest rates and terms of repayment of term loans of the Group are disclosed in the notes to the financial statements.

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, as reported to the management, was as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Variable rate instruments			
Financial liabilities			
Borrowings	2,348	2,295	2,149

The sensitivity analysis below has been determined based on the exposure to interest rates for interest-bearing financial instruments at the end of the reporting date. A 1% increase or decrease is used for the possible change in interest rates.

If the interest rates have been 1% higher and all other variables were held constant, the Group's profit or loss would decrease as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Effect on profit or loss	(19)	(19)	(18)

If the interest rates have been 1% lower and all other variables were held constant, the above will have a vice-versa effect.

35. Financial risk management (continued)

35. Financial risk management (continued)

(c) Market risk

(ii) Foreign currency risk

Foreign currency risk arise when transactions are denominated in foreign currencies other than functional currency such as the United States dollars (US$). The Group has exposure to foreign currency risk arising from sales or purchases that are denominated in US$.

The Group does not have any significant exposure to foreign currency risk other than the following bank balances and trade and other receivables held by the Group which are denominated in US$ at the reporting date as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Financial assets			
Cash and bank balances	8,577	13,771	19,260
Trade and other receivables	5,516	5,177	7,277
	14,093	18,948	26,537

A 5% strengthening of Singapore dollar against the US$ denominated balances as at the reporting date would change the result of the Group by the amounts shown below. This analysis assumes that all other variables remain constant.

	Increase/(decrease) in profit before tax		
	2023 S$'000	2024 S$'000	2025 S$'000
US$	(319)	(786)	(1,101)

A 5% weakening of Singapore dollar against US$ would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

36. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximize shareholder value. The capital structure of the Group comprises issued share capital and retained earnings.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made to the objectives, policies or processes during the financial years ended 31 December 2023, 2024 and 2025. The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities (excluding provision, deferred tax liabilities and income tax payable) less cash and bank balances. Total capital is calculated as total equity, as shown in the statement of financial position, plus net debts.

	2023 S$'000	2024 S$'000	2025 S$,000
Net debt:			
Borrowings	4,237	2,535	2,294
Lease liabilities	28,866	27,047	25,280
Trade and other payables	8,053	5,646	6,270
Total liabilities	41,156	35,228	33,844
Less cash and bank balances	(9,225)	(17,974)	(22,263)
Net debt	31,931	17,254	11,581
Total equity	26,997	39,412	79,901
Total capital	58,928	56,666	91,482
Net debt-to-total capital	0.54	0.30	0.13

37. Segment information

Management has determined the operating segments based on the report reviewed by senior management that are used to make strategic decisions. Senior management comprises Chief Executive Officer, the Chief Financial Officer, and the department heads of each business within each segment and is the Group's Chief Operating Decision Maker ("CODM").

The Group's CODM considers the business from two segments:

(a) Precision machining is a machining process of removing materials from a workpiece with standard for high accuracy to create parts and components with tight of tolerance. The Group sells parts that undergo the precision machining process which includes turning, milling, grinding and drilling, etc.

37. Segment information (continued)

(b) Precision welding is a process which involves the use of weldment equipment and specialised welding technique on a workpiece in a very precise and controlled fashion. Precision welding is typically used for small parts, parts with tight dimensional tolerance, or parts requiring a barely visible line weld.

The segment information for the reportable segments are as follows:

	Continuing operations		Discontinued operation		
	Precision machining	Precision welding	Sale of laser diodes	Others*	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
2023					
Sales					
Total segment sales	19,077	23,446	-	-	42,523
Inter-segment sales	(3,532)	(222)	-	-	(3,754)
Sales to external parties	15,545	23,224	-	-	38,769
Expenses					
Purchases of inventories	(5,960)	(7,135)	-	-	(13,095)
Other income excluding interest income	2,705	25	-	1	2,731
Administrative expenses, excluding depreciation and amortisation	(3,657)	(3,413)	(625)	-	(7,695)
Other gains, net	(196)	(230)	2,529	-	2,103
Adjusted EBITDA/ (LBITDA)	4,134	8,506	2,718	(4,246)	11,112
Depreciation of property, plant and equipment	(1,164)	(127)	-	-	(1,291)
Depreciation of right-of-use assets	(2,040)	(46)	-	-	(2,086)
Depreciation of investment property	(41)	-	-	-	(41)
Amortisation of intangible assets	-	(288)	(209)	-	(497)
Finance costs	(1,338)	(5)	-	-	(1,343)
Income tax expense	319	(1,380)	-	-	(1,061)
Share of loss from an associate	-	-	(366)	-	(366)
Segment assets	43,044	22,986	-	1,812	67,842
Segment assets includes:					
Additions to:					
- right-of-use assets	1,032	378	-	-	1,410
- property, plant and equipment	62	42	70	-	174
Segment liabilities	37,232	1,935	-	2,258	41,425

37. Segment information (continued)

The segment information for the reportable segments are as follows (continued):

	Precision machining S$'000	Precision welding S$'000	Others* S$'000	Total S$'000
2024				
Sales				
Total segment sales	20,858	20,799	-	41,657
Inter-segment sales	(3,781)	(154)	-	(3,935)
Sales to external parties	17,077	20,645	-	37,722
Expenses				
Purchases of inventories	(2,703)	(12,118)	-	(14,821)
Other income excluding interest income	2,383	67	-	2,450
Administrative expenses, excluding depreciation and amortisation	(3,108)	(1,363)	(2,274)	(6,745)
Other gains, net	222	415	455	1,092
Adjusted EBITDA/(LBITDA)	4,295	7,810	(2,442)	9,663
Depreciation of property, plant and equipment	(859)	(124)	-	(983)
Depreciation of right-of-use assets	(2,160)	(103)	-	(2,263)
Depreciation of investment property	(41)	-	-	(41)
Amortisation of intangible assets	-	(288)	-	(288)
Finance costs	(1,225)	(12)	-	(1,237)
Interest income	21	264	6	291
Income tax expense	(417)	(1,141)	47	(1,511)
Share of loss from an associate	-	-	(438)	(438)
Segment assets	45,092	29,297	231	74,620
Segment assets includes:				
Additions to:				
- right-of-use assets	2,083	-	-	2,083
- property, plant and equipment	293	804	-	1,097
Segment liabilities	32,895	2,101	511	35,507

37. Segment information (continued)

The segment information for the reportable segments are as follows (continued):

	Precision machining S$'000	Precision welding S$'000	Others* S$'000	Total S$'000
2025				
Sales				
Total segment sales	30,184	22,925	-	53,109
Inter-segment sales	(5,310)	(201)	-	(5,511)
Sales to external parties	24,874	22,724	-	47,598
Expenses				
Purchases of inventories	(9,676)	(9,631)	-	(19,307)
Other income excluding interest income	807	44	-	851
Administrative expenses, excluding depreciation and amortisation	(3,355)	(3,131)	(625)	(7,111)
Other (losses)/gains, net	(225)	(942)	6,413	5,246
Adjusted EBITDA/(LBITDA)	12,279	5,285	(886)	16,678
Depreciation of property, plant and equipment	(719)	(258)	-	(977)
Depreciation of right-of-use assets	(2,138)	(114)	-	(2,252)
Depreciation of investment property	(41)	-	-	(41)
Amortisation of intangible assets	-	(289)	-	(289)
Finance costs	(1,855)	(12)	-	(1,867)
Interest income	57	519	-	576
Income tax expense	(375)	(1,151)	49	(1,477)
Share of loss from an associate	-	-	(248)	(248)
Segment assets	44,240	34,682	22	78,944
Segment assets includes:				
Additions to:				
- right-of-use assets	479	380	-	859
- property, plant and equipment	1,195	1,479	-	2,674
Segment liabilities	31,011	2,670	467	34,148

* Included in others is head office expenses and investments in financial assets measured at FVOCI.

37. Segment information (continued)

(a) Reconciliations

(i) Segment profits

A reconciliation of adjusted LBITDA/EBITDA to profit before tax is as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Adjusted EBITDA for reportable segments	12,640	12,105	17,564
Adjusted EBITDA for discontinued operation	2,718	-	-
Adjusted LBITDA for others	(4,246)	(2,442)	(886)
Total adjusted EBITDA	11,112	9,663	16,678
Depreciation of properties, plant and equipment	(1,291)	(983)	(977)
Depreciation of right-of-use assets	(2,086)	(2,263)	(2,252)
Depreciation of investment property	(41)	(41)	(41)
Amortisation of intangible assets	(497)	(288)	(289)
Interest income	-	291	576
Finance costs - net	(1,343)	(1,237)	(1,867)
Share of loss from an associate	(366)	(438)	(248)
Profit before tax	5,488	4,704	11,580

(ii) Segment assets

The amounts reported to the Group's CODM with respect to total assets are measured in a manner consistent with that of the financial statements. All assets are allocated to reportable segments other than investment in an associate, financial assets at FVOCI, income tax assets and other assets.

Segment assets are reconciled to total assets as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Segment assets for reportable segments	66,024	74,389	78,922
Others	1,818	231	22
Total segment assets	67,842	74,620	78,944
Unallocated:			
Investment in an associate	1,015	895	-
Financial assets, at FVOCI	-	-	35,977
Deferred income tax assets	644	614	247
Other assets	359	371	373
Total assets	69,860	76,500	115,541

37. Segment information (continued)

(a) Reconciliations (continued)

(iii) Segment liabilities

The amounts provided to the Group's CODM with respect to total liabilities are measured in a manner consistent with that of the financial statements. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than income tax liabilities.

Segment liabilities are reconciled to total liabilities as follows:

	2023 S$'000	2024 S$'000	2025 S$'000
Segment liabilities for reportable segments	39,167	34,996	33,681
Others	2,258	511	467
Total segment liabilities	41,425	35,507	34,148
Unallocated:			
Current income tax liabilities	1,381	1,186	1,124
Deferred income tax liabilities	57	395	368
Total liabilities	42,863	37,088	35,640

(b) Geographical information

The Group is domiciled in Singapore. Majority of the Group's activities are carried out in Singapore and majority of the Group's assets and liabilities are located in Singapore. Revenue from external customers is analysed by geographical location of relevant customers.

The non-current assets, excluding deferred income tax assets and other assets are analysed by the geographical area in which the non-current assets are located.

Revenue by geography

	2023 S$'000	2024 S$'000	2025 S$'000
Singapore*	14,807	11,278	18,461
Malaysia	16,072	17,037	18,222
United States of America	5,267	5,734	5,286
Others	2,623	3,673	5,629
	38,769	37,722	47,598

* The revenue from the discontinued operation is located in Singapore for the year ended 31 December 2023.

37. Segment information (continued)

(b) Geographical information (continued)

Non-current assets by geography

	2023 S$'000	2024 S$'000	2025 S$'000
Singapore	41,582	40,659	74,469
Malaysia	1,760	1,826	1,862
	43,342	42,485	76,331

38. Subsidiary with material non-controlling interests

The Group includes one subsidiary, Metaoptics Technologies Pte. Ltd. with material non-controlling interests in 2022. Metaoptics Technologies Pte. Ltd. has ceased to be a subsidiary and classified as an investment in associate in 2023.

Name	Proportion of ownership interests held by non-controlling interests			Loss allocated to non-controlling interests			Accumulated non-controlling interests		
	2023	2024	2025	2023	2024	2025	2023	2024	2025
Metaoptics Technologies Pte. Ltd.	- #	-	-	180	-	-	-	-	-

Metaoptics Technologies has ceased to be a subsidiary and classified as an investment in associate during the year ended 31 December 2023.

The changes in non-controlling interests during the year are as follows:

	2023 S$'000
Balance as at 1 January	1,013
Non-controlling interests share of loss for the financial year	(180)
Issue of new shares to non-controlling interest of a non-wholly owned subsidiary	-
Non-controlling interests share of capital reserve arising from:	
- Share-based payments expense *	49
Effect of changes in non-controlling interests #	46
Derecognition of the carrying value of the non-controlling interest upon disposal	(928)
Balance as at 31 December	-

* This represents the sharing of the contribution from shareholders arising from the share-based payments expense upon issuance or transfer of shares from a subsidiary of the Group to shareholders and employees in the previous years.

This represents the effect of changes in ownership interests held by non-controlling interests in Metaoptics Technologies from 44.5% to 46.5% for the year ended 31 December 2023.

39. Disposal of subsidiary and discontinued operation

Pursuant to a share purchase agreement dated 16 May 2023 entered into between Mr. Thng and Metasurface Technologies, Metasurface Technologies transferred 125,767 ordinary shares in Metaoptics Technologies held by it, representing approximately 33.3% of the entire issued share capital of Metaoptics Technologies, to Mr. Thng at a cash consideration of S$180,000. Upon completion of the share transfer, Metaoptics Technologies ceased as a subsidiary of the Group.

Following the disposal of subsidiary with loss of control, the Group's shareholding in Metaoptics Technologies decreased from 53.5% to 20.2%. The Group considers that it still has significant influence over Metaoptics Technologies and reclassified it as an investment in an associate.

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operation, the operating results of the Metaoptics Technologies before the completion date of share transfer have been presented as discontinued operation in the Group's consolidated statements of comprehensive income for the financial year ended 31 December 2023.

39. Disposal of subsidiary and discontinued operation (continued)

Financial information relating to the discontinued operation for the period from 1 January 2023 to the date of disposal is set out below.

(i) Financial results and cash flow information

The financial results and cash flow information presented are the financial period from 1 January 2023 to 16 May 2023.

	Period from 1 January 2023 to 16 May 2023 S$'000
Revenue (Note 4)	-
Cost of sales	-
Gross profit	-
Other income	1
Administrative expense	(387)
Loss after tax	(386)
Gain on disposal of a subsidiary	2,529
Profit from discontinued operation	2,143
Profit/(loss) and total comprehensive (loss)/income attributable to:	
Owners of the Company	2,323
Non-controlling interests	(180)
	2,143
Net operating cash outflows	(82)
Net investing cash outflows	(203)
Net financing cash inflows	-
Net cash outflows from discontinued operation	(285)

39. Disposal of subsidiary and discontinued operation (continued)

(ii) Details of the discontinued operations

Net assets of Metaoptics Technologies as at the date of disposal:

	S$'000
Plant and equipment	300
Intangible assets	3,919
Trade and other receivables	324
Prepayments	29
Cash and bank balances	313
Total assets	4,885
Amount due to a shareholder	(2,880)
Other payables and accruals	(9)
Total liabilities	(2,889)
Net assets disposed of	1,996
Less: non-controlling interests	(928)
Net assets attributable to Metasurface Technologies disposed of	1,068
Consideration	
- Cash consideration	180
- Share-based payment *(Note 32)*	2,059
	2,239
Fair value of the retained investment in Metaoptics Technologies*	1,358
Less: Carrying amount of net assets attributable to Metasurface Technologies disposed of	(1,068)
Gain on disposal of a subsidiary	2,529
Less: Gain on retained investment	(955)
Gain on disposal of controlling interest	1,574

* The Group engaged a professional independent valuer to carry out a valuation of the retained interest as at the date of disposal.

	S$'000
Consideration settled by cash	180
Less: Cash and bank balances disposed of	(313)
Net cash outflow from disposal of a subsidiary	(133)

40. Events after reporting period

On 8 January 2026, Singapore Precision Welding Pte. Ltd., an indirect wholly-owned subsidiary of the Company announced special incentives of approximately S$388,000 to eligible employees of the Group in celebration of the successful initial public offering of the Company on GEM of The Stock Exchange of Hong Kong Limited. The incentives will be distributed evenly over the next 5 years.

To further enhance corporate profile and broadening shareholder base of the Company, the Company is considering to apply for a listing (the "Proposed Listing") of its shares (the "Shares") on the Catalist Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") with the intention to be dual primary-listed on the Stock Exchange and SGX-ST, subject to fulfillment of requirements and/or conditions of the SGX-ST and the applicable laws, rules and regulations. See our Company's announcement dated 14 January 2026 for details.

Between 9 and 13 April 2026, the Company repurchased a total of 80,000 shares on GEM at an aggregate consideration of HK$238,490 and held such shares as treasury shares. The highest and lowest price paid for such purchases are HK$3.00 and HK$2.97, respectively. The Directors believe that the repurchases will enhance the net assets value per share and earnings per share of the Company and will benefit the Company and its shareholders as a whole.

41. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Metasurface Technologies Holdings Limited on 28 September 2026.

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APPENDIX B – INDEPENDENT AUDITOR'S REVIEW REPORT AND THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

Metasurface Technologies Holdings Limited and its subsidiaries

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 8637

Unaudited Condensed Interim Consolidated Financial Statements

For the six months ended 30 June 2026

APPENDIX B – INDEPENDENT AUDITOR'S REVIEW REPORT AND THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

The Board of Directors
Metasurface Technologies Holdings Limited
5/F, Manulife Place
348 Kwun Tong Road
Kowloon, Hong Kong

Report on Review of Unaudited Condensed Interim Consolidated Financial Statements

Introduction

We have reviewed the accompanying unaudited condensed interim consolidated financial position of Metasurface Technologies Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2026 and the related unaudited condensed interim consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and the selected explanatory notes and other explanatory information (the "Unaudited Condensed Interim Consolidated Financial Statements"), as set out on pages 4 to 27. Management is responsible for the preparation and presentation of this Unaudited Condensed Interim Consolidated Financial Statements in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on this Unaudited Condensed Interim Consolidated Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity.* A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing ("ISAs") and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Unaudited Condensed Interim Consolidated Financial Statements is not prepared, in all material respect, in accordance with IAS 34 *Interim Financial Reporting*.

Restriction on distribution and use

This report is made solely to you as a body for the inclusion in the Preliminary Offer Document of the Company to be issued in relation to the proposed offering of the shares of the Company in connection with the Company's listing on the Catalist of the Singapore Exchange Securities Trading Limited.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore

Partner-in-charge: Rebekah Khan
28 September 2026

APPENDIX B – INDEPENDENT AUDITOR'S REVIEW REPORT AND THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

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Metasurface Technologies Holdings Limited and its subsidiaries
Unaudited Condensed Interim Consolidated Statement of Comprehensive Income

	Notes	Six months ended 30 June 2025 SGD'000 (unaudited)	2026 SGD'000 (unaudited)
Revenue	3	24,766	26,978
Cost of sales		(14,355)	(16,705)
Gross profit		10,411	10,273
Other income			
- Interest income	4	264	243
- Others	4	502	522
Other gains/(losses), net			
- Impairment loss on financial assets	5	-	(50)
- Others*	5	5,821	(86)
Administrative expenses	6	(5,693)	(5,973)
Operating profit		11,305	4,929
Finance costs		(1,481)	(381)
Share of loss from an associate		(247)	-
Profit before tax	7	9,577	4,548
Income tax expenses	8	(821)	(843)
Profit for the period		8,756	3,705
Other comprehensive income for the period			
Item that may be reclassified to profit or loss			
Currency translation differences on foreign operation		6	(12)
Item that may not be reclassified to profit or loss			
Fair value gain/(loss) of financial assets at FVOCI	15	-	(13,873)
Total comprehensive income/(loss) for the period		8,762	(10,180)
Earnings per share for profit attributable to owners of the Company			
Basic and diluted earnings per ordinary share arising from (expressed in Singapore cents per share)	10	5.84	2.47

* The corresponding financial information has been restated primarily due to the recognition of remeasurement gain of approximately S$6.4 million arising from the loss of significant influence over an associate and the consequent reclassification of the investment to fair value through other comprehensive income ("FVOCI").

Metasurface Technologies Holdings Limited and its subsidiaries
Unaudited Condensed Interim Consolidated Statement of Financial Position

	Notes	31 December 2025 SGD'000 (Audited)	30 June 2026 SGD'000 (Unaudited)
Non-current assets			
Property, plant and equipment	11	7,668	7,737
Prepayments		80	-
Right-of-use assets	13	24,056	23,330
Investment property	12	493	472
Goodwill		4,429	4,429
Intangible assets	14	1,704	1,560
Other assets		373	373
Other receivable			
- Amount due from an investee/associate	16	1,924	1,970
Financial assets, at FVOCI	15	35,977	22,104
Deferred tax assets		247	247
		76,951	62,222
Current assets			
Inventories		6,950	11,686
Trade and other receivables	16	9,221	13,648
Prepayments		156	393
Cash and bank balances		22,263	20,370
		38,590	46,097
Current liabilities			
Trade and other payables	17	6,270	9,636
Borrowings	18	2,227	2,108
Lease liabilities		2,069	1,929
Contract liabilities		15	57
Income tax payable		1,124	1,472
		11,705	15,202
Net current assets		26,885	30,895

Metasurface Technologies Holdings Limited and its subsidiaries
Unaudited Condensed Interim Consolidated Statement of Financial Position (continued)

	Notes	31 December 2025 SGD'000 (Audited)	30 June 2026 SGD'000 (Unaudited)
Non-current liabilities			
Borrowing	18	67	26
Lease liabilities		23,211	22,600
Provisions		289	290
Deferred tax liabilities		368	344
		23,935	23,260
Net assets		79,901	69,857
Equity			
Share capital	19	26	26
Treasury shares		-	(48)
(Accumulated losses)/retained earnings		7,179	10,884
Currency translation reserve		(242)	(254)
Share premium		8,327	8,327
Fair value reserve	19	28,660	14,787
Capital reserve		35,951	36,135
Total equity attributable to owners of the Company		79,901	69,857

Metasurface Technologies Holdings Limited and its subsidiaries
Unaudited Condensed Interim Consolidated Statement of Changes in Equity

	Share capital	Treasury shares	(Accumulated losses)/ retained earnings	Currency Translation reserve	Share Premium	Fair value Reserve	Capital Reserve	Total equity
	SGD'000 (Unaudited)	SGD'000 (Unaudited)	SGD'000 (Unaudited)	SGD'000 (Unaudited)	SGD'000 (Unaudited)	SGD'000 (Unaudited)	SGD'000 (Unaudited)	SGD'000 (Unaudited)
Balance as at 1 January 2025	26	-	(2,924)	(264)	8,327	-	34,247	39,412
Profit for the period	-	-	8,756	-	-	-	-	8,756
Other comprehensive profit for the period, net of tax	-	-	-	6	-	-	-	6
Total comprehensive profit for the period	-	-	8,756	6	-	-	-	8,762
Share-based payment expenses for the employees	-	-	-	-	-	-	1,440	1,440
Balance as at 30 June 2025	26	-	5,832	(258)	8,327	-	35,687	49,614
Balance as at 1 January 2026	26	-	7,179	(242)	8,327	28,660	35,951	79,901
Profit for the period	-	-	3,705	-	-	-	-	3,705
Other comprehensive loss for the period, net of tax	-	-	-	(12)	-	(13,873)	-	(13,885)
Total comprehensive profit/(loss) for the period	-	-	3,705	(12)	-	(13,873)	-	(10,180)
Share-based payment expenses for the employee	-	-	-	-	-	-	184	184
Treasury shares	-	(48)	-	-	-	-	-	(48)
Balance as at 30 June 2026	26	(48)	10,884	(254)	8,327	14,787	36,135	69,857

Metasurface Technologies Holdings Limited and its subsidiaries
Unaudited Condensed Interim Consolidated Statement of Cash Flows

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash generated from operations (Note 21)	5,443	1,031
Interest received	264	243
Income tax paid	(609)	(582)
NET CASH GENERATED FROM OPERATING ACTIVITIES	5,098	692
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions of property, plant and equipment	(1,590)	(638)
Additions of right-of-use assets	(63)	-
NET CASH USED IN INVESTING ACTIVITIES	(1,653)	(638)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(616)	(477)
Payment of principal portion of lease liabilities	(1,644)	(1,081)
Payment of listing expenses	-	(236)
Capitalised portion of listing expenses	-	(98)
Repayment of borrowings	(201)	(160)
Payment for share repurchase	-	(48)
NET CASH USED IN FINANCING ACTIVITIES	(2,461)	(2,100)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	984	(2,046)
EFFECT OF CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS	-	153
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	17,974	22,263
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	18,958	**20,370**

Metasurface Technologies Holdings Limited and its subsidiaries
Notes to the Unaudited Condensed Interim Consolidated Financial Statements

1. GENERAL INFORMATION

Metasurface Technologies Holdings Limited (the "Company", together with its subsidiaries, the "Group") is a limited liability company incorporated on 7 December 2021 in the Cayman Islands. The registered office of the Company is at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The principal activity of the Company is an investment holding. The Company holds a group of companies headquartered in Singapore. The Group is principally engaged in the business of, among others, precision machining services and precision welding services. Its shares were listed (the "Listing") on GEM of the Stock Exchange on 2 July 2024 (the "Listing Date").

The ultimate controlling party is Dato' Sri Chua Chwee Lee and Ms. Jee Wee Jene ("Dato' Sri Chua" and "Mrs. Chua"), who are also directors of the Company.

The unaudited condensed interim consolidated financial statements are presented in thousands of Singapore dollar ("SGD" or "S$"), Hong Kong dollar is the functional currency of the Company, unless otherwise stated.

2. BASIS OF PREPARATION

The unaudited condensed interim consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with the International Financial Reporting Standards ("IFRSs"), which is a collective term that includes all applicable individual IFRSs, International Accounting Standards ("IASs") and related Interpretations issued by the International Accounting Standards Board ("IASB"). Including compliance with IAS 34 "Interim Financial Reporting" issued by IASB.

The unaudited condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's audited consolidated financial statements for the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025.

The accounting policies and methods of computation used in the preparation of the unaudited condensed interim consolidated financial statements for the six months ended 30 June 2026 are consistent with those adopted in preparing the audited consolidated financial statements for the financial years ended 31 December 2023, 31 December 2024 and 31 December 2025 as set out in Appendix A, except for the adoption of new standards effective as of 1 January 2026 as set out in Note 2.1. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

2. BASIS OF PREPARATION (continued)

2.1 New and amended standards adopted by the Group

The following are the amendments to standards have become effective for the financial period beginning 1 January 2026:

- Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments
- Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity
- Annual Improvements to IFRSs - Volume 11

The application of these standards did not have a material effect on the condensed interim consolidated financial statements.

2.2 Use of judgements and estimates

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

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the Group's financial statements as at and for the year ended 31 December 2025.

3. REVENUE AND SEGMENT INFORMATION

Revenue by service type

The Group's revenue is derived primarily from the following two service types, and the revenue is recognised at a point in time.

a. Precision machining services which involve machining processes for removing materials from a workpiece with high accuracy to create parts and components with tight tolerance;
b. Precision welding services which involve the application of weldment equipment and specialised welding technique on a workpiece in a very precise and controlled fashion.

3. REVENUE AND SEGMENT INFORMATION (continued)

The following table sets forth the breakdown of total revenue by service type for the periods indicated:

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Sales of goods and its related services:		
Precision machining	13,240	10,860
Precision welding	11,526	16,118
	24,766	26,978

Revenue by customer geographical location

The Group generated revenue primarily from customers located in Singapore, Malaysia and the United States of America (the "U.S.").

The following table sets forth the breakdown of total revenue by customer geographical location for the periods indicated:

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Singapore	9,079	9,752
Malaysia	10,758	10,982
U.S.	2,794	1,989
Others (Note)	2,135	4,255
	24,766	26,978

Note: Others mainly refer to Thailand, Switzerland, Korea, and Taiwan.

3. REVENUE AND SEGMENT INFORMATION (continued)

The segment information for the reportable segments are as follows:

	Precision machining S$'000	Precision welding S$'000	Others* S$'000	Total S$'000
30 June 2025 (unaudited)				
Sales				
Total segment sales	15,874	11,606	-	27,480
Inter-segment sales	(2,634)	(80)	-	(2,714)
Sales to external parties	13,240	11,526	-	24,766
Adjusted EBITDA/(LBITDA)	11,172	1,963	(360)	12,775
Depreciation of property, plant and equipment	340	84	-	424
Depreciation of right-of-use assets	1,090	55	-	1,145
Depreciation of investment property	21	-	-	21
Amortisation of intangible assets	-	144	-	144
Segment assets	47,354	30,793	142	78,289
Segment assets includes:				
Additions to:				
- right-of-use assets	-	63	-	63
- property, plant and equipment	544	1,047	-	1,591
Segment liabilities	34,216	873	48	35,137

Metasurface Technologies Holdings Limited and its subsidiaries
Notes to the Unaudited Condensed Interim Consolidated Financial Statements

3. REVENUE AND SEGMENT INFORMATION (continued)

	Precision machining S$'000	Precision welding S$'000	Others* S$'000	Total S$'000
30 June 2026 (unaudited)				
Sales				
Total segment sales	11,763	16,245	-	28,008
Inter-segment sales	(903)	(127)	-	(1,030)
Sales to external parties	10,860	16,118	-	26,978
Adjusted EBITDA/(LBITDA)	2,237	5,513	(1,175)	6,575
Depreciation of property, plant and equipment	352	225	-	577
Depreciation of right-of-use assets	1,109	38	-	1,147
Depreciation of investment property	21	-	-	21
Amortisation of intangible assets	-	144	-	144
Segment assets	45,132	39,331	1,132	85,595
Segment assets includes:				
Additions to:				
- right-of-use assets	421	-	-	421
- property, plant and equipment	61	577	-	638
Segment liabilities	31,550	4,291	805	36,646

* Included in others is head office expenses and investments in financial assets measured at FVOCI.

(a) Reconciliations

(i) Segment profits

A reconciliation of adjusted EBITDA to profit before tax is as follows:

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Adjusted EBITDA for reportable segments	13,135	7,750
Adjusted LBITDA for others	(360)	(1,175)
Total adjusted EBITDA	12,775	6,575
Depreciation of properties, plant and equipment	(424)	(577)
Depreciation of right-of-use assets	(1,145)	(1,147)
Depreciation of investment property	(21)	(21)
Amortisation of intangible assets	(144)	(144)
Finance costs - net	(1,481)	(381)
Interest income	264	243
Share of loss from an associate	(247)	-
Profit before tax	9,577	4,548

3. REVENUE AND SEGMENT INFORMATION (continued)

(a) Reconciliations (continued)

ii. Segment assets

The amounts reported to the Group's CODM with respect to total assets are measured in a manner consistent with that of the announcements. All assets are allocated to reportable segments other than investment in an associate, financial assets at FVOCI, income tax assets and other assets.

Segment assets are reconciled to total assets as follows:

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Segment assets for reportable segments	78,147	84,463
Others	142	1,132
Total segment assets	78,289	85,595
Unallocated:		
Financial assets, at FVOCI	7,317	22,104
Deferred income tax assets	302	247
Other assets	371	373
Total assets	86,279	108,319

iii. Segment liabilities

The amounts provided to the Group's CODM with respect to total liabilities are measured in a manner consistent with that of the announcement. These liabilities are allocated based on the operations of the segment. All liabilities are allocated to the reportable segments other than income tax liabilities.

Segment liabilities are reconciled to total liabilities as follows:

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Segment liabilities for reportable segments	35,089	35,841
Others	48	805
Total segment liabilities	35,137	36,646
Unallocated:		
Current income tax liabilities	1,191	1,472
Deferred income tax liabilities	339	344
Total liabilities	36,667	38,462

4. OTHER INCOME

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Rental income	370	54
Service income	-	403
Scrap material sales income	85	44
Government grants (Note)	43	19
Interest income	264	243
Others	4	2
	766	765

Note:

Government grants consist of Senior Employment Credit, Progressive Wage Credit Scheme, and Jobs Growth Incentive. The Senior Employment Credit is effective from 2023 to 2035, providing wage offsets to support employers in hiring senior workers aged above 60.

The Progressive Wage Credit Scheme was introduced to provide transitional wage support for employers to adjust to upcoming mandatory wage increases for lower-wage workers and voluntarily raise wages of lower-wage workers for eligible resident employees from 2022 to 2026.

5. OTHER GAINS/(LOSSES), NET

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Net currency exchange loss	(849)	(86)
Impairment loss on financial assets	-	(50)
Remeasurement gain arising from loss of significant influence over an associate and reclassification of the investment to fair value through other comprehensive income*	6,397	-
Gain on dilution of shareholding in an associate	273	-
	5,821	(136)

* The corresponding financial information has been restated primarily due to the recognition of a remeasurement gain of approximately S$6.4 million arising from the loss of significant influence over an associate and the consequent reclassification of the investment to fair value through other comprehensive income ("FVOCI").

6. ADMINISTRATIVE EXPENSES

Administrative expenses primarily consist of wages and salaries not directly relating to the production, and share-based payments, as well as depreciation and amortisation, listing expense, professional fees, business development expenses, repair and maintenance costs, property tax and utilities.

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Wages and salaries	1,779	2,383
Depreciation expenses	529	648
Amortisation expenses	144	144
Business development expenses	252	66
Share-based payments	1,440	184
Listing expenses	-	916
Professional fees	287	322
Repair and maintenance costs	381	538
Property tax	117	120
Utilities	188	221
Others	576	431
	5,693	5,973

Share-based payments incurred for the six months ended 30 June 2025 and 2026 arose from the grant of shares to employees of the Group. For details, please refer to the Company's announcements dated 20 January 2025 and 24 January 2025.

7. PROFIT BEFORE INCOME TAX

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Profit before tax is stated after charging:		
(a) Staff costs (including directors' emoluments and share-based payments)		
- Salaries, wages and other benefits	6,027	5,801
- Contributions to defined contribution retirement plans	550	626
(b) Other items		
Depreciation for property, plant and equipment	424	577
Depreciation for investment property	21	21
Depreciation of right-of-use assets	1,145	1,147
Amortisation of intangible assets	144	144
Listing expenses	-	916
Utilities	623	735

7. PROFIT BEFORE INCOME TAX (continued)

Employee benefit expenses was charged to profit or loss during the six months ended 30 June 2025 and 30 June 2026 as set out below:

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Cost of sales	3,357	3,861
Administrative expenses	3,220	2,566
	6,577	6,427

8. INCOME TAX EXPENSES

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Current tax	567	867
Deferred tax	254	(24)
Income tax expenses	821	843

9. DIVIDENDS

The Board has not declared the payment of any interim dividend for the six months ended 30 June 2025 and 30 June 2026.

10. EARNINGS PER SHARE

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Profit for the period attributable to the owners of the Company	8,756	3,705
	'000	'000
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (Note)	150,000	149,957

Note: The calculation of basic profit per share is based on the profit attributable to owners of the Company of approximately S$8,756,000 for the six months ended 30 June 2025 and S$3,705,000 for the six months ended 30 June 2026. The weighted average number of ordinary shares was 150,000,000 for the six months ended 30 June 2025 and 149,957,116 for the six months ended 30 June 2026.

The diluted profit per share is the same as the basic profit per share as there were no potential dilutive ordinary shares in issue during both periods.

Metasurface Technologies Holdings Limited and its subsidiaries
Notes to the Unaudited Condensed Interim Consolidated Financial Statements

11. PROPERTY, PLANT AND EQUIPMENT

	Freehold land	Freehold building	Office equipment	Renovation	Plant and machineries	Motor vehicles	Furniture and fittings	Computer	Construction in progress	Total
	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000	SGD'000
Cost										
As at 1 January 2025	607	1,418	41	1,655	19,459	74	709	322	947	25,232
Additions	-	-	-	2,063	377	-	233	1	-	2,674
Reclassification	-	-	-	947	-	-	-	-	(947)	-
Currency translation differences	24	56	1	6	17	-	2	-	-	106
As at 31 December 2025	631	1,474	42	4,671	19,853	74	944	323	-	28,012
Accumulated depreciation										
As at 1 January 2025	-	226	41	1,292	16,976	69	428	300	-	19,332
Depreciation for the year	-	29	-	218	666	1	40	23	-	977
Currency translation differences	-	10	1	5	17	-	2	-	-	35
As at 31 December 2025	-	265	42	1,515	17,659	70	470	323	-	20,344
Carrying amount										
As at 31 December 2025 (Audited)	631	1,209	-	3,156	2,194	4	474	-	-	7,668
Cost										
As at 1 January 2026	631	1,474	42	4,671	19,853	74	944	323	-	28,012
Additions	-	-	-	224	403	-	-	11	-	638
Currency translation difference	3	6	-	1	2	-	1	-	-	13
As at 30 June 2026	634	1,480	42	4,896	20,258	74	945	334	-	28,663
Accumulated depreciation										
As at 1 January 2026	-	265	42	1,515	17,659	70	470	323	-	20,344
Charge for the period	-	14	-	192	343	-	27	1	-	577
Currency translation difference	-	2	-	-	1	2	-	-	-	5
As at 30 June 2026	-	281	42	1,707	18,003	72	497	324	-	20,926
Carrying amounts										
As at 30 June 2026 (Unaudited)	634	1,199	-	3,189	2,255	2	448	10	-	7,737

12. INVESTMENT PROPERTY

	SGD'000
Cost	
As at 1 January 2025 and 31 December 2025	1,150
Accumulated depreciation	
As at 1 January 2025	616
Depreciation for the year	41
As at 31 December 2025	657
Carrying Amount	
As at 31 December 2025 (Audited)	493
Cost	
As at 1 January 2026 and 30 June 2026	1,150
Accumulated depreciation	
As at 1 January 2026	657
Depreciation for the period	21
As at 30 June 2026	678
Carrying amounts	
As at 30 June 2026 (Unaudited)	472

The investment property of the Group consists of a leasehold property located at 10B Enterprise Road, Singapore 629828. The estimated useful life of the investment property is 28 years. The investment property is stated at a cost less accumulated depreciation and any impairment loss.

13. RIGHT-OF-USE ASSETS

	Leasehold property SGD'000	Machineries SGD'000	Motor vehicles SGD'000	Total SGD'000
Cost				
At 1 January 2025	29,821	11,329	1,855	43,005
Addition	-	-	859	859
Lease modification	-	-	(880)	(880)
At 31 December 2025	29,821	11,329	1,834	42,984
Accumulated depreciation				
At 1 January 2025	12,981	3,579	494	17,054
Depreciation for the year	1,236	764	252	2,252
Lease modification	-	-	(378)	(378)
At 31 December 2025	14,217	4,343	368	18,928
Carrying amount				
At 31 December 2025 (Audited)	15,604	6,986	1,466	24,056
Cost				
At 1 January 2026	29,821	11,329	1,834	42,984
Addition	-	421	-	421
At 30 June 2026	29,821	11,750	1,834	43,405
Accumulated depreciation				
At 1 January 2026	14,217	4,343	368	18,928
Depreciation for the period	641	385	121	1,147
At 30 June 2026	14,858	4,728	489	20,075
Carrying amount				
At 30 June 2026 (Unaudited)	14,963	7,022	1,345	23,330

14. INTANGIBLE ASSETS

	Customer contracts SGD'000	Customer relationship SGD'000	Total SGD'000
Cost			
At 1 January 2025 and 31 December 2025	776	2,881	3,657
Accumulated amortisation			
At 1 January 2025	776	888	1,664
Amortisation for the year	-	289	289
At 31 December 2025	776	1,177	1,953
Carrying amounts			
As at 31 December 2025 (Audited)	-	1,704	1,704
Cost			
At 1 January 2026 and 30 June 2026	776	2,881	3,657
Accumulated amortisation			
At 1 January 2026	776	1,177	1,953
Amortisation for the period	-	144	144
At 30 June 2026	776	1,321	2,097
Carrying amounts			
As at 30 June 2026 (Unaudited)	-	1,560	1,560

15. FINANCIAL ASSETS, AT FVOCI

	As at 31 December 2025 SGD'000 (Audited)	As at 30 June 2026 SGD'000 (Unaudited)
Beginning of financial year/period	-	35,977
Reclassification of an associate to an investment carried at fair value through other comprehensive income on the date of disposal	920	-
Remeasurement gain arising from reclassification of an associate to an investment carried at fair value through other comprehensive income on the date of disposal (Note 5)	6,397	-
Fair value gain/(loss) (Note 19)	28,660	(13,873)
End of financial year/period	35,977	22,104

16. TRADE AND OTHER RECEIVABLES

	As at 31 December 2025 SGD'000 (Audited)	As at 30 June 2026 SGD'000 (Unaudited)
Non-current		
Non-trade		
Amount due from an investee	2,880	2,880
Less: Discounting of amount due from an investee	(864)	(864)
Add: Unwinding of discount on amount due from an investee	93	189
Less: Loss allowance	(185)	(235)
	1,924	1,970
Current		
Trade		
Trade receivables from third parties	7,734	11,757
Non-trade		
Other receivables from third party	121	154
GST receivables	158	367
Deposit	1,208	1,370
	1,487	1,891
	9,221	13,648

16. TRADE AND OTHER RECEIVABLES (continued)

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 to 60 days after the invoice date and therefore are all classified as current.

The following table sets forth the ageing analysis of the trade receivables based on invoice date as at the dates indicated:

	As at 31 December 2025 SGD'000 (Audited)	As at 30 June 2026 SGD'000 (Unaudited)
0-30 days	6,134	10,674
31-60 days	1,254	801
61-90 days	145	137
Over 90 days	201	145
	7,734	11,757

At the end of each period, the Group reviewed trade receivables for evidence of impairment on both an individual and collective basis. Based on this assessment, there is no impairment loss recognised during the period.

17. TRADE AND OTHER PAYABLES

	As at 31 December 2025 SGD'000 (Audited)	As at 30 June 2026 SGD'000 (Unaudited)
Current		
Trade		
Trade payables to third parties	3,586	6,178
Non-trade		
Other payables to third parties	124	1,014
Accrued expenses	2,311	2,194
Deposit received	249	250
	2,684	3,458
	6,270	9,636

17. TRADE AND OTHER PAYABLES (continued)

Trade payables are mainly in relation to the procurement of raw materials and processing services from third-party suppliers. Trade payables to third parties are non-interest bearing and are generally on 30 to 60 days' credit terms based on the invoice date. The following table sets forth the ageing analysis of the trade payables based on the invoice date as at the dates indicated:

	As at 31 December 2025 SGD'000 (Audited)	As at 30 June 2026 SGD'000 (Unaudited)
0-30 days	2,475	4,209
31-60 days	848	845
61-90 days	117	581
Over 90 days	146	543
	3,586	6,178

18. BORROWINGS

	As at 31 December 2025 SGD'000 (Audited)	As at 30 June 2026 SGD'000 (Unaudited)
Current		
- Mature within 1 year or on demand		
Bank loans (secured/unsecured and guaranteed)	2,227	2,108
Non-current		
- Mature over 2 years but within 5 years		
Bank loans (unsecured and guaranteed)	67	26
	2,294	2,134

19. SHARE CAPITAL AND SHARE PREMIUM

(a) Details of movements of share capital of the Company are as follows:

	No. of ordinary shares		Amount			
	Authorised share capital	Issued share capital	Authorised share capital SGD'000	Share capital SGD'000	Share premium SGD'000	Total SGD'000
2025 (audited)						
Beginning/End of financial year, ordinary shares at par value, HK$0.001	1,000,000,000	150,000,000	172	26	8,327	8,353

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements

19. SHARE CAPITAL AND SHARE PREMIUM (continued)

(a) Details of movements of share capital of the Company are as follows: (continued)

	No. of ordinary shares		Amount			
	Authorised share capital	Issued share capital	Authorised share capital SGD'000	Share capital SGD'000	Share premium SGD'000	Total SGD'000
30 June 2026 (unaudited)						
Beginning/End of financial period, ordinary shares at par value, HK$0.001	1,000,000,000	150,000,000	172	26	8,327	8,353

(b) Fair value reserve

	As at 31 December 2025 SGD'000 (Audited)	As at 30 June 2026 SGD'000 (Unaudited)
Beginning of financial year/period	-	28,660
Financial assets, at FVOCI - Fair value gain/(loss) (Note 15)	28,660	(13,873)
End of financial year/period	28,660	14,787

20. RELATED PARTIES

Details of the related party transactions with the Group and the Company are as follows:

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
Purchase of goods and services Metasurface & Co	155	137
Discounting of amount due from Metaoptics Ltd.	864	-
Unwinding of discount on amount due from Metaoptics Ltd.	-	(96)

21. NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Reconciliation of profit before tax to net cash generated from operations

	30 June 2025 SGD'000 (unaudited)	30 June 2026 SGD'000 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	9,577	4,548
Adjustments for:		
Depreciation of property, plant and equipment	424	577
Depreciation of right-of-use assets	1,145	1,147
Depreciation of investment property	21	21
Amortisation of intangible assets	144	144
Impairment loss on financial assets	-	50
Share-based payments for the employees and shareholders	1,440	184
Allowance for inventory obsolescence	-	133
Finance costs	1,481	381
Interest received	(264)	(243)
Unrealised currency translation loss/(gain)	16	(173)
Gain on dilution of shareholding in an associate (Note 5)	(273)	-
Remeasurement gain arising from loss of significant influence over an associate and reclassification of the investment to fair value through other comprehensive income (Note 5)	(6,397)	-
Share of loss of an associate	247	-
Operating cash flows before working capital changes	7,561	6,769
Changes in working capital:		
Increase in inventories	(1,119)	(4,869)
Increase in trade and other receivables	(2,437)	(4,427)
(Increase)/decrease in prepayments	(82)	97
Increase in trade and other payables	1,520	3,419
Increase in contract liabilities	-	42
Net cash generated from operations	5,443	1,031

22. SUBSEQUENT EVENT

Since 30 June 2026 and up to the date of this report, no significant event has occurred which may have a significant effect on the assets and liabilities or future operation of the Group.

23. AUTHORISATION OF UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The unaudited condensed interim consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Metasurface Technologies Holdings Limited on 28 September 2026.

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APPENDIX C – COMPARISON OF SELECTED CAYMAN ISLANDS CORPORATE LAW PROVISIONS AND SINGAPORE CORPORATE LAW PROVISIONS

The following table sets forth a summary of certain differences between the provisions of the laws of the Cayman Islands applicable to our Company (namely, the Cayman Companies Act) and the laws applicable to Singapore-incorporated companies (namely, the Singapore Companies Act) and their shareholders. The summaries below are not to be regarded as advice on Cayman Islands corporate law or the differences between it and the laws of any jurisdiction, including, without limitation, the Singapore Companies Act. The summaries below do not purport to be a comprehensive description of all of the rights and privileges of shareholders conferred by the Cayman Companies Act as compared to the Singapore Companies Act that may be relevant to prospective investors. In addition, prospective investors should also note that the laws applicable to Singapore-incorporated companies and Cayman Islands exempted companies may change, whether as a result of proposed legislative reforms to the Singapore Companies Act or the Cayman Companies Act, as the case may be, or otherwise. In addition, the summaries below do not describe the regulations and requirements prescribed by the SGX-ST Listing Manual.

Our Company is incorporated in the Cayman Islands as an exempted company and is therefore subject to the Cayman Companies Act. Our Company's corporate affairs are governed by our Memorandum and Articles of Association and applicable Cayman Islands laws, including Cayman Islands common law.

Cayman Islands Corporate Law	**Singapore Corporate Law**
Power of Directors to Allot and Issue Shares	
The power to allot and issue shares in a company normally lies with the directors of the company subject to any restrictions in the memorandum and articles of association of the company. The Cayman Islands Companies Act has no statutory provisions requiring shareholders' approval for an issue of shares by a company. There is also no requirement for the filing of returns of share issuances with the Registrar of Companies of the Cayman Islands.	Notwithstanding anything to the contrary in the constitution of a company, prior approval of the company at a general meeting is required to authorise the directors to exercise any power of the company to issue shares, otherwise the share issue is void under the Singapore Companies Act. Such approval may be confined to a particular exercise of that power or may apply to the exercise of that power generally and, once given, will only continue in force until the conclusion of the annual general meeting commencing next after the date on which the approval was given or the expiration of the period within which the next annual general meeting after that date is required by law to be held, whichever is the earlier, provided that such approval has not been previously revoked or varied by the company in a general meeting.

APPENDIX C – COMPARISON OF SELECTED CAYMAN ISLANDS CORPORATE LAW PROVISIONS AND SINGAPORE CORPORATE LAW PROVISIONS

Cayman Islands Corporate Law	Singapore Corporate Law
Power of Directors to Dispose of the Issuer's or any of its Subsidiaries' Assets	
The Cayman Islands Companies Act contains no specific restrictions on the powers of directors to dispose of assets of a company. However, as a matter of general law, every officer of a company, which includes a director, managing director and secretary, in exercising his powers and discharging his duties, must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.	The Singapore Companies Act provides that the business of a company is to be managed by or under the direction or supervision of the directors. The directors may exercise all the powers of a company except any power that the Singapore Companies Act or the constitution of the company requires the company to exercise in general meeting. Under the Singapore Companies Act, approval of the company at a general meeting is required before the directors can carry into effect any proposals for disposing of the whole or substantially the whole of the company's undertaking or property notwithstanding anything in the company's constitution.
Giving of Financial Assistance to Purchase the Issuer's or its Holding Company's Shares	
There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a Cayman Islands exempted company to another person for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a Cayman Islands exempted company may provide financial assistance if the directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's length basis.	Generally, a public company or a company whose holding company or ultimate holding company is a public company is prohibited from giving any financial assistance to any person directly or indirectly for the purpose of, or in connection with, the acquisition or proposed acquisition of that company's shares or shares in its holding company or ultimate holding company. Financial assistance includes the making of a loan, the giving of a guarantee, the provision of security, the release of an obligation or the release of a debt or otherwise.

Cayman Islands Corporate Law	Singapore Corporate Law
	Certain transactions are specifically provided by the Singapore Companies Act as transactions not to be prohibited. These include, among others: (i) a distribution of a company's assets by way of dividends lawfully made; (ii) a distribution in the course of a company's winding up; (iii) a payment made by a company pursuant to a reduction of capital in accordance with the Singapore Companies Act; (iv) the discharge by a company of a liability of the company that was incurred in good faith as a result of a transaction entered into on ordinary commercial terms; (v) the giving by a company in good faith and in the ordinary course of commercial dealing of any representation, warranty or indemnity in relation to an offer to the public of, or an invitation to the public to subscribe for or purchase shares in the company; and (vi) the entering into by the company, in good faith and in the ordinary course of commercial dealing, of an agreement with a subscriber for shares in the company permitting the subscriber to make payments for the shares by instalments.

Cayman Islands Corporate Law	Singapore Corporate Law
	The Singapore Companies Act further provides that a company can give financial assistance in certain circumstances, including but not limited to: (a) where the amount of financial assistance, together with any other financial assistance given by the company under this exception, repayment of which remains outstanding, does not exceed 10.0% of the aggregate of the total paid-up capital and reserves of the company as disclosed in the most recent financial statements of the company that comply with the requirements of the Singapore Companies Act and the company receives fair value in connection with the financial assistance; (b) where the financial assistance does not materially prejudice the interests of the company, its shareholders or the company's ability to pay its creditors; and (c) where the company, by special resolution, resolves to give financial assistance for the purpose of, or in connection with, that acquisition, provided that certain conditions and procedures under the Singapore Companies Act are also complied with, including without limitation, where the company is a subsidiary of a listed corporation or is a subsidiary whose ultimate holding company is incorporated in Singapore, the listed corporation or the ultimate holding company, as the case may be, is also required to pass a special resolution to approve the giving of the financial assistance.
Transactions with Interested Persons	
There is no express provision in the Cayman Islands Companies Act regulating transactions with interested persons.	The Singapore Companies Act does not contain requirements relating to transactions with interested persons. Requirements imposed on a company listed on the Catalist under Chapter 9 of the Catalist Rules, insofar as transactions with interested persons are concerned, apply to that company regardless of whether such company is incorporated in Singapore or elsewhere.

Cayman Islands Corporate Law	Singapore Corporate Law
Loans to Directors	
There is no express provision in the Cayman Islands Companies Act prohibiting the making of loans by a Cayman Islands exempted company to any of its directors.	A company (other than an exempt private company) is prohibited from, among others, (a) making a loan or quasi-loan to a director of the company or a director of a related company (a "**relevant director**") (and to the spouse or natural, step or adopted children of any such director); (b) entering into any guarantee or providing any security in connection with a loan or quasi-loan to a relevant director; (c) entering into a credit transaction as creditor for the benefit of a relevant director; and (d) entering into any guarantee or providing any security in connection with a credit transaction entered into by any person for the benefit of a relevant director (the "**restricted transactions**"), except in the following circumstances, where a transaction which would otherwise be a restricted transaction is: • (subject to, among others, the approval of the company in a general meeting) made to or for the benefit of a relevant director to meet expenditure incurred or to be incurred for the purposes of the company or for the purpose of enabling him to properly perform his duties as an officer of the company; • (subject to, among others, the approval of the company in a general meeting) made to or for the benefit of a relevant director who is engaged in full-time employment of the company or a related company, as the case may be, for the purpose of purchasing or otherwise acquiring a home occupied or to be occupied by that director; however, not more than one such restricted transaction may be outstanding from the director at any one time; • made to or for the benefit of a relevant director who is engaged in full-time employment of the company or a related company, as the case may be, where the company has at a general meeting approved of a scheme for the making of such transaction to or for the benefit of employees of the company, provided that the restricted transaction is in accordance with that scheme; and

Cayman Islands Corporate Law	Singapore Corporate Law
	• made to or for the benefit of a relevant director in the ordinary course of business by a company whose ordinary business includes the lending of money or the giving of guarantees in connection with loans, quasi-loans or credit transactions made or entered into by other persons if the activities of that company are regulated by any written law relating to banking, finance companies or insurance or are subject to supervision by the Authority. For these purposes, a related company of a company means its holding company, its subsidiary and a subsidiary of its holding company. A quasi-loan means a transaction under which one party (the "**creditor**") agrees to pay, or pays otherwise than in pursuance of an agreement, a sum for another (the "**borrower**") or agrees to reimburse, or reimburses otherwise than in pursuance of an agreement, expenditure incurred by another party for the borrower: (i) on terms that the borrower (or a person on his behalf) will reimburse the creditor; or (ii) in circumstances giving rise to a liability on the borrower to reimburse the creditor. A credit transaction means a transaction under which one party (the "**creditor**"): (i) supplies any goods or disposes of any immovable property under a hire-purchase agreement or a conditional sale agreement; (ii) leases or hires any immovable property or goods in return for periodic payments; or (iii) otherwise disposes of immovable property or supplies goods or services on the understanding that payment (whether in a lump sum or instalments or by way of periodic payments or otherwise) is to be deferred.

Cayman Islands Corporate Law	Singapore Corporate Law
	A company (the "**first mentioned company**") (other than an exempt private company) is also prohibited from, among others, (a) making a loan or quasi-loan to persons connected with directors of the first mentioned company; (b) entering into any guarantee or providing any security in connection with a loan or quasi-loan made to persons connected with directors of the first mentioned company by a person other than the first mentioned company; (c) entering into a credit transaction as creditor for the benefit of persons connected with directors of the first mentioned company; and (d) entering into any guarantee or providing any security in connection with a credit transaction entered into by any person for the benefit of persons connected with directors of the first mentioned company. Persons connected to the first mentioned company include companies, limited liability partnerships or variable capital companies (as the case may be) in which the director(s) of the first mentioned company (and the spouse, natural step and adopted children of such director(s)), individually or collectively, have an interest in 20.0% or more of the total voting rights (as determined in accordance with the Singapore Companies Act) unless there is prior approval by the company in general meeting for the making of, provision for or entering into the loan, quasi-loan, credit transaction, guarantee or security (as the case may be) at which the interested director(s) and his or their family members abstained from voting. This prohibition does not apply to: • anything done by a company where the other company (whether incorporated in Singapore or otherwise) or variable capital company is its subsidiary, holding company or a subsidiary of its holding company; or • a company whose ordinary business includes the lending of money or the giving of guarantees in connection with loans made by other persons, to anything done by the company in the ordinary course of that business if the activities of that company are regulated by any written law relating to banking, finance companies or insurance or are subject to supervision by the Authority.

Cayman Islands Corporate Law	Singapore Corporate Law
Transactions Affecting Share Capital	
The Cayman Islands Companies Act contains provisions relating to the reduction of share capital, and the redemption and repurchase of shares. These procedures are also regulated by any provisions relating thereto in the company's memorandum and articles of association.	The Singapore Companies Act contains provisions relating to share capital reductions, permitted share buy-backs and redeemable preference shares.
Mergers and Similar Arrangements	
The Cayman Islands Companies Act contains statutory provisions which facilitate reconstructions and arrangements approved by (a) 75.0% in value of shareholders (or class of shareholders) or (b) a majority in number representing 75.0% in value of creditors (or class of creditors), as the case may be, as are present and voting either in person or by proxy at a meeting called for such purpose and thereafter sanctioned by the court. In addition, the Cayman Islands Companies Act provides a mechanism for mergers and consolidations between Cayman Islands companies as well as between Cayman Islands companies and foreign companies without the need for a court order. A written plan of merger or consolidation has to be authorised by each constituent company by way of a special resolution of the members of each such constituent company and such other authorisation, if any, as may be specified in such constituent company's articles of association. The plan must be filed with the Registrar of Companies of the Cayman Islands together with, among others, a declaration as to the solvency of the constituent company and the consolidated or surviving company. The Cayman Islands Companies Act provides that a shareholder of a constituent company incorporated under the Cayman Islands Companies Act shall be entitled to payment of the fair value of that person's shares upon dissenting from a merger or consolidation.	The Singapore Companies Act provides that the Singapore Courts have the authority, in connection with a scheme for the reconstruction of any company or companies or the amalgamation of any two or more companies, and where under the scheme the whole or any part of the undertaking or the property of any company concerned in the scheme (the "**transferor company**") is to be transferred to another company (the "**transferee company**"), to order the transfer to the transferee company of the whole or any part of the undertaking and of the property or liabilities of the transferor company. Such power only exists in relation to any corporation liable to be wound up under the Insolvency, Restructuring and Dissolution Act 2018 of Singapore. The Singapore Companies Act further provides for a voluntary amalgamation process without the need for a court order. Under this voluntary amalgamation process, two or more Singapore incorporated companies may amalgamate and continue as one company, which may be one of the amalgamating companies or a new company, in accordance with the procedures set out in the Singapore Companies Act. As part of these procedures, the board of directors of each of the amalgamating companies must make a solvency statement in relation to both the amalgamating company and the amalgamated company.

Cayman Islands Corporate Law	Singapore Corporate Law
	The Singapore Companies Act also provides for a more simplified form of amalgamation procedure for (a) the amalgamation of a Singapore-incorporated company with one or more of its wholly owned subsidiaries; and (b) two or more wholly owned Singapore incorporated subsidiary companies of the same corporation. The Singapore Companies Act does not provide for appraisal rights to the shareholders of a company in connection with a merger.
Remuneration	
There is no provision in the Cayman Islands Companies Act regulating remuneration for directors.	The Singapore Companies Act provides that a company shall not at any meeting or otherwise provide emoluments or improve emoluments for a director in respect of his office as such unless the provision has been approved by a resolution that is not related to other matters, and any resolution passed in breach of this provision is void. For this purpose, the term "emoluments" in relation to a director includes fees and percentages, any sums paid by way of expenses allowance in so far as those sums are charged to income tax in Singapore, any contribution paid in respect of a director under any pension scheme, and any benefits received by him otherwise than in cash in respect of his services as a director.

Cayman Islands Corporate Law	Singapore Corporate Law
Disclosure of Interest in Contracts with the Company	
There is no provision under the Cayman Islands Companies Act relating to directors in a position of conflict of interest. The common law principle under Cayman Islands law that a director must not put himself in a position of conflict between his personal interest and his duty to the company will apply to the directors of a Cayman Islands exempted company.	The Singapore Companies Act provides that, where a director or chief executive officer of a company is in any way, whether directly or indirectly, interested in a transaction or proposed transaction with that company, such a director or chief executive officer must, as soon as practicable after the relevant facts have come to his knowledge, (a) declare the nature of his interest at a meeting of the directors of the company; or (b) send a written notice to the company containing details on the nature, character and extent of his interest in the transaction or proposed transaction with the company. The Singapore Companies Act also provides that every director and chief executive officer of a company who holds any office or possesses any property whereby whether directly or indirectly, any duty or interest might be created in conflict with their duties or interests as director or chief executive officer shall (i) declare at a meeting of the directors of the company the fact and the nature, character and extent of the conflict; or (ii) send a written notice to the company setting out the fact and the nature, character and extent of the conflict. For these purposes, an interest of a member of a director's or chief executive officer's family (this includes his or her spouse, natural, step or adopted children) is treated as an interest of that director or chief executive officer.

Cayman Islands Corporate Law	Singapore Corporate Law
Appointment, Qualification, Retirement, Resignation and Removal of Directors **(a) Number, Qualification and Appointment of Directors**	
There must be at least one director of a Cayman Islands exempted company. There is no requirement that any of the directors be ordinarily resident in the Cayman Islands. The initial director(s) is (are) appointed by the subscriber(s) to the memorandum of association. Thereafter, the addition and/or removal of directors will normally be effected in accordance with the provisions of the company's articles of association. The names and addresses of the directors and officers of a company must be entered in a register of directors and officers and kept at the registered office of the company. A copy of the register and notice of any amendments must be filed with the Registrar of Companies in the Cayman Islands. A list of the names of the then current directors of a Cayman Islands exempted company can be inspected at the offices of the Cayman Islands Registrar of Companies, but the register of directors and officers is not a public document. The Cayman Islands Companies Act does not contain provisions on the retirement age of directors.	Under the Singapore Companies Act, every company must have at least one director who is ordinarily resident in Singapore. Where the company has only one member, that sole director may also be the sole member of the company. No person other than a natural person who has attained the age of 18 and who is otherwise of full legal capacity shall be a director of a company. Every director, who is by the constitution of the company required to hold a specified share qualification and who is not already qualified, must obtain his qualification within two months after his appointment or such shorter period as is fixed by the constitution. In the case of a public company, the appointment of directors at a general meeting must generally be voted on individually. A motion for the appointment of two or more persons as directors by a single resolution shall not be made unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution passed in pursuance of a motion made in contravention of this shall be void, whether or not it being so moved was objected to at the time. The Singapore Companies Act does not contain provisions on the age limit of directors.

Cayman Islands Corporate Law	Singapore Corporate Law
(b) Disqualification of Directors	
The Cayman Islands Companies Act does not contain provisions on disqualification of directors. The circumstances under which a person is disqualified from acting as a director will be as provided in the company's articles of association.	Under the Singapore Companies Act, a person may not act as a director of, or directly or indirectly take part in or be concerned in the management of any corporation if he is an undischarged bankrupt unless he has the leave of the Singapore Courts or the written permission of the Official Assignee appointed under the Insolvency, Restructuring and Dissolution Act 2018 to do so. A person may be disqualified from acting as a director of a company by the Singapore Courts for a period not exceeding five years if: (a) he is or has been a director of a company which has at any time gone into liquidation (whether while he was a director or within three years of his ceasing to be a director) and was insolvent at that time; and (b) his conduct as director of that company either taken alone or taken together with his conduct as a director of any other company or companies makes him unfit to be a director of or in any way, whether directly or indirectly, be concerned in, or take part in, the management of a company. A person may, subject to certain exceptions, also be disqualified from acting as a director by the Singapore Courts for a period of three years from the date of the making of the winding up order if he is a director of a company which is ordered to be wound up by the Singapore Courts on the ground that it is being used for purposes against national security or interest.

Cayman Islands Corporate Law	Singapore Corporate Law
	He could also be disqualified on other grounds, such as conviction of any offence (whether in Singapore or elsewhere) involving fraud or dishonesty which is punishable with imprisonment for three months or more, or any offence under Part 12 of the SFA or where he is subject to the imposition of a civil penalty under Section 232 of the SFA. The Singapore Courts may also make a disqualification order against (i) a person who is convicted in Singapore of any offence in connection with the formation or management of a corporation; (ii) a person who has made improper use of his or her position as an officer of the company to gain, directly or indirectly, an advantage for himself or herself or for any other person or to cause detriment to the company; (iii) a person who is found in default of keeping proper books of account of the company were not kept since two years from the commencement of the investigation, or from the period between the incorporation of the company and the commencement of the investigation, whichever is shorter; and (iv) a person who is found personally responsible for wrongful trading of the company. A director may also be disqualified because of persistent default in relation to delivery of documents to the Registrar of Companies. A person could be the subject of a debarment order made against him by the Registrar of Companies, if the Registrar of Companies is satisfied that a company of which he is a director at the time the order is made is in default of any requirement of the Singapore Companies Act. A person who has a debarment order made against him may not act as director of any company (except in respect of a company of which he was a director immediately before the order was made), and the debarment order applies from the date the order is made and continues in force until the Registrar of Companies cancels or suspends the order.

Cayman Islands Corporate Law	Singapore Corporate Law
(c) Resignation of Directors	
The Cayman Islands Companies Act does not contain provisions on the resignation of directors.	Under the Singapore Companies Act, a director of a company cannot resign or vacate his office unless there is remaining in the company at least one director who is ordinarily resident in Singapore, and any purported resignation or vacation of office in breach of this provision is deemed to be invalid. Subject to the provisions of the Singapore Companies Act, unless the constitution of the company otherwise provides, a director's resignation is effective by giving written notice to the company, and his resignation is not conditional upon the company's acceptance of such resignation.
(d) Removal of Directors	
The Cayman Islands Companies Act does not contain provisions on the removal of directors. The removal of directors will normally be effected in accordance with the provisions of the company's articles of association.	A director of a public company may be removed before the expiration of his period of office by an ordinary resolution (which requires special notice of not less than 28 days before the meeting to be given in accordance with the provisions of the Singapore Companies Act) of the shareholders, notwithstanding anything in the constitution of that company or in any agreement between that company and the director, but where any director so removed was appointed to represent the interests of any particular class of shareholders or debenture holders, the resolution to remove him shall not take effect until his successor has been appointed. Subject to the provisions of the Singapore Companies Act, the constitution of a company may prescribe the manner in which a director may be removed from office before the expiration of his term of office.

Cayman Islands Corporate Law	Singapore Corporate Law
Alteration Of Governing Documents **(a) Alteration of Constitution, Memorandum of Association or Articles of Association**	
The Cayman Islands Companies Act provides that a Cayman Islands exempted company may, by special resolution of its shareholders, alter its memorandum of association with respect to any of the objects, powers or other matters specified therein. The amended memorandum of association and a copy of the special resolution must be filed with the Registrar of Companies in the Cayman Islands.	Unless otherwise provided in the Singapore Companies Act, a company's constitution may be altered by way of special resolution, except that any entrenching provision in the constitution and any provision contained in the constitution before 1 April 2004 which could not be altered before that date may be removed or altered only if all members of the company agree. For these purposes, the term "**entrenching provision**" means a provision of the constitution of a company to the effect that other specified provisions of the constitution: (a) may not be altered in the manner provided by the Singapore Companies Act; or (b) may not be so altered except by a resolution passed by a specified majority greater than 75.0%, or where other specified conditions are met. Unless otherwise provided in the Singapore Companies Act, any alteration to the constitution of the company takes effect on and from the date of the special resolution approving such alteration or such later date as is specified in the resolution. Subject to Section 33 of the Singapore Companies Act, a company may by special resolution alter the provisions of its constitution with respect to the objects of the company, if any. Where a company proposes to alter its constitution, with respect to the objects, it shall give 21 days' written notice by post or by electronic communications in accordance with the provisions of Singapore Companies Act, specifying the intention to propose the resolution as a special resolution and to submit it for passing at a meeting of the company to be held on a day specified in the notice.

Cayman Islands Corporate Law	Singapore Corporate Law
	Notwithstanding any other provision of the Singapore Companies Act, a copy of the resolution altering the objects of a company shall not be lodged with the Registrar, before the expiration of 21 days after the passing of the resolution, and a copy of the resolution shall be lodged with the Registrar within 14 days thereafter, on compliance with which the alteration, if any, of the objects shall take effect.
(b) Alteration of articles of association	
The Cayman Islands Companies Act provides that a Cayman Islands exempted company may, by special resolution of its shareholders, but subject otherwise to the memorandum of association of the company, alter or add to its articles of association. On an amendment of the articles of association, the amended version of the articles of association must be registered with the Registrar of Companies in the Cayman Islands. A copy of the special resolution must be filed with the Registrar.	The same provisions in (a) above apply.
Variation of Rights Attached to Shares	
The Cayman Islands Companies Act does not contain provisions determining the action necessary to change the rights of holders of shares. The variation of the rights attached to any class of shares is usually dealt with generally in the articles of association of a company.	Under the Singapore Companies Act, if a provision is made in the constitution of a company for authorising the variation or abrogation of the rights attached to any class of shares in the company and in pursuance of that provision such rights are at any time varied or abrogated, subject to the consent of any specified proportion of the holders of that class of shares or the sanction of a resolution passed at a separate meeting of the holders of that class of shares, the holders of not less than an aggregate of 5.0% of the total number of the issued shares of that class may apply to the Singapore Courts to have the variation or abrogation cancelled in accordance with the Singapore Companies Act. The Singapore Courts may, if satisfied, having regard to all the circumstances of the case, that the variation or abrogation would unfairly prejudice the shareholders of the class represented by the applicant, disallow the variation or abrogation, and shall, if not so satisfied, confirm it and this decision shall be final.

Cayman Islands Corporate Law	Singapore Corporate Law
Shareholders' Proposals	
The Cayman Islands Companies Act provides that, in the absence of any provision in the articles of association as to the persons to summon general meetings, three members shall be competent to summon the same.	Under the Singapore Companies Act, (a) any number of members representing not less than 5.0% of the total voting rights of all the members having at the date of requisition a right to vote at a meeting to which the requisition relates; or (b) not less than 100 members holding shares on which there has been paid up an average sum, per member, of not less than S$500, may requisition the company to give to members notice of any resolution which may properly be moved and is intended to be moved at the next annual general meeting, and circulate to members any statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting. Notwithstanding anything in its constitution, the directors of a company shall, on the requisition of members holding, at the date of the deposit of the requisition, not less than 10.0% of the total number of paid-up shares (excluding treasury shares) as at the date of the deposit carries the right of voting at general meetings or, in the case of a company not having a share capital, of members representing not less than 10.0% of the total voting rights of all members having at that date a right to vote at general meetings, immediately proceed duly to convene an extraordinary general meeting of the company to be held as soon as practicable but in any case not later than two months after the receipt by the company of the requisition. If the directors do not within 21 days after the date of the deposit of the requisition proceed to convene a meeting, the requisitionists, or any of them representing more than 50.0% of the total voting rights of all of them, may themselves, in the same manner as nearly as possible as that in which meetings are to be convened by directors convene a meeting, but any meeting so convened shall not be held after the expiration of three months from that date.

Cayman Islands Corporate Law	Singapore Corporate Law
	Under the Singapore Companies Act, two or more members holding not less than 10.0% of the total number of issued shares of the company (excluding treasury shares) or, if the company has not a share capital, not less than 5.0% in number of the members of the company or such lesser number as is provided by the constitution may call a meeting of the company. A meeting of a company or of a class of members, other than a meeting for the passing of a special resolution, shall be called by notice in writing of not less than 14 days or such longer period as is provided in the constitution. Shorter notice can be given if, (i) in the case of an annual general meeting, all the members entitled to attend and vote thereat so agree; or (ii) in the case of any other meeting, a majority in number of the members having a right to attend and vote thereat, being a majority which together holds not less than 95.0% of the total voting rights of all the members having a right to vote at that meeting so agree.
Shareholders' Action by Written Consent	
Certain matters are required by the Cayman Islands Companies Act to be decided by special resolution. Where so authorised by the articles of association of a company, special resolutions may be approved in writing by all of the members entitled to vote at a general meeting of the company in one or more instruments each signed by one or more of the members	Notwithstanding any other provision of the Singapore Companies Act, a private company or an unlisted public company may pass any resolution by written means (save for any resolution to dispense with the holding of annual general meetings or any resolution for which special notice is required) in accordance with the provisions of the Singapore Companies Act. A resolution of a private company or an unlisted public company may only be passed by written means if (i) agreement to the resolution was first sought by the directors of the company; or (ii) a requisition for that resolution was first given and the documents in respect of the resolution were served on members of the company, in accordance with the Singapore Companies Act. Further, the constitution of the company must not prohibit the passing of resolutions by written means, and all conditions in the company's constitution must be met.

Cayman Islands Corporate Law	Singapore Corporate Law
	There is no corresponding provision in the Singapore Companies Act which applies to a public listed company, whether listed in Singapore or elsewhere.
Shareholders' Suits and Protection of Minority Shareholders	
In addition to following Cayman Islands case law precedents, the Cayman Islands courts would ordinarily be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (a) an act which is ultra vires the company or illegal; (b) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company; and (c) an irregularity in the passing of a resolution which requires a qualified (or special) majority. In the case of a company (not being a bank) having a share capital divided into shares, the court may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint one or more inspectors to examine into the affairs of the company and to report thereon in such manner as the court shall direct. The inspectors shall on the completion of their investigation report to the court. Such report is not, unless the court so directs, open to public inspection. A company also may, by special resolution, appoint inspectors for the purpose of examining into the affairs of the company. Inspectors so appointed will have the same powers and perform the same duties as inspectors appointed by the court, except that instead of making their report to the court they will report in such manner and to such persons as the company by resolution of its members directs. A shareholder of a company who has held shares in a company for at least six months may petition the court which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.	A member or a holder of a debenture of a company may apply to the Singapore Courts for an order under Section 216 of the Singapore Companies Act to remedy situations where: • a company's affairs are being conducted or the powers of the company's directors are being exercised in a manner oppressive to, or in disregard of the interests of, one or more of the members, shareholders or holders of debentures of the company, including the applicant; or • a company has done an act, or threatens to do an act, or the members or holders of debentures have passed some resolution, or propose to pass some resolution, which unfairly discriminates against, or is otherwise prejudicial to, one or more of the company's members or holders of debentures, including the applicant. Singapore Courts have wide discretion as to the relief they may grant under such application, including, among others: (i) directing or prohibiting any act or cancelling or varying any transaction or resolution; (ii) providing that the company be wound up; or (iii) authorising civil proceedings to be brought in the name of or on behalf of the company by such person or persons and on such terms as the court directs. In addition, a member of a company who is seeking relief for damage done to the company may bring a common law derivative action in certain circumstances against the persons who have done wrong to the company.

Cayman Islands Corporate Law	Singapore Corporate Law
	Further, Section 216A of the Singapore Companies Act prescribes a procedure to bring a statutory derivative action or arbitration in the name and on behalf of a Singapore-incorporated company or intervene in an action or arbitration to which the company is a party for the purposes of prosecuting, defending or discontinuing the action or arbitration on behalf of the company. The statutory procedure is available to a member of a company and any other person who, in the discretion of the court, is a proper person to make an application under Section 216A of the Singapore Companies Act or the Minister of Finance of Singapore, in the case of a declared company under Part 9 of the Singapore Companies Act.
Winding Up	
A company may be wound up: (a) compulsorily by an order of the court; (b) voluntarily by, among others, a special resolution of its members; or (c) under the supervision of the court. The court has authority to order winding up in a number of specified circumstances including where the members of the company have passed a special resolution requiring the company to be wound up by the court, or where the company is unable to pay its debts, or where it is, in the opinion of the court, just and equitable to do so.	The winding up of a company may be done in the following ways under the Insolvency, Restructuring and Dissolution Act: (a) members' voluntary winding up; (b) creditors' voluntary winding up; (c) court compulsory winding up; and, under the Singapore Companies Act, an order made pursuant to Section 216(2)(f) of the Singapore Companies Act for the winding up of the company. The type of winding up depends, among others, on whether the company is solvent or insolvent.

Cayman Islands Corporate Law	Singapore Corporate Law
Dissolution	
A company may be dissolved following: (a) voluntary winding up; or (b) winding up by the court. Where an application is made to the court for the sanctioning of a compromise or arrangement proposed between a company and its members or creditors and it is shown to the court that the compromise or arrangement has been proposed for the purpose of or in connection with a scheme for the reconstruction of any company or companies or the amalgamation of any two or more companies, and under the scheme the whole or any part of the undertaking or the property of any company concerned in the scheme ("**a transferor company**") is to be transferred to another company the court, may either by the order sanctioning the compromise or arrangement or by any subsequent order make provision for, *inter alia*, the dissolution, without winding up, of any transferor company. Where the Registrar of Companies has reasonable cause to believe that a company is not carrying on business or is not in operation, he may strike the company off the register and the company shall be dissolved. The company may be restored to the register up to 10 years after the strike off.	A company may be dissolved: (a) through the process of liquidation pursuant to the winding up of the company; (b) in a merger or amalgamation of two companies where the court may order the dissolution of one after its assets and liabilities have been transferred to the other; or (c) when it is struck off the register by the Registrar of Companies on the ground that it is a defunct company.

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APPENDIX D – SUMMARY OF CERTAIN PROVISIONS OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OUR COMPANY AND THE CAYMAN COMPANIES ACT

The discussion below provides information about certain provisions of our Memorandum and Articles of Association and the laws of the Cayman Islands. This description is only a summary and does not purport to be exhaustive and is qualified by reference to Cayman Islands company law and our Memorandum and Articles of Association. Where portions of our Memorandum and Articles of Association are reproduced below, defined terms bear the meanings ascribed to them in our Memorandum and Articles of Association. Our Memorandum and Articles of Association is a document available for inspection.

SUMMARY OF CERTAIN PROVISIONS OF THE CAYMAN COMPANIES ACT

Our Company was incorporated in the Cayman Islands as an exempted company on 7 December 2021 subject to the Cayman Companies Act (in this Appendix D, also referred to as the "**Act**") and, therefore, operates subject to Cayman Islands law. Set out below is a summary of certain provisions of Cayman Islands company law, but this section does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of Cayman Islands company law and taxation, which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

Company Operations

As an exempted company, our Company's operations must be conducted mainly outside the Cayman Islands. Our Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the amount of our Company's authorised share capital.

Share Capital

Under the Cayman Companies Act, a Cayman Islands company may issue ordinary shares, preference shares, redeemable shares or any combination thereof. The Cayman Companies Act provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premiums on those shares shall be transferred to an account, to be called the "share premium account". At the option of a company, these provisions may not apply to premiums on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Cayman Companies Act provides that the share premium account may be applied by the company subject to the provisions, if any, of its memorandum and articles of association in (a) paying distributions or dividends to members; (b) paying up unissued shares of the company to be issued to members as fully paid bonus shares; (c) any manner provided in section 37 of the Cayman Companies Act; (d) writing-off the preliminary expenses of the company; and (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the company shall be able to pay its debts as they fall due in the ordinary course of business.

The Cayman Companies Act provides that, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, reduce its share capital in any way by (i) special resolution and confirmation to the Grand Court of the Cayman Islands (the "**Court**"); or (ii) special resolution supported by a solvency statement in accordance with the Cayman Companies Act.

Limitations on Rights to Hold or Vote Shares

There are no limitations, either under Cayman Islands law or our Articles of Association, on the rights of owners of our Shares to hold or vote their Shares solely by reason that they are non-Caymanians.

Membership

Under the Cayman Companies Act, only those persons who agree to become members of a Cayman Islands exempted company and whose names are entered on the register of members of such a company are considered members. Accordingly, persons holding shares through a trustee, nominee or depository will not be recognised as members of a Cayman Islands company under the Cayman Companies Act and may only have the benefit of rights attaching to the shares or remedies conferred by law on members through or with the assistance of the trustee, nominee or depository.

Financial Assistance to Purchase Shares of a Company or its Holding Company

There is no statutory prohibition in the Cayman Islands on the provision of financial assistance by a company to another person for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and acting in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's length basis.

Purchase of Shares and Warrants by a Company and its Subsidiaries

Subject to the provisions of the Cayman Companies Act, a company limited by shares, or a company limited by guarantee and having a share capital may, if so authorised by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder. In addition, such a company may, if authorised to do so by its articles of association, purchase its own shares, including any redeemable shares. However, if the articles of association do not authorise the manner and terms of the purchase, a company cannot purchase any of its own shares unless the manner and terms of purchase have first been authorised by an ordinary resolution of the company. The articles of association may provide that the manner of purchase may be determined by the directors of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any issued shares of the company other than shares held as treasury shares. Shares may be redeemed or purchased out of profits of the company, out of the share premium account or out of the proceeds of a fresh issue of shares made for the purposes of the redemption or purchase, or (subject to section 37 of the Cayman Companies Act) out of capital. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

Shares redeemed or purchased by a company shall be treated as cancelled unless, subject to the memorandum and articles of association of the company, the directors of the company resolve to hold such shares in the name of the company as treasury shares prior to the redemption or purchase. Where shares of a company are held as treasury shares, the company shall be entered in the register of members as holding those shares; however, notwithstanding the foregoing, the

company shall not be treated as a member for any purpose and must not exercise any right in respect of the treasury shares, and any purported exercise of such a right shall be void, and a treasury share must not be voted, directly or indirectly, at any meeting of the company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the company's articles of association or the Cayman Companies Act.

A Cayman Islands company is not prohibited from purchasing and may purchase its own warrants subject to and in accordance with the terms and conditions of the relevant warrant instrument or certificate. There is no requirement under Cayman Islands law that a company's memorandum or articles of association contain a specific provision enabling such purchases and the directors of a company may be able to rely upon the general power contained in its memorandum and articles of association to buy and sell and deal in personal property of all kinds.

Under Cayman Islands law, a subsidiary may hold shares in its holding company and, in certain circumstances, may acquire such shares.

Dividends and Distributions

With the exception of section 34 of the Cayman Companies Act, there are no statutory provisions relating to the payment of dividends. Based upon English case law, which is likely to be regarded as persuasive in the Cayman Islands, dividends may be paid out of profits. In addition, section 34 of the Cayman Companies Act permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account.

For so long as a company holds treasury shares, no dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the company's assets (including any distribution of assets to members on a winding up) may be made to the company, in respect of a treasury share.

Protection of Minorities

The Cayman Islands courts would ordinarily be expected to follow English case law precedents which permit a minority shareholder to commence a representative action against or derivative actions in the name of the company to challenge (a) an act which is ultra vires the company or illegal, (b) an act which constitutes a fraud against the minority and the wrongdoers are themselves in control of the company, and (c) an action which requires a resolution with a qualified (or special) majority which has not been obtained. In the case of a company (not being a bank) having a share capital divided into shares, the Court may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Court shall direct.

Any shareholder of a company may petition the Court which may make a winding up order if the Court is of the opinion that it is just and equitable that the company should be wound up or, as an alternative to a winding-up order, the Court may make the following orders: (a) an order regulating the conduct of the company's affairs in the future; (b) an order requiring the company to refrain from doing or continuing an act complained of by the petitioner or to do an act which the petitioner has complained it has omitted to do; (c) an order authorising civil proceedings to be brought in the name of and on behalf of the company by the petitioner on such terms as the Court may direct;

or (d) an order providing for the purchase of the shares of any members of the company by other members or by the company itself and, in the case of a purchase by the company itself, a reduction of the company's capital accordingly. Generally, claims against a company by its shareholders must be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

Disposal of Assets

The Cayman Companies Act contains no specific restriction on the powers of directors to dispose of assets of a company. However, as a matter of general law, every director of a company in exercising his powers and discharging his duties must do so honestly and in good faith with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Accounting and Auditing Requirements

A Cayman Islands exempted company shall cause proper books of account to be kept, including, where applicable, material underlying documentation including contracts and invoices with respect to (a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; (b) all sales and purchases of goods by the company; and (c) the assets and liabilities of the company. Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions. A Cayman Islands exempted company shall cause all its books of account to be retained for a minimum period of five years from the date on which they are prepared.

A company which keeps its books of accounts at any place other than at its registered office or at any other place within the Cayman Islands shall, upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (As Revised) of the Cayman Islands, make available in electronic form or any other medium, at its registered office copies of its books of account, or any part or parts thereof, as are specified in such order or notice; and shall be liable to a penalty if the company fails to comply with the order or notice without reasonable excuse.

Exchange Control

There are currently no exchange control regulations or currency restrictions in the Cayman Islands**.**

Taxation

Pursuant to the Tax Concessions Act (As Revised) of the Cayman Islands, our Company has obtained an undertaking that: (a) no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to our Company or its operations; and (b) no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable (i) on or in respect of the shares, debentures or other obligations of our Company; or (ii) by way of the withholding in whole or in part of any relevant payment as defined in the Tax Concessions Act (As Revised) of the Cayman Islands. The undertaking for our Company is for a period of 20 years from 31 December 2021.

The Cayman Islands currently levy no taxes on exempted companies based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to our Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands**.**

Stamp Duty on Transfers of Shares

No stamp duty is currently payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

Loans to Directors

There is no express provision in the Cayman Companies Act prohibiting the making of loans by a company to any of its directors. However, the company's articles of association may provide for the prohibition of such loans under specific circumstances.

Inspection of Corporate Records

The members of a company have no general right under the Cayman Companies Act to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or outside the Cayman Islands, as the directors may, from time to time, think fit. A branch register must be kept in the same manner in which a principal register is by the Cayman Companies Act required or permitted to be kept. The company shall cause to be kept at the place where the company's principal register is kept a duplicate of any branch register duly entered up from time to time. An exempted company may also maintain a separate register of members in respect of its listed shares. There is no requirement under the Cayman Companies Act for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection. However, an exempted company shall make available at its registered office, in electronic form or any other medium, such register of members, including any branch register of members, as may be required of it upon service of an order or notice by the Tax Information Authority pursuant to the Tax Information Authority Act (As Revised) of the Cayman Islands.

A company is required to maintain at its registered office a register of directors and officers which is not available for inspection by the public. A copy of such register must be filed with the Registrar of Companies in the Cayman Islands and any change must be notified to the Registrar within 30 days of any change in such directors or officers. The Registrar of Companies of the Cayman Islands shall make available the list of the names of the current directors of a company (and, where applicable, the current alternate directors of a company) for inspection by any person upon payment of a fee by such person.

An exempted company is required to identify its beneficial owners and provide details of these beneficial owners to its corporate service provider ("**CSP**") which maintains its beneficial ownership register in the Cayman Islands. A beneficial owner is defined as an individual who (a) ultimately owns or controls, whether through direct or indirect ownership or control 25% or more of the shares, voting rights, or partnership interests in the company, (b) otherwise exercises ultimate effective control over the management of the company, or (c) is identified as exercising control of the company through other means. The beneficial ownership register may be accessed by members of the public who demonstrate a legitimate interest, subject to approval by the competent authority. An exempted company with its shares listed on an approved stock exchange, which includes HKSE and SGX, may provide CSP with details of the listed status as an alternative compliance route instead of providing details of its beneficial owners. Accordingly, as long as the shares of the Company remain listed on HKSE or SGX, the Company may opt for this alternative compliance route rather than maintain a beneficial ownership register.

Winding Up

A company may be wound up (a) compulsorily by order of the Court, (b) voluntarily, or (c) under the supervision of the Court.

The Court has authority to order winding up in a number of specified circumstances including where the members of the company have passed a special resolution requiring the company to be wound up by the Court, or where the company is unable to pay its debts, or where it is, in the opinion of the Court, just and equitable to do so. Where a petition is presented by members of the company as contributories on the ground that it is just and equitable that the company should be wound up, the Court has the jurisdiction to make certain other orders as an alternative to a winding-up order, such as making an order regulating the conduct of the company's affairs in the future, making an order authorising civil proceedings to be brought in the name and on behalf of the company by the petitioner on such terms as the Court may direct, or making an order providing for the purchase of the shares of any of the members of the company by other members or by the company itself.

For the purpose of conducting the proceedings in winding up a company and assisting the Court therein, there may be appointed an official liquidator or official liquidators; and the Court may appoint to such office such person, either provisionally or otherwise, as it thinks fit, and if more persons than one are appointed to such office, the Court shall declare whether any act required or authorised to be done by the official liquidator is to be done by all or any one or more of such persons. The Court may also determine whether any and what security is to be given by an official liquidator on his appointment; if no official liquidator is appointed, or during any vacancy in such office, all the property of the company shall be in the custody of the Court.

A company (save with respect to a limited duration company) may be wound up voluntarily when the company resolves by special resolution that it be wound up voluntarily or when the company in general meeting resolves by ordinary resolution that it be wound up voluntarily because it is unable to pay its debts, or, in the case of a limited duration company, when the period fixed for the duration of the company by its memorandum or articles of association expires, or the event occurs on the occurrence of which the memorandum or articles of association provide that the company is to be wound up. In the case of a voluntary winding up, the company is obliged to cease to carry on its business (except so far as it may be beneficial for its winding up) from the commencement of its winding up.

In the case of a members' voluntary winding up of a company, one or more liquidators shall be appointed for the purpose of winding up the company's affairs and distributing its assets.

As soon as the affairs of the company are fully wound up, the liquidator must make a report and an account of the winding up, showing how the winding up has been conducted and how the property of the company has been disposed of, and thereupon call a general meeting of the company for the purposes of laying before it the account and giving an explanation thereof. This final general meeting must be called by at least 21 days' notice to each contributory in any manner authorised by the company's articles of association and published in the Gazette.

When a resolution has been passed by a company to wind up voluntarily, the liquidator or any contributory or creditor may apply to the Court for an order for the continuation of the winding up under the supervision of the Court, on the grounds that: (i) the company is or is likely to become insolvent; or (ii) the supervision of the Court will facilitate a more effective, economic or expeditious liquidation of the company in the interests of the contributories and creditors. A supervision order takes effect for all purposes as if it was an order that the company be wound up by the Court except that the liquidation commenced in accordance with section 117 of the Cayman Companies Act and the prior actions of the voluntary liquidator shall be valid and binding upon the company and its official liquidator.

Reconstructions, mergers and consolidations

There are statutory provisions which facilitate reconstructions and arrangements approved by (a) seventy-five per cent (75%) in value of members (or class of members) or (b) a majority in number representing seventy-five percent (75%) in value of creditors (or class of creditors), as the case may be, as are present and voting either in person or by proxy at a meeting called for such purpose and thereafter sanctioned by the Court.

In addition, the Cayman Companies Act permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) "merger" means the merging of two (2) or more constituent companies and the vesting of their undertaking, property and liabilities in one (1) of such companies as the surviving company; and (b) "consolidation" means the combination of two (2) or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorised by (a) a special resolution of each constituent company; and (b) such other authorisation, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures. Dissenting members have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Where a Cayman Islands parent company ("parent company" means, with respect to another company, a company that holds issued shares

that together represent at least ninety per cent. (90%) of the votes at a general meeting of that other company) is merging with one or more of its Cayman Islands subsidiary companies, a special resolution of the members of such constituent companies is not required if a copy of the plan of merger is given to every member of each subsidiary company to be merged, unless that member agrees otherwise.

To effect a merger or consolidation of one or more Cayman Islands companies with one or more overseas companies, in addition to the approval requirements applicable to the merger or consolidation of Cayman Islands companies (in relation to Cayman Islands companies only), the merger or consolidation must also be effected in compliance with the constitutional documents of, and laws of the foreign jurisdiction applicable to, the overseas companies.

The Cayman Companies Act also contains statutory provisions which provide that a company may present a petition to the Court for the appointment of a restructuring officer on the grounds that the company (a) is or is likely to become unable to pay its debts within the meaning of section 93 of the Cayman Companies Act; and (b) intends to present a compromise or arrangement to its creditors (or classes thereof) either, pursuant to the Cayman Companies Act, the law of a foreign country or by way of a consensual restructuring. The petition may be presented by a company acting by its directors, without a resolution of its shareholders or an express power in its articles of association. On hearing such a petition, the Court may, among other things, make an order appointing a restructuring officer or make any other order as the Court thinks fit.

Compulsory Acquisition

Where an offer is made by a company for the shares of another company and, upon the holders of not less than ninety per cent (90%) in value of the shares which are the subject of the offer accepting the offer, the offeror may at any time within two (2) months after such acceptance, by notice in the prescribed manner require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Court within one month from the date of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Court to be contrary to public policy (e.g. where a provision purports to provide indemnification against the consequences of committing a crime).

Economic Substance

Under the International Tax Co-operation (Economic Substance) Act (2024 Revision) of the Cayman Islands (the "**ES Act**"), if a company is a "relevant entity" (as defined in the ES Act) and is conducting one or more of the 9 "relevant activities" (as defined in the ES Act), then that company will be required to comply with the economic substance requirements in relation to the relevant activity. A "relevant entity" does not include an entity that is tax resident outside the Cayman Islands. All companies whether a relevant entity or not are required to file an annual

notification in the Cayman Islands confirming whether or not it is carrying on any relevant activity and if it is, it must satisfy an economic substance test. A relevant entity that is carrying on a relevant activity is also required to submit a report for the purpose of the Tax Information Authority's determination whether the economic substance test has been satisfied in relation to that relevant activity. The report is required to be submitted within twelve months after the last day of the end of each financial year commencing on or after 1 January 2019.

Memorandum and Articles of Association

The following summarises certain provisions of the Articles of Association relating to:

(a) The power of a Director to vote on a proposal, arrangement or contract in which he is interested (*Article 100*)

A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates has any personal material interest, whether directly or indirectly. Matters in which a Director shall not be considered to have a personal material interest shall include the following:

(i) the giving of any security or indemnity either:-

(a) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or

(b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:

(a) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or his close associate(s) may benefit; or

(b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or as to the entitlement of any Director (other than the chairman of the meeting) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.

(b) The director's power to vote on remuneration (including pension or other benefits) for himself or herself or for any other director, and whether the quorum at a meeting of the board of directors to vote on directors' remuneration may include the director whose remuneration is the subject of the vote

(i) *Proceedings at General Meetings (Article 61(1)(e))*

All business shall be deemed special that is transacted at an extraordinary general meeting, and also all business that is transacted at an annual general meeting, with the exception of:

...

the fixing of the remuneration of the auditors, and the voting of remuneration or extra remuneration to the Directors.

(ii) *Executive Directors (Article 88)*

Notwithstanding Articles 93, 94, 95 and 96, an executive director appointed to an office under Article 87 hereof shall receive such remuneration (whether by way of salary, commission, participation in profits or otherwise or by all or any of those modes) and such other benefits (including pension and/or gratuity and/or other benefits on retirement) and allowances as the Board may from time to time determine, and either in addition to or in lieu of his remuneration as a Director.

(iii) *Directors' Fees and Expenses (Articles 93, 94, 95, 95A and 96)*

The fees of the Directors shall from time to time be determined by the Company in general meeting, and such fees shall not be increased except pursuant to an ordinary resolution passed at a general meeting where notice of the proposed increase has been given in the notice convening the general meeting. Such fees shall (unless otherwise directed by the resolution by which it is voted) be divided amongst the Board in such proportions and in such manner as the Board may agree or, failing agreement, equally, except that any Director who shall hold office for part only of the period in respect of which such remuneration is payable shall be entitled only to rank in such division for a proportion of remuneration related to the period during which he has held office. Such remuneration shall be deemed to accrue from day to day.

Each Director shall be entitled to be repaid or prepaid all travelling, hotel and incidental expenses reasonably incurred or expected to be incurred by him in attending meetings of the Board or committees of the Board or general meetings or separate meetings of any class of shares or of debentures of the Company or otherwise in connection with the discharge of his duties as a Director.

Any Director who, by request, goes or resides abroad for any purpose of the Company or who performs services which in the opinion of the Board go beyond the ordinary duties of a Director may be paid such extra remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Board may determine and such extra remuneration shall be in addition to or in substitution for any ordinary remuneration provided for by or pursuant to any other Article.

The fees (including any remuneration under Article 93 above) payable to a Director other than an executive Director shall be by a fixed sum and shall not at any time be by commission on or percentage of profits or turnover, and no Director, whether an executive Director or otherwise, shall be remunerated by a commission on or percentage of turnover.

The Board shall obtain the approval of the Company in general meeting before making any payment to any Director or past Director of the Company by way of compensation for loss of office, or as consideration for or in connection with his retirement from office (not being payment to which the Director is contractually entitled).

(iv) *Directors' Interests (Articles 97 and 100)*

A Director may:

(a) hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director for such period and upon such terms as the Board may determine. Any remuneration (whether by way of salary, commission, participation in profits or otherwise) paid to any Director in respect of any such other office or place of profit shall be in addition to any remuneration provided for by or pursuant to any other Article;

(b) act by himself or his firm in a professional capacity for the Company (otherwise than as Auditor) and he or his firm may be remunerated for professional services as if he were not a Director;

(c) continue to be or become a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of any other company promoted by the Company or in which the Company may be interested as a vendor, shareholder or otherwise and (unless otherwise agreed) no such Director shall be accountable for any remuneration, profits or other benefits received by him as a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer or member of or from his interests in any such other company. Subject as otherwise provided by the Company's Memorandum and Articles of Association, the Directors may exercise or cause to be exercised the voting powers conferred by the shares in any other company held or owned by the Company, or exercisable by them as directors of such other company in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them as directors, managing directors, joint managing directors, deputy managing directors, executive directors, managers or other officers of such company) or voting or providing for the payment of remuneration to the director, managing director, joint managing director, deputy managing director, executive director, manager or other officers of such other company and any Director may vote in favour of the exercise of such voting rights in manner aforesaid notwithstanding that he may be, or about to be, appointed a director, managing director, joint managing director, deputy managing director, executive director, manager or other officer of such a company, and that as such he is or may become interested in the exercise of such voting rights in manner aforesaid.

A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates has any personal material interest, whether directly or indirectly. Please refer to paragraph (a) above on Article 100 for matters in which a Director shall not be considered to have a personal material interest.

(v) *General powers of the Directors (Articles 101(1), 101(3) and 106)*

The business of the Company shall be managed and conducted by the Board, which may pay all expenses incurred in forming and registering the Company and may exercise all powers of the Company (whether relating to the management of the business of the Company or otherwise) which are not by the Cayman Islands law or by the Company's Memorandum and Articles of Association required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Cayman Islands law and of the Company's Memorandum and Articles of Association and to such regulations being not inconsistent with such provisions, as may be prescribed by the Company in general meeting, but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if such regulations had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board by any other Article.

Without prejudice to the general powers conferred by the Company's Memorandum and Articles of Association it is hereby expressly declared that the Board shall have the following powers:

(a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed;

(b) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration; and

(c) to resolve that the Company be deregistered in the Cayman Islands and continued in a named jurisdiction outside the Cayman Islands subject to the provisions of the Cayman Companies Act.

The Board may establish or concur or join with other companies (being subsidiary companies of the Company or companies with which it is associated in business) in establishing and making contributions out of the Company's moneys to any schemes or funds for providing pensions, sickness or compassionate allowances, life assurance or other benefits for employees (which expression as used in this and the following paragraph shall include any Director or ex-Director who may hold or have held any executive office or any office of profit under the Company or any of its subsidiary companies) and ex-employees of the Company and their dependants or any class or classes of such person.

The Board may pay, enter into agreements to pay or make grants of revocable or irrevocable, and either subject or not subject to any terms or conditions, pensions or other benefits to employees and ex-employees and their dependants, or to any of such persons, including pensions or benefits additional to those, if any, to which such employees or ex-employees or their dependants are or may become entitled under any such scheme or fund as mentioned in the last preceding paragraph. Any such pension or benefit may, as the Board considers desirable, be granted to an employee either before and in anticipation of or upon or at any time after his actual retirement.

(c) The borrowing powers exercisable by our Directors and how such borrowing powers may be varied *(Articles 107 and 101(4))*

The Board may exercise all the powers of the Company to raise or borrow money and to mortgage or charge all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Company and, subject to the Cayman Companies Act, to issue debentures, bonds and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

The Company shall not make any loan, directly or indirectly, to a Director or his close associate(s) if and to the extent it would be prohibited by the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as if the Company were a company incorporated in Hong Kong.

Article 101(4) shall only have effect for so long as the shares of the Company are listed on The Stock Exchange of Hong Kong Limited.

(d) The retirement or non-retirement of a Director under an age limit requirement

There are no provisions in the Articles of Association of our Company requiring the Directors to retire upon reaching any specified age limit.

(e) The number of shares, if any, required for the qualification of a director *(Article 83(4))*

Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.

(f) The rights, preferences and restrictions attaching to each class of shares

Our Company currently has only one class of shares, namely ordinary shares.

(i) *Interpretation (Article 2(1))*

The term "Member" is defined in the Articles of Association as a duly registered holder from time to time of the shares in the capital of the Company.

(ii) *Share Capital (Article 3(1))*

The share capital of the Company at the date on which the Company's Memorandum and Articles of Association comes into effect shall be divided into shares of a par value of Hong Kong dollars 0.001 each.

(iii) *Alteration of Capital (Articles 7 and 11)*

Except so far as otherwise provided by the conditions of issue, or by the Company's Memorandum and Articles of Association, any capital raised by the creation of new shares shall be treated as if it formed part of the original capital of the Company, and such shares shall be subject to the provisions contained in the Company's Memorandum and Articles of Association with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, cancellation, surrender, voting and otherwise.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

(iv) *Share Rights (Articles 8 and 9)*

Subject to the provisions of the Cayman Companies Act and the Company's Memorandum and Articles of Association and to any special rights conferred on the holders of any shares or class of shares, any share in the Company (whether forming part of the present capital or not) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Board may determine. The rights attaching to shares of a class other than ordinary shares shall be expressed in the Company's Memorandum and Articles of Association.

Subject to the provisions of the Cayman Companies Act, the GEM Listing Rules, the Catalist Rules and the Memorandum and Articles of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.

(a) Preference shares may be issued subject to such limitations thereof as may be prescribed by the Cayman Companies Act and/or by the GEM Listing Rules or Catalist Rules (as the case may be).

(b) In the event of preference shares being issued, the total number of issued preference shares shall not at any time exceed the total number of the issued ordinary shares.

(c) Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets, and attending general meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of the undertaking of the Company, or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares is in arrear for more than six (6) months.

(d) The Company has the power to issue further preference capital ranking equally with, or in priority to, preference shares from time to time already issued or about to be issued.

(v) *Lien (Articles 22 and 23)*

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company shall also have a first and paramount lien on every share (not being a fully paid share) registered in the name of a member (whether or not jointly with other members) for all amounts of money presently payable by such member or his estate to the Company whether the same shall have been incurred before or after notice to the Company of any equitable or other interest of any person other than such member, and whether the period for the payment or discharge

of the same shall have actually arrived or not, and notwithstanding that the same are joint debts or liabilities of such member or his estate and any other person, whether a member or not. The Company's lien on a share shall extend to all dividends or other moneys payable thereon or in respect thereof, provided that such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such monies are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Board may at any time, generally or in any particular case, waive any lien that has arisen or declare any share exempt in whole or in part, from the provisions of this Article.

Subject to the Company's Memorandum and Articles of Association, the Company may sell in such manner as the Board determines any share on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is presently payable, or the liability or engagement in respect of which such lien exists is liable to be presently fulfiled or discharged nor until the expiration of fourteen (14) clear days after a notice in writing, stating and demanding payment of the sum presently payable, or specifying the liability or engagement and demanding fulfilment or discharge thereof and giving notice of the intention to sell in default, has been served on the registered holder for the time being of the share or the person entitled thereto by reason of his death or bankruptcy.

(vi) *Calls on shares (Articles 25 and 29)*

Subject to the Company's Memorandum and Articles of Association and to the terms of allotment, the Board may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium), and each member shall (subject to being given at least fourteen (14) clear days' notice specifying the time and place of payment) pay to the Company as required by such notice the amount called on his shares. A call may be extended, postponed or revoked in whole or in part as the Board determines but no member shall be entitled to any such extension, postponement or revocation except as a matter of grace and favour.

No member shall be entitled to receive any dividend or bonus or to be present and vote (save as proxy for another member) at any general meeting either personally or by proxy, or be reckoned in a quorum, or exercise any other privilege as a member until all calls or instalments due by him to the Company, whether alone or jointly with any other person, together with interest and expenses (if any) shall have been paid.

(vii) *Forfeiture of shares (Articles 34, 35, 37 and 38)*

If a call remains unpaid after it has become due and payable the Board may give to the person from whom it is due not less than fourteen (14) clear days' notice:

(a) requiring payment of the amount unpaid together with any interest which may have accrued and which may still accrue up to the date of actual payment; and

(b) stating that if the notice is not complied with the shares on which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Board to that effect, and such forfeiture shall include all dividends and bonuses declared in respect of the forfeited share but not actually paid before the forfeiture.

When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before forfeiture the holder of the share. No forfeiture shall be invalidated by any omission or neglect to give such notice.

Any share so forfeited shall be deemed the property of the Company and may be sold, re-allotted or otherwise disposed of to such person, upon such terms and in such manner as the Board determines, and at any time before a sale, re-allotment or disposition the forfeiture may be annulled by the Board on such terms as the Board determines.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but nevertheless shall remain liable to pay the Company all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares, with (if the Directors shall in their discretion so require) interest thereon from the date of forfeiture until payment at such rate (not exceeding twenty per cent. (20%) per annum) as the Board determines. The Board may enforce payment thereof if it thinks fit, and without any deduction or allowance for the value of the forfeited shares, at the date of forfeiture, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. For the purposes of this Article any sum which, by the terms of issue of a share, is payable thereon at a fixed time which is subsequent to the date of forfeiture, whether on account of the nominal value of the share or by way of premium, shall notwithstanding that time has not yet arrived be deemed to be payable at the date of forfeiture, and the same shall become due and payable immediately upon the forfeiture, but interest thereon shall only be payable in respect of any period between the said fixed time and the date of actual payment.

(viii) *Dividends and Other Payments (Articles 133, 134, 135, 136, 137, 138, 140, 141, 142(1)(a), 142(1)(b), 142(3), 142(4) and 142(5))*

Subject to the Cayman Companies Act, the Company in general meeting may from time to time declare dividends in any currency to be paid to the members but no dividend shall be declared in excess of the amount recommended by the Board.

Dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. With the sanction of an ordinary resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Cayman Companies Act.

Except in so far as the rights attaching to, or the terms of issue of, any share otherwise provide:

(a) all dividends shall be declared and paid according to the amounts paid up on the shares in respect of which the dividend is paid, but no amount paid up on a share in advance of calls shall be treated for the purposes of this Article as paid up on the share; and

(b) all dividends shall be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company and in particular (but without prejudice to the generality of the foregoing) if at any time the share capital of the Company is divided into different classes, the Board may pay such interim dividends in respect of those shares in the capital of the Company which confer on the holders thereof deferred or non-preferential rights as well as in respect of those shares which confer on the holders thereof preferential rights with regard to dividend and provided that the Board acts bona fide the Board shall not incur any responsibility to the holders of shares conferring any preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferential rights and may also pay any fixed dividend which is payable on any shares of the Company half-yearly or on any other dates, whenever such profits, in the opinion of the Board, justifies such payment.

The Board may deduct from any dividend or other moneys payable to a member by the Company on or in respect of any shares all sums of money (if any) presently payable by him to the Company on account of calls or otherwise.

No dividend or other moneys payable by the Company on or in respect of any share shall bear interest against the Company.

All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. If the depository returns any such dividend or moneys to the Company, the relevant depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six (6) years has elapsed from the date of declaration of such dividend or the date on which such other moneys are first payable. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind and in particular of paid up shares, debentures or warrants to subscribe securities of the Company or any other company, or in any one or more of such ways, and where any difficulty arises in regard to the distribution the Board may settle the same as it thinks expedient, and in particular may issue fractional shares, disregard fractional entitlements or round the same up or

down, and may fix the value for distribution of such specific assets, or any part thereof, and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Board and may appoint any person to sign any requisite instruments of transfer and other documents on behalf of the persons entitled to the dividend, and such appointment shall be effective and binding on the members. The Board may resolve that no such assets shall be made available to members with registered addresses in any particular territory or territories where, in the absence of a registration statement or other special formalities, such distribution of assets would or might, in the opinion of the Board, be unlawful or impracticable and in such event the only entitlement of the members aforesaid shall be to receive cash payments as aforesaid. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of members for any purpose whatsoever.

Notwithstanding the above, the payment by the Company to the depository of any dividend payable to a depositor shall, to the extent of the payment made to the depository, discharge the Company from any liability to the depositor in respect of that dividend payable.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on any class of the share capital of the Company, the Board may further resolve either:

(a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment; or

(b) that the members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit.

The Company may upon the recommendation of the Board by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the provisions of paragraph (1) of this Article a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to shareholders to elect to receive such dividend in cash in lieu of such allotment.

The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Article shall not be made available or made to any shareholders with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of members for any purpose whatsoever.

Any resolution declaring a dividend on shares of any class, whether a resolution of the Company in general meeting or a resolution of the Board, may specify that the same shall be payable or distributable to the persons registered as the holders of such shares at the close of business on a particular date, notwithstanding that it may be a date prior to that on which the resolution is passed, and thereupon the dividend shall be payable or distributable to them in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend of transferors and transferees of any such shares. The provisions of this Article shall *mutatis mutandis* apply to bonuses, capitalisation issues, distributions of realised capital profits or offers or grants made by the Company to the members.

(ix) *Requisition of General Meetings (Article 58)*

The Board may whenever it thinks fit call extraordinary general meetings. Any one or more member(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company (excluding treasury shares) carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

(x) *Notice of General Meetings (Articles 59(1), 59(2), 59(3) and 59(4))*

Subject to the Cayman Companies Act and the GEM Listing Rules or Catalist Rules (as the case may be), an annual general meeting and a general meeting at which the passing of a special resolution is to be considered must be called by notice of not less than twenty-one (21) clear days (excluding the date when the notice is given or deemed to be given and the date of the meeting). All other general meetings (including an extraordinary general meeting) must be called by notice of not less than fourteen (14) clear days (excluding the date when the notice is given or deemed to be given and the date of the meeting) but if permitted by the GEM Listing Rules or Catalist Rules (as the case may be), a general meeting may be called by shorter notice, subject to the Cayman Companies Act, if it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all the members entitled to attend and vote thereat; and

(b) in the case of any other meeting, by a majority in number of the members having the right to attend and vote at the meeting, being a majority together representing not less than ninety-five per cent. (95%) of the total voting rights at the meeting of all the members.

The notice shall specify the (a) date and time of the meeting, (b) save for an electronic meeting, the place of the meeting and if there is more than one meeting location as determined by the Board pursuant to Article 64A, the principal place of the meeting (the "**Principal Meeting Place**"), (c) if the general meeting is to be a hybrid or electronic meeting, the notice shall include a statement to that effect with details of the electronic platform or means by which members may attend and participate, including details on the arrangements for members to participate in the meeting using virtual meeting technology and how real-time remote electronic voting and real-time electronic communication will be conducted, (d) particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business and (e) instructions to members on how they may access any documents or information relating to the business of the meeting, submit their questions ahead of the meeting or raise questions at the meeting, the timeframe for submission of questions in advance and how the substantial and relevant questions will be responded to prior to, or at, the meeting, and cast their votes. In relation to written questions submitted ahead of the meeting, members shall have at least seven (7) calendar days from the publication of the notice to submit their written questions. The notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all members other than to such members as, under the provisions of the Company's Memorandum and Articles of Association or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a member and to each of the Directors and the auditors.

Any notice of a general meeting to consider special business shall be accompanied by a statement regarding the effect of any proposed resolution on the Company in respect of such special business.

For so long as the shares of the Company are listed on the SGX-ST, at least fourteen (14) days' notice of any general meeting shall be given by advertisement in an English daily newspaper in circulation in Singapore and in writing to the HKSE and/or SGX-ST.

(xi) *Voting (Articles 66(1), 66(2), 69, 71 and 73)*

A holder of ordinary shares shall be entitled to be present and to vote at any general meeting in respect of any share or shares upon which all calls due to the Company have been paid. Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with the Company's Memorandum and Articles of Association (including Article 75(a)(i)), at any general meeting on a poll every member present in person or by proxy or, in the case of a member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that in the case of a physical meeting, the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case, subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with the Company's Memorandum and Articles of Association (including Article 75(a)(i)), every member present in person (or being a corporation, is present by a duly authorised

representative), or by proxy(ies) shall have one vote and the chairman of the meeting may determine which proxy shall be entitled to vote where a member (other than the depository or a relevant intermediary or a clearing house) is represented by two or more proxies, provided that where more than one proxy is appointed by a member which is the depository or a relevant intermediary or a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all members a reasonable opportunity to express their views. Votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.

In the case of a physical meeting where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:

(a) by the chairman of the meeting;

(b) by at least three members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting;

(c) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting;

(d) by a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or

(e) where the depository is a member, by at least two (2) proxies representing the depository.

A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the member.

A person entitled to more than one vote on a poll need not use all his votes or cast all the votes he uses in the same way.

Where there are joint holders of any share any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be

determined by the order in which the names stand in the register in respect of the joint holding. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint holders thereof.

No member shall, unless the Board otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.

All members shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a member is required, by the GEM Listing Rules or Catalist Rules, and/or the rules, codes or regulations of any competent regulatory authority, to abstain from voting to approve the matter under consideration.

Where the Company has knowledge that any member is, under the GEM Listing Rules or Catalist Rules, and/or the rules, codes or regulations of any competent regulatory authority, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

(xii) *Proxies (Article 75)*

Any member entitled to attend and vote at a meeting of the Company or at a class meeting shall be entitled to appoint another person (including the chairman of the meeting) as his proxy to attend and vote on any matter instead of him. A member who is the holder of two (2) or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting, provided that if the member is the depository or a relevant intermediary:

(i) the depository or the relevant intermediary may each appoint more than two (2) proxies to attend and vote at the same general meeting and each proxy shall be entitled to exercise the same powers on behalf of the depository or the relevant intermediary (as the case may be) as the depository or the relevant intermediary (as the case may be) could exercise, including the right to vote individually on a show of hands or on a poll;

(ii) unless the depository specifies otherwise in a written notice to the Company, the depository shall be deemed to have appointed as the depository's proxies to vote on behalf of the depository at a general meeting of the Company each of the depositors who are individuals and whose names are shown in the records of the depository as at a time not earlier than 48 hours prior to the time of the relevant general meeting supplied by the depository to the Company and notwithstanding any other provisions in the Company's Memorandum and Articles of Association, the appointment of proxies by virtue of this Article 75(1)(ii) shall not require an instrument of proxy or the lodgement of any instrument of proxy;

(iii) the Company shall accept as valid in all respects the form of instrument of proxy approved by the depository (the "**CDP Proxy Form**") for use at the date relevant to the general meeting in question naming a depositor (the "**Nominating Depositor**") and permitting that Nominating Depositor to nominate a person or persons other than himself as the proxy or proxies appointed by the depository. A Nominating Depositor who is not a relevant intermediary may nominate not more than two (2) persons to attend and vote in his place as proxy or proxies appointed by the depository, and a Nominating Depositor who is a relevant intermediary may nominate more than two (2) persons to attend and vote in its place as proxies appointed by the depository. The Company shall, in determining rights to vote and other matters in respect of a completed CDP Proxy Form submitted to it, have regard to the instructions given by and the notes (if any) set out in the CDP Proxy Form. The submission of any CDP Proxy Form shall not affect the operation of Article 75(a)(ii) and shall not preclude a depositor appointed as a proxy by virtue of Article 75(a)(ii) from attending and voting at the relevant meeting but in the event of attendance by such depositor the CDP Proxy Form submitted bearing his name as the Nominating Depositor shall be deemed to be revoked;

(iv) the Company shall reject any CDP Proxy Form of a Nominating Depositor if his name is not shown in the records of the depository as at a time not earlier than 48 hours prior to the time of the relevant general meeting supplied by the depository to the Company; and

(v) on a poll the maximum number of votes which a depositor, or proxies appointed pursuant to a CDP Proxy Form in respect of that depositor, is able to cast shall be the number of shares of the Company credited to the securities account of that depositor as shown in the records of the depository as at a time not earlier than 48 hours prior to the time of the relevant general meeting supplied by the depository to the Company, whether that number is greater or smaller than the number specified in any CDP Proxy Form or instrument of proxy executed by or on behalf of the depository.

In any case where an instrument of proxy appoints more than one (1) proxy (including the case when a CDP Proxy Form is used), the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument of proxy.

A proxy need not be a member. On a poll or a show of hands, votes may be given either personally (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.

(xiii) *Corporations acting by representatives (Article 81)*

Any corporation which is a member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the

corporation could exercise if it were an individual member and such corporation shall for the purposes of the Company's Memorandum and Articles of Association be deemed to be present in person at any such meeting if a person so authorised is present thereat.

If a clearing house (or its nominee(s)), being a corporation, is a member, it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) including, the right to speak and vote, and where a show of hands is allowed, the right to vote individually on a show of hands, notwithstanding any contrary provisions contained in the Company's Memorandum and Articles of Association.

Where a member is the depository or a relevant intermediary (or its nominee, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be entitled to exercise the same rights and powers as if such person was the registered holder of the shares of the Company held by the depository (or its nominee) in respect of the number and class of shares specified in the relevant authorisation including the right to vote individually on a show of hands or on a poll.

(xiv) *Winding up (Article 163)*

Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares (i) if the Company shall be wound up and the assets available for distribution amongst members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed *pari passu* amongst such members in proportion to the amount paid up on the shares held by them respectively and (ii) if the Company shall be wound up and the assets available for distribution amongst the members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.

If the Company shall be wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Cayman Companies Act, divide among the members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any

one or more class or classes of property and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.

(xv) *Redemption Provisions (Articles 9 and 109)*

Subject to the provisions of the Cayman Companies Act, the GEM Listing Rules, the Catalist Rules and the Memorandum and Articles of Association of the Company, and to any special rights conferred on the holders of any shares or attaching to any class of shares, shares may be issued on the terms that they may be, or at the option of the Company or the holder are, liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.

Preference shares may be issued subject to such limitations thereof as may be prescribed by the Cayman Companies Act and/or by the GEM Listing Rules or the Catalist Rules.

In the event of preference shares being issued, the total number of issued preference shares shall not at any time exceed the total number of the issued ordinary shares.

Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets, and attending general meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of the undertaking of the Company, or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares is in arrear for more than six (6) months.

The Company has the power to issue further preference capital ranking equally with, or in priority to, preference shares from time to time already issued or about to be issued.

Any debentures, bonds or other securities may be issued at a discount (other than shares), premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.

(g) Any changes in capital

(i) *Alteration of Capital (Articles 4 and 6)*

The Company may from time to time by ordinary resolution in accordance with the Cayman Companies Act alter the conditions of its Memorandum of Association to:

(a) increase its capital by such sum, to be divided into shares of such amounts, as the resolution shall prescribe;

(b) consolidate and divide all or any of its capital into shares of larger amount than its existing shares;

(c) divide its shares into several classes and without prejudice to any special rights previously conferred on the holders of existing shares attach thereto respectively any preferential, deferred, qualified or special rights, privileges, conditions or such restrictions which in the absence of any such determination by the Company in general meeting, as the Directors may determine provided always that where the Company issues shares which do not carry voting rights, the words "non-voting" shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each class of shares, other than those with the most favourable voting rights, must include the words "restricted voting" or "limited voting";

(d) sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Company's Memorandum of Association (subject, nevertheless, to the Cayman Companies Act), and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares;

(e) cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person, and diminish the amount of its capital by the amount of the shares so cancelled or, in the case of shares, without par value, diminish the number of shares into which its capital is divided.

The Company may from time to time by special resolution, subject to any confirmation or consent required by the Cayman Companies Act, reduce its issued share capital or any capital redemption reserve or other undistributable reserve in any manner permitted by law.

(h) Any change in the respective rights of the various classes of Shares including the action necessary to change the rights, indicating where the conditions are different from those required by the applicable law

(i) *Variation of Rights (Articles 10 and 11)*

If at any time the share capital of the Company is divided into different classes of shares, subject to the provisions of the Cayman Islands law, preference capital other than redeemable preference capital may be repaid and all or any of the special rights attached to any class may be varied or abrogated with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class (excluding treasury shares) concerned (but not otherwise). To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company shall, *mutatis mutandis*, apply, but so that:

(a) the necessary quorum (including at an adjourned meeting) shall be two persons (or in the case of a member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class (excluding treasury shares); and

(b) every holder of shares of the class shall be entitled to one vote for every such share held by him.

The special rights conferred upon the holders of any shares or class of shares shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied, modified or abrogated by the creation or issue of further shares ranking *pari passu* therewith.

(i) Any time limit after which a dividend entitlement will lapse and an indication of the party in whose favour this entitlement then operates *(Article 140)*

All dividends or bonuses unclaimed for one (1) year after having been declared may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. Any dividend or bonuses unclaimed after a period of six (6) years from the date of declaration shall be forfeited and shall revert to the Company. If the depository returns any such dividend or moneys to the Company, the relevant depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six (6) years has elapsed from the date of declaration of such dividend or the date on which such other moneys are first payable. For the avoidance of doubt, no member or depositor shall be entitled to any interest, share of revenue or other benefit arising from any unclaimed dividends or bonuses, howsoever and whatsoever. The payment by the Board of any unclaimed dividend or other sums payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof.

(j) Any limitation on the right to own shares including limitations on the right of non-resident or foreign shareholders to hold or exercise voting rights on the shares

(i) *Shares (Article 12(1))*

Subject to the Cayman Companies Act, these Articles, any direction that may be given by the Company in general meeting and, where applicable, the GEM Listing Rules or Catalist Rules and without prejudice to any special rights or restrictions for the time being attached to any shares or any class of shares, the unissued shares of the Company (whether forming part of the original or any increased capital) shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions as the Board may in its absolute discretion determine but so that no shares shall be issued at a discount to their nominal value. Neither the Company nor the Board shall be obliged, when making or granting any allotment of, offer of, option over or disposal of shares, to make, or make available, any such allotment, offer, option or shares to members or others with registered addresses in any particular territory or territories being a territory or territories where, in the absence of a registration statement or other special formalities, this would or might, in the opinion of the Board, be unlawful or impracticable. Members affected as a result of the foregoing sentence shall not be, or be deemed to be, a separate class of members for any purpose whatsoever.

(ii) *Dividends and other payments (Articles 142(1) and 142(4))*

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on any class of the share capital of the Company, the Board may further resolve either:

(a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the members entitled thereto will be entitled to elect to receive such dividend (or part thereof if the Board so determines) in cash in lieu of such allotment; or

(b) that the members entitled to such dividend shall be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board may think fit.

The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (1) of this Article shall not be made available or made to any shareholders with registered addresses in any territory where, in the absence of a registration statement or other special formalities, the circulation of an offer of such rights of election or the allotment of shares would or might, in the opinion of the Board, be unlawful or impracticable, and in such event the provisions aforesaid shall be read and construed subject to such determination. Members affected as a result of the foregoing sentence shall not be or be deemed to be a separate class of members for any purpose whatsoever.

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Industry Report on the Precision Engineering Industry

September 2026

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RESEARCH METHODOLOGY

The information and data collected by China Insights Industry Consultancy Limited ("**CIC**") have been analysed, assessed and validated using CIC's in-house analysis models and techniques. Primary research was conducted via interviews with key industry experts and leading industry participants. Secondary research involved analysis of market data obtained from several publicly available data sources, such as government-issued reports/resources, company reports/resources, independent research reports/resources and CIC's internal database. The research methodology used by CIC is based on information gathered from multiple sources. Based on the aforementioned, we consider the data and statistics herein to be reliable.

This report has been prepared for inclusion in the offer document of Metasurface Technologies Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") to be issued in connection with the initial public offering, and listing, of shares in the capital of the Company on the Catalist Board, the sponsor-supervised listing platform of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

BASIS AND ASSUMPTIONS

The market projections are based on the following key assumptions: (a) the overall social, economic, and political environment in Asia is expected to remain stable during the forecast period between 2026 and 2030 (the "**Forecast Period**"); (b) the global economy is likely to maintain a steady growth trajectory during the Forecast Period, accompanied by sustained urbanisation; (c) related key industry drivers are likely to propel continued growth in the precision engineering industry, both globally and in Singapore throughout the Forecast Period, for reasons such as the evolving support ecosystem and incentive policies, technological breakthroughs in precision engineering industry, and increasing demand from downstream application scenarios; and (d) that there is no force majeure event or unforeseen industry regulation in which the industry may be affected in either a dramatic or fundamental way during the Forecast Period. Forecasts, estimates, predictions and other forward-looking statements are based on our current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements.

All statistics are reliable and based on information available as of the date of this report. Other sources of information, including those from the government, industry associations, or market participants, may have provided some of the information on which the analysis or its data is based. All the information regarding the Group has been sourced from the Group's audited reports or management interviews. The information concerning and provided by the Group has not been independently verified by China Insights Consultancy.

For and on behalf of China Insights Industry Consultancy Limited

Julia Zhu
Partner
28 September 2026

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DEFINED TERMS

AI: Artificial Intelligence

AS 9100: An aerospace quality management system standard

AS 9100 D: Revision D of AS9100, an aerospace quality management system standard

ASME: The American Society of Mechanical Engineers

ASEAN: The Association of Southeast Asian Nations

AWS: American Welding Society

bizSAFE: A Singapore workplace safety and health capability-building programme

CAD: Computer-Aided Design

CAGR: Compound Annual Growth Rate

CAM: Computer-Aided Manufacturing

CMs: Contract Manufacturers

CNC: Computer Numerical Controls

Company: Metasurface Technologies Holdings Limited, a company incorporated on 7 December 2021 in the Cayman Islands with limited liability

EPAs: Economic Partnership Agreements

ESD S20.20: Electrostatic Discharge S20.20, an electrostatic discharge control programme standard

etc.: Et cetera

EU: The European Union

Group: Metasurface Technologies Holdings Limited together with its subsidiaries

IAFT 16949: International Automotive Task Force 16949, an automotive quality management system standard

IDP: Precision Engineering Industry Digital Plan

IMF: International Monetary Fund

IoT: Internet of Things

ISO: International Organisation for Standardisation

ISO 10683: specifies requirements for non-electrolytically applied zinc flake coating systems for steel fasteners

ISO 11408: specifies requirements for black oxide coatings on iron and steel

ISO 13485: quality management systems in the design and manufacture of medical devices

ISO 14001: standard for environmental management systems

ISO 14644: specifies the classification of air cleanliness in cleanrooms and clean zones

ISO 15730: a standard specifying requirements and test methods for electropolishing stainless steel alloys

ISO 16232: specifies requirements for applying and documenting methods for determining particulate contamination on functionally-relevant components and systems of road vehicles

ISO 22301: international standard for Business Continuity Management Systems

ISO 27001: Information Security management System

ISO 29001: quality management system requirements for product and service supply organizations to the petroleum, petrochemical and natural gas industries

ISO 45001: specifies requirements for an Occupational Health and Safety Management System

ISO 8501: specifies a series of rust grades and preparation grades of steel surfaces

ISO 9001: standard for quality management

ITAR: International Traffic in Arms Regulations

ITMs: Industry Transformation Maps

kHz: kilohertz

MEMS: Micro-Electromechanical Systems

MIG: Metal Inert Gas

mm: Millimetre

MRO: Maintenance, repair and overhual

NADCAP: National Aerospace and Defense Contractors Accreditation Program

OEMs: Original Equipment Manufacturers

QC: Quality Control

RBA VAP: Responsible Business Alliance Validated Assessment Program

RCEP: Reginal Comprehensive Economic Partnership

Real-time SPC: Real-time Statistical Process Control

RoHS: Restriction of Hazardous Substances

R&D: Research and Development

SEMI: Semiconductor Equipment and Materials International

S$: Singapore Dollar

SKUs: Stock Keeping Units

SSQA: Standardized Supplier Quality Assurance

STEM: Science, Technology, Engineering and Mathematics

TAM: Total Addressable Market

TIG: Tungsten Inert Gas

U.S.: The United States

μm: Micrometre

EXECUTIVE SUMMARY

This report provides an overview of the precision engineering industry, comprising the precision component engineering and system integration segments, both globally and in Singapore. It highlights key developments, market size, growth drivers, application trends, the competitive landscape and future outlook of the industry, with a particular focus on the precision component engineering industry. The key findings of this independent market research report are set out below.

Commercialisation of Precision Component Engineering

The commercialisation trajectory of the global precision component engineering industry (involves the manufacturing of metal components, primarily through precision machining and precision welding) has evolved from a focus on traditional product sales to the adoption of diversified business models. Initially, companies primarily generated revenue through the direct sale of high-precision instrumentation and equipment, typically relying on one-off, large-scale transactions. However, driven by continuous technological advancements and increasingly refined market demands, the industry has gradually shifted towards a model that places greater emphasis on long-term service provision. Many companies have begun offering comprehensive after-sales services, including the maintenance, calibration, and upgrading of precision components, which have emerged as a vital source of stable revenue. Furthermore, technological progress has expanded the range of application scenarios for precision components. The application of precision components has broadened from traditional industrial sectors to encompass sectors demanding high-performance precision components, such as the semiconductor sector, aerospace sector and oil and gas sector, where equipment must withstand extreme operating environments. Overall, the commercialisation models within the precision component engineering industry are trending toward greater diversification and application domains; companies no longer rely solely on the sale of standalone products but instead enhance their profitability and foster customer loyalty through the provision of value-added services.

Market Size and Growth

The global precision engineering industry has entered a stable growth phase. From 2020 to 2025, the global market expanded from S$398.2 billion to S$547.0 billion, representing an CAGR of 6.6%. This stable growth was primarily fuelled by the dual surge, the wave of “Industry 4.0” intelligence and the industrialisation demands of emerging markets. By 2030, the global market is projected to reach S$708.8 billion, with a CAGR of 5.3% from 2025 to 2030. Semiconductor and aerospace sectors will remain the dominant sectors, followed by the oil and gas and data storage sectors. Singapore, a leader in the Southeast Asian region in the precision engineering industry, had its market size grow from S$9.4 billion in 2020 to S$11.4 billion in 2025, with a forecasted rise to S$15.3 billion by 2030 with a CAGR of 6.0% from 2025 to 2030. This trajectory reflects Singapore's policy support, strong R&D ecosystem, and advanced precision engineering deployment.

Market Drivers

Key drivers behind the growth in the precision component engineering industry include:

- **Downstream Industrial Advancements Drive Increasing Demand for Precision Components:** The precision component engineering industry's growth is driven by stringent demands from high-end manufacturing. This stems from industrial advancements in key sectors: semiconductors require high-precision components, aerospace having higher safety requirements, oil and gas having higher environmental standards, and data storage pursuing miniaturisation and high performance. These sectors demand superior precision, reliability, and customisation, resulting in increasing demand for precision components. This solidifies a strong foundation for the precision engineering industry's growth.

- **Advanced Manufacturing Technologies and Material Iterations Expand the Boundaries of Precision Component Engineering Industry Development:** The core driver of advanced manufacturing technology is the fusion of ultra-precision machining, new materials, and smart digital control. Ultra-precision manufacturing, integrating both additive and subtractive manufacturing, breaks traditional bottlenecks, boosting production efficiency of complex parts and enabling high-performance mass production. Meanwhile, materials like titanium alloys push components toward lighter, stronger, and more corrosion-resistant forms. Smart digital control enhances manufacturing precision, consistency, and efficiency by enabling automation and real-time monitoring of complex processes. This leap in capability breaks technology barriers, drives high-value upgrades, and meets rising downstream demands.

- **Policy Support from Various Countries Provides Development Opportunities for the Global Precision Component Engineering Industry:** Government policy support is crucial for the growth of the global precision component engineering industry, and policy support is driven by countries' strategic focus on manufacturing self-reliance. Targeted measures, including R&D subsidies and tax relief, channel resources into precision machining core technology, easing cost pressures, while export support opens overseas markets. This boosts R&D and strengthens competitiveness, ensuring stable, long-term growth in the industry.

Future Trends

Key trends expected to drive the future development of the precision component engineering industry include:

- **Future Path of Global Precision Component Engineering Industry Lies in Multi-Dimensional Breakthroughs and Integrated Innovation:** Future precision component engineering will advance through miniaturisation, integration, and multi-dimensional technology breakthroughs. Apart from shrinking size, new materials and designs boost

performance while simplifying structure and cutting costs of production. Integrated feedback modules combine detection, analysis, and data transmission for higher accuracy and efficiency. This enables reliable operation in extreme scenarios ranging from semiconductor components in sensitive environments, aerospace components in harsh conditions, to deep-oil exploration, meeting demands for portability and adaptability. These trends drive the industry toward more efficient, flexible, and resilient solutions.

- **Use of Artificial Intelligence and Automation Lead to the Advancement of Precision Component Engineering Industry, Empowering High-Quality Development Across Multiple Industries:** The precision component engineering industry will advance through use of intelligent, automated equipment integrating AI and machine learning. This enables real-time monitoring, dynamic adjustments, and self-calibration, reducing human error in sectors like semiconductors and aerospace. Key applications, such as chip manufacturing, will feature intelligent feedback and defect warnings. This shift sets new benchmarks for precision and reliability across semiconductors, aerospace, oil and gas and data storage.

- **Increasing Government Support for Precision Component Engineering Industry:** Currently, major economies are increasingly prioritising the independent research and development of high-end precision components and advanced manufacturing capabilities at a national strategic level. Governments are also providing systematic support for technological innovation through measures such as special funding programmes, tax incentives and favourable government procurement policies, which are expected to further promote technological advancement and industry development.

Future Opportunities

Key opportunities expected to support the future growth of the precision component engineering industry include:

- **Market Growth Opportunities Arising from the Expansion of Emerging Applications for Precision Component Engineering:** Precision component engineering is widely used in semiconductors, aerospace, data storage, and oil and gas. Applications include monitoring energy consumption in low-altitude aircraft and verifying material compatibility in semiconductor packaging and testing. These emerging scenarios boost demand for highly adaptable precision components, allowing enterprises to leverage their technological advantages to explore new market needs.

- **Technological Breakthroughs Bring Opportunities for Global High-end Precision Component Engineering Industry:** The global high-end market is dominated by international leaders, creating opportunities for independent innovation and R&D. Focus areas include semiconductor testing equipment, nano-scale metrology instruments, and extreme-condition instruments, helping break international technological monopolies.

- **Value Enhancement Opportunities Brought about by the Integrated Transformation of Equipment and Services:** Most enterprises currently treat after-sales maintenance and data applications as auxiliary. The trend is integrating equipment, software, and services, extending the industrial chain through customized offerings and participating in customer R&D, production, and quality control, which increases profitability and supports long-term competitiveness.

Competitive Landscape

Singapore's advanced manufacturing ecosystem attracts global firms, including semiconductor players. To assess the Group's market position, we benchmarked against peers with similar industry focus, precision engineering capabilities, and expert-validated data from annual reports and government sources. In 2025, the Group ranked 5th in Singapore's precision component engineering industry within the semiconductor segment, with a market share of 3.7% in terms of revenue. While the supplier landscape remains fragmented, with over 300 precision component engineering players and the top 10 accounting for 50.1% of the market in 2025, the customer landscape is comparatively concentrated. This reflects the dominance of a few semiconductor OEMs, with the top three OEMs contributing more than 40% of global semiconductor equipment revenue.

Further, the customised nature of precision components fosters deep and long-standing supplier-client relationships, creating high barriers to entry due to the technological expertise, capital investment and relationship-building required. As a result, OEMs face increasing switching costs arising from the time, cost and technical requirements associated with qualifying new suppliers, thereby enabling established precision component engineering players to maintain and gradually expand their market share.

Competitive advantage of the Group

The Group provides one-stop precision engineering services, with a primary focus on precision component engineering comprising precision machining and precision welding. The Group delivers customised solutions through its advanced and integrated precision engineering capabilities, primarily serving Fortune 500 customers. Its precision-engineered components are incorporated into specialised equipment and machinery serving the semiconductor, aerospace, data storage and oil and gas industries. In particular, in the semiconductor sector, the Group's components support OEMs in the manufacture of wafer production equipment used to produce memory chips, as well as logic and analogue chips. The Group also supplies components used in commercial aircraft, hard disk drive manufacturing equipment and oil and gas applications such as jack-up rigs and oil tools.

- **Established long-standing business relationships with reputable international customers:** The Group serves as a long-term strategic supplier to global OEMs and CMs, having passed stringent supplier qualification assessments. It is recognised as a key

industry partner with a strong market reputation for reliable, high-quality precision engineering services.

- **Advanced machinery and technological know-how:** The Company operates approximately 70 CNC machines, including 5-axis models to optimise efficiency and cost control. Its large vacuum chambers deliver industry-leading precision of ±5 μm. Production capacity and utilisation for customised projects are measured by machine hours, which is based on the total number of machine hours operated against the maximum machine hours available. This complies with industry norms, for instance, the industry average utilisation rate of production facilities of precision machining and precision welding generally ranged from 40% to 80%. This wide range reflects varying operational circumstances and industry demands.

- **Seasoned and visionary management team supported by technical talents:** The Group has an experienced management team and a skilled workforce. Regular training is provided to continuously upgrade management expertise and technical capabilities.

- **Possession of necessary certifications and qualifications:** The Group has obtained industry qualifications in production technology and quality control system. For instance, the Group satisfies the relevant criteria under SSQA for precision machining services in the semiconductor industry.

Conclusion

The precision component engineering industry is fundamentally driven by escalating demands from high-end manufacturing sectors such as semiconductors, aerospace, oil and gas and data storage which require exceptional precision, reliability, and customisation. This necessitates continuous innovation in precision component engineering, for example, new materials like titanium alloys, and the integration of intelligent technologies. The market structure varies by region and segment; for instance, Singapore's semiconductor-focused sector is dominated by a few key players, characterized by high entry barriers due to technological expertise and deep, interdependent customer relationships. Global policy support, evolving standards, and trade dynamics further shape the competitive landscape, while business models are shifting towards data-driven services. Ultimately, the industry is progressing towards miniaturized, intelligent, and highly reliable solutions to meet the complex challenges of next-generation applications.

1. Overview of the Precision Engineering Industry

1.1 Definition and classification of the precision engineering industry

The precision engineering sector comprises two main segments: (i) precision component engineering and (ii) system integration (full system and subsystems that are assembled together with components and/or subsystems).

Precision component engineering involves the manufacturing of metal components, primarily through precision machining and precision welding (a joint where two or more parent materials are welded together), which are key value-adding processes that require tight tolerances. Depending on specific requirements, additional procedures such as precision surface treatment, precision metal fabrication, heat treatment, or subassembly (a simple assembly of cable, wire, and other small parts. Subassemblies can be joined to other subassemblies and components to form complete product) may also be required or performed. The production of precision components (the products of precision engineering, which refers to metal components manufacturing primarily through precision machining and precision welding, the main value-added process, with tight tolerance), may draw on one or more of these services.

Classification	Definition
Precision machining	• Precision machining is a manufacturing technique that involves removing excess material from a workpiece with exceptional accuracy to produce components that meet tight tolerance specifications. Various types of machining processes are employed, including turning, milling, grinding, and drilling.
Precision welding	• Precision welding refers to the technique of applying welds to a workpiece with a high degree of accuracy and control. Typically employed for small components, parts with stringent dimensional requirements, or applications where the weld line must be minimally visible. Various welding techniques may be employed, including TIG welding, plasma arc welding, MIG welding, laser welding and electron beam welding.
Others	• Others include precision surface treatment, precision metal fabrication, heat treatment, system integration, etc.

Source: China Insights Consultancy

System integration, refers to the assembly of full systems or subsystems, which are built by integrating individual components with other subsystems.

These two segments impose distinct demands on market participants, including variations in technical expertise, manufacturing technology, and capital investment. The precision engineering industry supports a diverse range of end-use sectors, including semiconductors,

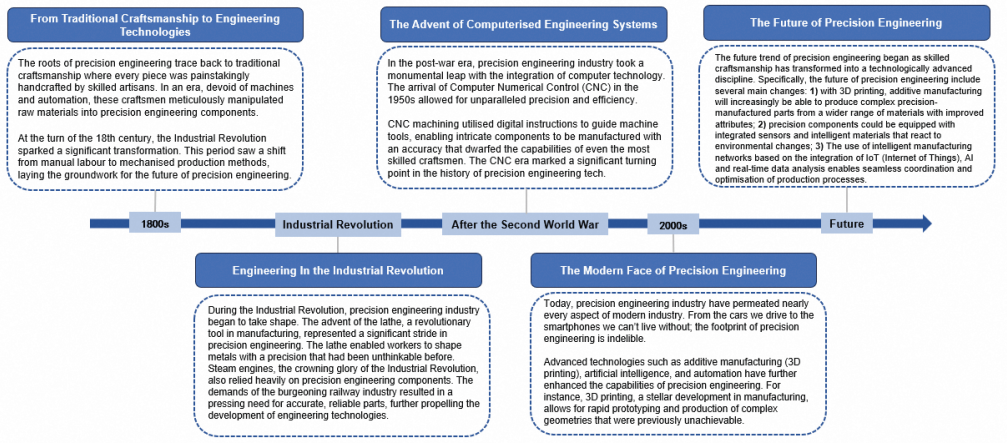
aerospace, oil and gas and data storage. It also serves specialized areas such as display technology, consumer electronics, and data storage. Consequently, the industry's growth is closely tied to the broader trends and performance of the end-use markets it serves.

Customers in certain end-use industries frequently require their suppliers to obtain industry-specific certifications. The certification process can be lengthy, often taking anywhere from six months and up to three years to complete. In the semiconductor industry, one key certification is the SSQA, a quality management system certification that serves as a critical pre-requisite for leading semiconductor OEMs when selecting suppliers. The assessment process involves an initial self-evaluation by the supplier, followed by a validation of the findings by the customer. In the aerospace industry, widely adopted quality management systems include AS9100 and NADCAP. These certifications are essential prerequisites for major aerospace companies like Boeing and Airbus when evaluating and choosing suppliers. For the oil and gas industry, ISO 29001 is the commonly required quality management system. This standard specifies requirements for quality management in the design, development, production, installation, and servicing of products related to the petroleum, petrochemical, and natural gas sectors. For the data storage sector, key certifications may include ISO 9001 for quality management systems, ISO 27001 for information security, and Uptime Institute's Tier Certification for data storage infrastructure performance. Additionally, precision engineering firms serving data storage customers often seek ISO 14644 certification for cleanroom standards, particularly when manufacturing sensitive components such as cooling systems, power distribution units, or server enclosure parts that require contamination-free environments.

1.2 Key development history of the precision engineering industry

The development history of the precision engineering industry is a fascinating journey, driven by the relentless human pursuit of accuracy.

Precision engineering industry development history



Source: China Insights Consultancy

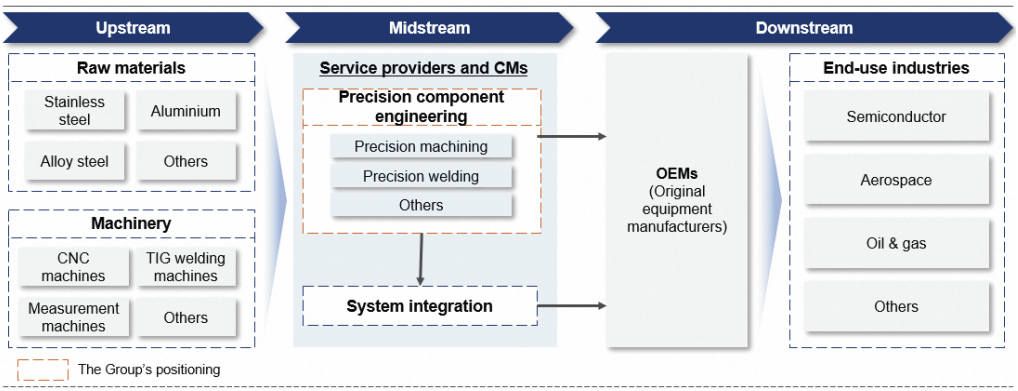
Precision engineering has a rich history that dates back to the Industrial Revolution. The

demand for more efficient machinery led to the development of precision tools and techniques that laid the foundation for modern manufacturing processes. From the first assembly lines to today's computer-controlled production methods, the evolution of precision engineering has been a journey of constant innovation and refinement. Advancements in materials science and technology have played a crucial role in shaping the field of precision engineering. From the discovery of new lightweight alloys to the development of high-strength composites, each breakthrough has opened new possibilities for enhancing performance and fuel efficiency in precision engineering industry.

1.3 Value chain of the precision engineering industry

The value chain within the precision engineering sector is typically structured into three segments: upstream, midstream, and downstream. Firms operating in the midstream segment generate considerable value by specializing in precision component engineering and the integration of complex systems.

Value chain of the precision engineering industry



Source: China Insights Consultancy

Upstream:

The upstream segment of the precision engineering industry is made up of suppliers of raw materials and machinery. Key raw materials frequently used include stainless steel, aluminium, and various alloy steels. On the machinery side, a wide range of equipment is employed, such as CNC machines and TIG welding units. Currently, CNC machines are the predominant technology used for material processing. In this industry, it is typical for CMs (CMs manufacture products, in whole or in part, based on specifications provided by their customers, and the resulting products are typically sold under the customers' brand names) and service providers to share overlapping customer and supplier bases. For instance, a raw material supplier might itself require precision engineering services to manufacture or maintain its own equipment. This interconnectedness is driven by several factors: the high level of maturity and transparency within the precision engineering sector, the close and synergistic relationships that exist between business partners, and the critical need for highly specialized expertise at every stage of the supply chain.

Midstream:

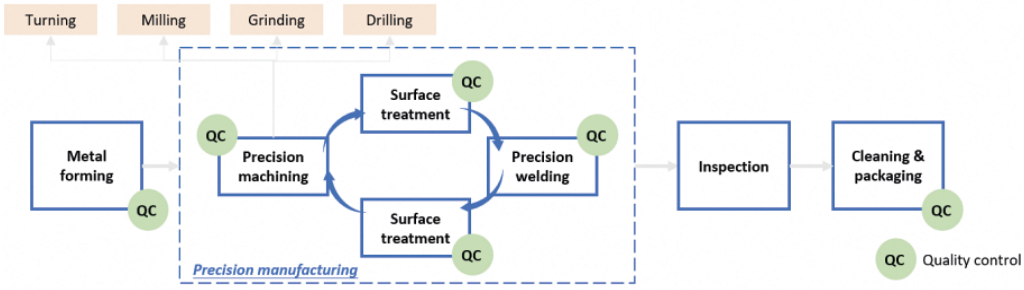
The midstream segment of the precision engineering industry is made up of service providers and CMs. Service providers primarily undertake orders from both CMs and OEMs for precision component engineering. In contrast, CMs receive orders directly from OEMs and may delegate portions of the production process to service providers through subcontracting. The core function of service providers is to deliver precision component engineering and associated services, which may include component testing and minor assembly that complement the manufacturing process. Meanwhile, CMs are chiefly responsible for manufacturing and assembling precision components according to the specifications provided by OEMs. It is a widespread practice for both service providers and CMs to subcontract certain stages of their work to other service providers operating within the same value chain.

Downstream:

The downstream segment of the precision engineering industry is made up of OEMs and the various end-user sectors that utilize their products. These key end-use industries primarily include semiconductors, aerospace, and oil and gas, among others. OEMs often delegate either all or part of the engineering and manufacturing processes for their final products to specialized suppliers, such as CMs and service providers. To uphold product quality, OEMs may also require CMs to source specific components from pre-approved, certified service providers.

1.4 Precision engineering process

An example of the whole process to produce a semiconductor related precision component



Source: China Insights Consultancy

Precision engineering encompasses two main areas: **precision component engineering and system integration**. Under precision component engineering, the specific manufacturing processes involved can vary considerably based on the end-use industry and the product being made. In the case of semiconductor-equipment-related components, a typical production workflow includes steps such as metal forming, precision machining, precision welding, surface treatment, inspection, and cleaning and packaging. Among these, precision machining and precision welding are commonly regarded as core processes within the manufacturing process. Quality control plays a critical role throughout the entire workflow and is typically integrated into

every stage of the manufacturing process.

Precision machining is a complex and value-added manufacturing process involving various operations, including turning, milling, grinding and drilling, to achieve precise dimensional specifications. It involves shaping materials, such as aluminium and other metals, to exact specifications primarily through the use of CNC machines, which are advanced computer-controlled tools widely employed across the precision engineering industry. Utilizing CNC machines[1] and other advanced equipment, precision machining cuts and shapes materials to achieve stringent requirements relating to dimensions, geometry and surface finish. The process is primarily controlled by CNC systems and supported by CAD and CAM software such as SolidWorks, Mastercam, and HyperMill.

Precision welding refers to the technique of applying welds to a workpiece in a highly controlled and accurate manner, to achieve tight dimensional tolerances. Various welding methods exist, including TIG, plasma arc and MIG welding. TIG welding is often regarded as producing the highest quality welds, as it gives the operator greater manual control, allowing for strong joins without damaging the base material. This process demands considerable skill and precision. To automate manual welding, orbital welding machines can be integrated with TIG systems, enhancing both safety and efficiency. For applications requiring high-purity precision welds, such as tack welding and orbital welding, work must be carried out in a cleanroom environment, typically ranging from Class 1 to Class 10,000. The ability to operate higher-level cleanrooms, particularly Class 100 and above, is considered a mark of advanced capability in the industry.

In addition, various finishing and surface treatment processes are also involved in the manufacturing process to enhance product quality, including rust and wear resistance, and functional performance. Mechanical polishing is used to smooth surfaces by removing scratches and discoloration from tubes and pipes through mechanical force. This step is generally only necessary for products not manufactured within a cleanroom. Heat treatment is a controlled process of heating and cooling metal to alter its mechanical properties without reaching the melting stage. Electropolishing is an electrochemical finishing technique that enhances the surface quality of metals like stainless steel by removing a fine outer layer. This procedure does not require a cleanroom environment and is typically outsourced to specialized third-party providers, due to the need for specific equipment and relevant licensing.

As part of quality control, a final inspection is conducted once manufacturing processes are complete. This may include visual checks and helium leak testing. Helium leak testing uses ultra-high vacuum equipment to detect and measure leaks into or out of components, employing high-purity helium gas for accuracy.

[1] CNC machines refer to automated machining equipment operated through pre-programmed computer numerical control systems that enable precise and consistent motion control during the manufacturing process.

Following inspection, cleaning and packaging are typically carried out in a cleanroom to eliminate contaminants like dust and airborne microbes. This process is especially critical for products such as gas pipes, pharmaceutical equipment, and semiconductor components. Items that require cleanroom cleaning are often treated with high-frequency sound waves (usually 50 kHz) in a solution of high-purity water and chemicals to remove stains and particulates. For components that do not require cleanroom conditions, electroplating is commonly applied. This technique uses a direct electric current to deposit a metal coating onto parts, helping to prevent oxidation and corrosion.

Within the semiconductor sector, the ability to perform both precision machining and precision welding is essential for the production of complex components. Precision machining facilitates the accurate fabrication of delicate parts, while precision welding allows for their assembly to stringent tolerance requirements, thereby ensuring the performance and reliability of the end products.

For processes such as chemical cleaning, electropolishing, and surface treatment, companies may be required to comply with several regulatory and industry-specific standards depending on the techniques and chemicals employed. These include:

(i) ISO certifications like ISO 16232, ISO 8501, ISO 10683, ISO 11408, and ISO 15730;

(ii) Hazardous Substances Permit Control from Singapore's National Environment Agency (NEA), which governs the handling of dangerous chemicals; and

(iii) Trade-specific credentials such as the nickel electroplating certification from the American Electroplaters and Surface Finishers Society (AESF), which validates proficiency in that area.

Products manufactured through precision welding include the following:

(i) Water lines: employed for water supply or cooling functions;

(ii) Vacuum lines: utilized to operate equipment components such as shutters through opening and closing mechanisms; and

(iii) Gas lines: designed to transport various types of gases and must be produced within a cleanroom environment.

Mechanical assembly is applied in the assembly of large and complex products. Following the mechanical assembly process, assembly testing is carried out to verify that all parts are positioned correctly and conform to the required specifications.

1.5 Business and pricing models of major participants in the precision engineering industry

Service providers add significant value to finished products through specialised manufacturing processes such as precision machining, precision welding and assembly services, which are typically carried out using advanced manufacturing equipment and require technical expertise and high production accuracy. Due to the inherent characteristics of the industry, many service providers and CMs derive a significant portion of their revenue from a relatively small number of major customers and typically operate on a cost-plus pricing model.

Business model

a) Service Providers:

Service providers primarily receive orders from both CMs and OEMs for component manufacturing and sub-assembly work.

a.i Metasurface Technologies Holdings Limited:

The Group which is headquartered in Singapore, provides one-stop precision engineering services, with a primary focus on precision component engineering comprising precision machining and precision welding. The Group delivers customised solutions through its advanced and integrated precision engineering capabilities, primarily serving Fortune 500 customers.

a.ii UMS:

UMS, headquartered in Singapore, supplies components, modules, and integration systems to OEMs, primarily within the semiconductor industry. In 2021, the company expanded into the aerospace sector as a new business segment. Its production operations are based in Singapore, Malaysia, and California, U.S., with a new factory in Penang completed in 2022. The company's primary sales markets are Singapore and the U.S..

b) Contract manufacturers:

Contract manufacturers receive orders directly from OEMs and often subcontract portions of the production process to service providers. Their primary responsibility is to perform assembly work in accordance with the specifications provided by OEMs.

b.i Celestica:

Based in Toronto, Celestica offers global customers innovative supply chain solutions across two business segments: Advanced Technology Solutions, which focuses on industrial, aerospace and defence, healthtech and capital equipment markets, and Connectivity & Cloud Solutions, which focuses on communications, enterprise and cloud-related solutions. The company's services span design and development, engineering, component sourcing, assembly, testing, systems integration, and precision machining.

b.ii UCT:

Based in the U.S., UCT is a leading provider of critical subsystems, components, and ultra-high purity cleaning and analytical services for the semiconductor industry. With manufacturing

facilities strategically located in lower-cost regions like Singapore and Malaysia, the company is able to deliver cost-competitive solutions.

Pricing model

The precision engineering industry is highly fragmented. Most players in the market, including both service providers and CMs use a cost-plus pricing approach to set their prices. Under this model, they calculate the total material and production costs and then add a desired gross profit margin to determine the final selling price. This pricing strategy requires relatively little effort to implement while ensuring that all costs are covered and a consistent rate of return is achieved. For the majority of companies in this space, gross profit margins typically range from approximately 10% to 40%.

Pricing decisions are also influenced by (i) technical specifications; (ii) production schedules; and (iii) projected sales volumes. For CMs, subcontracting expenses are an additional consideration, particularly when certain manufacturing processes are outsourced.

Determining an average selling price is not feasible because (i) companies offer a wide range of customized SKUs, and (ii) manufacturing is a value-added service. Prices vary substantially due to differences in product specifications, which are tailored to customer needs and influenced by the required degree of precision and complexity.

1.6 Analysis on pricing mechanism and margin sustainability to support the growth of the precision engineering industry

1) Cost-plus pricing and technology complexity premium

Precision engineering manufacturers often employ a cost-plus pricing model, which adds profit margins based on the complexity of the technology, on top of raw material costs, labour, machining time, and management expenses. High-precision tolerance requirements, the application of advanced materials (such as titanium alloys), and multi-axis CNC machining technology form the basis for this premium. The high barriers to entry in the precision engineering industry, including specialized equipment, quality certifications (such as semiconductor and aerospace industry standards), and the accumulated technological expertise within the industry, support profit margins. Companies that fail to upgrade their processing capabilities in a timely manner face the risk of compressed profit margins, as customers may switch to suppliers with more advanced processing technologies.

2) Long-term customer relationships and value-driven pricing

The precision engineering industry's revenue is highly dependent on long-term supply relationships with downstream customers. In terms of pricing mechanisms, companies typically employ a value-oriented pricing model, where prices are primarily based on the precision and quality of the product's processing within the customer's production process, as well as large-

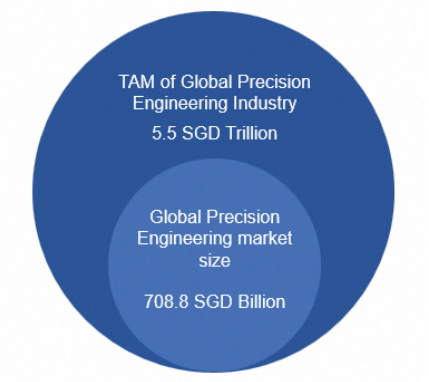
scale delivery capabilities, rather than a simple cost-plus markup. Particularly in the area of key components that directly impact customers' core production efficiency, suppliers with top-tier processing capabilities can achieve stable profit returns through deeply integrated, long-term partnerships. Furthermore, once suppliers pass stringent certifications to enter high-barrier, highly regulated industries such as semiconductors, aerospace, oil and gas, and data storage infrastructure, they often enjoy sustained bargaining power across multiple product lifecycles, thus building a robust profit moat.

3) Economies of scale and automation technology boost profit margins in the precision engineering industry

Automation and production scale are critical to improving profit margins within the precision engineering industry. Leading enterprises in this sector make substantial investments in CNC automation, robotics, and intelligent manufacturing systems; by doing so, they simultaneously enhance production consistency and reduce unit labour costs. Higher equipment utilisation rates also help amortize fixed costs, such as those associated with expensive machining equipment. As production volumes rise—driven by expanding sectors such as semiconductor equipment and data storage infrastructure, companies can boost their operating profit margins through economies of scale. However, the capital-intensive nature of the precision engineering industry renders profit margins sensitive to demand cycles. When certain end markets enter a downturn, declining capacity utilisation temporarily compresses profit margins, thereby underscoring the importance of cultivating a diversified client portfolio across multiple high-growth industries.

1.7 Growth potential, total addressable market, and market penetration of the global precision engineering industry

Global Precision Engineering Market, 2030E



Source: China Insights Consultancy

The Total Addressable Market (TAM) for global precision engineering industry refers to the estimated market size under an optimistic scenario through 2030. Among various manufacturing industries, the semiconductor industry is characterised by high value-added

production, stringent precision requirements and advanced technological sophistication. As a result, the contribution of precision engineering within the semiconductor industry represents one of the highest levels among various manufacturing industries globally. With upgrading industries and advanced technologies globally, manufacturing industries are increasingly evolving towards higher precision engineering requirements and capabilities. Under an idealised assumption, manufacturing industries globally would gradually evolve towards a similar level of precision engineering intensity as the semiconductor industry. If every industry was to adopt the precision engineering intensity of the semiconductor sector, the TAM of global precision engineering industry is estimated at S$5.5 trillion in 2030E, representing the full potential market size.

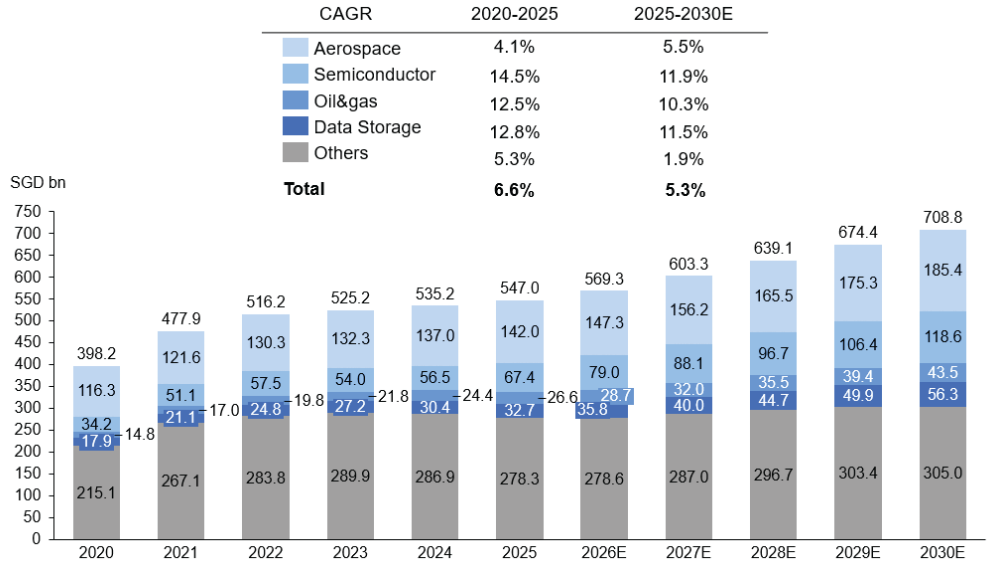
The 2030E penetration rate is calculated as the global precision engineering market size of S$708.8 billion divided by the estimated TAM of S$5.5 trillion, which is approximately 12.9%, implying that the global precision engineering industry remains far from realizing its full theoretical potential, with substantial room for long-term growth as industries increasingly adopt advanced manufacturing and automation technologies.

Growth potential: The global precision engineering industry is currently garnering significant attention, driven by growth opportunities stemming from the convergence of technological leaps and industrial transformation. From the demand side, the core impetus for growth in the precision engineering industry lies in the downstream industries' relentless pursuit of ultimate precision. In the semiconductor realm, as chip manufacturing processes approach their physical limits, there has been a surge in demand for nanometre-tolerance components required by critical equipment such as lithography machines. Meanwhile, advancements in commercial aerospace turbines have imposed exceptionally stringent requirements on key components, such as turbine blades and combustion chambers, demanding extreme heat resistance and high reliability. These demands far exceed the capabilities of traditional machining technologies, thereby forming the foundation for the precision engineering industry's potential market growth. The deep integration of machining processes with in-line inspection and digital twin technologies has endowed manufacturing operations with self-adaptive adjustment capabilities. This has significantly improved the yield rates and consistency of complex components, effectively transforming machining from a manual craft into a replicable engineering capability. Furthermore, to ensure supply chain security and timely responsiveness, manufacturers of end-user equipment are increasingly inclined to forge long-term partnerships with suppliers possessing deep expertise in precision engineering industry, rather than simply procuring standard off-the-shelf parts. Consequently, precision component engineering specializes in specific technical pathways, and are capable of engaging deeply in their clients' early-stage R&D, are well-positioned to secure a more pivotal role within the value chain, thereby unlocking growth potential that surpasses the industry average.

1.8 Market size of the global precision engineering industry, 2020-2030E

1.8.1 By industry sector

Market size of the global precision engineering industry, by market segment, 2020-2030E



Note: Others include medical devices and automative, etc.

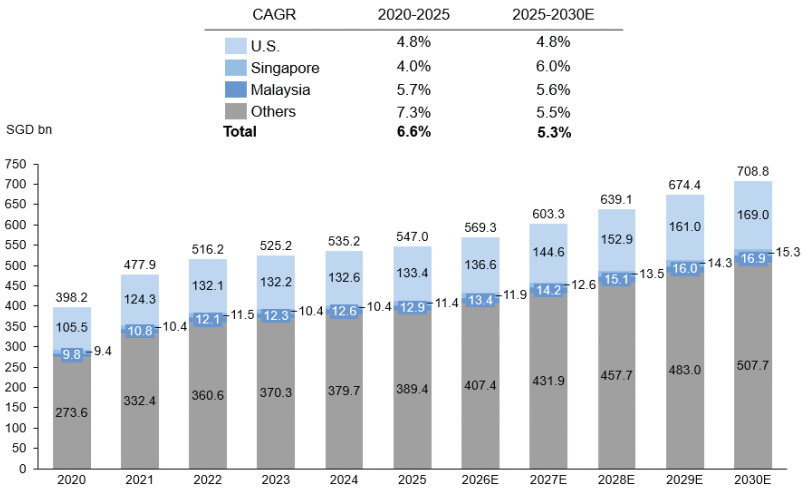
Source: SEMI, China Insights Consultancy

Between 2020 and 2025, the global precision engineering industry expanded from S$398.2 billion to S$547.0 billion, achieving a CAGR of 6.6%. Looking ahead, the sector is projected to reach S$708.8 billion by 2030, reflecting a moderated CAGR of 5.3% over the forecast period. Meanwhile, both the global semiconductor industry and its associated manufacturing equipment sector are characterized by cyclical trends, heavily influenced by inventory adjustments and global economic performance. This volatility is further exacerbated by shifting economic, political, and financial conditions, as well as external pressures such as tariffs and trade barriers. Consequently, the semiconductor manufacturing equipment sector has recorded steady expansion from 2020 to 2025 and is projected to maintain this upward trajectory over the long term. While this segment of the precision engineering industry is influenced by the inherent cyclicality of the broader semiconductor market, rather than by seasonal factors, it still demonstrated remarkable resilience. Despite a temporary contraction in 2023 caused by inventory corrections following a build-up in 2022, the semiconductor sector achieved a robust CAGR of 14.5% between 2020 and 2025. By 2030, the global output of the semiconductor segment in the global precision engineering industry is forecast to hit S$118.6 billion, representing a CAGR of 11.9% from 2025. Notably, the semiconductor industry itself is highly cyclical, experiencing periodic booms and downturns driven by the short lifecycle of its products. Meanwhile, the oil and gas segment of the precision engineering industry is anticipated to grow at a CAGR of 10.3% from 2025 to 2030, underpinned by the sector's enduring role in global economic activity. Although this area does not show strong seasonality, it remains subject to fluctuations linked to the trade cycles of downstream clients. Global data storage sector shows a stable increasing trend from 2020 to 2030, it reached a CAGR of 12.8% between 2020 to

2025 and is expected to reach S$56.3 billion market size in 2030, while the CAGR is about 11.5% from 2025 to 2030.

1.8.2 By geographic location

Market size of the global precision engineering industry, by geographic location, 2020-2030E



Note: Others include China, Japan and Germany, etc.

Source: The World Bank, Singapore Department of Statistics, Department of Statistics Malaysia, China Insights Consultancy

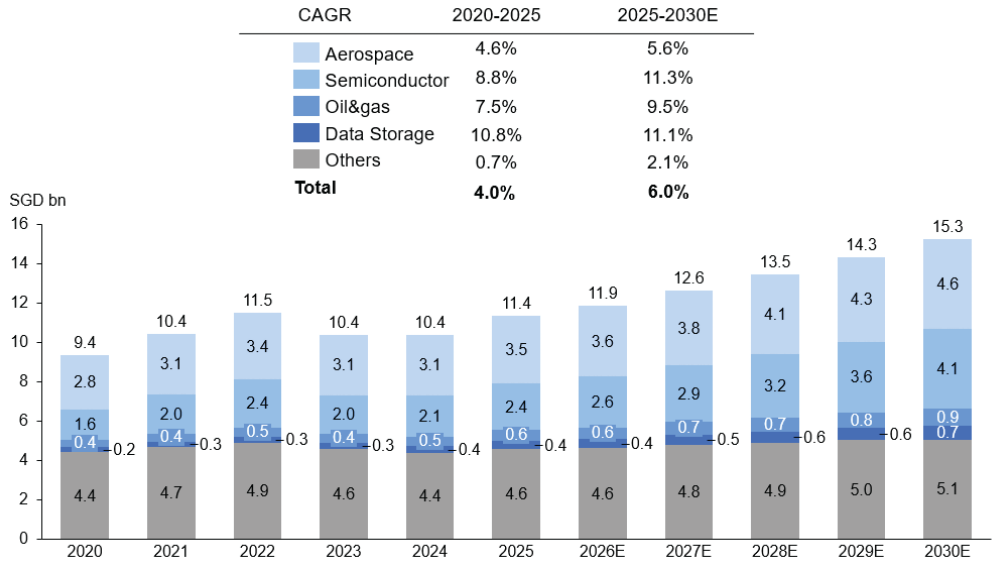
From a regional perspective, the U.S. held the position of the largest market in the global precision engineering industry. The U.S. precision engineering market size rose from S$105.5 billion in 2020 to S$133.4 billion in 2025, achieving a CAGR of 4.8% during this period. Projections indicate continued growth, with the market expected to reach S$169.0 billion by 2030, representing a CAGR of 4.8% from 2025 to 2030. Singapore and Malaysia represent 2.1% and 2.4% of the global precision engineering industry in 2025, respectively. Their growth is being propelled by local government support and indigenous industry development. Between 2025 and 2030, Singapore's precision engineering industry is forecast to expand from S$11.4 billion in 2025 to S$15.3 billion in 2030, representing a CAGR of 6.0%; while Malaysia's is anticipated to grow from S$12.9 billion in 2025 to S$16.9 billion in 2030, representing a CAGR of 5.6%. Other significant contributors to the global precision engineering market include major industrial nations such as China, Japan, and Germany.

1.9 Market size of Singapore's precision engineering industry, 2020-2030E

1.9.1 By industry sector

Market size of the Singapore precision engineering industry, by industry sector, 2020-

2030E



Note: Others include medical devices and automative, etc

Source: Economic Development Board, China Insights Consultancy

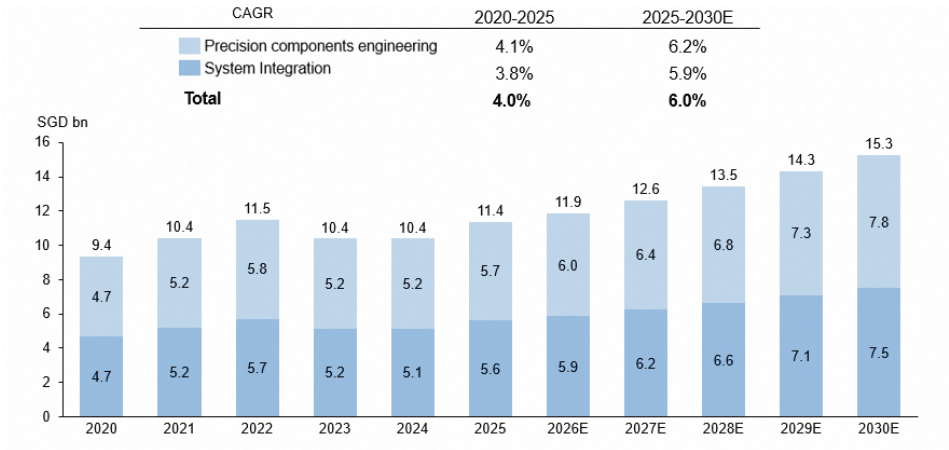
Singapore's precision engineering industry serves several key downstream sectors, notably aerospace, semiconductors, oil and gas and data storage. In Singapore, the aerospace segment stands as the largest within the precision engineering landscape. This leadership position is attributed to the nation's status as a premier aerospace hub in Asia, offering comprehensive maintenance, repair and overhaul (MRO) services alongside advanced manufacturing capabilities. Serving as a one-stop centre for aerospace needs, Singapore has attracted many of the world's leading aerospace OEMs and MRO providers, which continue to consolidate their regional presence there.

Turning to the semiconductor segment, Singapore's output value experienced significant growth, rising from S$1.6 billion in 2020 to S$2.4 billion in 2025. However, it saw a modest decline in 2023 and 2024, yielding a CAGR of 8.8% over the 2020–2025 period. This temporary downturn in 2023 and 2024 was driven by cyclical inventory destocking that had been building since 2022 within both global and local semiconductor markets. Looking ahead, the semiconductor market, both globally and in Singapore, is anticipated to rebound from 2025-2030. This recovery will be fuelled by surging demand for artificial intelligence technologies, electronic products, and integrated circuits. Consequently, the semiconductor sector of Singapore's precision engineering industry is projected to reach S$4.1 billion by 2030, representing a robust CAGR of 11.3% between 2025 and 2030. The data storage sector in Singapore shows a stable increasing trend from 2020, which reached a CAGR of 10.8% from 2020 to 2025 and reached around S$0.4 billion market size in 2025, it is expected to grow at 11.1% CAGR from 2025 to 2030, and assumed to reach S$0.7 billion market size in 2030, which demonstrate a sustainable increase potential in the future. This growth trajectory is

underpinned by the rapid expansion of downstream industries, including AI, 5G technology, consumer electronics, and cloud services.

1.9.2 By market segment

Market size of the Singapore precision engineering industry, by market segment, 2020-2030E



Source: Economic Development Board, China Insights Consultancy

The Singapore government recognizes the strategic importance of the precision engineering industry and has implemented supportive policies and initiatives to foster its growth. Key among these are the Industry Transformation Maps (ITMs) and the Precision Engineering Industry Digital Plan (IDP).

The industry itself is broadly segmented into precision component engineering and system integration. Between 2020 and 2025, the output value of precision component engineering in Singapore rose from S$4.7 billion to S$5.7 billion, achieving a CAGR of 4.1%. Looking forward, this segment is projected to reach S$7.8 billion by 2030, representing a CAGR of 6.2% over the five-year period.

Similarly, the system integration segment demonstrated consistent growth, with its output value increasing from S$4.7 billion in 2020 to S$5.6 billion in 2025, registering a CAGR of 3.8%. Forecasts indicate this upward trajectory will continue, with this segment expected to hit S$7.5 billion in 2030, corresponding to a CAGR of 5.9% between 2025 and 2030.

1.10 Market drivers of the precision component engineering industry globally and in Singapore and Malaysia

Market drivers of the precision component engineering industry Globally:

1) Downstream Industrial Advancements Drive the Increasing Demand for Precision

Components

The fundamental driving force behind the growth of the precision component engineering industry stems from the increasingly stringent requirements placed on the high-end manufacturing industries it serves. The core driver originates from industrial advancements and rising technical standards in key downstream sectors: the aerospace sector seeks higher safety and reliability; the oil and gas sector upgrades to meet high-end environmental requirements and environmental protection; the data storage sector pursues miniaturisation and high performance. These sectors place greater demands on the precision, reliability, stability, and customization of components, driving continuous growth in demand for precision components and reinforcing the growth foundation of the precision engineering industry.

2) Advanced Manufacturing Technologies and Material Iterations Expand the Boundaries of Precision Component Engineering Development

The core driving force behind the iteration of advanced manufacturing technologies lies in breakthroughs in precision component engineering, the research and application of new functional materials, and the deep integration of intelligent manufacturing, digital control technologies, and production processes. On the one hand, by integrating disruptive technologies such as additive manufacturing (3D printing) with the advantages of high-precision subtractive manufacturing (CNC machining), the traditional bottlenecks in the precision component engineering industry have been broken, improving the processing efficiency of complex structural parts and driving the transformation of the precision engineering industry from small-scale production to high-performance mass production. On the other hand, the widespread application of new materials such as titanium alloys, special alloys, has propelled the precision component engineering industry towards high strength, lightweight, high corrosion resistance, and complex structures. The result is a qualitative leap in the industry's processing capabilities, breaking down the technological barriers of high-end precision components, driving product upgrades towards higher added value, and meeting the growing high-end demands of downstream sectors.

3) Policy Support from Various Countries Provides Development Opportunities for the Global Precision Component Engineering Industry

Policy support is a crucial driving force for the global precision component engineering industry, stemming from the strategic layout of various countries towards self-reliance and high-end development in manufacturing. Countries have introduced targeted policies, on the one hand, guiding capital and technological resources towards the precision component engineering industry through special support funds, R&D subsidies, and tax relief. This supports companies in conducting R&D on core technologies such as precision engineering and the application of new materials, helping them upgrade production equipment, overcome technological bottlenecks, and reduce R&D and production costs. On the other hand, by improving industry quality and precision standards, promoting the localisation and clustering of the industrial chain, and guiding industry development order, such policies facilitate closer integration and coordination across the industry supply chain. Simultaneously, the industry has been

supplemented by export support policies to help companies expand into overseas markets. The result is a continuous increase in industry R&D investment, accelerated technological innovation, and a steady improvement in the overall competitiveness and market size of the industry, providing a solid policy guarantee for the long-term stable development of the global precision component engineering industry.

Market drivers of the precision component engineering industry in Singapore

1) The Quick Expansion of Downstream Sectors Requirements

The precision component engineering industry is a critical, high-value backbone of Singapore's advanced manufacturing ecosystem. It serves sectors like aerospace, semiconductors, oil & gas and data storage. With 14.5% CAGR from 2020 to 2025, the global precision engineering market serving the semiconductor sector generated S$67.4 billion in revenue in 2025. According to SEMI report, the growth in semiconductor manufacturing equipment sales is anticipated to continue in the forecast period. The semiconductor sector saw high inventory levels in 2022 and 2023, with businesses actively cutting inventory, as a result of the unstable global economy following the COVID-19 pandemic, muted consumer demand, elevated industrial risks, and supply chain disruptions. However, inventory levels are gradually normalised by early 2024 as the economy gradually recovers and the market stabilises. This will enhance demand for cutting-edge technology and solutions across front-end and back-end segments.

In addition, due to an increase in air travel and aviation activities, the global precision engineering market serving the aerospace industry is anticipated to grow at a CAGR of 5.5% between 2025 and 2030. The global precision engineering market serving the oil & gas industry is expected to register a CAGR of 10.3% between 2025 and 2030. The global precision engineering market serving the data storage industry is expected to grow at a CAGR of 11.5% between 2025 and 2030.

Together, the global precision engineering markets serving the semiconductor, aerospace, oil & gas and data storage industries are constantly expanding, which is expected to support the demand for precision components, creates new opportunities, and helps Singapore's precision component engineering industry thrive.

2) Higher Levels of Accuracy, Repeatability, and Efficiency are Made Possible by the Development of High-Precision Machine Tools.

The development of high-precision machine tools is broadening the scope of the precision component engineering sector. Major advancements include (i) multi-axis CNC machines[2] (ii)

[2] CNC machine has typically three axes, while multi-axis CNC machines employ advanced machining equipment and tooling that accommodates motion in four or more directions to facilitate the manufacture of precision components with complex geometries. They are categorised into 4-axis, 5-axis and even 12-axis CNC machines in accordance with the number

more automated operations and (iii) more integrated machining centres. Higher levels of accuracy, reproducibility, and production efficiency are made possible by these developments. Advanced high-precision machine tools are needed because significant downstream areas of the precision component engineering industry are currently exhibiting a trend towards more precise and miniaturised components. As technology advances, more high-precision machine tool development is anticipated, which will sustain the industry over time.

3) A Favourable Business Climate that Fosters the Growth of Singapore's Precision Component Engineering Industry

Precision component engineering has a bright future thanks to Singapore's beneficial rules and incentives, which also propel the industry towards a digital revolution and international growth. The Singapore government values the importance of the precision component engineering industry and has introduced various encouraging policies (e.g. ITMs and Smart Nation) and measures to help the industry prosper. The Singaporean government intended to invest S$25 billion between 2021 and 2025 as part of the Research, Innovation, and Entrepreneurship (RIE) 2025 Plan. One of the goals is to use research and development to strengthen Singapore's standing as a global centre for sophisticated manufacturing and networking. The IDP was created in 2021 to provide digital solutions and training to improve employees' digital skills to small-to-medium-sized Singaporean businesses that offer precision engineering services. Singapore’s extensive free trade agreement (FTA) network reduces tariffs and simplifies export-oriented manufacturing. It is anticipated that this positive business climate for Singapore's precision component engineering industry would persist in the future, which will aid in the industry's further growth.

Market drivers of the precision component engineering industry in Malaysia:

1) Demand for Precision Engineering Drives Transformation of Malaysia’s Precision Component Engineering Industry

In recent years, numerous multinational manufacturing enterprises have established production facilities in Malaysia, spanning diverse sectors such as semiconductor assemblies. The localisation of these enterprises has directly stimulated a large-scale demand for supporting precision components within the country. This trend has fostered a synergistic development model, characterized by the interplay between OEMs and local suppliers, and has prompted a growing number of major precision engineering manufacturers in Malaysia to shorten delivery lead times and ensure supply stability. Leveraging its strategic geographical location, efficient logistics network, and strong industrial linkages with neighbouring nations, Malaysia has actively secured these high-end supply orders. This influx of demand has compelled the country's precision component engineering manufacturing sector to strategically focus on high-

of directions the tool within the machine can move. Among multi-axis CNC machines, 4-axis and 5-axis CNC machines are the most common.

end market, specifically optimizing product designs and production processes. By continuously enhancing product compatibility and supply chain efficiency, the industry is further expanding its market reach and driving a transition toward high-quality development.

2) Malaysia's Locational Advantages and Trade Benefits

Strengthening supply chains, Malaysia's unique geographical location and local advantages perfectly align with the development needs of the precision engineering industry. As a geographical hub in Southeast Asia, Malaysia is adjacent to manufacturing core areas such as Singapore and Thailand, and possesses a well-developed port and land logistics network. This allows for rapid connection to Southeast Asian and global markets, significantly shortening the transportation cycle of precision components and reducing logistics costs, a core competitive advantage. Simultaneously, leveraging the policy benefits of the ASEAN, Malaysia enjoys tariff reductions and facilitates trade within the region, facilitating the fulfilment of orders from multinational corporations and enabling rapid response to market demands in neighbouring countries. This fosters a development model that expands from local production to regional influence. Through its locational and trade advantages, Malaysia has become a crucial supporting node in the global precision component engineering supply chain, continuously expanding its market reach.

3) Malaysia's Precision Component Engineering Industry Possesses Both Professionalism and Cost Advantages

Malaysia boasts a combination of professionalism, cost advantages, and the ability to adapt technology to meet local industry needs, giving it significant room for development and potential in the precision component engineering industry. Malaysia has a sufficient supply of professionally trained skilled workers, with lower labour costs compared to developed countries. Simultaneously, the government continuously promotes vocational and technical education, specifically training professionals in precision machining, quality inspection, and other fields, providing stable human resource support for the precision component engineering industry's development. Furthermore, local companies leverage their human resource advantages, avoiding blindly pursuing high-end technology accumulation. Instead, they focus on technological iteration tailored to local and regional market demands, optimizing production processes, and improving product cost-effectiveness. This reduces R&D and production operating costs while precisely matching downstream mid-to-high-end supporting needs, forming a unique local development characteristic of combining human resource advantages with technological adaptation, thus enhancing the precision component engineering industry's core competitiveness.

1.11 Future trends of the precision component engineering industry globally and in Singapore and Malaysia

Future trends of the precision component engineering industry globally:

1) The Future Path of Global Precision Component Engineering Lies in Multi-Dimensional Breakthroughs and Integrated Innovation

The future development of global precision component engineering industry will continue along a path of multi-dimensional breakthroughs and deep integration. This trend will permeate the entire process of research and development, product design, and application scenarios, becoming the main thread of high-quality development in precision component engineering. Miniaturisation and integration have become clear development trends. It is no longer simply about reducing size, but about achieving synergistic development of instrument miniaturisation and performance improvement through breakthroughs in materials and technologies. While significantly reducing size, simplifying structure, and lowering production costs, precision component engineering integrates multiple functions such as detection, analysis, and data transmission through multi-module integrated design, achieving higher operating efficiency, measurement accuracy, and integration. This integrated development of miniaturisation and integration not only meets the downstream demand for miniaturized and portable applications but also drives the extension of precision component engineering to extreme scenarios. Whether focusing on the high-precision detection and long-term monitoring needs of aerospace components, overcoming performance bottlenecks under high temperature, high pressure, and strong radiation environments, or focusing on the needs of deep and unconventional oil and gas development, it can achieve accurate and stable operation. This leads the global precision component engineering industry towards a more efficient, flexible, and adaptable transformation.

2) Use of Artificial Intelligence and Automation Lead the Upgrade of Precision Component Engineering, Empowering High-Quality Development Across Multiple Industries

The future development of global precision component engineering industry will be driven by equipment, exhibiting a trend towards increased intelligence and automation. High-precision mechanical components, sensor units, and control systems will be deeply integrated with artificial intelligence and machine learning algorithms. By embedding intelligent algorithms into precision component equipment, such equipment can monitor its operating status in real time, dynamically adjust parameters, and achieve automatic calibration. This will minimize deviations caused by human intervention in demanding scenarios such as semiconductor processing and aerospace testing. From a market segment perspective, the semiconductor industry, as a crucial application area for precision component engineering, will integrate intelligent monitoring and control functions into its key equipment manufacturing processes, enabling real-time feedback and defect warnings across the entire chip processing, packaging, and testing process. This intelligent upgrade at the equipment level will not only accurately adapt to the stringent production requirements of next-generation semiconductor devices but will also set an equipment technology benchmark for precision component engineering in semiconductor, aerospace, oil and gas, and data storage sector, leading the entire precision engineering industry towards higher precision and reliability.

3) Increasing government support for precision component engineering industry

Currently, major economies are increasingly prioritising the independent research and development of high-end precision components and advanced manufacturing capabilities at a national strategic level. Governments are also providing systematic support for technological innovation through measures such as special funding programmes, tax incentives and favourable government procurement policies, which are expected to further promote technological advancement and industry development.

Future trends of the precision component engineering industry in Singapore:

1) One-stop-shop Manufacturing Service

The production of precision-engineered components involves many manufacturing processes including metal fabrication, precision machining, precision welding, surface treatment, cleaning and packaging, assembly, etc. Service providers and CMs usually have a different mix of in-house manufacturing capabilities which consist of one or more of such services. Major downstream customers have been streamlining and consolidating their supply chains due to convenience and cost-effectiveness considerations. They are increasingly looking for manufacturers who can provide a one-stop-shop manufacturing service, covering an extensive range of services. As a result, there is an increasing trend in Singapore for manufacturers to expand their in-house manufacturing capabilities and provide a wider range of integrated manufacturing services. Manufacturers may also strengthen their competitiveness by expanding their service scopes through vertical integration of different manufacturing processes. One-stop-shop manufacturing service providers can reduce the lead time spent on production and transportation, reduce operational costs, ensure stability of the deliverables and increase overall efficiency.

2) Growing need for advanced equipment and qualified labour

The end-use industries of the precision component engineering industry are continuously evolving in technology, applications and equipment. The downstream industries of the Group's customers, including semiconductors, aerospace and data storage industries, are constantly evolving and the technical requirements for the Group's products utilized in such industries are ever-changing. As a result, the technical requirements and the product specifications in the precision component engineering industry are subject to continuous evolution and change, requiring midstream CMs and service providers to enhance their precision manufacturing, process control and quality assurance capabilities. Therefore, midstream CMs and service providers in the precision component engineering industry are expected to require more advanced equipment, as well as skilled manpower, to meet their customers' requirements.

3) Singapore's ongoing favourable regulatory environment

Singapore's precision component engineering industry is a strategic pillar for its advanced manufacturing sector. It supplies the essential, high-complexity parts required by critical

industries such as semiconductors, aerospace, oil & gas, and data storage, enabling technological progress and supply chain resilience. Recognizing its vital role, the government is expected to introduce further supportive policies and incentives. These measures aim to foster innovation, enhance R&D, and strengthen the regulatory framework, thereby creating an optimal environment for the industry's sustained expansion and global competitiveness in the coming years.

Future trends of the precision component engineering industry in Malaysia:

1) The Value Chain Restructuring of Malaysia's Precision Component Engineering Industry, from Manufacturing to Research and Development

Malaysia's precision component engineering industry is accelerating its transition from passively fulfilling orders to mastering core technologies. Moving forward, the sector will focus on leveraging digital manufacturing technologies to increase R&D investment in critical areas, such as precision measurement, automation control, and sensors, establishing a system of autonomous and controllable technological capabilities. By utilizing digital R&D platforms, enterprises can effectively shorten new product development cycles and enhance their responsiveness to customer demands. At the industry level, active efforts are underway to establish regional supply chain collaboration platforms that span the entire value chain, integrating upstream material supplies with downstream application requirements to shorten order response times and boost supply chain operational efficiency. Malaysia is not merely striving to enhance manufacturing precision components, it is also committed to achieving breakthroughs in technical standard-setting, system integration capabilities, and brand value creation, thereby securing a more proactive and strategic position within the global landscape of the precision component engineering industry.

2) Malaysia's Precision Component Engineering Industry Transforms Towards High Value Added

Malaysia's precision component engineering industry is transforming from traditional equipment manufacturing to a high value-added model that deeply integrates equipment, software, and services. In this process, equipment remains the core carrier of value creation, while software becomes a key tool for increasing the added value of equipment. By embedding industrial IoT gateways into precision equipment and building real-time data acquisition and remote monitoring systems, traditional precision component engineering gains the ability for digital cloud management. This equipment-based, data-driven model, combined with artificial intelligence and end-to-end digital management, is guiding companies from single equipment suppliers to comprehensive solution providers covering the entire product lifecycle.

3) Malaysia Leverages its Supply Chain to Build a Global Advantage in Precision Component Engineering Manufacturing

In the context of deepening globalisation, Malaysia, as a core member of ASEAN, has become a preferred location for international precision component engineering companies due to its unique geographical advantages. Leveraging the strategic location of Penang Port, a key shipping route through the Strait of Malacca, and its well-developed port facilities and land transport network, Malaysia has built an efficient and convenient logistics system, facilitating the global transportation of precision components. Furthermore, Malaysia has signed numerous free trade agreements with major economies worldwide, including RCEP and the EPAs, significantly reducing cross-border trade and customs clearance costs for international precision component engineering companies. Looking ahead, as Malaysia's precision component engineering industry ecosystem continues to improve, more international precision component engineering companies will establish fully integrated precision component engineering manufacturing operation centres there, encompassing R&D, production, and after-sales service, relying on the mature local supply chain system to ensure a stable supply to international customers.

1.12 Future opportunities of the precision component engineering industry globally, and in Singapore and Malaysia

Future opportunities of the precision component engineering industry globally:

1) Market Growth Opportunities Arising from the Expansion of Emerging Applications for Precision Component Engineering

With global technological iteration and industrial upgrading, new applications for precision component engineering are constantly emerging, bringing new growth opportunities to the precision component engineering industry. In cutting-edge fields such as semiconductors, aerospace, oil and gas, and data storage, the demand for precision measurement and control components continues to rise, and application scenarios are constantly expanding. In aerospace operation and maintenance and low-altitude aircraft applications, precision component engineering can monitor the energy consumption and emissions of hybrid-powered drones and precisely adjust power system parameters, and in the semiconductor chip packaging and testing process, specialized precision component engineering can test the compatibility of new environmentally friendly packaging materials and monitor energy consumption and pollutant emissions during the packaging process. All of these new application scenarios can drive the growth in demand for adaptable precision components. Enterprises can leverage their technological advantages to develop and apply precision component engineering in new scenarios and explore new market demands.

2) Technological Breakthroughs Bring Opportunities for Global High-end Precision Component Engineering Industry

The global high-end market for precision component engineering has long been monopolized by a select few international industry leaders, resulting in a persistently high level of

dependence on external sources for core technologies, critical components, and key products. This market landscape signifies that the precision component engineering industry possesses substantial potential for future growth, particularly in the realms of independent innovation, R&D, and breakthroughs in high-end technologies. Moving forward, the precision component engineering sector can strategically focus on specialized market segments, such as semiconductor testing equipment, nanoscale metrology instruments, and instruments designed for extreme operating environments, by concentrating resources to overcome critical technological bottlenecks and dismantle the current technological monopolies held by market leaders. Concurrently, the sustained expansion of downstream high-end engineering sectors has created an imperative demand for precision components characterized by high accuracy, reliability, and stability, thereby compelling the precision component engineering industry to accelerate the pace of its innovative technology R&D.

3) Value Enhancement Opportunities Brought about by the Integrated Transformation of Equipment and Services

Currently, the global precision component engineering industry primarily focuses on single equipment delivery, with insufficient value extraction in the service segment. This represents a highly promising area for future development. Most companies remain stuck in the traditional equipment sales model, with after-sales service, maintenance, and data application largely relegated to a supporting role, failing to form an independent value system. A significant opportunity for the future of the precision component engineering industry lies in companies transforming from traditional equipment sales to an integrated approach encompassing equipment, software, and services. Companies can extend their business chain by providing customized value-added services throughout the entire product lifecycle, tailored to customer needs. By deeply participating in downstream customers' R&D, production, and quality control processes, they can strengthen long-term partnerships and significantly improve customer loyalty and satisfaction. This transformation can help the precision component engineering industry escape the predicament of over-reliance on equipment profits, effectively increase product added value and overall profitability, and drive the industry from a manufacturing-oriented to a value-and service-oriented approach, opening up more sustainable and competitive long-term development opportunities.

Future opportunities of the precision component engineering industry in Singapore:

1) Capturing Value from the Semiconductor Investment Wave

Singapore is currently experiencing a massive wave of capital expenditure in the wafer fabrication sector, as global semiconductor giants, such as Micron, GlobalFoundries, and UMC are investing billions of dollars to construct new wafer fabrication plants and advanced packaging facilities. This surge in semiconductor manufacturing capacity has generated sustained and highly lucrative market demand for a wide array of precision components engineering. Central to this opportunity is the growing demand for critical metal parts and equipment sub-assemblies that are indispensable to wafer fabrication, lithography, and

assembly processes. This demand holds immense market potential. Furthermore, global trends have amplified this opportunity, thereby solidifying Singapore's position as a reliable, high-technology manufacturer of precision components engineering.

2) Regional Preferable Government Policies

Favourable government policies in nations such as Singapore have solidified the strategic position of the precision components engineering industry, creating a conducive business environment for the sustained growth of the precision component engineering industry. By providing ample R&D funding, offering tax incentives for advanced manufacturing, and investing in STEM education, the government has directly lowered barriers to innovation and empowered enterprises to scale up their operations. Singapore's pro-business environment has further attracted foreign direct investment, facilitated the transfer of cutting-edge technologies, and cemented its status as a global hub for high-value manufacturing. Furthermore, Singapore's trade agreements and supportive regulatory framework enable businesses to integrate more seamlessly into global markets. These policies not only insulate the precision component engineering industry from global market volatility but also position local enterprises at the forefront of emerging fields within the industry. Such strategic government interventions ensure that the precision component engineering industry remains competitive and resilient, and is well-positioned to capitalize on future global opportunities.

3) Leveraging the Aerospace Hub for High-Technology Manufacturing and MRO

As one of Asia's largest and most diversified aerospace hubs, Singapore accounts for 10% of global MRO output and hosts over 130 aerospace enterprises spanning fields such as R&D, manufacturing, and after-sales services. Opportunities for the development of precision component engineering in Singapore are primarily evident in two key areas. First, in the manufacturing of complex and critical aircraft components, such as engine parts, avionics, and flight control systems, Singapore possesses distinct advantages rooted in its expertise in precision engineering and its robust intellectual property framework. Second, Singapore holds immense potential within the high-technology MRO sector. Collaborative initiatives, such as the joint laboratory involving the Agency for Science, Technology and Research (A*STAR), Rolls-Royce, and Singapore Aero Engine Services Private Limited (SAESL) are currently developing groundbreaking technologies and generating new business opportunities for the local precision component engineering industry. This enables Singapore's precision components engineering industry to engage in a broader range of value-added activities and to capitalize on circular economy opportunities within the world's leading aerospace ecosystem.

Future opportunities of the precision component engineering industry in Malaysia:

1) Support Services within Malaysia's Precision Component Engineering Industry are Generating Additional Opportunities in Other Markets

Leveraging Penang's solid foundation in the precision component engineering industry and its

supporting supply chain, known as the "Silicon Valley of the East," Penang has seized a significant opportunity to expand upstream in the supply chain, injecting momentum into the development of Malaysia's precision component engineering industry. As a core cluster of Malaysia's precision component engineering and semiconductor industries, Penang is home to numerous multinational semiconductor companies, covering the entire supply chain from wafer manufacturing to advanced packaging and testing, forming a mature industrial ecosystem that provides ample market space for local precision component engineering companies. Local companies can capitalize on regional industrial synergy advantages. By avoiding homogeneous competition and tailoring their products to the actual production needs of the local semiconductor industry, they can develop and produce highly adaptable specialized precision components, actively securing regional orders from multinational companies, and propelling Malaysia to a prominent position in the global precision component engineering market.

2) Malaysia Builds R&D Capabilities in Sensors and Microelectromechanical Systems

Malaysia has identified MEMS as a key R&D area for enhancing the self-sufficiency of its precision component engineering industry. Malaysian Institute of Microelectronic Systems (MIMOS) has established a strategic partnership with SensoremTek, focusing on the localisation of MEMS microphone sensor wafer production. Through technological R&D and talent development, they aim to build a complete industrial system from front-end wafer manufacturing to back-end testing. This strategy opens up new growth opportunities for the precision component engineering industry. Sensors are the core sensing components of precision components; MEMS is just the starting point. In the future, it can extend to a wider range of sensing categories such as inertial sensors and pressure sensors. With the explosive growth in demand for micro-sensors from the IoT, smart cars, and industrial automation, if Malaysia can leverage its existing semiconductor foundation to extend upstream to MEMS design and manufacturing, it will be able to provide local suppliers of sensor components for precision component engineering companies, create high-skilled employment opportunities, reduce dependence on a single overseas supplier for key MEMS technologies, and cultivate a group of precision component engineering companies with core component capabilities.

3) Significant Opportunities for the Development of Precision Component Engineering Industry in Malaysia's Oil and Gas Industry

As a major oil and gas producer in Southeast Asia, Malaysia's ongoing offshore exploration and development, along with the modernisation of aging oilfields, has created a sustained and reliable market demand for precision component engineering in the oil and gas industry. With increasing demands for production safety, equipment monitoring, and environmental compliance within the oil and gas sector, the demand for basic precision components such as flow, pressure, temperature, and leak detection equipment is steadily growing. Leveraging Malaysia's mature manufacturing capabilities and geographical advantages, relevant companies can provide more suitable precision components engineering products and services closer to the oilfield, gradually improving local support capabilities and reducing reliance on

imports. Simultaneously, Malaysia's location in the heart of ASEAN allows it to utilize its mature oil and gas industry chain and trade advantages to reach neighbouring oil and gas resource-rich countries, expanding product exports and project cooperation opportunities. In the future, Malaysia's oil and gas precision component engineering industry is expected to maintain steady growth, upgrading from basic supply to localized services and customized solutions, entering an overall upward trajectory.

1.13 Assessment of technology dependence and capital expenditure intensity

1) High Dependence on Advanced Manufacturing Technologies

The precision component engineering industry heavily relies on advanced manufacturing technologies to achieve micron-level tolerances and consistent product quality. Core production processes typically depend on high-precision grinding systems, coordinate measuring machines, and automated testing equipment. In many high-end applications such as semiconductor equipment, aerospace systems, oil and gas, and data storage, manufacturing tolerances can reach ±1-5 microns, requiring advanced mechanical and software integration capabilities. Therefore, manufacturers must maintain technologically advanced production capabilities to remain competitive in the market. This reliance on advanced equipment also means that technological capability becomes a key entry barrier. Smaller companies may lack the expertise to operate high-precision systems, while companies with strong engineering capabilities and advanced equipment often gain a larger market share in industries demanding stringent performance and standards.

2) High Capital Expenditure and Continuous Equipment Investment

Compared to general machining industries, the precision component engineering industry is characterized by relatively high capital expenditure. The procurement cost of a single high-precision multi-axis machining centre fluctuates between hundreds of thousands and millions of US dollars, depending on configuration and precision requirements. Advanced manufacturing facilities also require investment in specialized tools such as metrology equipment and automated material handling systems. Leading equipment suppliers must provide precision machine tools that meet the requirements of industries such as aerospace, semiconductors, oil and gas, and data storage. Therefore, the capital expenditure of precision components manufacturing companies is significantly higher than that of traditional metal processing industries. To maintain production efficiency, improve machining accuracy, and expand capacity to meet the demands of technology-intensive industries, companies' ability to continuously invest is crucial. Companies that fail to maintain sufficient capital expenditure may lose competitiveness due to slower production speeds, lower precision levels, or inability to meet ever-changing customer technical requirements.

3) Equipment Obsolescence and Capital Expenditure for upgrading

The rapid development of manufacturing automation and digital machining technologies has brought a continuous risk of equipment obsolescence to the precision engineering industry. The

economic lifespan of production equipment is typically around 10-15 years, after which technological upgrades are necessary to maintain competitive machining accuracy, productivity, and automation capabilities. Companies that delay equipment upgrades may face challenges such as declining productivity and rising defect rates, or miss out on precision component engineering orders due to a lack of capabilities for processing high-end, advanced materials. Therefore, many precision engineering manufacturers adopt a phased equipment replacement strategy and allocate regular budgets for upgrades to ensure that order demands are aligned with next-generation manufacturing technologies.

2. Competitive Landscape of Precision Component Engineering Industry in Singapore

Singapore boasts a world-class manufacturing environment characterized by cutting-edge technology, operational excellence, and globally integrated management practices. This has drawn numerous advanced multinational manufacturing firms to establish their Asia Pacific headquarters in the city-state. To assess the Group's market share and competitive standing within the semiconductor segment, the primary area of operation, relative to other comparable companies, the following benchmarks are taken into account:

(i) Alignment in industry focus (specifically within the semiconductor equipment sector);
(ii) Comparable manufacturing expertise, particularly in producing precision components through precision machining and welding;
(iii) Insights from verified industry experts regarding estimated rankings, revenue figures, and business segmentation; and
(iv) Findings derived from annual reports, published articles, and official government data sources such as the Singapore Department of Statistics.

The market structure of Singapore's precision component engineering industry, specifically within the semiconductor field, is characterized by fragmentation, comprising over 300 participants, yet it is largely shaped by a handful of dominant players. In 2025, the ten largest firms by revenue held roughly 50.1% of the market share in this segment. Industry participants range from service providers to CMs, including globally recognized companies equipped with advanced manufacturing technologies. A defining feature of this market is the prevalence of a highly concentrated customer base among participants. This trend stems from the consolidated nature of the downstream semiconductor manufacturing equipment industry, which is controlled by a select group of leading equipment makers, the top three of which represented over 40% of global revenue in 2025. Additionally, precision components are frequently tailored to meet the specific needs of individual clients, fostering deep and enduring collaborations between suppliers and customers. The semiconductor industry demands exceptional levels of precision, consistency, and efficiency in the engineering of precision components. As a result, it presents considerable entry barriers, such as the need for cutting-edge technology and specialized expertise, mandatory certifications and licenses, substantial capital investment, and deeply entrenched customer relationships. Within this ecosystem, service providers, contract

manufacturers, and OEMs develop mutually dependent and complementary partnerships. This interdependence creates high switching costs for OEMs, who must invest significant time and resources to evaluate new suppliers, conduct due diligence, and verify that product quality meets their stringent standards. Over time, this dynamic has enabled leading players to capture an increasingly larger share of the market.

2.1 Introduction of the top participants in Singapore's precision component engineering industry

2.1.1 Introduction of the top (1-5) participants in Singapore's precision component engineering industry

Company	Ichor Systems	UMS Holdings Limited	Comparts Systems	A & ONE Precision Engineering	The Group
Main business	CM	Service provider	Service provider	Service provider	Service provider
Major products	Gasket, integrated gas and chemical delivery solutions	Vacuum chambers and other semiconductor equipment components, system integration	Fitting products and other components used in flow control systems	Camber body and other precision components for various end-use industries	Large format vacuum chambers (a large size rigid enclosure from which air and other gases are removed by a vacuum pump. The chamber body is formed by welding several pieces together rather than forging the body from a single piece of metal) and other precision components
Introduction to business model	Established in 1999, Ichor is a Nasdaq-listed company headquartered in the United	Established in 2000, UMS is a SGX-ST listed company headquartered in Singapore.	Established in 2005, Comparts is a non-listed company headquartered in Singapore.	Established in 1992, A & One is a non-listed company headquartered in Singapore. It	Established in 2000, the Group is headquartered in Singapore, provides one-

	States. Ichor reports its revenue in one segment, which evolves the design, engineering, and manufacturing of critical fluid delivery subsystems and components for semiconductor capital equipment.	UMS reports its revenue in three segments in 2023, including (i) semiconductor, which comprises of sale of components and integrated systems; (ii) aerospace, a new business line after acquiring JEP Holdings Ltd; and (iii) others, including material distribution and tool distribution business.	Comparts positions itself as sub-contractor with two major business segments including manufacturing of high precision flow control products and assembly. It was acquired by Shanghai Wanye Enterprises in 2020.	mainly engages the production of precision components for various end-use industries with production facilities in Singapore, Malaysia and China.	stop precision engineering services, with a primary focus on precision component engineering comprising precision machining and precision welding. The Group delivers customised solutions through its advanced and integrated precision engineering capabilities, primarily serving Fortune 500 customers.
Geographic markets	The United States, Singapore, Europe	Singapore, Malaysia, The United States	The United States, Europe, Korean, Japan	Singapore, China	Singapore, Malaysia, The United States
Application industries	Semiconductor, aerospace, medical, defence	Semiconductor, aerospace	Semiconductor, industrial, medical	Aerospace, medical and life sciences, oil and gas, semiconductors	Semiconductor, aerospace, data storage, oil & gas

Note: the market participants are ranked from left to right in descending order from 1 to 5.

Source: China Insights Consultancy

2.1.2 Introduction of the top (6-10) participants in Singapore's precision component engineering industry

Company	**Frencken Group Limited**	**AEM Singapore**	**MMI Holdings Limited**	**Micro Mechanics**	**FSM Holdings Limited**

Main business	CM	CM	Service provider	Service provider	Service provider
Major products	System integration, plastic precision components	Wafer and frame probing stations	Wafer handling systems, back-end chip packaging and testing	Die attach, wire-bonding, and encapsulation	Sheet metal fabrication with a focus on precision engineering
Introduction to business model	Established in 1999, Frencken is a SGX-ST listed company headquartered in Singapore. It reports its revenue in two business segments in 2023, including (I) mechatronics division, specializing in the design and manufacture of electro-mechanical assemblies and automation systems for OEMs; and (ii) IMS division, specializing in manufacturing plastic components for automotive and consumer & industrial electronics segments.	Established in 2000, AEM is a SGX-ST listed company headquartered in Singapore. AEM operates in four business segments including (i) test cell solutions; (ii) Instrumentation; (iii) contract manufacturing; and (iv) other. Contract manufacturing accounted for 47.8% of the revenue in 2021.	Established in 1989, MMI is a non-listed company headquartered in Singapore. It specialises in manufacturing of high precision components, assemblies, and factory automation equipment for data storage industry. MMI's comprehensive range of automation solutions are also applied to other industries such as semiconductor wafer handling systems.	Established in 1983, Micro Mechanics is a SGX-ST listed company headquartered in Singapore. It mainly manufactures high precision components and tools for the wafer-fabrication and assembly processes of the semiconductor industry. The business of manufacturing parts used in critical wafer-fabrication processes made up approximately 22% of the revenue in FY2021.	Established in 1980, FSM is a Hong Kong Exchange-listed company headquartered in Singapore. It operates in two major business segments, including (i) manufacturing business, which engages in sheet metal fabrication with a focus on precision engineering; and (ii) online business, which includes mobile game products.
Geographic markets	China, The Netherlands, Singapore, Malaysia	Singapore, Malaysia, China, Costa Rica	Singapore, Malaysia, China	China, The United States, Malaysia	Singapore, Malaysia, China

Application industries	Automotive, medical & healthcare, semiconductor	Semiconductor and electronics test	Data storage, automation, semiconductor	Semiconductor	Semiconductor, machinery and machine tools

Note: the market participants are ranked from left to right in descending order from 6 to 10.

Source: China Insights Consultancy

2.2 Market ranking and market share in Singapore's precision component engineering industry in the semiconductor segment

In 2025, the Group ranked 5th in Singapore's precision component engineering industry in the semiconductor segment with a market share of 3.7%, in terms of revenue.

Top ten market participants of the precision component engineering industry in the semiconductor segment, in terms of revenue, Singapore, 2025

#	Market Participants	Segmented revenue (1), Singapore, 2025, S$ million	Market share, 2025
1	Ichor Systems	152.3	12.7%
2	UMS Holdings Limited	121.2	10.1%
3	Comparts Systems	106.6	8.9%
4	A & One Precision Engineering	57.1	4.8%
5	**The Group**	**43.8**	**3.7%**
6	Frencken Group Limited	40.0	3.3%
7	AEM Singapore	34.3	2.9%
8	MMI Holdings Limited	21.9	1.8%
9	Micro Mechanics	16.2	1.3%
10	FSM Holdings Limited	8.2	0.7%
	Top 10	601.6	50.1%
	Others (2)	598.3	49.9%
	Total	1,199.9	100%

Notes:

(1) Segmented revenue includes revenue of precision component engineering in the semiconductor segment, based on publicly available data and CIC's estimates.

(2) Based on CIC's estimation, there are over 290 players in the Singapore precision component engineering industry in semiconductor segment.

Source: China Insights Consultancy

2.3 Analysis on process capabilities, precision tolerances, certifications and other relevant factors of the Group and main competitors

Process capability analysis is a statistical method used to determine whether a process is capable of meeting specified limits. It assesses the inherent variability of a process and

compares it to the acceptable variation specified by customer requirements or design tolerances. It is commonly used to ensure product quality and process consistency by determining if the process is in control and capable of producing output within the desired specification limits. As a critical product supplier for the semiconductor industry, the Group should be able to fully leverage its technological advantages and market presence, to capture further opportunities from the semiconductor industry. Specifically, the Group's precision machining involves using CNC machines and other advanced machine tools to cut and shape materials, and to produce parts that meet extremely strict specifications in terms of size, shape, surface finish, and other geometric attributes with micrometer-level of accuracy.

Market Participants	Process Capabilities	Precision Tolerances	Certifications
The Group	• The Group is using CNC machine tools and other advanced machine tools, and a high-precision machining process is employed to precisely move pallets from workpieces to manufacture parts with stringent tolerance requirements. • Apply advanced welding equipment and specific welding techniques to workpieces in a highly precise and controllable manner, making it particularly suitable for small parts, components with strict dimensional tolerances, or parts where welds are virtually invisible.	• Multi-axis systems facilitate more complex machining operations such as simultaneous milling, drilling and cutting, thus enhancing both production efficiency and ensuring machining accuracy. • The Group can produce large format vacuum chambers with an accuracy of +/– 5μm, versus the industry average of +/– 100μm to +/–10μm.	• ISO 9001: 2015 quality management system certification in respect of fabrication of precision machinery parts since 2019. • ISO 14001: 2015 environmental management system certification in respect of fabrication of machinery parts since 2018.
UMS Holdings Limited	• UMS Holdings is in the business of providing manufacturing and engineering services to semiconductor	• UMS Holdings' entire business strategy and market reputation are built upon its capability to achieve and	• UMS is qualified to use over 70 special processes in the production of their semiconductor

	equipment manufacturers. The group specialises in manufacturing high precision front-end semiconductor components and performing electromechanical assembly and final testing services. • Work closely with its clients to provide fully integrated solutions for factory automation, as well as to develop new processes and technology. In recent years, UMS Holdings has also branched out into aerospace component manufacturing, which taps on its precision engineering expertise, as well as water and chemical engineering solutions.	consistently maintain the extremely high precision tolerances demanded by the global semiconductor industry • Components are used in front-end semiconductor tools and assembled in cleanroom environments, adhering to the rigorous standards required by top OEMs. They have also leveraged these core competencies to enter the aerospace sector, where precision and certification are equally critical.	components. Some of these special processes includes anodizing, plating and chemical cleaning. Headquartered in Singapore, the Group has production facilities in Singapore, Malaysia and California, United States.
Ichor Systems	• Gas delivery subsystems deliver, monitor, and control precise quantities of the specialized gases used in semiconductor manufacturing processes such as etch and deposition. • Chemical delivery systems and subsystems precisely blend and dispense the reactive liquid chemistries used in	• Ichor Systems has developed proprietary “Pulltrusion” metal forming methods that enable the company to form precision high purity tees from standard high purity tubing. The resulting smooth transitions benefit the process and equipment by improving process media flow and reducing vacuum	• Ichor system is an ISO 9001:2008 and AS9100 certified and ISO 13485 compliant company that offers a class 100 cleanroom and turn-key solutions to simplify customers’ supply chain.

	semiconductor manufacturing processes such as chemical-mechanical planarisation, electroplating, and cleaning. • Provide precision-machined components, weldments, electron beam ("e beam") and laser-welded components, precision vacuum and hydrogen brazing and surface treatment technologies, and other proprietary products.	pump-down times. Cost is saved by reducing welds and eliminating fittings while allowing for custom geometries that are not readily achievable using “off the shelf” fittings. A wide range of tubing and tee combinations are available, with the majority being between 1/2” and 6” in diameter.	
Comparts Systems	• Compart Systems, in collaboration with upstream suppliers, developed the TriClean® steelmaking technology, enabling the supply of high-quality raw materials for component manufacturing at costs comparable to traditional methods, but with superior corrosion resistance, temperature resistance, and pressure resistance, establishing a unique competitive advantage among WFE OEMs in the semiconductor industry.	• Compart Systems possesses comprehensive technical capabilities in the research, design, assembly, and testing of flow control systems. Its proprietary TriClean steelmaking technology enhances the corrosion resistance of finished products by 2.5-11 times compared to ordinary high-purity stainless steel, ensuring a self-sufficient supply of high-quality raw materials for parts production.	• Comparts Systems is an AS 9100:2018, ISO 9001:2015, IATF 16949:2016 holder.
A & ONE Precision Engineering	• A & ONE precision engineering’s wide array of precision	• A & ONE precision engineering suite of machines includes	• A & ONE precision engineering is accredited under ISO

	machinery and fabrication tools, and highly trained machinists and welders ensure the most cost-effective manufacturing process. Additionally, with a wide range of quality checking tools, from CMM, to various forms of scopes for complex contour specimens and testers.	EDM and 2- to 9- axis CNC machinery, of which the latest additions are highly automated with multiple pallets. This vast array of options in machinery allows the company to manufacture products of varying precision needs and different scales (<0.1mm to 3m).	9001 (Quality Management), AS 9100 (Aerospace), and ISO 13485 (Medical Devices). These certifications require rigorous process control and demonstrated capability to meet tight tolerances.
Frencken Group Limited	• Frencken Group Limited offers comprehensive, end-to-end process capabilities in mechatronics, integrated manufacturing services, and precision engineering. Key strengths include high-precision machining, complex electromechanical assembly, cleanroom production, and surface finishing, supporting industries like semiconductor, medical, and aerospace.	• Frencken Group Limited specializes in high-precision engineering, achieving manufacturing tolerances of less than 20 microns (0.02 mm) for specialized components like plastic micro gears. Provide, integrated design and manufacturing services for, capital equipment in medical, semiconductor, and analytical industries, ensuring high-quality standards across their, global production facilities.	• Frencken Group Limited precision engineering is accredited under ISO 9001 (Quality Management), ISO 14001 (international standard for Environmental Management Systems)
AEM Singapore	• AEM Singapore specializes in advanced semiconductor and electronics test solutions, focusing on high-power thermal	• AEM Singapore's standard for their high-end automated test equipment and handlers generally requires sub-micron to micron-level tolerance	• AEM Singapore (AEM Holdings Ltd.) maintains high-standard manufacturing and quality certifications, including ISO

	management, system-level test (SLT), and high-parallelism handling for AI and computing applications. Key capabilities include PiXL™ active thermal control, ASMP (Asynchronous, Modular, Parallel, and Smart) platforms, wafer-level probing, and customized, integrated automated test cells.	accuracy to handle advanced packaging components.	9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), and AS9100D (Aviation, Space, and Defense). Their facilities and products are also certified for ESD S20.20 protection and various industry-standard test capabilities.
Micro Mechanics	• Micro-Mechanics designs, manufactures and markets high precision parts and tools used in process-critical applications for the wafer-fabrication and assembly processes of the semiconductor industry. Micro-Mechanics creates consumable tools and parts used in the back-end semiconductor process, particular, die attach and wire bonding. Besides, it also manufactures precision parts and assemblies on a contract basis for OEMs.	• Micro-Mechanics design high-quality parts with tolerances of up to 1 micron. With a customer base that includes major semiconductor manufacturers such as Intel, Samsung and TSMC, Micro-Mechanics is a leading player in the industry.	• Micro Mechanics maintain ISO 9001:2015 Certified, AS9100 D Certified, ITAR Registered
FSM Holdings Limited	• FSM Holdings Limited is a Singapore-based precision engineering firm specialized in	• FSM Holdings Limited serves tight-tolerance sheet metal fabrication and machining,	• FSM Holdings Limited holds ISO 9001:2015 certification for its Quality

	sheet metal fabrication and precision machining, serving industries like semiconductor manufacturing and machinery. Their process capabilities include designing, manufacturing, and assembling customized products, high-precision stamping, laser cutting, and post-treatment services, operating through both manufacturing and online business segments.	primarily for the semiconductor and machinery industries.	Management System and ISO 14001:2015 certificatio n for its Environmental Management System. The company has also achieved bizSAFE Level 3 certification for occupational health and safety, demonstrating its commitment to workplace safety standards.
MMI Holdings Limited	• MMI Holdings Limited is a precision engineering company specializing in the manufacture of high-precision electromechanical components, offering a comprehensive range of process capabilities that include precision machining (such as CNC machining), aluminium and magnesium die-casting, mold design and fabrication, surface treatment and finishing, and complex sub-assembly.	• The company is described as a precision engineering firm specializing in critical high-precision electromechanical components for industries including data storage, semiconductor equipment, and aerospace, operating CNC machining equipment daily for mission-critical components requiring complex precision machining on exotic metals.	• MMI Holdings Limited maintain ISO 9001 (Automation Equipment), ISO 14001 (Clean Assembly), ISO 45001 (Coining), ISO 22301 (Machining), RoHS Compliant (Drawing and Forming), Lean Manufacturing (Heat Treating), Six Sigma (High Pressure Die Casting), Real-Time SPC (Adhesive Assembly), RBA VAP Compliant (Magnetisation), bizSafe 3 (Material Conversion), etc.

Source: China Insights Consultancy

2.4 Entry barriers of the precision component engineering industry

1) Significant financial outlay for expensive machinery

Over the years, existing market players have consistently made large investments to achieve high accuracy, repeatability, and efficiency. New entrants must invest significant resources to create the necessary infrastructure and acquiring cutting-edge equipment to compete with existing market players. For example, a five-axis CNC machine typically costs between S$0.3 million and S$2.0 million, depending on machine configuration, size and application. Additionally, the cost of equipment upkeep and upgrades is high, making it challenging for new players to compete with established players if they lack the capacity to make such a significant financial commitment.

Further, due to suppliers' demands for upfront payment when buying raw materials and comparatively longer credit periods, cash flow mismatches are frequently experienced by industry participants in the precision component engineering industry.

2) Access to qualified personnel and specialized technical expertise

The precision component engineering industry supports highly technical fields, including the semiconductor sector. Given the advanced technical expertise required in this field, the pool of qualified workers available in the job market remains limited, partly due to manpower regulations and foreign worker quota restrictions in Singapore, which may limit the ability of industry participants to recruit skilled foreign workers. In Singapore and Malaysia, competition for precision engineering technicians is particularly intense, making it challenging for new market entrants to build a sufficiently large and skilled workforce. Furthermore, established industry players have, over many years of operation, built up substantial technological expertise that is critical to their business success. As a result, new entrants require a prolonged period to acquire the necessary knowledge and experience before they can effectively compete with incumbent firms.

3) Demonstrated competence and enduring customer partnerships

The precision component engineering industry primarily serves leading firms in the semiconductor, aerospace, oil and gas sectors and data storage. These downstream customers require a consistent and dependable supply of components, which leads them to prefer collaborating with a select group of reputable suppliers that have demonstrated capability and reliable product quality. The relationship between suppliers and their clients in precision component engineering industry is built on mutual trust and reliability, fostering a complementary business dynamic. As a result, new entrants face significant challenges in competing with established players, as they lack the necessary experience and are unable to cultivate stable customer relationships within a short timeframe.

4) Qualification and certification requirements

Companies operating in this market must adhere to local regulatory requirements and typically obtain relevant certifications, including ISO 9001:2015. In addition, professional bodies such as

the ASME, the AWS, and the SEMI establish standards for specialized precision welding services and define classifications for welding techniques, positions, and procedures. For instance, ASME offers the Boiler and Pressure Vessel Code (BPVC) certification, while AWS provides credentials such as Certified Welder (CW) and Certified Welding Inspector (CWI). Welders are required to be certified for each specific welding position in order to perform the corresponding types of welds. Moreover, major downstream clients often mandate that their suppliers hold industry-specific certifications, such as SSQA for the semiconductor sector. The process of obtaining these certifications is lengthy, often taking anywhere from six months to three years, which creates a significant barrier for new entrants looking to establish themselves in the industry.

2.5 Key success factors of the precision component engineering industry

1) Capacity to develop and retain a workforce of qualified and seasoned professionals

As a highly technical field, the precision component engineering industry relies heavily on a company's ability to retain experienced talent and attract new skilled professionals. Firms that offer competitive compensation and structured training programs are better positioned to recruit and retain such employees, thereby supporting sustained growth and long-term success.

2) A dependable and cost-efficient supply chain for procuring raw materials and engaging service providers

Maintaining a prudent level of raw material inventory and cultivating a network of dependable service providers are essential to business operations. A resilient and reliable supply chain is therefore critical to ensuring cost stability and consistent transportation timelines. This helps prevent or mitigate delays or shortages in raw material supply and product delivery, which could otherwise harm the company's reputation.

3) Ongoing investment in advanced machinery and digital systems to preserve market competitiveness

As technology continues to advance and downstream customers impose increasingly stringent demands on precision components, companies must ensure their competitiveness by promptly upgrading and optimizing existing equipment and software to address operational bottlenecks.

4) Reliable and uniform manufacturing of components that meet specified quality standards

Given the concentrated nature of the downstream customer base and their preference for partnering with a select group of dependable suppliers, firms that demonstrate a consistent track record of delivering high-quality products are well-positioned to secure recurring orders and expand their market presence over time.

5) Enduring and deeply rooted partnerships with clients

Service providers and CMs must build long-term, strategic ties with OEMs to win business. Relationships rooted in mutual reliance and shared strengths lead to steadier, more sustainable growth.

2.6 Threats & challenges of the precision component engineering industry

1) A deficit of qualified and seasoned personnel within the workforce

The precision component engineering industry in Singapore is confronted with a persistent scarcity of skilled and experienced personnel, driven largely by the government's restrictive policies on foreign manpower and the ongoing aging of the domestic workforce. In addition, increasing wages in Singapore's manufacturing industry have resulted in higher labour costs for industry participants, particularly in the precision component engineering industry, which relies on skilled technical personnel and experienced machine operators.

2) Regional competition

The precision component engineering industry is characterized by fragmentation and intense competition. Singapore's standing within this sector is increasingly challenged by the expansion and market entry of service providers and contract manufacturers from overseas.

3) Influence by end-use industries

The principal downstream sectors served by the precision component engineering industry—namely semiconductor, aerospace, and oil and gas—are highly sensitive to global economic cycles, geopolitical developments, and demand-supply dynamics. Fluctuations in these factors ultimately exert a direct impact on the precision component engineering industry itself.

2.7 Competitive advantages of the Group

The Group provides one-stop precision engineering services, with a primary focus on precision component engineering comprising precision machining and precision welding. The Group delivers customised solutions through its advanced and integrated precision engineering capabilities, primarily serving Fortune 500 customers. The Group specializes in delivering customized solutions through precision machining and precision welding services for customers across various sectors, including semiconductor, aerospace, data storage and oil and gas sector. The Group's products are generally incorporated into customers' equipment and machinery, where they perform critical functions in manufacturing.

In semiconductor sector, the Group's precision-engineered components support OEMs that build production machines for semiconductors wafer manufacturing, including etching systems, deposition systems and lithography systems. The wafers can subsequently be made into various semiconductor products, including memory chips, logic chips, analogue chips and other types of chips.

In aerospace sector, the Group's precision-engineered components are mainly used as engineering parts for commercial aircrafts. In data storage sector, the Group's products are supplied to customers for hard disk manufacturing machinery and equipment and in oil and gas

sector, the Group's products are primarily applied in jack-up rigs and oil tools.

1) Established long-standing business relationships with reputable international customers

The Group has over 20 years of operational history and has established and maintained as a strategic and long-term supplier as they possess strong relationships with world-class OEMs and CMs customers for many years. These enduring partnerships reflect the Group's reliability, consistency, and ability to meet stringent technical requirements over time. The Group has also obtained industry-specific certifications and has passed customers' stringent and lengthy supplier qualification processes, further demonstrating its operational excellence and adherence to high-quality standards. As a result, the Group has established a proven track record in providing quality and efficient precision component engineering services to its customers.

2) Advanced machinery and technological know-how

The Group has advanced machinery and accumulated efficient technological know-how through years of operation.

Advanced machinery and equipment allow the Group to produce highly complex components efficiently. The Group has approximately 70 CNC machines, including large and multi-axis CNC machines for producing precision components and large format vacuum chambers. In addition, there are more than 200 suppliers based in Singapore involved in manufacturing and trading of machines such as CNC lathe machines and CNC milling machines, who can offer machines at comparable prices, terms and quality, and are potential alternative suppliers of the Group. The Group achieves higher production efficiency at lower costs than industry average due to its utilisation of 5-axis CNC machines. The Group is employing more 5-axis CNC machines than the industry peers in general. The accuracy for large format vacuum chambers is around ±100 μm to ±10 μm. The lower the μm, the higher the accuracy. The Group can achieve an accuracy of ±5 μm, which is considered to be an advanced capability in the industry.

The production capacity and utilisation of the Group's precision component engineering services are measured by machine hours, which is based on the total number of machine hours operated against the maximum machine hours available, as products of the Group's precision machining and precision welding are highly customised and have diverse shapes, sizes and weights subject to the customers' requirements. This complies with industry norms, for instance, the industry average utilisation rate of production facilities of precision machining and precision welding generally ranged from 40% to 80%. This wide range reflects varying operational circumstances and industry demands.

3) Seasoned and visionary management team supported by technical talents

The management team has been working in the precision component engineering industry for years and has accumulated an extensive experience of operational and managerial experience in the industry. The management team's industry knowledge and expertise enable the Group

to respond to evolving market demands and maintain operational stability, and support the Group's ability to manage customised manufacturing processes and quality control requirements for customers in industries such as semiconductor, aerospace and data storage.

In addition, the Group has built a dedicated and experienced workforce and provides training to staff to improve managerial and technical skills. Given the highly customised nature of the Group's precision component engineering services, skilled technical personnel are important in maintaining production accuracy, operational efficiency and product quality. The combination of experienced management and technical capabilities supports the Group's long-term customer relationships and competitiveness within the precision component engineering industry.

4) Possession of necessary certifications and qualifications

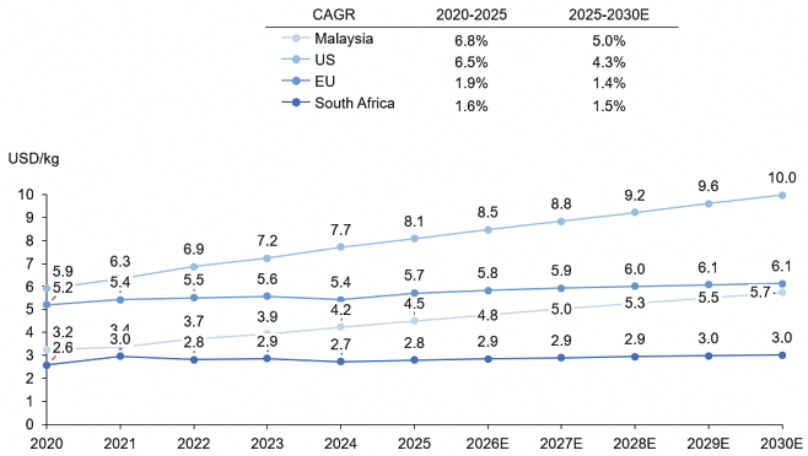
The precision component engineering industry attaches great importance to the certifications and qualifications acquired by the companies.

The Group has been accredited with industry-essential qualifications in the production technologies and quality control system. For instance, the Group satisfies the relevant criteria under SSQA for precision machining services in the semiconductor industry. The whole process of obtaining such certifications and becoming a qualified supplier takes time and is testimony of recognition in the industry. These certifications not only demonstrate compliance with stringent industry standards but also enhance the Group's reputation and credibility, enabling it to maintain strong relationships with high-end clients and participate in critical projects.

3. Cost Analysis of Raw Materials and Labour Cost

3.1 Price of iron and steel in Malaysia, U.S., EU and South Africa, 2020-2030E

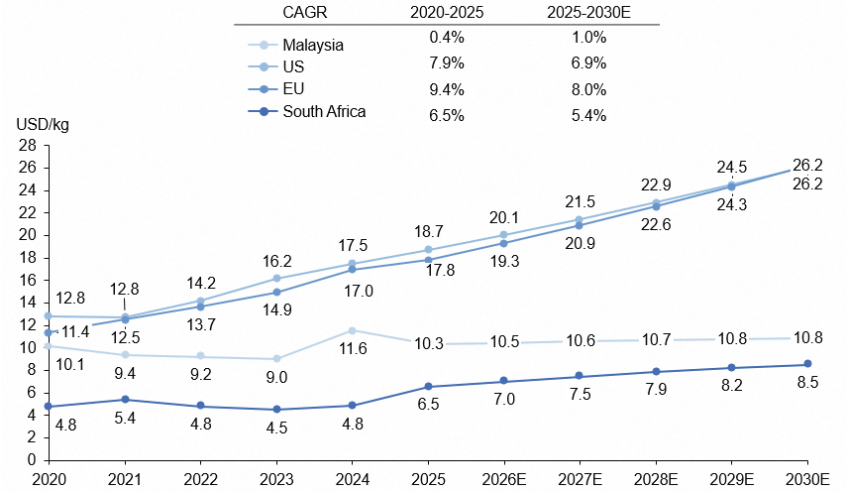
Price of iron and steel (1) in Malaysia, U.S., EU and South Africa, 2020-2030E



Source: World integrated trade solutions, China Insights Consultancy

3.2 Price of aluminium in Malaysia, U.S., EU and South Africa, 2020-2030E

Price of aluminium (1) in Malaysia, U.S., EU and South Africa, 2020-2030E



Source: World integrated trade solutions, China Insights Consultancy

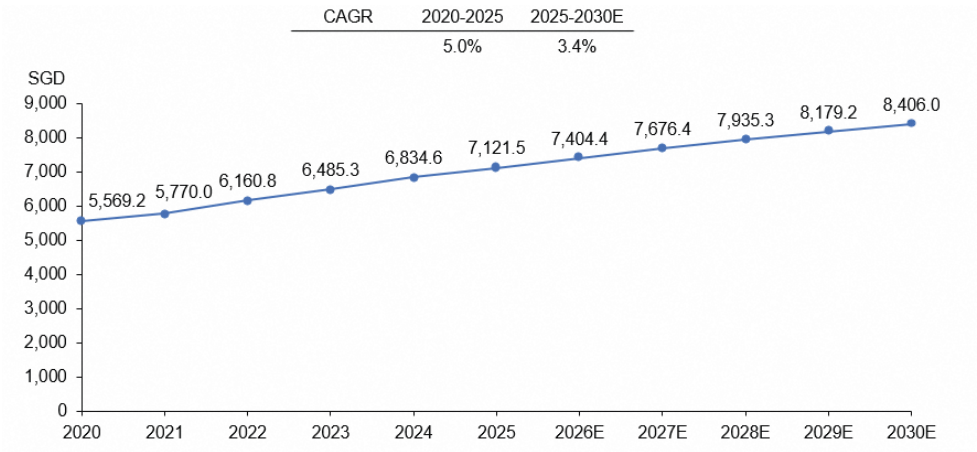
Note:

(1) The prices are based on average import and export prices in Malaysia, the U.S., the EU and South Africa.

The prices of iron and steel and aluminium directly affect the cost of raw materials in the precision component engineering industry in Singapore. Singapore also has an established metal material market with transparent pricing. There are approximately 50 to 100 alternative suppliers involved in metal material (e.g., aluminium) services based in Singapore who can provide metal material to the Group with comparable prices, terms and quality, and the Group could also import metal materials from abroad. Metal raw materials in Singapore mainly rely on imports from certain major economies such as Malaysia, the European Union, the United States and South Africa. In addition, there are more than 200 suppliers involved in treatment and processing of metals based in Singapore, who are readily available alternative suppliers to the Group with comparable prices, terms and quality. Prices of iron and steel and aluminium in the United States, the European Union and South Africa generally maintained an upward trend from 2020 to 2025 without much fluctuation. In Malaysia, iron and steel prices also increased steadily from 2020 to 2025. Aluminium prices in Malaysia generally remained stable from 2020 to 2025 except 2024. In 2024, aluminium price rose due to strong demand of aluminium from China, as China was under pressure to fulfil environmental protection commitments that limited its domestic aluminium production, resulting increased imports of aluminium from Malaysia. With the recovery of the global economy, the prices of iron & steel and aluminium are expected to grow steadily over the period from 2025 to 2030.

3.3 Average monthly salary in the manufacturing industry, Singapore, 2020-2030E

Average monthly salary in the manufacturing industry, Singapore, 2020-2030E

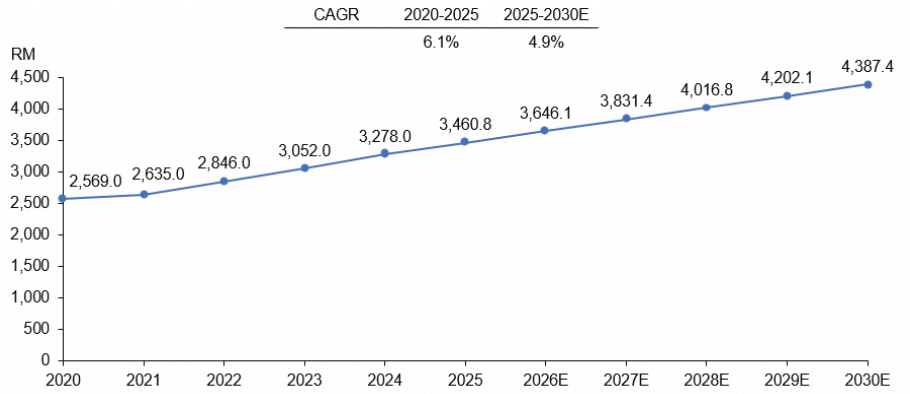


Source: Singapore Department of Statistics, China Insights Consultancy

Singapore's average monthly salary in the manufacturing industry has increased from S$5,569.2 in 2020 to approximately S$7,121.5 in 2025, representing a CAGR of 5.0% during this period. With the continuous development of Singapore's economy, the average monthly salary in the manufacturing industry in Singapore is expected to keep the growth trend from 2025 onwards to reach S$8,406.0 by 2030, representing a CAGR of 3.4% over the period of 2025 to 2030.

3.4 Average monthly salary in the manufacturing industry, Malaysia, 2020-2030E

Average monthly salary in the manufacturing industry, Malaysia, 2020-2030E



Source: Ministry of Economy Department of Statistics Malaysia Official Portal, China Insights Consultancy

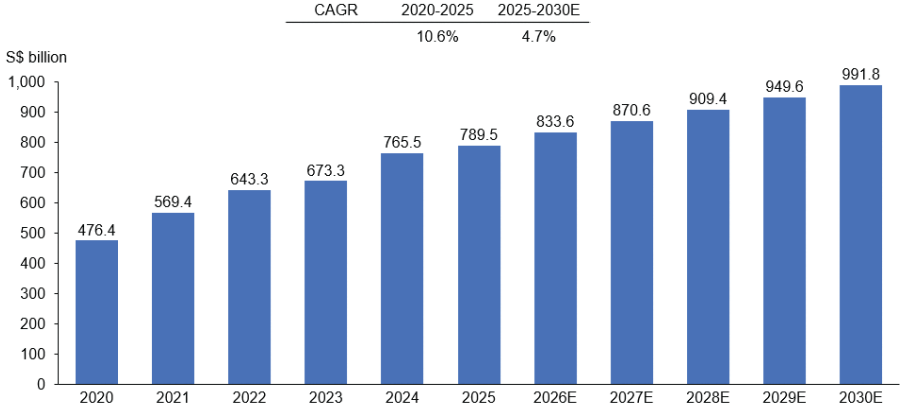
With the gradual recovery of the Malaysian economy after COVID-19, the average monthly salary in the manufacturing industry in Malaysia is expected to maintain the pre-epidemic growth trend to reach RM4,387.4 by 2030, representing a CAGR of 4.9% over the period of 2025 to 2030.

4. Macroeconomic Analysis of Singapore

4.1 Singapore's GDP at current prices and growth, 2020-2030E

Singapore's GDP at current prices has experienced consistent growth in recent years, with the manufacturing sector contributing substantially to this economic expansion. The government places high value on manufacturing and actively supports it, recognizing the sector as a critical engine for Singapore's continued economic growth in the years ahead.

Gross domestic product at current prices, Singapore, 2020-2030E



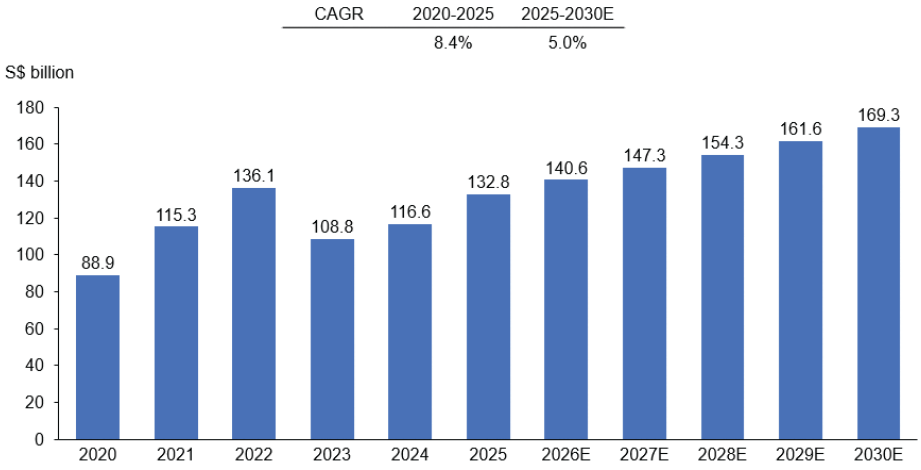
Source: IMF, Singapore Department of Statistics, China Insights Consultancy

Singapore's GDP at current prices reached approximately S$476.4 billion in 2020, and increased to S$789.5 billion by 2025. This was driven by effective domestic pandemic management and the resurgence of global demand for electronics and travel. With projections reaching S$991.8 billion by 2030 at a CAGR of 4.7%, manufacturing remains a cornerstone of the economy. This sector enjoys robust government support, exemplified by a 10-year plan announced in 2021 by Minister Chan Chun Sing to expand manufacturing output by 50% to over S$160.0 billion, positioning it as a continued engine of future economic growth.

4.2 Singapore's value added by the manufacturing sector, 2020-2030E

The Singapore government places significant emphasis on the precision engineering industry and has implemented extensive measures to support its growth, including offering tax incentives for companies that establish their headquarters in the country. The value added by the manufacturing sector is projected to maintain its upward trajectory over the next five years.

Value added by the manufacturing sector, Singapore, 2020-2030E



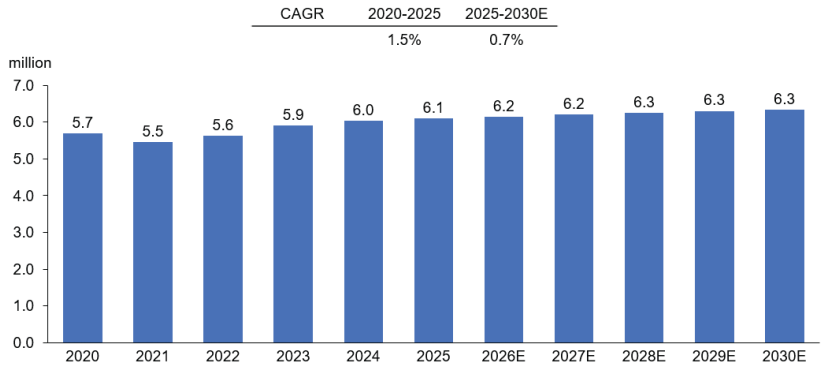
Source: Singapore Department of Statistics, China Insights Consultancy

The value adds by Singapore's manufacturing sector experienced fluctuations between 2020 and 2025 due to a confluence of global challenges. It reached at S$88.9 billion in 2020, due to the U.S.-China trade war, during which the U.S. imposed high tariffs and sanctions on Chinese chips and components. The sector increased to S$136.1 billion in 2022, driven largely by robust semiconductor industry performance throughout 2021 and much of 2022. However, softening global demand led to a decline to S$108.8 billion in 2023. Looking ahead, the sector is projected to reach S$169.3 billion by 2030, growing at a CAGR of 5.0% from 2025 to 2030, supported by recovering electronics demand and continuous advancements in manufacturing technology. This sustained growth is expected to further propel Singapore's precision engineering industry, which the government actively fosters through initiatives such as tax incentives for companies establishing their headquarters in Singapore.

4.3 Singapore's population and urbanisation rate, 2020-2030E

Singapore possesses a highly skilled human capital base, though there is intense competition for technicians specializing in advanced manufacturing.

Total population [(1)], Singapore, 2020-2030E



Note:

(1) Total population comprises Singapore's residents & non-residents. Resident population comprises Singapore citizens & permanent residents. Data excludes residents who are overseas for a continuous period of 12 months or longer as at the reference period. Non-resident population comprises foreigners who are working, studying or living in Singapore who are not granted permanent residence.

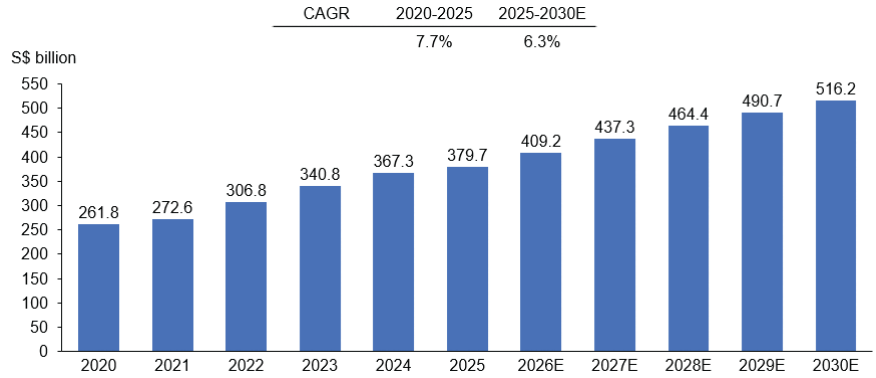
Source: IMF, World Bank, Singapore Department of Statistics, China Insights Consultancy

Singapore's population experienced a slight decline to 5.5 million in 2021, driven by two main factors: extended overseas stays among citizens due to COVID-19 travel restrictions, and a reduction in foreign employment amid uncertain economic conditions and border controls. As the economy recovered and restrictions eased, both citizens and foreign workers gradually returned, bringing the population to 5.9 million by 2023, which further increased to 6.1 million by 2025. Despite this rebound, Singapore's precision component engineering sector faces intense competition for skilled technicians. This labour market tightness has been exacerbated since the pandemic by ongoing travel restrictions and regulatory constraints, including foreign worker quotas and dependency ratio ceilings that limit the number of foreign employees' manufacturers can hire.

4.4 Singapore's personal disposable income, 2020-2030E

Singapore's personal disposable income increased steadily between 2020 and 2030, with projections indicating continued growth over the next five years.

Personal disposable income, Singapore, 2020-2030E



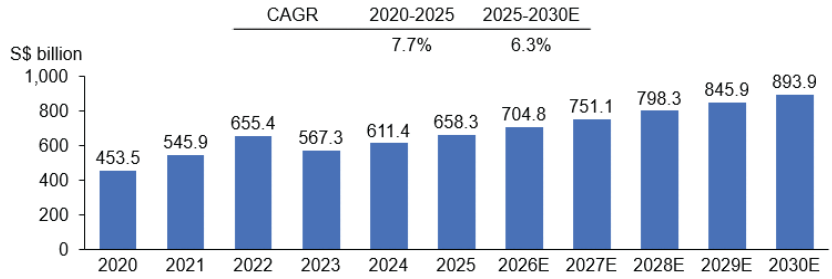
Source: Singapore Department of Statistics, China Insights Consultancy

Singapore's personal disposable income demonstrated steady growth between 2020 and 2025, rising from S$261.8 billion to S$379.7 billion at a CAGR of 7.7%. As the economy continues its post-COVID recovery, this upward trend is projected to persist, with disposable income expected to reach S$516.2 billion by 2030, reflecting a CAGR of 6.3% over the 2025-2030 period.

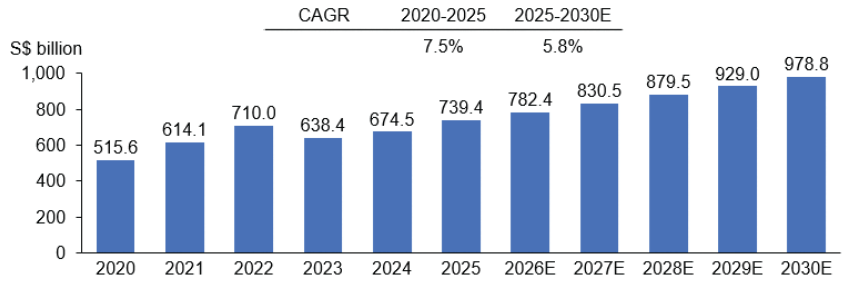
4.5 Singapore's merchandise imports and exports, 2020-2030E

Singapore serves as a key distribution and logistics hub for Asian production and trade. With the recovery of global electronics demand, the country's merchandise imports and exports are expected to resume their growth trajectory in the near future.

Merchandise imports, Singapore, 2020-2030E



Merchandise exports, Singapore, 2020-2030E



Source: Singapore Department of Statistics, China Insights Consultancy

Singapore's merchandise trade experienced notable fluctuations between 2020 and 2025. Imports rose from S$453.5 billion in 2020 to S$658.3 billion in 2025, while exports grew from S$515.6 billion to S$739.4 billion over the same period. However, both declined in 2023, imports to S$567.3 billion and exports to S$638.4 billion, due to weak global demand. Over the full 2020-2025 period, imports recorded a CAGR of 7.7% and exports a CAGR of 7.5%. Looking ahead, as global electronics demand gradually recovers, merchandise trade is expected to resume its upward trajectory. Imports are projected to reach S$893.9 billion by 2030 (6.3% CAGR from 2025), and exports S$978.8 billion (5.8% CAGR from 2025).

APPENDIX F – TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

You are invited to apply and subscribe for the Placement Shares at the Placement Price for each Placement Share, subject to the following terms and conditions:

1. **YOUR APPLICATION MUST BE MADE IN LOTS OF 100 PLACEMENT SHARES OR INTEGRAL MULTIPLES THEREOF SUBJECT TO A MINIMUM OF 1,000 PLACEMENT SHARES. YOUR APPLICATION FOR ANY OTHER NUMBER OF PLACEMENT SHARES WILL BE REJECTED.**

2. Your application for the Placement Shares may only be made by way of the Application Form or other such forms of application as the Sponsor, Issue Manager and Placement Agent may deem appropriate.

3. **YOU MAY NOT USE CPF FUNDS TO APPLY FOR THE PLACEMENT SHARES.**

4. **You (not being an approved nominee company) are allowed to submit only one (1) application in your own name for the Placement Shares. Any separate application by you for the Placement Shares shall be deemed to be multiple applications and may be rejected at the discretion of our Company, the Sponsor, Issue Manager and Placement Agent, except in the case of applications by approved nominee companies, where each application is made on behalf of a different beneficiary.**

   If you, not being an approved nominee company, have submitted an application for the Placement Shares in your own name, you should not submit any other application for the Placement Shares for any other person. Such separate applications shall be deemed to be multiple applications and may be rejected at the discretion of our Company, the Sponsor, Issue Manager and Placement Agent.

   Joint and/or multiple applications for the Placement Shares may be rejected at the discretion of our Company and the Sponsor, Issue Manager and Placement Agent. If you submit or procure submissions of multiple share applications for the Placement Shares, you may be deemed to have committed an offence under the Penal Code 1871 of Singapore and the SFA, and your applications may be referred to the relevant authorities for investigation. Multiple applications or those appearing to be or suspected of being multiple applications, except in the case of applications by approved nominee companies, where each application is made on behalf of a different beneficiary, may be rejected at the discretion of our Company and the Sponsor, Issue Manager and Placement Agent.

   By completing and delivering the Application Form, you declare that you do not possess more than one (1) individual direct Securities Account with CDP.

5. We will not accept applications from any person under the age of 18 years, undischarged bankrupts, sole proprietorships, partnerships or non-corporate bodies, joint Securities Account holders of CDP and from applicants whose addresses (as furnished in their Application Form or, in the case of Electronic Applications, contained in the records of the relevant participating banks) bear post office box numbers. No person acting or purporting to act on behalf of a deceased person is allowed to apply under the Securities Account with CDP in the name of a deceased at the time of application.

6. We will not recognise the existence of a trust. Any application by a trustee or trustees must be made in his/her/their own name(s) and without qualification or, where the application is made by way of an Application Form by a nominee, in the name(s) of an approved nominee company or approved nominee companies after complying with paragraph 7 below.

7. **WE WILL NOT ACCEPT APPLICATIONS FROM NOMINEES EXCEPT THOSE MADE BY APPROVED NOMINEE COMPANIES ONLY.** Approved nominee companies are defined as banks, merchant banks, finance companies, and insurance companies, licenced securities dealers in Singapore and nominee companies controlled by them. Applications made by persons acting as nominees other than approved nominee companies shall be rejected.

8. **IF YOU ARE NOT AN APPROVED NOMINEE COMPANY, YOU MUST MAINTAIN A SECURITIES ACCOUNT WITH CDP IN YOUR OWN NAME AT THE TIME OF YOUR APPLICATION.** If you do not have an existing Securities Account with CDP in your own name at the time of your application, your application will be rejected. If you have an existing Securities Account with CDP but fail to provide your Securities Account number or provide an incorrect Securities Account number in Section B of the Application Form, your application is liable to be rejected. Subject to paragraph 9 below, your application shall be rejected if your particulars such as name, NRIC/passport number, nationality, permanent residence status and CDP Securities Account number provided in your Application Form differ from those particulars in your Securities Account as maintained with CDP. If you have more than one (1) individual direct Securities Account with CDP, your application shall be rejected.

9. **If your address as stated in the Application Form is different from the address registered with CDP, you must inform CDP of your updated address promptly, failing which the notification letter on successful allotment and other correspondences from CDP will be sent to your address last registered with CDP.**

10. **Our Company, in consultation with the Sponsor, Issue Manager and Placement Agent, reserves the right to reject any application which does not conform strictly to the instructions set out in the Application Form and in this Offer Document or with the terms and conditions of this Offer Document or which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly drawn up or improper form of remittance or remittances which are not honoured upon their first presentation.**

    Each of our Company and the Sponsor, Issue Manager and Placement Agent further reserves the right to treat as valid any applications not completed or submitted or effected in all respects in accordance with the instructions set out in the Application Form or the terms and conditions of this Offer Document, and also to present for payment or other processes all remittances at any time after receipt and to have full access to all information relating to, or deriving from, such remittances or the processing thereof.

    Without prejudice to the rights of our Company and the Sponsor, Issue Manager and Placement Agent, as agents of our Company, have been authorised to accept, for and on behalf of our Company, such other forms of application as the Sponsor, Issue Manager and Placement Agent deems appropriate.

11. Our Company, in consultation with the Sponsor, Issue Manager and Placement Agent, reserves the right to reject or accept, in whole or in part, or to scale down any application, without assigning any reason therefor, and no enquiry and/or correspondence on our decision of our Company, will be entertained. In deciding the basis of allotment which shall be at our discretion, in consultation with the Sponsor, Issue Manager and Placement Agent, due consideration will be given to the desirability of allotting the Placement Shares to a reasonable number of applicants with a view to establishing an adequate market for our Shares.

12. Share certificates will be registered in the name of CDP and will be forwarded only to CDP. It is expected that CDP will send to you, at your own risk, within 15 Market Days after the close of the Application List, and subject to the submission of valid application and payment for the Placement Shares, a statement of account stating that your Securities Account has been credited with the number of Placement Shares allotted to you, if your application is successful. This will be the only acknowledgement of application monies received and is not an acknowledgement by our Company and the Sponsor, Issue Manager and Placement Agent. You irrevocably authorise CDP to complete and sign on your behalf as transferee or renouncee, any instrument of transfer and/or other documents required for the issue or transfer of the Placement Shares allotted to you.

13. In the event a supplementary or replacement offer document is lodged with the SGX-ST, acting as agent on behalf of the Authority, the Placement shall be kept open for at least 14 days after the lodgement of such supplementary or replacement offer document.

14. Where prior to the lodgement of the supplementary or replacement offer document, applications have been made under this Offer Document to subscribe for the Placement Shares and:

    (a) where the Placement Shares have not been allotted and issued to the applicants, we shall either:

        (i) (A) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, as the case may be, give you notice in writing of how to obtain, or arrange to receive, a copy of the supplementary or replacement offer document, as the case may be, and provide you with an option to withdraw your application, and (B) take all reasonable steps to make available within a reasonable period of time the supplementary or replacement offer document, as the case may be, to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the supplementary or replacement offer document;

        (ii) within seven (7) days from the date of the lodgement of the supplementary or replacement offer document, give you a copy of the supplementary or replacement offer document, as the case may be, and provide you with an option to withdraw your application;

        (iii) (A) treat your application as withdrawn and cancelled, in which case your application shall be deemed to have been withdrawn and cancelled, and (B) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, return all monies you have paid on account of your application for

the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at your own risk and you shall not have any right or claim against our Company and the Sponsor, Issue Manager and Placement Agent; or

(b) where the Placement Shares have already been allotted and issued but trading has not commenced, we shall either:

(i) (A) within two (2) days (excluding any Saturday, Sunday or public holiday) from the date of lodgement of the supplementary or replacement offer document, as the case may be, give you notice in writing of how to obtain, or arrange to receive, a copy of the same, and provide you with an option to return to us the Placement Shares which you do not wish to retain title in, and (B) take all reasonable steps to make available within a reasonable period of time the supplementary or replacement offer document, as the case may be, to you if you have indicated that you wish to obtain, or have arranged to receive, a copy of the supplementary or replacement offer document; or

(ii) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, give you a copy of the supplementary or replacement offer document, as the case may be, and provide you with an option to return to us the Placement Shares which you do not wish to retain title in and without any right to claim against our Company and the Sponsor, Issue Manager and Placement Agent;

subject to compliance with the Cayman Companies Act and our Articles of Association, (A) deem the issue of the Placement Shares as void pursuant to the SFA and in which case the issue of the Placement Shares shall be treated as void, and (B) within seven (7) days from the date of lodgement of the supplementary or replacement offer document, as the case may be, return all monies paid on account of your application for the Placement Shares, without interest or any share of revenue or other benefit arising therefrom and at your own risk, and you shall not have any right or claim against our Company and the Sponsor, Issue Manager and Placement Agent. In such case, you shall cease to have any rights to the Placement Shares immediately and you agree that subject to the Cayman Companies Act, the GEM Listing Rules, the Hong Kong Takeovers Code (including, if applicable, the HK Share Buy Back Requirements) and our Articles of Association, we shall buy back the Placement Shares at nil consideration, and we shall cancel the Placement Shares upon repurchase.

An applicant who wishes to exercise his option under paragraph 14(a)(i) or (ii) above to withdraw his application shall, within fourteen (14) days from the date of lodgement of the supplementary or replacement offer document, notify us of this, whereupon we shall, within seven (7) days from the receipt of such notification, pay to him all monies paid by him on account of his application for the Placement Shares without interest or any share of revenue or other benefit arising therefrom and at the applicant's own risk and the applicant shall not have any claim against our Company and the Sponsor, Issue Manager and Placement Agent.

An applicant who wishes to exercise his option under paragraph 14(b)(i) or (ii) above to return the Placement Shares issued to him shall, within fourteen (14) days from the date of lodgement of the supplementary or replacement offer document, notify us of this and

return all documents, if any, purporting to be evidence of title to those Placement Shares to us, whereupon we shall, within seven (7) days from the receipt of such notification, pay to him all monies paid by him on account of his application for the Placement Shares without interest or any share of revenue or other benefit arising therefrom and at the applicant's own risk and the applicant shall not have any claim against our Company, the Sponsor, Issue Manager and Placement Agent.

Additional terms and instructions applicable upon the lodgement of the supplementary or replacement offer document, including instructions on how you can exercise the option to withdraw your application or return the Placement Shares allotted to you, may be found in such supplementary or replacement offer document.

15. You irrevocably authorise CDP to disclose the outcome of your application, including the number of Placement Shares allotted to you pursuant to your application, to us, the Sponsor, Issue Manager and Placement Agent and any other parties so authorised by the foregoing persons. None of the Company and the Sponsor, Issue Manager and Placement Agent and any other parties so authorised by the foregoing persons, or CDP shall be liable for any delays, failures or inaccuracies in the recording, storage, transmission or delivery of data relating to your Application Form.

16. Any reference to "you" or the "applicant" in this section shall include an individual, a corporation, an approved nominee and trustee applying for the Placement Shares through the Placement Agent or its designated sub-placement agent by way of an Application Form or such other forms of application as the Sponsor, Issue Manager and Placement Agent deem appropriate.

17. By completing and delivering an Application Form in accordance with the provisions of this Offer Document, you:

    (a) irrevocably offer, agree and undertake to subscribe for the number of Placement Shares specified in your application (or such smaller number for which the application is accepted) at the Placement Price for each Placement Share and agree that you will accept such Placement Shares as may be allotted to you, in each case on the terms of, and subject to the conditions set out in this Offer Document and the Articles of Association;

    (b) agree that the aggregate Placement Price for the Placement Shares applied for is due and payable to our Company upon your application;

    (c) warrant the truth and accuracy of the information contained, and representations and declarations made, in your application, and acknowledge and agree that such information, representations and declarations will be relied on by our Company and the Sponsor, Issue Manager and Placement Agent in determining whether to accept your application and/or whether to allot any Placement Shares to you;

    (d) (i) consent to the collection, use, processing and disclosure of your name, NRIC/ passport number or company registration number, address, nationality, permanent residency status, CDP Securities Account number, share application amount, the outcome of your application (including the number of Placement Shares allotted to you pursuant to your application) and other personal data ("**Personal Data**") to the Share

Registrar, Securities Clearing and Computer Services (Pte) Ltd ("**SCCS**"), the SGX-ST, CDP, our Company, the Sponsor, Issue Manager and Placement Agent and/or other authorised operators (collectively, the "**Relevant Persons**"), for the purpose of facilitating your application for the Placement Shares, and in order for the Relevant Persons to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**") and warrant that such Personal Data is true, accurate and correct, (ii) warrant that where you, as an approved nominee company, disclose the Personal Data of the beneficial owner(s) to the Relevant Persons, you have obtained the prior consent of such beneficial owner(s) for the collection, use, processing and disclosure by the Relevant Persons of the Personal Data of such beneficial owner(s) for the Purposes, (iii) agree that the Relevant Persons may do anything or disclose any Personal Data or matters without notice to you if the Relevant Persons consider them to be required or desirable in respect of any applicable policy, law, regulation, government entity, regulatory authority or similar body, and (iv) agree that you will indemnify the Relevant Persons in respect of any penalties, liabilities, claims, demands, losses and damages as a result of your breach of warranties. You also agree that the Relevant Persons shall be entitled to enforce this indemnity (collectively, the "**Personal Data Privacy Terms**"). If any Personal Data is transferred to a country or territory outside of Singapore, the Relevant Persons will ensure that the recipient of the Personal Data provides a standard of protection that is comparable to the protection which Personal Data enjoys under the laws of Singapore, and where these countries or territories do not have personal data protection laws which are comparable to those of Singapore, the Relevant Persons will enter into legally enforceable agreements with the recipients to ensure that they protect the Personal Data to the same standard as required under the laws of Singapore; and

(e) agree and warrant that, if the laws of any jurisdictions outside Singapore are applicable to your application, you have complied with all such laws and none of our Company and the Sponsor, Issue Manager and Placement Agent will infringe any such laws as a result of the acceptance of your application.

18. Our acceptance of applications will be conditional upon, among others, our Company and the Sponsor, Issue Manager and Placement Agent, being satisfied that:

(a) permission has been granted by the SGX-ST to deal in and for the listing and quotation of all our existing Shares, the Placement Shares, the Option Shares and the Award Shares on Catalist;

(b) the Management and Sponsorship Agreement and the Placement Agreement referred to in the section entitled "Plan of Distribution – Sponsorship, Management and Placement Arrangements" of this Offer Document have become unconditional and have not been terminated or cancelled prior to such date as our Company may determine; and

(c) the Authority, the SGX-ST, acting as agent on behalf of the Authority (to the extent applicable) or any other competent authority, has not issued a stop order under the SFA ("**Stop Order**") which directs that no further shares to which this Offer Document relates be allotted or issued.

19. In the event that a Stop Order pursuant to Section 242 of the SFA is served by the Authority, the SGX-ST, acting as agent on behalf of the Authority (to the extent applicable) or other competent authority and applications to subscribe for the Placement Shares have been made prior to the Stop Order, and:

    (a) in the case where the Placement Shares have not been issued, we will (as required by law), and subject to the SFA, deem all applications withdrawn and cancelled and our Company shall refund (at your own risk) all monies paid on account of your application for the Placement Shares (without interest or any share of revenue or other benefit arising therefrom) to you within 14 days of the date of the Stop Order; or

    (b) in the case where the Placement Shares have been issued but trading has not commenced, subject to compliance with the Cayman Companies Act and our Articles of Association, the issue of the Placement Shares shall be deemed void pursuant to the SFA in which case the issue of the Placement Shares shall be treated as void, and our Company shall, within 14 days from the date of the Stop Order, refund all monies paid on account of your application for the Placement Shares (without interest or any share of revenue or other benefit arising therefrom and at your own risk). In such case, you shall cease to have any rights to the Placement Shares immediately and you agree that, subject to compliance with the Cayman Companies Act, the GEM Listing Rules, the Hong Kong Takeovers Code (including, if applicable, the HK Share Buy Back Requirements) and our Articles of Association, we shall buy back the Placement Shares at nil consideration, and we shall cancel the Placement Shares upon repurchase, and

    you shall not have any claims against our Company and the Sponsor, Issue Manager and Placement Agent.

    This shall not apply where only an interim Stop Order has been served.

20. In the event that an interim Stop Order in respect of the Placement Shares is served by the Authority, the SGX-ST, acting as agent on behalf of the Authority (to the extent applicable) or other competent authority, no Placement Shares shall be issued during the time when the interim Stop Order is in force.

21. The Authority, the SGX-ST, acting as agent on behalf of the Authority (to the extent applicable) or other competent authority is not able to serve a Stop Order in respect of the Placement Shares if the Placement Shares have been issued and listed for quotation on a securities exchange and trading in the Placement Shares has commenced.

22. In the event of any changes in the closure of the Application List or the time period during which the Placement is open, we will publicly announce the same through a SGXNET announcement to be posted on the Internet at the SGX-ST website (http://www.sgx.com) and/or through a paid advertisement in a major English language newspaper in Singapore.

23. We will not hold any application in reserve.

24. We will not allot Shares on the basis of this Offer Document later than six (6) months after the date of registration of this Offer Document by the SGX-ST, acting as agent on behalf of the Authority.

25. Additional terms and conditions for applications by way of Application Form are set out in the section entitled “Additional Terms and Conditions for Application using Application Form” below.

26. All payments in respect of any application for the Placement Shares and any refund, shall be made in S$.

27. No person in any jurisdiction outside Singapore receiving this Offer Document or its accompanying documents (including the Application Form) may treat the same as an offer or invitation to subscribe for any Placement Shares unless such offer or invitation could lawfully be made without compliance with any regulatory requirements in those jurisdictions.

ADDITIONAL TERMS AND CONDITIONS FOR APPLICATION USING APPLICATION FORM

You shall make an application by way of an Application Form on and subject to the terms and conditions of this Offer Document including but not limited to the terms and conditions appearing below as well as those set out in the "**TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE**" section in Appendix F of this Offer Document as well as the Constitution.

1. Your application must be made using the Application Form for Placement Shares accompanying and forming part of this Offer Document, or in such other manner as the Sponsor, Issue Manager and Placement Agent may in its absolute discretion deem appropriate. **ONLY ONE (1) APPLICATION** should be enclosed in each envelope.

   We draw your attention to the detailed instructions contained in the Application Form and this Offer Document for the completion of the Application Form which must be carefully followed. **Our Company and the Sponsor, Issue Manager and Placement Agent reserve the right to reject applications which do not conform strictly to the instructions set out in the Application Form and this Offer Document or to the terms and conditions of this Offer Document or which are illegible, incomplete, incorrectly completed or which are accompanied by improperly drawn up remittances or improper form of remittances or remittances which are not honoured upon their first presentation.**

2. Your Application Form must be completed in English. Please type or write clearly in ink using **BLOCK LETTERS.**

3. All spaces in the Application Form, except those under the heading **"FOR OFFICIAL USE ONLY"**, must be completed and the words **"NOT APPLICABLE"** or **"N.A."** should be written in any space that is not applicable.

4. Individuals, corporations, approved nominee companies and trustees must give their names in full. You must make your application, in the case of individuals, in your full names as they appear in your identity card (if applicants have such identification documents) or in your passport and, in the case of corporations, in your full names as registered with a competent authority. If you are not an individual, you must complete the Application Form under the hand of an official who must state the name and capacity in which he signs the Application Form. If you are a corporation completing the Application Form, you are required to affix your Common Seal (if any) in accordance with your constitution or equivalent constitutive documents. If you are a corporate applicant and your application is successful, a copy of your constitution or equivalent constitutive documents must be lodged with our Company's Share Registrar. Our Company and the Sponsor, Issue Manager and Placement Agent reserve the right to require you to produce documentary proof of identification for verification purposes.

5. (a) You must complete Sections A and B and sign on page 1 of the Application Form.

   (b) You are required to delete either paragraph 7(a) or 7(b) on page 1 of the Application Form. Where paragraph 7(a) is deleted, you must also complete Section C of the Application Form with particulars of the beneficial owner(s).

   (c) If you fail to make the required declaration in paragraph 7(a) or 7(b), as the case may be, on page 1 of the Application Form, your application is liable to be rejected.

6. You, whether an individual or corporate applicant, whether incorporated or unincorporated and wherever incorporated or constituted, will be required to declare whether you are a citizen or permanent resident of Singapore or a corporation in which citizens or permanent residents of Singapore or any body corporate constituted under any statute of Singapore have an interest in the aggregate of more than 50.0% of the issued share capital of or interests in such corporations.

   If you are an approved nominee company, you are required to declare whether the beneficial owner of the Placement Shares is a citizen or permanent resident of Singapore or a corporation, whether incorporated or unincorporated and wherever incorporated or constituted, in which citizens or permanent residents of Singapore or any body corporate whether incorporated or unincorporated and wherever incorporated or constituted under any statute of Singapore have an interest in the aggregate of more than 50.0% of the issued share capital of or interests in such corporation.

7. The completed and signed Application Form and the correct remittance in full in respect of the number of Placement Shares applied for (in accordance with the terms and conditions of this Offer Document) with your name and address written clearly on the reverse side, must be enclosed and sealed in an envelope to be provided by you. You must affix adequate postage (if despatching by ordinary post) and thereafter the sealed envelope must be **DESPATCHED BY ORDINARY POST OR DELIVERED BY HAND at your own risk to METASURFACE TECHNOLOGIES HOLDINGS LIMITED C/O TRICOR BARBINDER SHARE REGISTRATION SERVICES (A DIVISION OF TRICOR SINGAPORE PTE. LTD.), 9 RAFFLES PLACE #26-01, REPUBLIC PLAZA, SINGAPORE 048619**, to arrive by **12.00 noon on [●] 2026 or such other time as our Company may, in consultation with the Sponsor, Issue Manager and Placement Agent, in its absolute discretion, decide. Local Urgent Mail or Registered Post must NOT be used.** No acknowledgement of receipt will be issued for any application or remittance received. Your application must be accompanied by a remittance in Singapore currency for the full amount payable, in respect of the number of the Placement Shares applied for, in the form of a **BANKER'S DRAFT** or **CASHIER'S ORDER** drawn on a bank in Singapore, made out in favour of **"METASURFACE SHARE ISSUE ACCOUNT**" crossed "**A/C PAYEE ONLY**", with your name, CDP Securities Account Number and address written clearly on the reverse side. Applications not accompanied by any payment or accompanied by any other form of payment will not be accepted. We will reject remittances bearing "**NOT TRANSFERABLE**" or "**NON TRANSFERABLE**" crossings. We reserve the right to reject any application which is accompanied by combined Banker's Draft or Cashier's Order for different CDP Securities Accounts. No acknowledgement or receipt will be issued by our Company or the Sponsor, Issue Manager and Placement Agent for applications and application monies received.

8. Monies paid in respect of unsuccessful applications are expected to be returned (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk. Where your application is rejected or accepted in part only, the full amount or the balance of the application monies, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 Market Days after the close of the Application List, provided that the remittance accompanying such application which has been presented for payment or other processes has been honoured and the application monies have been received in the designated share issue account. In the event that the Placement is cancelled by us following the termination of the Management and Sponsorship Agreement and/or the Placement Agreement, the application monies received will be refunded (without interest or any share of revenue or any other benefit arising therefrom) to you by ordinary post at your own risk within five (5) Market Days of the termination of the Placement. In the event that the Placement is cancelled by us following the issuance of the Stop Order by the Authority, the application monies received will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post at your own risk within 14 days from the date of the Stop Order.

9. Capitalised terms used in the Application Form and defined in this Offer Document shall bear the meanings assigned to them in this Offer Document.

10. You irrevocably agree and acknowledge that your application is subject to risks of fires, acts of God and other events beyond the control of our Company, our Directors, the Sponsor, Issue Manager and Placement Agent and/or any party involved in the Placement, and if, in any event our Company and/or the Sponsor, Issue Manager and Placement Agent do not receive your Application Form, you shall have no claim whatsoever against our Company, the Sponsor, Issue Manager and Placement Agent and/or any party involved in the Placement for the Placement Shares applied for or for any compensation, loss or damage.

11. By completing and delivering the Application Form, you agree that:

    (a) in consideration of our Company having distributed the Application Form to you and agreeing to close the Application List at **12.00 noon on** [●] **2026** or such other time or date as our Directors may, in consultation with the Sponsor, Issue Manager and Placement Agent, in their absolute discretion, decide:

        (i) your application is irrevocable; and

        (ii) your remittance will be honoured on first presentation and that any application monies returnable may be held pending clearance of your payment without interest or any share of revenue or other benefit arising therefrom;

    (b) neither our Company, Sponsor, Issue Manager and Placement Agent nor any other party involved in the Placement will be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to your application to us or CDP due to breakdowns or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 10 above or to any cause beyond their respective controls;

(c) all applications, acceptances and contracts resulting therefrom under the Placement shall be governed by and construed in accordance with the laws of Singapore and that you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;

(d) in respect of the Placement Shares for which your application has been received and not rejected, acceptance of your application shall be constituted by written notification and not otherwise, notwithstanding any remittance being presented for payment by or on behalf of our Company;

(e) you will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of your application;

(f) in making your application, reliance is placed solely on the information contained in this Offer Document and none of our Company, the Sponsor, Issue Manager and Placement Agent nor any other person involved in the Placement shall have any liability for any information not so contained;

(g) you accept and agree to the Personal Data Privacy Terms set out in this Offer Document;

(h) you irrevocably agree and undertake to subscribe for the number of the Placement Shares applied for as stated in the Application Form or any smaller number of such Placement Shares that may be allotted to you in respect of your application. In the event that our Company and the Sponsor, Issue Manager and Placement Agent decide to allot any smaller number of the Placement Shares or not to allot any Placement Shares to you, you agree to accept such decision as final; and

(i) you irrevocably authorise CDP to complete and sign on your behalf as transferee or renouncee any instrument of transfer and/or other documents required for the issue of the Placement Shares that may be allotted to you.

12. By completing and delivering the Application Form, you declare that you do not possess more than one (1) individual direct Securities Account with CDP.

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INFORMATION RELATING TO SINGAPORE AND HONG KONG LAWS, RULES, REGULATIONS AND CODES

The Shares are currently listed on GEM. We set out below a summary of the major differences between the GEM Listing Rules and the Catalist Rules, certain applicable laws and regulations of Singapore and Hong Kong, the takeover rules under the Singapore Take-over Code, the Hong Kong Takeovers Code and certain relevant legislations concerning companies with listed securities.

However, this summary is for general guidance only and is not and shall not be relied on as legal advice or any other advice to Shareholders. The summary is not meant to be a comprehensive or exhaustive description of all the relevant Singapore and Hong Kong laws, rules and regulations. In addition, Shareholders should also note that the laws, rules and regulations applicable to our Company and Shareholders may change, whether as a result of proposed legislative reforms to the Singapore or Hong Kong laws, rules or regulations or otherwise.

Prospective investors and/or Shareholders should consult their own legal advisers for specific legal advice concerning their legal rights and obligations under Singapore laws and Hong Kong laws. In the event of any conflict between the Hong Kong laws, rules and regulations, including but not limited to the GEM Listing Rules, the Hong Kong Takeovers Code and Part XV of the SFO HK, on the one hand, and the Singapore laws, rules and regulations, including but not limited to the Catalist Rules, the Singapore Companies Act, the Singapore Take-over Code, and the SFA, on the other hand, we shall comply with the more restrictive and stringent rule.

I. Summary of the Major Differences between the GEM Listing Rules and the Catalist Rules and Certain Applicable Singapore and Hong Kong Laws

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
REPORTING REQUIREMENTS	
Issuers in Hong Kong are required to comply with disclosure obligations under the GEM Listing Rules upon the occurrence of the events which are prescribed therein.	Issuers in Singapore are required to comply with disclosure obligations under the Catalist Rules upon the occurrence of the events which are prescribed in the Catalist Rules.
In the case that the Company makes a disclosure pursuant to the GEM Listing Rules, it will make the same disclosure in Singapore.	In the case that the Company makes a disclosure pursuant to the Catalist Rules, it will make the same disclosure in Hong Kong.

The GEM Listing Rules and Hong Kong Laws

1. Chapter 17 of the GEM Listing Rules (Continuing Obligations)

Rule 17.10, GEM Listing Rules: General Obligation of Disclosure

(1) Without prejudice to Rule 17.11 of the GEM Listing Rules, where in the view of the HKSE there is or there is likely to be a false market in an issuer's securities, the issuer must, as soon as reasonably practicable after consultation with the HKSE, announce the information necessary to avoid a false market in its securities.

Notes:

(1) This obligation exists whether or not the HKSE makes enquiries under Rule 17.11 of the GEM Listing Rules.

(2) If an issuer believes that there is likely to be a false market in its listed securities, it must contact the HKSE as soon as reasonably practicable.

(2) (a) Where an issuer is required to disclose inside information under the Inside Information Provisions (as defined in the GEM Listing Rules), it must also simultaneously announce the information.

(b) An issuer must simultaneously copy to the HKSE any application to the HK SFC for a waiver from disclosure under the Inside Information Provisions, and promptly upon being notified of the HK SFC's decision copy the HKSE with the HK SFC's decision.

Catalist Rules and Singapore Laws

Chapter 7 of the Catalist Rules (Continuing Obligations)

Rule 703, Catalist Rules: Disclosure of Material Information

(1) An issuer must announce any information known to the issuer concerning it or any of its subsidiaries or associated companies which:

(a) is necessary to avoid the establishment of a false market in the issuer's securities; or

(b) would be likely to materially affect the price or value of its securities.

(2) Rule 703(1) does not apply to information which would be a breach of law to disclose.

(3) Rule 703(1) does not apply to particular information which satisfies the following conditions:

Condition 1: a reasonable person would not expect the information to be disclosed;

Condition 2: the information is confidential; and

Condition 3: one or more of the following applies:

(a) the information concerns an incomplete proposal or negotiation;

(b) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;

(c) the information is generated for the internal management purposes of the entity;

(d) the information is a trade secret.

The GEM Listing Rules and Hong Kong Laws

Rule 17.12, GEM Listing Rules: Information Disclosed to Other Stock Exchanges

An issuer must announce any information released to any other stock exchange on which its securities are listed at the same time as the information is released to that other exchange.

Rule 17.50, GEM Listing Rules: Notification on Changes

An issuer must publish an announcement as soon as practicable in regard to:

(1) any proposed alteration of the issuer's memorandum or articles of association or equivalent documents;

(2) any changes in its directorate or supervisory committee, and shall procure that each new director or supervisor or member of its governing body shall submit to the HKSE as soon as practicable after the appointment the contact information and personal particulars required under rule 5.13A(1) or 25.04A of the GEM Listing Rules (in such form and manner prescribed by the Exchange from time to time). Where a new director, supervisor or chief executive is appointed or the resignation, re-designation, retirement or removal of a director, supervisor or chief executive takes effect, the issuer must announce the change as soon as practicable and include the details required pursuant to Rule 17.50(2) of the GEM Listing Rules of any newly appointed or re-designated director, supervisor or chief executive in the announcement;

Catalist Rules and Singapore Laws

(4) In complying with the SGX-ST's disclosure requirements, an issuer must:

(a) observe the Corporate Disclosure Policy set out in Appendix 7A to the Catalist Rules, and

(b) ensure that its directors and executive officers are familiar with the SGX-ST's disclosure requirements and Corporate Disclosure Policy.

(5) The SGX-ST will not waive any requirements under this Rule.

Rule 704, Catalist Rules: Announcement of Specific Information

In addition to Rule 703, an issuer must immediately announce the following:

General

(1) Any change of address of the registered office of the issuer or of any office at which the Register of Members or any other register of securities of the issuer is kept.

(2) Any proposed alteration to the memorandum of association or articles of association or constitution of the issuer.

(3) [Deleted]

(4) Any adverse opinion, disclaimer of opinion, qualified opinion or emphasis of a matter (including a material uncertainty relating to going concern) by the auditors on the financial statements of:

(a) the issuer; or

(b) any of the issuer's subsidiaries or associated companies, if the qualification or emphasis of a matter has a material impact on the issuer's consolidated accounts or the group's financial position.

The GEM Listing Rules and Hong Kong Laws

(3) any change in its share registrar (including any change in overseas branch share registrar), secretary or member of the audit committee;

(4) any change in its auditors or financial year end, the reason(s) for the change and any other matters that need to be brought to the attention of holders of securities of the issuer (including, but not limited to, information set out in the outgoing auditors' confirmation in relation to the change in auditors);

(5) any change in its registered address or registered office or (as applicable) its registered place of business in Hong Kong or agent for the service of process in Hong Kong; and

(6) any revision of interim reports, annual reports or summary financial reports, the reason leading to the revision of published financial reports, and the financial impacts, if any.

Rule 17.32, GEM Listing Rules: Changes of rights attaching to securities

An issuer shall inform the Exchange and make an announcement concerning any changes in the rights attaching to any class of securities issued or to be issued by the issuer, including any changes in the terms of conversion or exercise of any of its convertible securities.

Catalist Rules and Singapore Laws

(5) If an issuer has previously announced its preliminary full-year results, any material adjustments to its preliminary full-year results made subsequently by auditors.

Appointment or Cessation of Service

(6) (a) Any appointment or cessation of service of key persons such as director, chief executive officer, chief financial officer, chief operating officer, general manager, or other executive officer of equivalent authority, company secretary, registrar or auditors of the issuer. The announcement of an appointment or cessation of service of any director, chief executive officer, chief financial officer, chief operating officer, general manager, or other executive officer of equivalent authority must contain the information contained in Appendix 7F or Appendix 7G to the Catalist Rules, as the case may be.

(b) In the case of a cessation of service of any director, chief executive officer, chief financial officer, chief operating officer, general manager or other executive officer of equivalent authority, such persons must inform the SGX-ST in writing as soon as possible if he is aware of any irregularities in the issuer which would have a material impact on the group, including financial reporting.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	(7) Any appointment or reappointment of a director to the audit committee. The issuer must state in the announcement whether the board considers the director to be independent. The issuer must also provide such additional disclosure as may be appropriate in the circumstances to enable its shareholders to assess the independence or otherwise of the appointed director. In the event of any retirement or resignation which renders the audit committee unable to meet the minimum number (not less than three) the issuer should endeavour to fill the vacancy within two months, but in any case not later than three months.
Rule 17.27A, GEM Listing Rules: Changes in Issued Shares (1) In addition and without prejudice to specific requirements contained elsewhere in the GEM Listing Rules, an issuer must, whenever there is a change in its issued shares as a result of or in connection with any of the events referred to in Rule 17.27A(2) of the GEM Listing Rules, submit for publication on the HKSE's website a return in such form and containing such information as the HKSE may from time to time prescribe by not later than 30 minutes before the earlier of the commencement of the morning trading session or any preopening session on the business day next following the relevant event. (2) The events referred to in Rule 17.27A(1) of the GEM Listing Rules are as follows: (a) any of the following: (i) placing; (ii) consideration issue; (iii) open offer; (iv) rights issue; (v) bonus issue;	(8) Any appointment of a person who is a relative of a director or chief executive officer or substantial shareholder of the issuer to a managerial position in the issuer or any of its principal subsidiaries. The announcement must state the job title, duties and responsibilities of the appointee, and the information required in Rule 704(6). (9) Any promotion of an appointee referred to in Rule 704(8). (10) Within 60 days after each financial year, the issuer must make an announcement of each person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer as set out in Appendix 7C Part II. If there are no such persons, the issuer must make an appropriate negative statement. The SGX-ST may require the issuer to provide additional information on any such person, including his remuneration, any changes to his duties, responsibilities and remuneration package.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
(vi) scrip dividend; (vii) sale of treasury shares on GEM or any other stock exchange on which the issuer is listed; (viii) repurchase of shares or other securities; (ix) issue of new shares or transfer of treasury shares in respect of share awards or options granted to a director of the issuer under a share scheme; (x) exercise of an option (other than under a share option scheme) by a director of the issuer; (xi) capital reorganisation; or (xii) change in issued shares or treasury shares not falling within any of the categories referred to in Rule 17.27(2)(a)(i) to (xi) or Rule 17.27A(2)(b) of the GEM Listing Rules; and (b) subject to Rule 17.27A(3) of the GEM Listing Rules, any of the following: (i) issue of new shares or transfer of treasury shares in respect of share awards or options granted to a participant (who is not a director of the issuer) under a share scheme;	(11) Any appointment of, or change in legal representative(s) (or person(s) of equivalent authority, however described), appointed as required by any relevant law applicable to the issuer and/or any of its principal subsidiaries, with sole powers to represent, exercise rights on behalf of, and enter into binding obligations on behalf of, the issuer and/or that principal subsidiaries. (12) For issuers with principal subsidiaries based in jurisdictions other than Singapore, any of its independent director's appointment or cessation of service from the board of these principal subsidiaries.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
(ii) exercise of an option (other than under a share option scheme) not by a director of the issuer;	
(iii) exercise of a warrant;	
(iv) conversion of convertible securities;	
(v) redemption of shares or other securities;	
(vi) cancellation of repurchased or redeemed shares following settlement of any such repurchase or redemption; or	
(vii) cancellation of treasury shares.	
(3) The disclosure obligation for an event in Rule 17.27(2)(b) of the GEM Listing Rules only arises where:	**Appointment of Special Auditors**
(a) the event, either individually or when aggregated with any other events described in that rule which have occurred since the listed issuer published its last monthly return under Rule 17.27B of the GEM Listing Rules or last return under Rule 17.27A of the GEM Listing Rules (whichever is the later), results in a change of 5% or more of the listed issuer's issued shares (excluding treasury shares); or	(13) Any appointment of a special auditor or an additional auditor. The issuer may be required by the SGX-ST to announce the findings of the special auditors or the additional auditors.
	Sponsorship
	(27) If its sponsor will cease, or ceases to sponsor it for any reason, stating the reasons and effective date of such cessation.
	(28) Any confirmation made by the sponsor pursuant to Rule 228(5) upon receipt of such confirmation.
	(29) The appointment of a new sponsor.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
(b) an event in Rule 17.27A(2)(a) of the GEM Listing Rules has occurred and the event in Rule 17.27A(2)(b) of the GEM Listing Rules has not yet been disclosed in either a monthly return published under Rule 17.27B of the GEM Listing Rules or a return published under this Rule 17.27A of the GEM Listing Rules.	
(4) For the purposes of Rule 17.27A(3) of the GEM Listing Rules, the percentage change in the listed issuer's issued shares (excluding treasury shares) is to be calculated by reference to the listed issuer's total number of issued shares (excluding treasury shares) as it was immediately before the earliest relevant event which has not been disclosed in a monthly return published under Rule 17.27B of the GEM Listing Rules or a return published under Rule 17.27A of the GEM Listing Rules.	

The GEM Listing Rules and Hong Kong Laws

Rule 17.27B, GEM Listing Rules: Monthly Return

A listed issuer shall, by no later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the fifth business day next following the end of each calendar month, submit for publication on the HKSE's website a monthly return in relation to movements in the listed issuer's equity securities (including treasury shares), debt securities and any other securitised instruments, as applicable, during the period to which the monthly return relates, in such form and containing such information as the HKSE may from time to time prescribe (irrespective of whether there has been any change in the information provided in its previous monthly return). Such information includes, among other things, the number as at the close of such period of equity securities (including treasury shares), debt securities and any other securitised instruments, as applicable, issued, sold or transferred and which may be issued, sold or transferred pursuant to options, warrants, convertible securities or any other agreements or arrangements.

Catalist Rules and Singapore Laws

Loan agreements/Issue of Debt Securities

(33) When the issuer or any of its subsidiaries enters into a loan agreement or issues debt securities that contain a specified condition, and the breach of this specified condition will be an event of default, an enforcement event or an event that would cause acceleration of the repayment of the principal amount of the loan or debt securities, significantly affecting the operations of the issuer or results in the issuer facing a cash flow problem:

(a) the details of the specified condition; and

(b) The level of these facilities that may be affected by a breach of such specified condition.

For the purpose of Rule 704(33) and Rule 728, a "specified condition" is a condition that makes reference to the shareholding interests of any controlling shareholder of the issuer, or a restriction on any change in control of the issuer

(34) For any loan agreement or debt securities of the issuer or any of its subsidiaries, any breach of, or occurrence of any event under the terms of, the loan agreement or debt securities if it, in the opinion of the issuer's directors, may:

(a) have a significant impact on the operations of the issuer; or

(b) result in the issuer facing a cashflow problem.

The GEM Listing Rules and Hong Kong Laws

2. General Meetings

Rule 17.46, GEM Listing Rules: Notices

(1) An issuer shall send notices to all holders of its listed securities whether or not their registered address is in Hong Kong.

(2) In addition to any direction of the court, the issuer shall ensure that notice of every meeting of its shareholders or its creditors concerning the issuer (e.g. for winding up petitions, schemes of arrangement or capital reduction) is published in accordance with Chapter 16 of the GEM Listing Rules. The issuer shall despatch a circular to its shareholders at the same time as (or before) the issuer gives notice of the general meeting to approve the transaction referred to in the circular. The issuer shall provide its shareholders with any material information on the subject matter to be considered at a general meeting that comes to the directors' attention after the circular is issued. The issuer must provide the information either in a supplementary circular or by way of an announcement not less than 10 business days before the date of the relevant general meeting to consider the subject matter. The meeting must be adjourned before considering the relevant resolution to ensure compliance with this 10 business day requirement by the chairman or, if that is not permitted by the issuer's constitutional documents, by resolution to that effect.

Catalist Rules and Singapore Laws

Rule 704, Catalist Rules: Announcement of Specific Information

In addition to Rule 703, an issuer must immediately announce the following:

General Meetings

(14) The date, time and place of any general meeting. All notices convening meetings must be sent to shareholders at least 14 calendar days before the meeting (excluding the date of notice and the date of meeting). For meetings to pass special resolution(s), the notice must be sent to shareholders at least 21 calendar days before the meeting (excluding the date of notice and the date of meeting).

(15) Immediately after each general meeting and before the commencement of the pre-opening session on the market day following the general meeting, whether the resolutions put to a general meeting of an issuer were passed. The announcement shall include:

(a) Breakdown of all valid votes cast at the general meeting, in the following format:

- Resolution number and details
- Total number of shares represented by votes for and against the relevant resolution
- For
  - Number of shares
  - As a percentage of total number of votes for and against the resolution (%)

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	• Against ○ Number of shares ○ As a percentage of total number of votes for and against the resolution (%) (b) Details of parties who are required to abstain from voting on any resolution(s), including the number of shares held and the individual resolution(s) on which they are required to abstain from voting; and (c) Name of firm and/or person appointed as scrutineer.
Rules 17.47(4) and (5), GEM Listing Rules: Meetings of Shareholders Any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The issuer must announce the meeting's poll results as soon as possible, but in any event at least 30 minutes before the earlier of either the commencement of the morning trading session or any pre-opening session on the business day after the meeting.	**Rule 730A, Catalist Rules: Facilitating Interaction with Shareholders** (1) An issuer shall hold all its general meetings in Singapore, unless prohibited by relevant laws and regulations in the jurisdiction of its incorporation. (2) All resolutions at general meetings shall be voted by poll. (3) At least one scrutineer shall be appointed for each general meeting. The appointed scrutineer(s) shall be independent of the persons undertaking the polling process. Where the appointed scrutineer is interested in the resolution(s) to be passed at the general meeting, it shall refrain from acting as the scrutineer for such resolution(s). (4) The appointed scrutineer shall exercise the following duties: (a) ensuring that satisfactory procedures of the voting process are in place before the general meeting; and (b) directing and supervising the count of the votes cast through proxy and in person.

The GEM Listing Rules and Hong Kong Laws

3. Rules 19.06, 19.06B, 19.06C and 19.07, GEM Listing Rules: Classification of Notifiable Transactions

Under Chapter 19 of the GEM Listing Rules, the transaction classification is made by using the percentage ratios set out in Rule 19.07. The classifications are:

(1) share transaction: an acquisition of assets (excluding cash) by a listed issuer where the consideration includes securities for which listing will be sought and where all percentage ratios are less than 5%;

(2) discloseable transaction: a transaction or a series of transactions (aggregated under Rules 19.22 and 19.23 of the GEM Listing Rules) by a listed issuer where any percentage ratio is 5% or more, but less than 25%;

(3) major transaction: a transaction or a series of transactions (aggregated under Rules 19.22 and 19.23 of the GEM Listing Rules) by a listed issuer where any percentage ratio is 25% or more, but less than 100% for an acquisition or 75% for a disposal;

(4) very substantial disposal: a disposal or a series of disposals (aggregated under Rules 19.22 and 19.23 of the GEM Listing Rules) of assets (including deemed disposals referred to in Rule 19.29 of the GEM Listing Rules) by a listed issuer where any percentage ratio is 75% or more;

Catalist Rules and Singapore Laws

Rule 704, Catalist Rules: Announcement of Specific Information

In addition to Rule 703, an issuer must immediately announce the following:

Acquisitions and Realisations

(16) Any acquisition of:

(a) shares resulting in the issuer holding 10% or more of the total number of issued shares excluding treasury shares and subsidiary holdings, of a quoted company;

(b) except for an issuer which is a bank, finance company, securities dealing company or approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment exceeding each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must state:

(i) the issuer's aggregate cost of investment in quoted securities before and after the acquisition, and such amounts as a percentage of the latest audited consolidated net tangible assets of the issuer;

(ii) the total market value of its investment in quoted investments before and after the acquisition; and

(iii) the amount of any provision for diminution in value of investment in quoted securities;

The GEM Listing Rules and Hong Kong Laws

(5) very substantial acquisition: an acquisition or a series of acquisitions (aggregated under Rules 19.22 and 19.23 of the GEM Listing Rules) of assets by a listed issuer where any percentage ratio is 100% or more;

(6) reverse takeover: an acquisition or a series of acquisitions of assets by a listed issuer which, in the opinion of the HKSE, constitutes, or is part of a transaction or arrangement or series of transactions or arrangements which constitute, an attempt to achieve a listing of the assets to be acquired and a means to circumvent the requirements for new applicants set out in Chapter 11 of the GEM Listing Rules;

(7) extreme transaction: an acquisition or a series of acquisitions of assets by a listed issuer, which individually or together with other transactions or arrangements, may, by reference to the factors set out in Note 1 to Rule 19.06B of the GEM Listing Rules, have the effect of achieving a listing of the acquisition targets, but where the issuer can demonstrate that, *inter alia*, it is not an attempt to circumvent the requirements for new applicants set out in Chapter 11 of the GEM Listing Rules.

The relevant category that a transaction falls under depends on the following percentage ratios computed on the following bases:

(1) assets ratio: the total assets which are the subject of the transaction divided by the total assets of the listed issuer;

Catalist Rules and Singapore Laws

An issuer should not include the issuer's holdings in its subsidiaries and associated companies listed or quoted on the Exchange or on a foreign stock exchange when computing its investment in quoted securities.

(17) Any sale of:

(a) shares resulting in the issuer holding less than 10% of the total number of issued shares excluding treasury shares and subsidiary holdings, of a quoted company;

(b) except for an issuer which is a bank, a finance company, a securities dealing company or an approved financial institution, quoted securities resulting in the issuer's aggregate cost of investment in quoted securities falling below each multiple of 5% of the issuer's latest audited consolidated net tangible assets. The announcement must contain the same information as required under Rule 704(16)(b)(i) to (iii), relating to a sale instead of an acquisition.

(18) Any acquisition or disposal of shares or other assets which is required to be announced under Chapter 10 of the Catalist Rules.

The GEM Listing Rules and Hong Kong Laws

(2) profits ratio: the profits attributable to the assets which are the subject of the transaction divided by the profits of the listed issuer;

(3) revenue ratio: the revenue attributable to the assets which are the subject of the transaction divided by the revenue of the listed issuer;

(4) consideration ratio: the consideration divided by the total market capitalisation of the listed issuer. The total market capitalisation is the average closing price of the listed issuer's securities as stated in the HKSE's daily quotations sheets for the five business days immediately preceding the date of the transaction; and

(5) equity capital ratio: the number of shares to be issued by the listed issuer as consideration divided by the total number of the listed issuer's issued shares (excluding treasury shares) immediately before the transaction.

Rule 19.34, GEM Listing Rules: Notification and Announcement

As soon as possible after the terms of a share transaction, discloseable transaction, major transaction, very substantial disposal, very substantial acquisition, extreme transaction or reverse takeover have been finalised, the listed issuer must in each case submit an announcement to the Exchange to be published on the HKSE's website as soon as possible.

Catalist Rules and Singapore Laws

Chapter 10 of the Catalist Rules (Significant Transactions)

Part IV Classification of Transactions

Rule 1004, Catalist Rules

Under Chapter 10, transactions are classified into the following categories:

(a) non-discloseable transactions;

(b) discloseable transactions;

(c) major transactions; and

(d) very substantial acquisitions or reverse takeovers.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	Rule 1005, Catalist Rules In determining whether a transaction falls into category (a), (b), (c) or (d) of Rule 1004, the sponsor may aggregate separate transactions completed within the last 12 months and treat them as if they were one transaction. The SGX-ST retains the discretion to determine whether the aggregation was correctly applied, and/or to direct the sponsor to aggregate other transactions.
Rules 19.38 to 19.57A, GEM Listing Rules: Additional Requirements for Major Transaction, Very Substantial Disposal, Very Substantial Acquisition, Extreme Transactions and Reverse Takeover For a major transaction, very substantial disposal and very substantial acquisition, the shareholders' approval is required, while the approvals from both the shareholders and the HKSE are required for reverse takeover.	**Rule 1006, Catalist Rules** The relevant category that a transaction falls under depends on the size of the relative figures computed on the following bases: (a) The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets. (b) The net profits attributable to the assets acquired or disposed of, compared with the group's net profits. (c) The aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares. (d) The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue. (e) The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets. If the reserves are not directly comparable, the SGX-ST may permit valuations to be used instead of volume or amount.

The GEM Listing Rules and Hong Kong Laws

Catalist Rules and Singapore Laws

Rules 1008, 1010, 1014 and 1015, Catalist Rules

Transactions are categorised as follows in the Catalist Rules:

- **Rule 1008(1):** Unless Rule 703, 905 or 1009 applies, non-discloseable transaction: no announcement of the transaction is required if all of the relative figures computed on the bases set out in Rule 1006 amount to 5% or less. **Rule 1010:** discloseable transaction: where any of the relative figures computed on the bases set out in Rule 1006 exceeds 5.0%. Under Rule 1010, the issuer must also immediately announce

  (1) Particulars of the transaction, including the name of any company or business, where applicable.

  (2) A description of the trade carried on, if any.

  (3) The aggregate value of the consideration, stating the factors taken into account in arriving at it and how it will be satisfied, including the terms of payment. In the case of financial assistance, the aggregate value of the financial assistance and any interest payable on the financial assistance.

  (4) Whether there are any material conditions attaching to the transaction including a put, call or other option and details thereof.

  (5) The value (book value, net tangible asset value and the latest available open market value) of the assets being acquired or disposed of, and in respect of the latest available valuation, the value placed on the assets, the party who commissioned the valuation and the basis and date of such valuation.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	(6) In the case of a disposal, the excess or deficit of the proceeds over the book value, and the intended use of the sale proceeds. In the case of an acquisition, the source(s) of funds for the acquisition.
	(7) The net profits attributable to the assets being acquired or disposed of. In the case of a disposal, the amount of any gain or loss on disposal.
	(8) The effect of the transaction on the net tangible assets per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the end of that financial year.
	(9) The effect of the transaction on the earnings per share of the issuer for the most recently completed financial year, assuming that the transaction had been effected at the beginning of that financial year.
	(10) The rationale for the transaction including the benefits which are expected to accrue to the issuer as a result of the transaction.
	(11) Whether any director or controlling shareholder has any interest, direct or indirect, in the transaction and the nature of such interests.
	(12) Details of any service contracts of the directors proposed to be appointed to the issuer in connection with the transaction.
	(13) The relative figures that were computed on the bases set out in Rule 1006.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	• **Rule 1014(1):** major transaction: where any of the relative figures computed on the bases set out in Rule 1006 exceeds (a) for an acquisition, 75.0% but is less than 100.0%; or (b) for a disposal or the provision of financial assistance, 50.0%, the transaction is classified as a major transaction; and • **Rule 1015(1):** very substantial acquisition or reverse takeover: where an acquisition of assets (whether or not the acquisition is deemed in the issuer's ordinary course of business) is one where any of the relative figures as computed on the bases set out in Rule 1006 is 100.0% or more, or is one which will result in a change in control of the issuer, the transaction is classified as a very substantial acquisition or reverse takeover respectively. Where a transaction is classified as a discloseable transaction, major transaction or very substantial acquisition/reverse takeover, the issuer must make an immediate announcement. Under Rule 1015(1), for very substantial acquisitions/reverse takeovers, the issuer must also immediately announce (i) the information required in Rules 1010, 1011, 1012, and 1013, where applicable; and (ii) the latest two years of historical financial information (of the assets to be acquired) and one year of proforma financial information (of the enlarged group). Further, transactions that are major transactions are conditional upon the prior approval of shareholders. Very substantial acquisitions/reverse takeovers transactions are conditional upon the approval of shareholders and, if applicable, the issue of a listing and quotation notice by the SGX-ST. A circular to shareholders will need to be distributed to seek shareholders' approval.

The GEM Listing Rules and Hong Kong Laws

4. Rule 17.27, GEM Listing Rules: Winding-up and Liquidation

(1) An issuer shall inform the HKSE of the happening of any of the following events as soon as it comes to its attention:

(a) the appointment of a receiver or manager either by any court having jurisdiction or under the terms of a debenture or any application to any court having jurisdiction for the appointment of a receiver or manager, or equivalent action in the country of incorporation or other establishment, in respect of the business or any part of the business of the issuer or the property of the issuer, its holding company or any subsidiary falling under Rule 17.27(2) of the GEM Listing Rules;

(b) the presentation of any winding-up petition, or equivalent application in the country of incorporation or other establishment, or the making of any winding-up order or the appointment of a provisional liquidator, or equivalent action in the country of incorporation or other establishment, against or in respect of the issuer, its holding company or any subsidiary falling under Rule 17.27(2) of the GEM Listing Rules;

Catalist Rules and Singapore Laws

The disclosures required to be made in such circular for these types of transactions are prescribed in the Catalist Rules.

Rule 704, Catalist Rules: Announcement of Specific Information

In addition to Rule 703, an issuer must immediately announce the following:

Winding Up, Judicial Management, etc.

(19) Any application filed with a court to wind up the issuer or any of its subsidiaries, or to place the issuer or any of its subsidiaries under judicial management.

(20) The appointment of a receiver, judicial manager or liquidator of the issuer or any of its subsidiaries.

(22) Where Rule 704(19), (20) or (34) applies, a monthly update must be announced regarding the issuer's financial situation, including:

(a) the state of any negotiations between the issuer and its principal bankers or trustee; and

(b) the issuer's future direction, or other material development that may have a significant impact on the issuer's financial position.

If any material development occurs between the monthly updates, it must be announced immediately. No monthly updates are required for a voluntary liquidation of a dormant subsidiary by the issuer that is announced pursuant to Rule 704(20).

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
(c) the passing of any resolution by the issuer, its holding company or any subsidiary falling under Rule 17.27(2) of the GEM Listing Rules that it be wound up by way of members' or creditors' voluntary winding-up, or equivalent action in the country of incorporation or other establishment;	
(d) the entry into possession of or the sale by any mortgagee of a portion of the issuer's assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5% under any of the percentage ratios defined under Rule 19.04(9) of the GEM Listing Rules; or	
(e) the making of any final judgement, declaration or order by any court or tribunal of competent jurisdiction whether on appeal or at first instance which is not subject to any or further appeal, which may adversely affect the issuer's enjoyment of any portion of its assets where the aggregate value of the total assets or the aggregate amount of profits or revenue attributable to such assets represents more than 5% under any of the percentage ratios defined under Rule 19.04(9) of the GEM Listing Rules.	
(2) Rules 17.27(1)(a), (b) and (c) will apply to a subsidiary of the issuer if the value of that subsidiary's total assets, profits or revenue represents 5% or more under any of the percentage ratios defined under Rule 19.04(9) of the GEM Listing Rules.	

The GEM Listing Rules and Hong Kong Laws

5. Rules 17.49 and 31.14 GEM Listing Rules: Board Decisions

An issuer shall announce immediately after (and for the purpose of providing details of) the approval by or on behalf of the board of:

(1) any decision to declare, recommend or pay any dividend or to make any other distribution on its listed securities, including the rate and amount of the dividend or distribution and the expected payment date;

(2) any decision not to declare, recommend or pay any dividend which would otherwise have been expected to have been declared, recommended or paid in due course;

(3) any preliminary announcement of profits or losses for any year, half-year or other period; and

(4) any proposed change in the capital structure, including any redemption of its listed securities.

The issuer shall inform the Exchange and publish an announcement immediately after approval by or on behalf of the board of directors or other governing body of:

(1) any decision to pass any interest payment on listed debt securities;

(2) any proposed change in the capital structure;

(3) any new issues of debt securities and, in particular, any guarantee or security in respect thereof;

(4) any drawing, cancellation or redemption of listed debt securities; and

(5) any decision to change the general character or nature of the business of the issuer or group.

Catalist Rules and Singapore Laws

Rule 704, Catalist Rules: Announcement of Specific Information

In addition to Rule 703, an issuer must immediately announce the following:

Announcement of Results, Dividends, etc.

(23) Any recommendation or declaration of a dividend (including a bonus or special dividend, if any), the rate and amount per share and date of payment. If dividends are not taxable in the hands of shareholders, this must be stated in the announcement and in the dividend advice to shareholders. If there is a material variation in the interim or final dividend rate compared to that for the previous corresponding period, the directors must state the reasons for the variation at the time the dividend is recommended or declared. If the directors decide not to declare or recommend a dividend, this must be announced together with the reason(s) for such decision.

(24) After the end of each of the first three quarters of its financial year, half year or financial year, as the case may be, an issuer must not announce any:

(a) dividend;

(b) bonus issue or rights issue;

(c) record date;

(d) capital return; or

(e) passing of a dividend,

unless it is accompanied by the results of the quarter, half year or financial year (as set out in Appendix 7C), as the case may be, or the financial statements (as set out in Appendix 7C) have been announced.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
6. Rule 17.78, Listing Rule: Closure of Books and Record Date	In addition to Rule 703, an issuer must immediately announce the following:
(1) (a) An issuer must set a record date for determining the identity of securities holders eligible for attending and voting at the general meeting or receiving entitlements. (b) An issuer must announce (i) the record date and (ii) any closure of its transfer books or register of members in respect of securities listed in Hong Kong. For a rights issue, such announcement must be made at least six business days before the record date (when there is no book closure) or book closure date, or in all other cases, 10 business days before the record date (when there is no book closure) or book closure in other cases.	**Record Date** (25) Any intention to fix a record date, stating the date, reason and address of the share registry at which the relevant documents will be accepted for registration. At least 5 market days of notice (excluding the date of announcement and the record date) must be given for any record date. Issuers could consider a longer notice period, where necessary. The SGX-ST may agree to a shorter books closure period. In fixing a record date, an issuer must ensure that the last day of trading on a cum basis falls at least 1 day after the general meeting, if a general meeting is required to be held.
(2) An issuer must ensure that the last day for trading in the securities with entitlements falls at least one business day after the general meeting, if the entitlements require the approval of shareholders in the general meeting or are contingent on a transaction that is subject to the approval of shareholders in the general meeting.	(26) The issuer must not fix a record date for any purpose until at least 8 market days after the previous record date. This rule does not prohibit identical record dates for different purposes.
7. Treasury Shares Please refer to Rule 17.27A and 27.27B of the GEM Listing Rules.	**Treasury Shares and Subsidiary Holdings** **Rule 704, Catalist Rules: Announcement of Specific Information** In addition to Rule 703, an issuer must immediately announce the following: (31) Any sale, transfer, cancellation and/or use of treasury shares stating the following: (a) date of the sale, transfer, cancellation and/or use; (b) purpose of such sale, transfer, cancellation and/or use; (c) number of treasury shares sold, transferred, cancelled and/or used;

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	(d) number of treasury shares before and after such sale, transfer, cancellation and/or use; (e) percentage of the number of treasury shares against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and (f) value of the treasury shares if they are used for a sale or transfer, or cancelled. (31A) Any sale, transfer, cancellation and/or use of subsidiary holdings stating the following: (a) date of the sale, transfer, cancellation and/or use; (b) purpose of such sale, transfer, cancellation and/or use; (c) number of subsidiary holdings sold, transferred, cancelled and/or used; (d) number of subsidiary holdings before and after such sale, transfer, cancellation and/or use; and (e) percentage of the number of subsidiary holdings against the total number of shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use.

The GEM Listing Rules and Hong Kong Laws

8. Chapter 23 of the GEM Listing Rules (Share Schemes)

Rules 23.02 to 23.11 of the GEM Listing Rules (including those described below) deal with share option schemes and share awards schemes involving the grant by a listed issuer of (i) new shares of the listed issuer; or (ii) options over new shares of the listed issuer, to, or for the benefit of, specified participants of such schemes.

Rule 23.02, GEM Listing Rules: Adoption of a new scheme

The adoption of share option schemes and share award schemes involving the grant of shares by a listed issuer or its principal subsidiary (as the case may be) must be approved by the shareholders of the issuer in general meeting.

Notes to Rule 23.03B(1) and (2) and Rule 23.03C(1) and (2): Scheme mandate limit and service provider sublimit

The scheme mandate limit must not exceed 10% of the relevant class of shares of the listed issuer in issue (excluding treasury shares) as at the date of approval of the scheme (alternatively, in respect of a scheme of a new applicant that will become effective only upon its separate listing, the 10% limit may be calculated by reference to the relevant class of shares of the applicant in issue (excluding treasury shares) as at the date of its listing).

Where the participants of the scheme include service providers, the service provider sublimit must be set within the scheme mandate limit and separately approved by shareholders of the issuer in general meeting. The circular must contain the basis for determining the service provider sublimit and an explanation as to why the service provider sublimit is appropriate and reasonable.

Catalist Rules and Singapore Laws

Chapter 8 of the Catalist Rules (Changes in Capital)

Part VIII Share Option Schemes or Share Schemes

Rule 842(3), Catalist Rules

The approval of an issuer's shareholders must be obtained for any share option scheme or share scheme implemented by:

(a) the issuer; and

(b) a principal subsidiary of the issuer if the scheme may cause Rule 805(2) to apply.

Rule 842(4), Catalist Rules

If shareholder approval is not required pursuant to Rule 842(3), an issuer must announce the principal terms of any such share option scheme or share scheme implemented by its subsidiaries.

Terms of Schemes

Rule 843, Catalist Rules

Participation in a scheme must be restricted to directors and employees of the issuer and its subsidiaries, except that:

(1) directors and employees of an associated company of the issuer may participate in the scheme if the issuer has control over the associated company.

(2) directors and employees of the issuer's parent company and its subsidiaries who have contributed to the success and development of the issuer may participate in the scheme.

Rule 844, Catalist Rules

A limit on the size of each scheme, the maximum entitlement for each class or category of participant (where applicable), and the maximum entitlement for any one participant (where applicable) must be stated.

The GEM Listing Rules and Hong Kong Laws

The listed issuer may seek approval by its shareholders in general meeting for "refreshing" the scheme mandate limit (and the service provider sublimit, if any) under the scheme after three years from the date of shareholders' approval for the last refreshment (or the adoption of the scheme).

The total number of shares which may be issued in respect of all options and awards to be granted under all of the schemes of the listed issuer under the scheme mandate as "refreshed" must not exceed 10% of the relevant class of shares in issue (excluding treasury shares) as at the date of approval of the refreshed scheme mandate. The listed issuer must send a circular to its shareholders containing the number of options and awards that were already granted under the existing scheme mandate limit and the existing service provider sublimit (if any), and the reason for the "refreshment".

Rule 23.03D(1), GEM Listing Rules: Limit on granting options or awards to individual participants

Where any grant of options or awards to a participant would result in the shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of shares of the listed issuer in issue (excluding treasury shares) (the 1% individual limit), such grant must be separately approved by shareholders of the listed issuer in general meeting with such participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting. The listed issuer must send a circular to the shareholders.

Catalist Rules and Singapore Laws

Rule 846, Catalist Rules

The exercise price of options to be granted must be set out. Options granted at a discount may be exercisable after 2 years from the date of grant. Other options may be exercisable after one year from the date of grant.

Shareholder Approval

Rule 852, Catalist Rules

Participation in a scheme by controlling shareholders and their associates must be approved by independent shareholders of the issuer. A separate resolution must be passed for each person and to approve the actual number and terms of options to be granted to that participant.

Rule 853, Catalist Rules

Any grant of options to a director or employee of the issuer's parent company and its subsidiaries that, together with options already granted to the person under the scheme, represents 5% or more of the total number of options available to such directors and employees, must be approved by independent shareholders. A separate resolution must be passed for each such person and to approve the aggregate number of options to be made available for grant to all directors and employees of the parent company and its subsidiaries.

The GEM Listing Rules and Hong Kong Laws

Rule 23.04(1) to (4), GEM Listing Rules: Granting Options to a Director, Chief Executive or Substantial Shareholder of a Listed Issuer, or any of their Respective Associates

Any grant of options or awards to a director, chief executive or substantial shareholder of a listed issuer, or any of their respective associates, under a scheme of the listed issuer must be approved by independent non-executive directors of the listed issuer (excluding independent non-executive director who is the grantee of the options).

Where any grant of awards (excluding grant of options) to a director (other than an independent non-executive director) or chief executive of the issuer, or any of their associates would result in the shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the relevant class of shares in issue (excluding treasury shares), such further grant of awards must be approved by shareholders of the listed issuer in general meeting in the manner set out in Rule 23.04(4).

Where any grant of options or awards to an independent non-executive director or a substantial shareholder of the listed issuer, or any of their respective associates, would result in the shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the relevant class of shares in issue (excluding treasury shares), such further grant of options or awards must be approved by shareholders of the listed issuer in general meeting in the manner set out in Rule 23.04(4).

Catalist Rules and Singapore Laws

Rule 854, Catalist Rules

When seeking shareholder approval, an issuer must explain the basis for the following in the circular:

(1) Participation by, and the specific grant of options to, each of the controlling shareholders or their associates;

(2) Participation by, and the grant of options to, directors and employees of the parent company and its subsidiaries;

(3) Participation by non-executive directors;

(4) Participation by directors and employees of the associated companies;

(5) Discount quantum; and

(6) Size of the scheme

The GEM Listing Rules and Hong Kong Laws

Rules 23.06A to 23.06C, GEM Listing Rules: Announcement on Grant of Options

As soon as possible upon the granting by the listed issuer of an option or award under its scheme, the listed issuer must publish an announcement setting out the following details:

(1) date of grant;

(2) (a) where disclosure on an individual basis is required, the name of the grantee (and where the grantee is not a natural person, the name of its ultimate beneficial owner) and the relationship between the grantee and the issuer. Where the grantee is a related entity participant or service provider, the nature of services provided to the issuer; or (b) where disclosure on an individual basis is not required, a description of each of the categories of grantees;

(3) number of options granted;

(4) the exercise price of options or purchase price of awards granted;

(5) market price of its securities on the date of grant;

(6) the exercise period of the options;

(7) the vesting period of the options or awards;

(8) a description (which may be qualitative) of the performance targets attached to the options or awards granted, if any and the clawback mechanism for the issuer to recover or withhold any awards or options granted, if any. Where options or awards are granted to the issuer's directors and/or senior managers without performance targets and/or clawback mechanism, the views of the remuneration committee on why performance targets and/or a clawback mechanism is/are not necessary and how the grants align with the purpose of the scheme;

Catalist Rules and Singapore Laws

Rule 704, Catalist Rules: Announcement of Specific Information

In addition to Rule 703, an issuer must immediately announce the following:

Employee Share Option or Share Scheme

(32) Any grant of options or shares. The announcement must be made on the date of the offer and provide details of the grant, including the following:

(a) date of grant;

(b) exercise price of options granted;

(c) number of options or shares granted;

(d) market price of its securities on the date of grant;

(e) number of options or shares granted to each director and controlling shareholders (and each of their associates), if any; and

(f) validity period of the options.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
(9) where options or awards are granted to a service provider or a related entity participant, the reasons of the grant and the views of the board how the grant aligns with the purpose of the scheme; and (10) arrangements, if any, for the issuer or any of its subsidiaries to provide financial assistance to the grantee(s) to facilitate the purchase of shares under the scheme. The announcement must also disclose the number of shares available for future grant under the scheme mandate and the service provider sublimit (if applicable).	
9. Material change in use of proceeds Pursuant to section 307B(1) of the SFO HK and the Guidance Letter HKEx-GL33-12 issued by the HKSE, a listed corporation must, as soon as reasonably practicable after any inside information has come to its knowledge, disclose the information to the public. Any material change of use of proceeds is generally price sensitive and hence, inside information for the purpose of the SFO HK. If such information was not previously disclosed in the listing document, the listed issuer must make an announcement to notify investors of the change after listing.	**Rule 704, Catalist Rules: Announcement of Specific Information** In addition to Rule 703, an issuer must immediately announce the following: **Use of Proceeds** (30) The use of the IPO proceeds and any proceeds arising from any offerings pursuant to Chapter 8 as and when such funds are materially disbursed and whether such a use is in accordance with the stated use and in accordance with the percentage allocated in the offer document or the announcement of the issuer. Where the proceeds are used for general working capital purposes, the issuer must announce a breakdown with specific details on the use of proceeds for working capital. Where there is any material deviation from the stated use of proceeds, the issuer must announce the reasons for such deviation.

The GEM Listing Rules and Hong Kong Laws

10. Rules 18.03, GEM Listing Rules

A listed issuer must send to: (1) every member of the listed issuer; and (2) every other holder of its listed securities, a copy of either (i) the directors' report and its annual financial statements and, where the listed issuer prepares consolidated financial statements, the consolidated financial statements, together with a copy of the auditors' report thereon or (ii) its summary financial report, not less than 21 days before the date of the listed issuer's annual general meeting and not more than four months after the date upon which the financial period ended. The issuer may send a copy of its summary financial report to a member and a holder of its listed securities in place of a copy of its annual report and financial statements, provided that it complies with rule 18.81 of the GEM Listing Rules and the relevant provisions of the Companies Ordinance and in the Companies (Summary Financial Reports) Regulation or, in the case of overseas issuers, with provisions no less onerous than the above provisions for listed issuers incorporated in Hong Kong.

Catalist Rules and Singapore Laws

Rule 705, Catalist Rules: Financial Statements

(1) An issuer must announce the financial statements for the full financial year (as set out in Appendix 7C) immediately after the figures are available, but in any event not later than 60 days after the relevant financial period.

(2) An issuer must announce its financial statements for each of the first three quarters of its financial year (as set out in Appendix 7C) immediately after the figures are available, but in any event not later than 45 days after the quarter end if:

(a) its auditors have issued an adverse opinion, a qualified opinion or a disclaimer of opinion on the issuer's latest financial statements; or

(b) its auditors have stated that a material uncertainty relating to going concern exists in the issuer's latest financial statements.

(2A) Unless otherwise determined by the SGX-ST, an issuer that is required to announce its financial statements under Rule 705(2) will have a grace period of one year to comply with the requirement, such grace period commencing on the date on which the condition in Rule 705(2) is met. An issuer must continue to comply with Rule 705(2) for so long as any condition in Rule 705(2) is met.

(2B) Rule 705(2) will not apply to an issuer if:

(a) it is undergoing judicial management, winding up or provisional liquidation; or

(b) its assets consist wholly or substantially of cash or short dated securities as referred to in Rule 1017.

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	(2C) An issuer that is required by the SGX-ST to announce its quarterly financial statements must prominently include a statement on the cover page of its announcement of its quarterly financial statements that such an announcement is pursuant to a requirement of the SGX-ST.
	(3) (b) An issuer that is not required to comply with Rule 705(2) must either: (i) announce the financial statements for each of the first three quarters of its financial year (as set out in Appendix 7C); or (ii) announce its first half financial statements (as set out in Appendix 7C), in each case immediately after the figures are available, but in any event not later than 45 days after the relevant financial period. If an issuer that is not required to comply with Rule 705(2) announces its quarterly financial statements in a format other than as set out in Appendix 7C, it must comply with Rule 705(3)(b)(ii).
	(3A) An issuer that prepares its financial statements under Rule 705 in accordance with Appendix 7C must also prepare such financial statements in accordance with the relevant accounting standards for interim financial reports under Singapore Financial Reporting Standards (International), or International Financial Reporting Standards, or US Generally Accepted Accounting Principles.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	(4) Notwithstanding the foregoing, with respect to the first announcement to be made by the issuer pursuant to Rules 705 (1) or (2) following its listing on the SGX-ST, where the time period between the date of its listing and the final date for the issuer to make the relevant announcement pursuant to Rule 705(1) or (2) above is less than 30 days, the issuer shall have 30 days from the relevant deadline to make the relevant announcements of the financial statements provided that the following conditions are satisfied: (a) the extension is announced by the issuer at the time of the issuer's listing; and (b) in the announcement referred to in paragraph (a), the issuer must confirm that there is no material adverse change to the financial position of the issuer since the date of its offer document issued in connection with its listing on the SGX-ST.
	(5) In the case of an announcement of interim financial statements (quarterly or half-yearly, as applicable, but excluding full year financial statements), an issuer's directors must provide a confirmation that, to the best of their knowledge, nothing has come to the attention of the board of directors which may render the interim financial statements to be false or misleading in any material aspect. In order to make this confirmation, directors would not be expected to commission an audit of these financial statements. The confirmation may be signed by 2 directors on behalf of the board of directors.

The GEM Listing Rules and Hong Kong Laws

Rule 18.53, GEM Listing Rules: Interim reports

The listed issuer shall prepare, in respect of each of the first 6 months of each financial year of the listed issuer, either (i) an interim report, or (ii) a summary interim report containing at least the information required by rules 18.55 and 18.82 of the GEM Listing Rules, respectively and publish the same (in accordance with the requirements of Chapter 16 of the GEM Listing Rules) not later than three months after the end of such period. The listed issuer may send a copy of its summary interim report to a member and a holder of its listed securities in place of a copy of its interim report, provided that such summary interim report complies with the relevant provisions of the Companies (Summary Financial Reports) Regulation governing summary financial reports.

Rule 18.49, GEM Listing Rules: Preliminary announcements of results for the financial year

A listed issuer must publish (in accordance with the requirements of Chapter 16 of the GEM Listing Rules) a preliminary announcement of the results for the financial year, which has been agreed with its auditors, on the HKSE's website as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the next business day after approval by or on behalf of the board of its results. The issuer must publish such results not later than 3 months after the date upon which the financial year ended.

Catalist Rules and Singapore Laws

Rules 707(1) and (2), Catalist Rules: Annual Report

(1) An issuer must hold its annual general meeting within four months from the end of its financial year.

(2) An issuer must issue its annual report to shareholders and the SGX-ST at least 14 days before the date of its annual general meeting.

Sustainability Report

Rule 711A, Catalist Rules

An issuer must issue a sustainability report to shareholders and the SGX-ST for its financial year at the same time as the issuance of its annual report, or where the issuer has conducted external assurance on the sustainability report, no later than 5 months after the end of the financial year.

Rule 711B, Catalist Rules

(1) The sustainability report must describe the sustainability practices with reference to the following primary components:

(a) material environmental, social and governance factors;

(aa) climate-related disclosures;

(b) policies, practices and performance;

(c) targets;

(d) sustainability reporting framework; and

(e) Board statement and associated governance structure for sustainability practices.

(3) The issuer's sustainability reporting process must be subject to internal review. The issuer may additionally commission an independent external assurance on the sustainability report.

The GEM Listing Rules and Hong Kong Laws

Rule 18.78, GEM Listing Rules: Preliminary announcement of results for each of the first 6 months of each financial year

A listed issuer must publish (in accordance with the requirements of Chapter 16 of the GEM Listing Rules) a preliminary announcement of the results for the first 6 months of each financial year, containing at least the information set out in Rule 18.78 of the GEM Listing Rules on the Exchange's website as soon as possible, but in any event not later than the time that is 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the next business day after approval by or on behalf of the board of the results. The issuer must publish such results not later than two months after the end of such period.

Rule 7.02, GEM Listing Rules: Reporting Accountants

Reporting accountants must be independent both of the issuer and of any other company concerned to the same extent as that required of an auditor under the Companies Ordinance and in accordance with the requirements on independence issued by the Hong Kong Institute of Certified Public Accountants or the International Federation of Accountants. Accountants' reports must normally be prepared by practising accountants who are registered and not prohibited under the Accounting and Financial Reporting Council Ordinance from holding any appointment as auditors of a company.

Catalist Rules and Singapore Laws

(4) The primary component in Rule 711B(1)(aa) must comply with the requirements on climate-related disclosures set out in Practice Note 7F.

Appointment of Auditors

Rule 712, Catalist Rules

(1) An issuer must appoint a suitable auditing firm to meet its audit obligations, having regard to the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the listed group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit. A mineral, oil and gas company must appoint an auditing firm where the auditing firm and audit partner-in-charge have the relevant industry experience.

(2) The auditing firm appointed by the issuer must be:

(a) Approved under the Accountants Act. The audit partner-in-charge assigned to the audit must be a public accountant under the Accountants Act;

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	(b) Approved by, registered with and/or regulated by an independent audit oversight body acceptable to the SGX-ST. Such oversight bodies should be members of the International Forum of Independent Audit Regulators, independent of the accounting profession and directly responsible for the system of recurring inspection of accounting firms or are able to exercise oversight of inspections undertaken by professional bodies. Where applicable, the audit partner-in-charge assigned to the audit should be approved by, registered with or regulated by a relevant audit oversight body acceptable to the SGX-ST; or
	(c) Any other auditing firm acceptable by the SGX-ST.
	(2A) An issuer that appoints an auditing firm that meets the requirements in Rule 712(2)(b) must also appoint an additional auditing firm that meets the requirements in Rule 712(2)(a) to jointly audit its financial statements.
	(3) A change in auditing firm or the proposed appointment of an additional auditing firm to meet requirements in Rule 712(2A) must be specifically approved by shareholders in a general meeting. The notice of meeting must incorporate, where applicable:
	(a) confirmation from the outgoing auditors as to whether they are aware of any professional reasons why the new auditors should not accept appointment as auditors of the issuer, and if so, to provide reasons;

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	(b) confirmation from the issuer as to whether there were disagreements with the outgoing auditors on accounting treatments within the last 12 months, and if so, to provide details;
	(c) confirmation from the issuer as to whether it is aware of any circumstances connected with the change of auditors that should be brought to the attention of the shareholders of the issuer;
	(d) specific reasons for the change of auditors, including whether the outgoing auditors resigned, declined to stand for election, were dismissed or directed by the Exchange to be replaced under Rule 305(1)(eb);
	(e) confirmation from the issuer that it complies with Rule 712 and Rule 715 or 716 in relation to the appointment of the new auditing firm; and
	(f) explanation that the appointment of an additional auditing firm is to meet the Exchange's requirements in Rule 712(2A).
	Rule 713, Catalist Rules
	(1) An issuer must disclose in its annual report the date of appointment and the name of the audit partner in charge of auditing the issuer and its group of companies. The audit partner must not be in charge of more than 5 consecutive audits for a full financial year, the first audit being for the financial year beginning on or after 1 January 1997, regardless of the date of listing. The audit partner may return after two years.
	(2) If the listing of an issuer occurs after 5 consecutive audits by the same audit partner in charge, the same audit partner may complete the audit of the financial year in which the issuer lists.

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11. Public Float Requirement Chapter 11 of the GEM Listing Rules (Qualifications for Listing)	**Free Float**
Rule 11.23(7), GEM Listing Rules: Qualifications for listing	**Rule 723, Catalist Rules**
Save and except for certain circumstances specified under Chapter 11 of the GEM Listing Rules, an issuer must maintain at least 25% of its total number of issued shares at all times be held by the public.	An issuer must ensure that at least 10% of the total number of issued shares (excluding preference shares, convertible equity securities and treasury shares) in a class that is listed is at all times held by the public.
	Rule 724, Catalist Rules
	(1) If the percentage of securities held in public hands falls below 10%: (a) The issuer must, as soon as practicable: (i) notify its sponsor of that fact; and (ii) announce that fact. (b) The SGX-ST may suspend trading of the class, or all the securities of the issuer.
	(2) The SGX-ST may allow the issuer a period of 3 months, or such longer period as the SGX-ST may agree, to raise the percentage of securities in public hands to at least 10%, The issuer may be removed from the Official List if it fails to restore the percentage of securities in public hands to at least 10% after the period.
12. Shareholders' Reporting Obligations	**Obligation to notify the Company and SGX-ST of substantial shareholding and change in substantial shareholding**
Part XV of the SFO: Disclosure of Interests by Substantial Shareholders	**Substantial shareholder**
The GEM Listing Rules require that the interests held by directors and chief executives and substantial shareholders (i.e. shareholders interested in 10% or more of the voting power) be disclosed in annual reports, interim reports and circulars of the listed company.	Under the Singapore Securities and Futures Act, a substantial shareholder shall within two (2) business days after becoming a substantial shareholder, or when there is a change in the percentage level of the substantial shareholder's interest, or when he ceases to be a substantial shareholder, give notice in writing to the SGX-ST.

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The SFO HK and the Outline of Part XV of the SFO HK – Disclosure of Interests ("Outline") issued by the HK SFC provides that a substantial shareholder (i.e. shareholder interested in 5% or more of any class of voting shares in a listed company) is required to disclose his interest, and short positions, in the shares of the listed company, within 10 business days after first becoming a substantial shareholder, or to disclose his changes in percentage figures of his shareholdings in the listed company or ceasing to be a substantial shareholder within 3 business days after becoming aware of the relevant events as defined in section 308 of the SFO HK.

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Sections 2(4) and 2(6), Singapore Securities and Futures Act

A person has a substantial shareholding in a company if he has an "interest" in one (1) or more voting shares in the company, and the total votes attached to those shares is not less than 5.0% of the total votes attached to all the voting shares (excluding treasury shares) in the company.

A person who has a substantial shareholding in a company is a substantial shareholder in that company.

Section 135, Singapore Securities and Futures Act

A substantial shareholder of a company is required to notify the company in writing of his "interests" in the voting shares in the company within two (2) business days after becoming a substantial shareholder.

Section 136, Singapore Securities and Futures Act

A substantial shareholder is required to notify the company of changes in the "percentage level" of his shareholding or his ceasing to be a substantial shareholder, within two (2) business days after he becomes aware of such changes.

The reference to changes in "percentage level" means any changes in a substantial shareholder's interest in the company which results in his interest, following such change, increasing or decreasing to the next discrete 1.0% threshold. For example, an increase in interests in the company from 5.1% to 5.9% need not be notified, but an increase from 5.9% to 6.1% will have to be notified.

A substantial shareholder is also required to give the above notifications to the SGX-ST at the same time.

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13. Part XV of the SFO HK: Disclosure of Interests by Directors and Chief Executives

A director or a chief executive of a listed company is required to disclose his interest and short position in any shares in a listed company (or any of its associated companies) and his interest in any debentures of the listed company (or any of its associated companies) within 10 business days after becoming a director or chief executive of the listed company or within 3 business days after becoming aware of the relevant events. If a person is both a substantial shareholder and a director of the listed company concerned under the SFO HK, such person may have separate duties to file notices (one in each capacity) as a result of a single event. For example, a person who is interested in 5.9% of the shares of a listed company and buys a further 0.2% will have to file a notice because he is a director (and therefore has to disclose all transactions) and will also have to file a notice as a substantial shareholder because his interest has crossed the 6.0% level.

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Duty of director or chief executive officer to notify corporation of his interests

Sections 133 and 134 of the Singapore Securities and Futures Act

Section 133 of the Singapore Securities and Futures Act stipulates that every director and chief executive officer of a corporation shall give notice in writing to the corporation of particulars of, *inter alia*, shares in the corporation; or a related corporation of the corporation, which he holds, or in which he has an interest and the nature and extent of that interest, within two (2) business days after:

(a) the date on which the director or chief executive officer becomes such a director or chief executive officer; or

(b) the date on which the director or chief executive officer becomes a holder of, or acquires an interest in, the shares,

whichever last occurs.

Under Section 134, any director or chief executive officer of a corporation who intentionally or recklessly contravenes Section 133 in relation to the disclosure of shares held in the corporation, or furnishes any information which he knows is false or misleading in a material particular or is reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S$250,000 or to imprisonment for a term not exceeding two (2) years or to both and, in the case of a continuing offence, to a further fine not exceeding S$25,000 for every day or part thereof during which the offence continues after conviction.

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Power of corporation to require disclosure of beneficial interest in its voting shares

Any corporation may, under Section 137F of the Singapore Securities and Futures Act, require any member of the corporation within such reasonable time as is specified in the notice (which shall comply with the requirements stipulated by the Monetary Authority of Singapore):

(a) to inform it whether he holds any voting shares in the corporation as beneficial owner or as trustee; and

(b) if he holds them as trustee, to indicate so far as he can the persons for whom he holds them (either by name or by other particulars sufficient to enable those persons to be identified) and the nature of their interest.

Whenever a corporation receives information from a person pursuant to a requirement imposed on him under Section 137F with respect to shares held by a member of the corporation, it shall be under an obligation to inscribe against the name of that member in a separate part of the register kept by it under Section 137C:

(i) the fact that the requirement was imposed and the date on which it was imposed; and

(ii) the information received pursuant to the requirement.

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Any person who intentionally or recklessly contravenes the requirement to comply with the notice, or in purported compliance with the requirement, furnishes any information which he knows is false or misleading in a material particular or is reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S$250,000 or to imprisonment for a term not exceeding two (2) years or to both and, in the case of a continuing offence, to a further fine not exceeding S$25,000 for every day or part thereof during which the offence continues after conviction.

Duty of corporation to make disclosure

Section 137G of the Singapore Securities and Futures Act

Where a corporation has been notified in writing by a director or chief executive officer of the corporation or a substantial shareholder in respect of a change in the particulars of his shareholdings, the corporation shall announce or otherwise disseminate the information stated in the notice to the securities market operated by the securities exchange on whose official list any or all of the shares of the corporation are listed, as soon as practicable and in any case, no later than the end of the business day following the day on which the corporation received the notice.

Any corporation that intentionally or recklessly contravenes this duty of disclosure; or in purported compliance, announces or disseminates any information knowing that it is false or misleading in a material particular or reckless as to whether it is, shall be guilty of an offence and shall be liable on conviction to a fine not exceeding S$250,000 and, in the case of a continuing offence, to a further fine not exceeding S$25,000 for every day or part thereof during which the offence continues after conviction.

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14. Restrictions and notification requirements on issuers purchasing their own shares on a stock exchange

Rule 13.07, GEM Listing Rules

Subject to the provisions of the Code on Share Buy-backs, approved by the HK SFC and as amended from time to time, an issuer may purchase its shares on GEM or on another stock exchange recognised for this purpose by the HK SFC and the HKSE. All such purchases must be made in accordance with Rule 13.07 of the GEM Listing Rules. The Code on Share Buy-backs must be complied with by an issuer and its directors and any breach thereof by an issuer will be a deemed breach of the GEM Listing Rules and the HKSE may in its absolute discretion take such action to penalise any breach of this paragraph or the listing agreement as it shall think appropriate. It is for the issuer to satisfy itself that a proposed purchase of shares does not contravene the Code on Share Buy-backs.

Rule 13.07 to 13.09, GEM Listing Rules

An issuer with primary listing on GEM can purchase its shares on GEM, either directly or indirectly, if the relevant shares are fully-paid up, the issuer has previously sent to the shareholders an explanatory statement complying with the provisions of Rule 13.08 of the GEM Listing Rules and that the shareholders of the issuer have given specific approval or a general mandate to the directors to make such a purchase, provided that the amount of shares so purchased under the general mandate shall not exceed 10% of the number of issued shares of the issuer (excluding treasury shares) as at the date of the passing of the relevant shareholders' resolution granting the mandate of purchase.

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Chapter 8 of the Catalist Rules (Changes in Capital)

Part XI Share Buy-Back

Rule 866, Catalist Rules: Shareholder Approval

An issuer may purchase its own shares if it has obtained the prior specific approval of shareholders in general meeting.

Rule 867, Catalist Rules

A share buy-back may only be made by way of:

(1) on-market purchases transacted through the SGX-ST's trading system or on another stock exchange on which the issuer's equity securities are listed ("**market acquisition**"); or

(2) off-market acquisition in accordance with an equal access scheme as defined in Section 76C of the Singapore Companies Act.

Unless a lower limit is prescribed under the issuer's law of incorporation, such share buyback shall not exceed 10 per cent of the total number of issued shares excluding treasury shares and subsidiary holdings as at the date of the resolution passed by shareholders for the share buy-back.

Rule 868, Catalist Rules

For the purpose of obtaining shareholder approval, the issuer must provide at least the following information to shareholders:

(1) The information required under the Singapore Companies Act;

(2) The reasons for the proposed share buy-back;

(3) The consequences, if any, of share purchases by the issuer that will arise under the Singapore Take-over Code or other applicable takeover rules;

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Rule 13.08, GEM Listing Rules: Explanatory statement

For the purpose of obtaining shareholders' approval, the issuer must have previously sent to its shareholders an explanatory statement (at the same time as the notice of the relevant shareholders' meeting) containing all the information reasonably necessary to enable those shareholders to make an informed decision on whether to vote for or against the ordinary resolution to approve the purchase by the issuer of shares including the information set out below:

(1) a statement of the total number and description of the shares which the issuer proposes to purchase;

(2) a statement by the directors of the reasons for the proposed purchase of shares;

(3) a statement by the directors as to the proposed source of funds for making the proposed purchase of shares, which shall be funds legally available for such purposes in accordance with the issuer's constitutive documents and the laws of the jurisdiction in which the issuer is incorporated or otherwise established;

(4) a statement as to any material adverse impact on the working capital or gearing position of the issuer (as compared with the position disclosed in its most recent published audited accounts) in the event that the proposed purchases were to be carried out in full at any time during the proposed purchase period, or an appropriate negative statement;

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(4) Whether the share buy-back, if made, could affect the listing of the issuer's equity securities on the SGX-ST; and

(5) Details of any share buy-back made by the issuer in the previous 12 months (whether market acquisitions or off-market acquisitions in accordance with an equal access scheme), giving the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases.

(6) Whether the shares purchased by the issuer will be cancelled or kept as treasury shares.

Rule 869, Catalist Rules: Dealing Restriction

An issuer may only purchase shares by way of a market acquisition at a price which is not more than 5% above the average closing market price. For this purpose, the average closing market price is:

(1) the average of the closing market prices of the shares over the last 5 market days, on which transactions in the share were recorded, before the day on which the purchases are made; and

(2) deemed to be adjusted for any corporate action that occurs during the relevant 5-day period and the day on which the purchases are made.

Rule 870, Catalist Rules: Off-market Acquisition On An Equal Access Scheme

In the case of off-market acquisition in accordance with an equal access scheme, an issuer must issue an offer document to all shareholders containing at least the following information:

(1) Terms and conditions of the offer;

(2) Period and procedures for acceptances; and

(3) Information in Rule 868(2), (3), (4), (5) and (6).

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(5) a statement of the name of any directors, and to the best of the knowledge of the directors having made all reasonable enquiries, any close associates of the directors, who have a present intention, in the event that the proposal is approved by shareholders, to sell shares to the issuer, or an appropriate negative statement;

(6) a statement that the directors have undertaken to the HKSE to exercise the power of the issuer to make purchases pursuant to the proposed resolution in accordance with the GEM Listing Rules and the laws of the jurisdiction in which the issuer is incorporated or otherwise established;

(7) a statement as to the consequences of any purchases which will arise under the Hong Kong Takeovers Code of which the directors are aware, if any;

(8) a statement giving details of any purchases by the issuer of shares made in the previous six months (whether on GEM or otherwise) giving the date of each purchase and the purchase price per share or the highest and lowest prices paid for such purchases, where relevant;

(9) a statement as to whether or not any core connected persons of the issuer have notified the issuer that they have a present intention to sell shares to the issuer or have undertaken not to sell any of the shares held by them to the issuer, in the event that the issuer is authorised to make purchases of shares;

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Rule 871(1), Catalist Rules: Announcement of Share Buy-Back

An issuer must announce any share buy-back as follows:

(a) In the case of a market acquisition, by 9.00 am on the market day following the day on which it purchased shares,

(b) In the case of an off market acquisition under an equal access scheme, by 9.00 am on the second market day after the close of acceptances of the offer.

Rule 871(2), Catalist Rules

The announcement must be in the form of Appendix 8D to the Catalist Rules. Such announcement would include, *inter alia*, the name of the overseas exchange on which the company's shares are also listed, the maximum number of shares authorised for purchase, the date of purchases, the total number of shares purchased, the purchase price per share, the highest and lowest prices paid for such shares, the total purchase consideration, the cumulative number of shares purchased to date and the number of issued shares after the purchase.

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(10) a statement giving the highest and lowest prices at which the relevant shares have traded on the HKSE during each of the previous 12 months;

(11) a statement that neither the explanatory statement nor the proposed share repurchase has any unusual features;

(12) a statement of whether the issuer intends to cancel the repurchased shares following settlement of any such repurchase or hold them as treasury shares; and

(13) the disclaimer of the HKSE in the form set out under the GEM Listing Rules.

15. Rule 13.11, GEM Listing Rules: Dealing Restrictions

The buy-back of shares by an issuer is subject to various dealing restrictions, including, among others, (i) that an issuer shall not purchase its shares on GEM if the purchase price is higher by 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on Stock Exchange; (ii) that an issuer shall not purchase its shares on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the HKSE from time to time; (iii) that an issuer shall not knowingly purchase its shares from a core connected person and a core connected person shall not knowingly sell shares to the issuer, on GEM, etc.

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Rule 13.13, GEM Listing Rules: Reporting Requirements

(a) An issuer shall submit for publication to Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the business day following any day on which the issuer makes a purchase of shares (whether on GEM or otherwise), the total number of shares purchased by the issuer the previous day, the purchase price per share or the highest and lowest prices paid for such purchases, where relevant, and shall confirm that those purchases which were made on GEM were made in accordance with the GEM Listing Rules and that there have been no material changes to the particulars contained in the explanatory statement. In respect of purchases made on another stock exchange, the issuer's report must confirm that those purchases were made in accordance with the domestic rules applying to purchases on that other stock exchange. Such reports shall be made on a return in such form and containing such information as the HKSE may from time to time prescribe. In the event that no shares are purchased on any particular day then no return need be made to the HKSE. The issuer should make arrangements with its brokers to ensure that they provide to the issuer in a timely fashion the necessary information to enable the issuer to make the report to the HKSE.

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(b) An issuer shall also include in its annual report and accounts a monthly breakdown of purchases of shares made during the financial year under review showing the number of shares purchased each month (whether on the HKSE or otherwise) and the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate price paid by the issuer for such purchases. The directors' report shall contain reference to the purchases made during the year and the directors' reasons for making such purchases.	
Solicitation for Proxy Investors holding securities in listed companies listed on GEM through CCASS who want to attend the shareholders' meetings in person or appoint proxies to vote on their behalf must make a request through their broker firms or directly to HKSCC (as the case may be) to authorise the investors as corporate representatives or proxies of HKSCC Nominees (or any successor thereto) in respect of such shareholding of the investors in the listed companies.	Depositors who wish to attend and vote at the extraordinary general meeting, and whose names are shown in the records of the CDP as at a time not earlier than 72 hours prior to the time of the extraordinary general meeting supplied by CDP to the company, may attend the extraordinary general meeting in person. Such depositors who are individuals and who wish to attend the extraordinary general meeting in person need not take any further action and can attend and vote at the extraordinary general meeting.
ISSUANCE OF NEW SHARES, CONVERTIBLE BONDS OR BONDS WITH WARRANTS	
1. Rules 17.39 to 17.42, GEM Listing Rules: Preemptive rights Except in the circumstances mentioned in Rule 17.41 of the GEM Listing Rules: (a) the directors of the issuer shall obtain the consent of shareholders in general meeting prior to allotting, issuing or granting: (i) shares; (ii) securities convertible into shares; or (iii) options, warrants or similar rights to subscribe for any shares or such convertible securities; and (b) the directors of the issuer shall obtain consent of the shareholders in general meeting prior to allotting any voting shares if such allotment would effectively alter the control of the issuer.	**Power of Directors to Allot and Issue Shares** **Rule 803, Catalist Rules** An issuer must not issue securities to transfer a controlling interest without prior approval of shareholders in general meeting. **Rule 805, Catalist Rules** Except as provided in Rule 806, an issuer must obtain the prior approval of shareholders in general meeting for the following: (1) The issue of shares or convertible securities or the grant of options carrying rights to subscribe for shares of the issuer; or

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No such consent as is referred to in Rule 17.39 of the GEM Listing Rules shall be required:

(a) for the allotment, issue or grant of such securities pursuant to an offer made to the shareholders of the issuer which excludes for that purpose (i) any holder of treasury shares; and/or (ii) any shareholder that is resident in a place outside Hong Kong provided the directors of the issuer consider such exclusion to be necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place and, where appropriate, to holders of other equity securities of the issuer entitled to be offered them, pro rata (apart from fractional entitlements) to their existing holdings but subject to Rule 10.29 of the GEM Listing Rules; or

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(2) If a principal subsidiary of an issuer issues shares or convertible securities or options that will or may result in:

(a) the principal subsidiary ceasing to be a subsidiary of the issuer; or

(b) a percentage reduction of 20% or more of the issuer's equity interest in the principal subsidiary. For example, if the issuer has a 70% interest in a principal subsidiary, shareholder approval will be required for any issue of shares in the principal subsidiary reducing the issuer's equity interest to 56%.

Rule 806(1), Catalist Rules

Subject to Rule 803, approval by an issuer's shareholders under Rule 805(1) is not required if shareholders had, by resolution in a general meeting, given a general mandate to the directors of the issuer, either unconditionally or on such conditions to issue:

(a) shares; or

(b) convertible securities; or

(c) additional convertible securities issued pursuant to Rule 829, notwithstanding that the general mandate may have ceased to be in force at the time the securities are issued, provided that the adjustment does not give the holder a benefit that a shareholder does not receive; or

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(b) if, but only to the extent that, the existing shareholders of the issuer have by ordinary resolution in general meeting given a general mandate to the directors of the issuer, either unconditionally or subject to such terms and conditions as may be specified in the resolution, to allot or issue such securities or to grant any offers, agreements or options which would or might require securities to be issued, allotted or disposed of, whether during the continuance of such mandate or thereafter, subject to a restriction that the aggregate number of securities allotted or agreed to be allotted must not exceed the aggregate of (i) 20% of the number of issued shares (excluding treasury shares) of the issuer as at the date of the resolution granting the general mandate (or in the case of a scheme of arrangement involving an introduction in the circumstances set out in Rule 10.18(3) of the GEM Listing Rules, 20% of the number of issued shares (excluding treasury shares) of an overseas issuer following the implementation of such scheme) and (ii) the number of such securities repurchased by the issuer itself since the granting of the general mandate (up to a maximum number equivalent to 10% of the number of issued shares (excluding treasury shares) of the issuer as at the date of the resolution granting the repurchase mandate), provided that the existing shareholders of the issuer have by a separate ordinary resolution in general meeting given a general mandate to the directors of the issuer to add such repurchased securities to the 20% general mandate.

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(d) shares arising from the conversion of the securities in (b) and (c), notwithstanding that the general mandate may have ceased to be in force at the time the shares are to be issued.

Rule 806(2), Catalist Rules

A general mandate must limit the aggregate number of shares and convertible securities that may be issued according to the limits in Rules 806(2)(a) and (b) below. Unless prior shareholder approval is required under the Rules, an issue of treasury shares will not require further shareholder approval, and will not be included in the following limits.

(a) If shareholders approve the mandate by ordinary resolution, the limit must be not more than 100% of the total number of issued shares excluding treasury shares and subsidiary holdings, of which the aggregate number of shares and convertible securities issued other than on a pro rata basis to existing shareholders must be not more than 50% of the total number of issued shares excluding treasury shares and subsidiary holdings; or

(b) If shareholders approve the mandate by special resolution, the limit on the aggregate number of shares and convertible securities issued, whether on a pro rata or non pro rata basis, may be up to 100% of the total number of issued shares excluding treasury shares and subsidiary holdings. Shareholder approval under Rule 806(2)(b) must not be deemed by way of subscription for shares.

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A general mandate given to directors to issue and allot shares under Rule 17.41(2) of the GEM Listing Rules shall only continue in force until (a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution at which time it shall lapse unless, by ordinary resolution passed at that meeting, the mandate is renewed, either unconditionally or subject to conditions; or (b) revoked or varied by ordinary resolution of the shareholders in general meeting, whichever occurs first.

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Rule 806(3), Catalist Rules

For the purpose of Rule 806(2), the percentage of the total number of issued shares excluding treasury shares and subsidiary holdings is based on the issuer's total number of issued shares excluding treasury shares and subsidiary holdings at the time of the passing of the resolution approving the mandate after adjusting for:

(a) new shares arising from the conversion or exercise of convertible securities;

(b) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of the resolution approving the mandate, provided the options or awards were granted in compliance with Part VIII of Chapter 8; and

(c) any subsequent bonus issue, consolidation or subdivision of shares.

Adjustments in accordance with Rule 806(3)(a) or Rule 806(3)(b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate.

Rule 806(5), Catalist Rules

An issuer cannot rely on the general mandate for an issue of convertible securities if the maximum number of shares to be issued upon conversion cannot be determined at the time of issue of the convertible securities.

Rule 806(6), Catalist Rules

A general mandate may remain in force until the earlier of the following:

(a) the conclusion of the first annual general meeting of the issuer following the passing of the resolution. By a resolution passed at that meeting, the mandate may be renewed, either unconditionally or subject to conditions; or

(b) it is revoked or varied by ordinary resolution of the shareholders in general meeting.

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2. Rule 17.42B and 17.42BB, GEM Listing Rules: Placing of Securities for Cash

In the case of a placing or open offer of securities for cash consideration, the issuer may not issue any securities pursuant to a general mandate given under Rule 17.41(2) of the GEM Listing Rules if the relevant price represents a discount of 20% or more to the benchmarked price of the securities, such benchmarked price being the higher of:

(a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate; and

(b) the average closing price in the five trading days immediately prior to the earlier of:

(i) the date of the announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate;

(ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate; and

(iii) the date on which the placing or subscription or selling price is fixed,

unless the issuer can demonstrate that it is in a serious financial position and that the only way it can be saved is by an urgent rescue operation which involves the issue of new securities at a price representing a discount of 20% or more to the benchmarked price of the securities or that there are other exceptional circumstances. The issuer shall provide the HKSE with detailed information on the allottees to be issued with securities under the general mandate.

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Issue of Shares, Company Warrants and Convertible Securities for Cash (Other than Rights Issue)

Rule 810(1), Catalist Rules

An issuer which intends to issue shares, company warrants or other convertible securities for cash must announce the issue promptly. The announcement must include the following:

(a) the terms of the issue and the purpose of the issue including:

(i) the identity of the placement agent appointed or to be appointed for the issue, where applicable;

(ii) the amount of proceeds proposed to be raised from the issue; and

(iii) the intended use of such proceeds on a percentage allocation basis (which could be expressed as a range if the exact allocation has not been determined).

(b) where the issue is proposed to be used mainly for general working capital purposes, the issuer must provide reasons for such use taking into account its working capital position;

(c) whether the issuer's directors are of the opinion that, after taking into consideration:

(i) the present bank facilities, the working capital available to the group is sufficient to meet its present requirements and if so, the directors must provide reasons for the issue; and

(ii) the present bank facilities and net proceeds of the issue, the working capital available to the group is sufficient to meet its present requirements; and

(d) whether it has obtained a listing and quotation notice from the Exchange or will be seeking the listing and quotation of the new shares arising from the issue.

The GEM Listing Rules and Hong Kong Laws

In the case of a sale of treasury shares on GEM or any other stock exchange on which the issuer is listed, the reference to the benchmarked price in rule 17.42B of the GEM Listing Rules shall be the higher of (a) the closing price on the trading day immediately prior to the sale; and (b) average closing price in the 5 trading days immediately prior to the sale.

Catalist Rules and Singapore Laws

Rule 811(1), Catalist Rules

An issue of shares must not be priced at more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the placement or subscription agreement is signed. If trading in the issuer's shares is not available for a full market day, the weighted average price must be based on the trades done on the preceding market day up to the time the placement agreement is signed.

Rule 811(2), Catalist Rules

An issue of company warrants or other convertible securities is subject to the following requirements:

(a) If the conversion price is fixed, the price must not be more than 10% discount to the prevailing market price of the underlying shares prior to the signing of the placement or subscription agreement.

(b) If the conversion price is based on a formula, any discount in the price-fixing formula must not be more than 10% of the prevailing market price of the underlying shares before conversion.

Rule 811(3), Catalist Rules

Rule 811(1) and (2) is not applicable if specific shareholder approval is obtained for the issue of shares, company warrants or other convertible securities.

The GEM Listing Rules and Hong Kong Laws

Rule 21.02, GEM Listing Rules: Options, Warrants and Similar Rights

All warrants must, prior to the issue or grant thereof, be approved by the HKSE and in addition, where they are warrants to subscribe equity securities (including treasury shares), by the shareholders in general meeting (unless they are issued by the directors under the authority of a general mandate granted to them by shareholders in accordance with Rule 17.41(2) of the GEM Listing Rules). In the absence of exceptional circumstances which would include, by way of example, a rescue reorganisation, the HKSE will only grant approval to the issue or grant of warrants to subscribe securities if the following requirements are complied with:

(1) the securities to be issued or transferred out of treasury by the issuer on exercise of the warrants must not, when aggregated with all other equity securities which remain to be issued or transferred out of treasury by the issuer on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the number of issued shares of the issuer (excluding treasury shares) at the time such warrants are issued. Options granted under employee or executive share schemes which comply with Chapter 23 of the GEM Listing Rules are excluded for the purpose of this limit; and

(2) such warrants must expire not less than one and not more than five years from the date of issue or grant and must not be convertible into further rights to subscribe securities which expire less than one year or more than five years after the date of issue or grant of the original warrants.

Catalist Rules and Singapore Laws

Rule 811(4), Catalist Rules

Where specific shareholders' approval is sought, the circular must include the following:

(a) information required under Rule 810; and

(b) the basis upon which the discount was determined.

Issue of Company Warrants and Other Convertible Securities

Rule 824, Catalist Rules

Every issue of company warrants or other convertible securities not covered under a general mandate must be specifically approved by shareholders in general meeting.

Rule 825, Catalist Rules

In procuring the approval of shareholders in a general meeting, the circular to the shareholders must include the recommendation(s) of the board of directors of the issuer on such an issue of company warrants or convertible securities and the basis for such recommendation(s).

Rule 826, Catalist Rules

When listing company warrants or other convertible securities, the issuer should ensure a sufficient spread of holdings to provide for an orderly market in the securities. As a guide, the SGX-ST expects at least 100 warrantholders for a class of company warrants.

Rule 827, Catalist Rules

Company warrants or other convertible securities may be listed only if the underlying securities are (or will become at the same time) one of the following:

(1) A class of equity securities listed on the SGX-ST.

(2) A class of equity securities listed or dealt in on a stock market approved by the SGX-ST.

The GEM Listing Rules and Hong Kong Laws

Rule 21.03, GEM Listing Rules

The circular or notice to be sent to shareholders convening the requisite meeting under Rule 21.02 of the GEM Listing Rules must include, at least, (1) the maximum number of securities which could be issued or transferred out of treasury on exercise of the warrants, (2) the period during which the warrants may be exercised and the date when this right commences, (3) the amount payable on the exercise of the warrants, (4) the arrangements for transfer or transmission of the warrants, (5) the rights of the holders on the liquidation of the issuer, (6) the arrangements for the variation in the subscription or purchase price or number of securities to take account of alterations to the share capital of the issuer, (7) the rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer, and (8) a summary of any other material terms of the warrants.

Catalist Rules and Singapore Laws

Rule 828, Catalist Rules

Each company warrant must:

(1) give the registered holder the right to subscribe for or buy one share of the issuer; and

(2) not be expressed in terms of dollar value.

Rule 829, Catalist Rules

The terms of the issue must provide for:

(1) adjustment to the exercise or conversion price and, where appropriate, the number of company warrants or other convertible securities, in the event of rights, bonus issue or subdivision or consolidation of shares, setting out the specific formula;

(2) the expiry of the company warrants or other convertible securities to be announced, and notice of expiry to be sent to all holders of the company warrants or other convertible securities at least 1 month before the expiration date; and

(3) Any material amendment to the terms of company warrants or other convertible securities after issue to the advantage of the holders of such securities to be approved by shareholders, except where the amendment are made pursuant to the terms of the issue.

Rule 830, Catalist Rules

An issuer must announce any adjustment or amendment made to the terms of the issue. In the case of an adjustment, the announcement must state the specific formula, whether the adjustment has been reviewed to be in accordance with the formula, the identity of the reviewer and its relationship to the issuer.

Rule 831, Catalist Rules

(1) An issuer must not:

(a) extend the exercise period of an existing company warrant; or

(b) issue a new company warrant to replace an existing company warrant.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	(2) Except where the adjustments are made pursuant to the terms of the issue, an issuer must not: (a) change the exercise price of an existing company warrant; or (b) change the exercise ratio of an existing company warrant.
	Rule 832, Catalist Rules A circular or notice to be sent to shareholders in connection with a general meeting to approve the issue of company warrants or other convertible securities must include at least the following information:
	(1) The maximum number of the underlying securities which would be issued or transferred on exercise or conversion of the company warrants or other convertible securities.
	(2) The period during which the company warrants or other convertible securities may be exercised and the dates when this right commences and expires.
	(3) The amount payable on the exercise of the company warrants or other convertible securities.
	(4) The arrangements for transfer or transmission of the company warrants or other convertible securities.
	(5) The rights of the holders on the liquidation of the issuer.
	(6) The arrangements for the variation in the subscription or purchase price and in the number of company warrants or other convertible securities in the event of alterations to the share capital of the issuer.
	(7) The rights (if any) of the holders to participate in any distributions and/or offers of further securities made by the issuer.
	(8) A summary of any other material terms of the company warrants or other convertible securities.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	(9) The purpose for and use of proceeds of the issue, including the use of future proceeds arising from the conversion/ exercise of the company warrants or other convertible securities.
	(10) The financial effects of the issue to the issuer.
3. Rules 10.23, 10.24 and 10.29, GEM Listing Rules: Rights Issue	**Chapter 8 Part V: Rights Issues**
Rights issue need not be underwritten.	**Rule 814, Catalist Rules**
A rights issue must be made conditional on shareholders' approval in the circumstances set out in rule 10.29 of the GEM Listing Rules.	(1) An issuer which intends to make a rights issue must announce (having regard to Rule 704(24)) the issue promptly. The announcement must include the following:
If the proposed rights issue would increase either the number of issued shares (excluding treasury shares) or the market capitalisation of the issuer by more than 50% (on its own or when aggregated with any other rights issues or open offers announced by the issuer (i) within the 12 month period immediately preceding the announcement of the proposed rights issue or (ii) prior to such 12 month period where dealing in respect of the shares issued pursuant thereto commenced within such 12 month period, together with any bonus securities, warrants or other convertible securities (assuming full conversion) granted or to be granted to shareholders as part of such rights issues or open offers):	(a) principal terms of the issue (price, purpose of the issue, discount (specifying benchmarks and periods), allotment ratio, use of proceeds) and a description of each;
	(b) terms of the issue;
	(c) the amount of proceeds proposed to be raised from the issue;
	(d) the intended use of such proceeds on a percentage allocation basis (which could be expressed as a range if the exact allocation has not been determined);
(1) the rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates or, where there are no controlling shareholders, directors (excluding independent non-executive directors) and the chief executive of the issuer and their respective associates shall abstain from voting in favour. The issuer must disclose the information required under rule 2.28 of the GEM Listing Rules in the circular to shareholders; and	

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
(2) the issuer shall set out in the circular to shareholders the purpose of the proposed rights issue, together with the total funds expected to be raised and a detailed breakdown and description of the proposed use of the proceeds. The issuer shall also include the total funds raised and a detailed breakdown and description of the funds raised on any issue of equity securities in the 12 months immediately preceding the announcement of the proposed rights issue, the use of such proceeds, the intended use of any amount not yet utilised and how the issuer has dealt with such amount.	(e) where the issue is proposed to be used mainly for general working capital purposes, the issuer must provide reasons for such use taking into account its working capital position; (f) whether the issuer's directors are of the opinion that, after taking into consideration: (i) the group's present bank facilities, the working capital available to the group is sufficient to meet its present requirements and if so, the directors must provide reasons for the issue; and (ii) the group's present bank facilities and net proceeds of the issue, unless the directors have opined, pursuant to Rule 814(1)(f)(i) above, that, after taking into consideration the group's present bank facilities, the working capital available to the group is sufficient to meet its present requirements;

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	"Present requirements" in this Rule 814(1)(f) includes the transaction which will be funded (in whole or in part) by the net proceeds of the issue;
	(g) whether the issue will be underwritten;
	(h) the financial circumstances which call for the issue;
	(i) whether it has obtained a listing and quotation notice from the SGX-ST or will be seeking the listing and quotation of the new shares arising from the rights issue;
	(j) a statement from the issuer's directors on why the issue is in the interest of the issuer and their basis for forming such views including the factors taken into consideration in arriving at any discount; and
	(k) if the issuer undertakes the issue within 12 months from its previous equity fund raising, the following details of each fund raising exercise undertaken in the past 12 months: (i) description of equity funds raised; (ii) date of issue of new securities; (iii) amount raised (both gross and net); (iv) amount utilised and breakdown on use of proceeds; and (v) amount not utilised and how it is intended to be used. The issuer should make a negative statement if there is no such previous equity fund raising.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	In addition, an issuer must observe the disclosure requirements in Appendix 8A.
	(2) If a rights issue involves an issue of convertible securities, the issuer must also comply with Part VI of Chapter 8 of the Catalist Rules.
	(3) In the allotment of any excess rights shares, a confirmation to the sponsor that preference will be given to the rounding of odd lots. Directors and substantial shareholders who have control or influence over the issuer in connection with the day-to-day affairs of the issuer or the terms of the rights issue, or have representation (direct or through a nominee) on the board of the issuer will rank last in priority for the rounding of odd lots and allotment of excess rights shares.
	Rule 816, Catalist Rules
	(1) Subject to Rule 816(2), a rights issue must provide for the rights to subscribe for securities to be renounceable in part or in whole in favour of a third party at the option of the entitled shareholders.
	(2) (a) An issuer can undertake non-renounceable rights issues: (i) subject to specific shareholders' approval; or (ii) in reliance on the general mandate to issue rights shares in a non-renounceable rights issue if the rights shares are priced at not more than 10% discount to the weighted average price for trades done on the SGX-ST for the full market day on which the rights issue is announced. If trading in the issuer's shares is not available for a full market day, the weighted average price must be based on the trades done on the preceding market day up to the time the rights issue is announced.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	(b) The non-renounceable rights issue must comply with Part V of Chapter 8 except Rule 816(1).
	Rule 821, Catalist Rules
	No date must be fixed for the closing of books until the SGX-ST has issued a listing and quotation notice.
	Rule 823(2), Catalist Rules
	An issuer making a rights issue must observe any time-table published by the SGX-ST.
	Rule 833, Catalist Rules
	The following additional requirements apply to an offer of company warrants or other convertible securities by way of a rights issue or bought deal:
	(1) The issuer's announcement of the rights issue or bought deal must include either:
	(a) the exercise or conversion price of the company warrants or other convertible securities, or
	(b) a price-fixing formula to determine the exercise or conversion price. The price-fixing formula must not contain any discretionary element and the amount of premium or discount (in relation to the underlying share price) must be specified.
	(2) Where a price-fixing formula is adopted:
	(a) if the issue is not underwritten, the issuer must fix and announce the exercise or conversion price before the close of the offer; or
	(b) if the issue is underwritten, the issuer must fix and announce the exercise or conversion price before the commencement of nil-paid rights trading.
	(3) An offer of company warrants or convertible securities by way of a bought deal must comply with Part V of Chapter 8 of the Catalist Rules.

The GEM Listing Rules and Hong Kong Laws

4. Rule 23.03, GEM Listing Rules: Terms of Share Option Schemes

The terms and provisions of the scheme must provide, *inter alia*:

(i) the purpose of the scheme;

(ii) the total number of shares which may be issued in respect of all options and awards to be granted under the scheme and any other schemes (the scheme mandate limit), together with the percentage of the issued shares (excluding treasury shares) that it represents at the date of approval of the scheme; and, where the participants of the scheme include service providers, the sublimit on the total number of shares that may be issued in respect of all options and awards to be granted to service providers;

(iii) the vesting period of options or awards to be granted under the scheme, which must not be less than 12 months (save in specific circumstances set out in the scheme document);

(iv) the life of the scheme, which must not be more than 10 years;

Catalist Rules and Singapore Laws

Terms of Schemes

Rule 843, Catalist Rules Participation in a scheme must be restricted to directors and employees of the issuer and its subsidiaries, except that:

(1) directors and employees of an associated company of the issuer may participate in the scheme if the issuer has control over the associated company.

(2) directors and employees of the issuer's parent company and its subsidiaries who have contributed to the success and development of the issuer may participate in the scheme.

Rule 844, Catalist Rules

A limit on the size of each scheme, the maximum entitlement for each class or category of participant (where applicable), and the maximum entitlement for any one participant (where applicable) must be stated.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
(v) the maximum entitlement of each participant under the scheme, noting that where any grant of options or awards to a participant would result in the shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of shares of the listed issuer in issue (excluding treasury shares) (the 1% individual limit), such grant must be separately approved by shareholders of the listed issuer in general meeting with such participant and his/her close associates (or associates if the participant is a connected person) abstaining from voting; and	
(vi) the basis of determination of the exercise price – the exercise price of the scheme, which must be at least the higher of: (i) the closing price of the securities as stated in the HKSE's daily quotations sheet on the date of grant, which must be a business day; and (ii) the average closing price of the securities as stated in the HKSE's daily quotations sheets for the five business days immediately preceding the date of grant. For the purpose of calculating the exercise price where an issuer has been listed for less than five business days, the new issue price shall be used as the closing price for any business day falling within the period before listing.	

The GEM Listing Rules and Hong Kong Laws

5. Section 270 of the SFO HK: Insider dealing

In general terms, subject to the specified exempted circumstances, Section 270 of the SFO HK prohibits persons from dealing in listed securities (or their derivatives) of a corporation, or otherwise counsels or procures another person to deal in such listed shares (or their derivatives) when such person is connected with the corporation and has information which he knows is relevant information in relation to the corporation.

Section 278 of the SFO HK: Stock Market Manipulation

Section 278 of the SFO HK prohibits persons in Hong Kong or elsewhere from:

(a) entering into or carrying out, directly or indirectly, two or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction increase, or are likely to increase, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to purchase or subscribe for, or to refrain from selling, securities of the corporation or of a related corporation of the corporation;

(b) entering into or carrying out, directly or indirectly, two or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction reduce, or are likely to reduce, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to sell, or to refrain from purchasing, securities of the corporation or of a related corporation of the corporation; or

Catalist Rules and Singapore Laws

Sections 218 and 219, Singapore Securities and Futures Act

Sections 218 and 219 of the Singapore Securities and Futures Act prohibit persons from dealing in securities of a corporation if any such person knows or reasonably ought to know that he is in possession of information that is not generally available, and if it was generally available it might have a material effect on the price or value of securities of that corporation.

Such persons include:

(1) officers of a corporation or a related corporation;

(2) substantial shareholders of a corporation or a related corporation; and

(3) a person who occupies a position reasonably expected to give him access to inside information by virtue of:

(a) any professional or business relationship existing between himself (or his employer or a corporation of which he is an officer) and that corporation or a related corporation; or

(b) being an officer of a substantial shareholder in that corporation or in a related corporation.

Section 198(1), Singapore Securities and Futures Act: Securities Market Manipulation

No person shall effect, take part in, be concerned in or carry out, directly or indirectly, two (2) or more transactions in securities of a corporation, being transactions that have or likely to have the effect of raising, lowering, maintaining or stabilising the price of the securities with intent to induce other persons to subscribe for, purchase or sell securities of the corporation or of a related corporation.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
(c) entering into or carrying out, directly or indirectly, two or more transactions in securities of a corporation that by themselves or in conjunction with any other transaction maintain or stabilise, or are likely to maintain or stabilise, the price of any securities traded on a relevant recognised market or by means of authorised automated trading services, with the intention of inducing another person to sell, purchase or subscribe for, or to refrain from selling, purchasing or subscribing for, securities of the corporation or of a related corporation of the corporation.	
BOARD COMPOSITION	**Chief Executive Officer**
Rules 5.05 and 5.05A	**Principle 3 of the Code of Corporate Governance 2018 (“COCG”)**
Every board of directors of an issuer must include at least three independent non-executive directors; and at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise. An issuer must appoint independent non-executive directors representing at least one-third of the board.	**Guideline 3.1, COCG** The Chairman of the board of directors (the “**Chairman**”) and the chief executive officer (or equivalent) (the “**CEO**”) are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making. Rule 1204(10A) of the Catalist Rules requires the Board to disclose the relationship between the Chairman and the CEO if they are immediate family members.

The GEM Listing Rules and Hong Kong Laws

Rules 5.28 and 5.29, GEM Listing Rules: Audit Committee

Every listed issuer must establish an audit committee comprising non-executive directors only. The audit committee must comprise a minimum of three members, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise. The majority of the audit committee members must be independent non-executive directors of the listed issuer. The audit committee must be chaired by an independent non-executive director. The board of directors of the issuer must approve and provide written terms of reference which clearly establish the committee's authority and duties.

Rules 5.34 and 5.35, GEM Listing Rules: Remuneration Committee

An issuer must establish a remuneration committee chaired by an independent non-executive director and comprising a majority of independent non-executive directors. The board of directors must approve and provide written terms of reference for the remuneration committee which clearly establish its authority and duties.

Catalist Rules and Singapore Laws

Guideline 3.3, COCG

The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

Audit Committee

Principle 10, COCG

The Board has an Audit Committee ("**AC**") which discharges its duties objectively.

Guideline 10.2, COCG

The AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.

Remuneration Matters

Principle 6, COCG

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his own remuneration.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
Rule 5.36A and 5.36B, GEM Listing Rules: Nomination Committee	**Guideline 6.2, COCG**
Issuers should establish a nomination committee which is chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors. The board of directors must approve and provide written terms of reference for the nomination committee which clearly establish its authority and duties.	The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.
	Nominating Committee
	Principle 4, COCG
	The Board has a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.
	Guideline 4.2, COCG
	The NC comprises at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.

INTERESTED PERSON TRANSACTIONS OR CONNECTED TRANSACTIONS

Chapter 20 of the GEM Listing Rules (Connected Transactions)	**Chapter 9 of the Catalist Rules (Interested Person Transactions)**
Chapter 20 of the GEM Listing Rules specifies circumstances in which transactions between an issuer and certain specified persons (including connected persons) are, unless otherwise exempted, subject to the shareholders' approval, annual review and disclosure requirements.	Chapter 9 of the Catalist Rules, which applies to the Company, prescribes situations in which transactions between entities at risk (as defined in the Catalist Rules) and interested persons (as defined in the Catalist Rules) are required to be disclosed or are subject to the prior approval of shareholders.
Rules 20.07 to 20.09 and 20.22, GEM Listing Rules	**Rule 904, Catalist Rules**
"Connected person" is defined to include a director, chief executive or substantial shareholder of the listed issuer or any of its subsidiaries, any person who was a director of the listed issuer or any of its subsidiaries in the last 12 months, a supervisor of a PRC issuer or any of its subsidiaries, an associate of the respective persons as aforesaid, a connected subsidiary, or a person deemed to be connected by the HKSE.	For the purposes of Chapter 9, the following definitions apply: (1) "approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9. (2) "entity at risk" means: (a) the issuer;

The GEM Listing Rules and Hong Kong Laws

"Transaction" include both capital and revenue nature transactions, whether or not conducted in the ordinary and usual course of business of the listed issuer's group. This includes the following types of transactions:

(a) the acquisition or disposal of assets by a listed issuer's group including deemed disposals;

(b) any transaction involving a listed issuer's group granting, accepting, transferring, exercising or terminating an option to acquire or dispose of assets or to subscribe for securities; or the listed issuer's group deciding not to exercise an option to acquire or dispose of assets or to subscribe for securities;

(c) entering into or terminating finance leases or operating leases or sub-leases;

(d) granting an indemnity or providing or receiving financial assistance. "Financial assistance" includes granting credit, lending money, or providing an indemnity against obligations under a loan, or guaranteeing or providing security for a loan;

(e) entering into an agreement or arrangement to set up a joint venture entity in any form, such as a partnership or a company, or any other form of joint arrangement;

(f) issuing new securities, or selling or transferring treasury shares of the listed issuer or its subsidiaries, including underwriting or sub-underwriting an issue of securities or a sale or transfer of treasury shares;

(g) providing, receiving or sharing of services; or

(h) acquiring or providing raw materials, intermediate products and/or finished goods.

Catalist Rules and Singapore Laws

(b) a subsidiary of the issuer that is not listed on the SGX-ST or an approved exchange; or

(c) an associated company of the issuer that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.

(4) "interested person" means:

(a) a director, chief executive officer, or controlling shareholder of the issuer; or

(b) an associate of any such director, chief executive officer, or controlling shareholder.

(4A) The Exchange may deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into:

(a) a transaction with an entity at risk; and

(b) an agreement or arrangement with an interested person in connection with that transaction.

(4B) "primary interested person" means a person or an entity in Rule 904(4)(a).

(5) "interested person transaction" means a transaction between an entity at risk and an interested person.

(6) "transaction" includes:

(a) the provision or receipt of financial assistance;

(b) the acquisition, disposal or leasing of assets;

(c) the provision or receipt of services

(d) the issuance or subscription of securities;

(e) the granting of or being granted options; and

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	(f) the establishment of joint ventures or joint investments; whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities). (7) "defence funding" means: (a) The provision of a loan to a director or a chief executive officer of an entity at risk to meet expenditure incurred or to be incurred: (i) in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by that person in relation to the entity at risk; or (ii) in connection with an application for relief; or (iii) defending himself in an investigation by a regulatory authority or against any action proposed to be taken by a regulatory authority, in connection with any alleged negligence, default, breach of duty or breach of trust in relation to the entity at risk; or (b) any action to enable such director or chief executive officer to avoid incurring such expenditure. (8) "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.

The GEM Listing Rules and Hong Kong Laws

Rules 20.33 to 20.35 and 20.44, GEM Listing Rules: Reporting, Announcement and Independent Shareholders' Approval Requirements for Connected Transactions

Where any connected transaction is proposed, the transaction must be announced as soon as practicable after its terms have been agreed and where shareholders' approval for the connected transaction is required, a circular must be sent to shareholders giving information about the transaction. Prior approval of the shareholders in general meeting will be required before the transaction can proceed, unless it is otherwise exempted under the GEM Listing Rules.

Catalist Rules and Singapore Laws

Under the Catalist Rules, "financial assistance" includes:

(a) the lending of money, the guaranteeing or providing security for a debt incurred or the indemnifying of a guarantor for guaranteeing or providing security; and

(b) the forgiving of a debt, the releasing of or neglect in enforcing an obligation of another, or the assuming of the obligations of another.

General Requirements

Rule 905, Catalist Rules

(1) An issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets.

(2) If the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the group's latest audited net tangible assets, the issuer must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year.

(3) Rule 905(1) and (2) does not apply to any transaction below S$100,000.

The GEM Listing Rules and Hong Kong Laws

Rules 20.35 and 20.74 GEM Listing Rules

Certain categories of transactions are exempt from the general meeting requirements and the HKSE accepts a written shareholder's approval (subject to certain conditions as set out in Rule 20.35 of the GEM Listing Rules), and certain transactions are subject only to annual review and disclosure requirements. Amongst other exemptions under the GEM Listing Rules, a connected transaction conducted on normal commercial terms or better will constitute a de minimis transaction under Rule 20.74(1) of the GEM Listing Rules, which will be exempt from shareholders' approval, annual review and all disclosure requirements, where each of the percentage ratios (other than the profits ratio) is less than 0.1% or less than 1% (where the connected transaction only involves a connected person at the issuer's subsidiary's level), or each of the percentage ratios (other than the profits ratio) is less than 5% and the total consideration is less than HK$3,000,000.

Catalist Rules and Singapore Laws

Rule 906, Catalist Rules

(1) An issuer must obtain shareholder approval for any interested person transaction of a value equal to, or more than:

(a) 5% of the group's latest audited net tangible assets; or

(b) 5% of the group's latest audited net tangible assets, when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders, need not be included in any subsequent aggregation.

(2) Rule 906(1) does not apply to any transaction below S$100,000.

(3) If the group's latest audited net tangible assets is negative, the issuer should consult the SGX-ST on the appropriate benchmark to calculate the relevant threshold in Rule 906(1), which may be based on its market capitalisation.

(4) While transactions below $100,000 are not normally aggregated under Rule 906(2), the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction in accordance with Rule 902.

The GEM Listing Rules and Hong Kong Laws

Rules 20.69 and 20.70, GEM Listing Rules: Reporting Requirements

The listed issuer's annual report must contain the following information on the connected transactions conducted in that financial year (including continuing connected transactions under agreements signed in previous years):

(1) the transaction date;

(2) the parties to the transaction and a description of their connected relationship;

(3) a brief description of the transaction and its purpose;

(4) the total consideration and terms;

(5) the nature of the connected person's interest in the transaction; and

(6) for continuing connected transactions,

  (a) confirmation from the listed issuer's independent non-executive directors on the matters set out in Rule 20.53 of the GEM Listing Rules; and

  (b) statement from the listed issuer's board of directors whether the auditors have confirmed the matters set out in Rule 20.54 of the GEM Listing Rules.

Catalist Rules and Singapore Laws

Rule 907, Catalist Rules

An issuer must disclose the aggregate value of interested person transactions entered into during the financial year under review in its annual report. The name of the interested person and the corresponding aggregate value of the interested person transactions entered into with the same interested person must be presented in the format prescribed in this rule.

General Mandate

Rule 920(1), Catalist Rules

An issuer may seek a general mandate from shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings or businesses. A general mandate is subject to annual renewal.

(a) An issuer must:

  (i) disclose the general mandate in the annual report, giving details of the aggregate value of transactions conducted pursuant to the general mandate during the financial year. The disclosure must be in the form set out in Rule 907; and

  (ii) announce the aggregate value of transactions conducted pursuant to the general mandate for the financial periods which it is required to report on pursuant to Rule 705 within the time required for the announcement of such report. The disclosure must be in the form set out in Rule 907.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	(b) A circular to shareholders seeking a general mandate must include: (i) (unless the SGX-ST requires otherwise) the names of interested persons with which the entity at risk will be transacting; (ii) the nature of the transactions contemplated under the mandate; (iii) the rationale for, and benefit to, the entity at risk; (iv) the methods or procedures for determining transaction prices; (v) the independent financial adviser's opinion on whether the methods or procedures in (iv) are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the issuer and its minority shareholders; (vi) an opinion from the audit committee if it takes a different view to the independent financial adviser; (vii) a statement from the issuer that it will obtain a fresh mandate from shareholders if the methods or procedures in (iv) become inappropriate; and (viii) a statement that the interested person will abstain, and has undertaken to ensure that its associates will abstain, from voting on the resolution approving the transaction.

The GEM Listing Rules and Hong Kong Laws

Rules 20.79 to 20.84 GEM Listing Rules: Aggregation of Transactions

The HKSE will aggregate a series of connected transactions and treat them as if they were one transaction if they were all entered into or completed within a 12 month period or are otherwise related. The listed issuer must comply with the applicable connected transaction requirements based on the classification of the connected transactions when aggregated. The aggregation period will cover 24 months if the connected transactions are a series of acquisitions of assets being aggregated which may constitute a reverse takeover.

Catalist Rules and Singapore Laws

(c) An independent financial adviser's opinion is not required for the renewal of a general mandate provided that the audit committee confirms that:

(i) the methods or procedures for determining the transaction prices have not changed since last shareholder approval; and

(ii) the methods or procedures in Rule 920(1)(c)(i) are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the issuer and its minority shareholders.

(d) Transactions conducted under a general mandate are not separately subject to Rules 905 and 906.

Rule 908, Catalist Rules

In interpreting the term "same interested person" for the purpose of aggregation in Rules 905, 906 and 907, the following applies:

(1) Transactions between (a) an entity at risk and a primary interested person; and (b) an entity at risk and an associate of that primary interested person, are deemed to be transactions between an entity at risk with the same interested person.

The GEM Listing Rules and Hong Kong Laws

Factors that the HKSE will consider for aggregation of a series of connected transactions include whether:

(1) they are entered into by the listed issuer's group with the same party, or parties who are connected with one another;

(2) they involve the acquisition or disposal of parts of one asset, or securities or interests in a company or group of companies; or

(3) they together lead to substantial involvement by the listed issuer's group in a new business activity.

The HKSE may aggregate all continuing connected transactions with a connected person.

The listed issuer must consult the HKSE before the listed issuer's group enters into any connected transaction if:

(1) the transaction and any other connected transactions entered into or completed by the listed issuer's group in the last 12 months fall under any of the circumstances described in Rule 20.80 of the GEM Listing Rules; or

(2) the transaction and any other transactions entered into by the listed issuer's group involve the acquisition of assets from a person or group of persons or any of their associates within 24 months after the person(s) gain control (as defined in the Hong Kong Takeover Code) of the listed issuer.

The listed issuer must provide information to the HKSE on whether it should aggregate the transactions.

The HKSE may aggregate a listed issuer's connected transactions even if the listed issuer has not consulted the HKSE.

Catalist Rules and Singapore Laws

(2) Transactions between (i) an entity at risk and a primary interested person; and (ii) an entity at risk and another primary interested person, are deemed to be transactions between an entity at risk with the same interested person if the primary interested person is also an associate of the other primary interested person. Transactions between an entity at risk and interested persons who are members of the same group are deemed to be transactions between the entity at risk with the same interested person.

If an interested person, (which is a member of a group) is listed, its transactions with the entity at risk need not be aggregated with transactions between the entity at risk and other interested persons of the same group, provided that the listed interested person and other listed interested persons have boards the majority of whose directors are different and are not accustomed to act on the instructions of the other interested persons and their associates and have audit committees whose members are completely different.

As an example, Entity-At-Risk A, Listed B, Listed C and Unlisted D are all subsidiaries of Ultimate E. Listed B, Listed C and Ultimate E have boards, the majority of whose directors are different and are not accustomed to act on the instructions of Ultimate E and its associates and have audit committees whose members are completely different. Transactions between Entity-At-Risk A and Listed B need not be aggregated with transactions between Entity-At-Risk A and Listed C or with transactions between Entity-At-Risk A and Ultimate E. Transactions between Entity-At-Risk A and Ultimate E must be aggregated with transactions between Entity-At-Risk A and Unlisted D.

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
	Shareholder Approval
	Rule 918, Catalist Rules
	If a transaction requires shareholder approval, it must be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.
	Rule 919, Catalist Rules
	In a meeting to obtain shareholder approval, the interested person and any associate of the interested person must not vote on the resolution, nor accept appointments as proxies unless specific instructions as to voting are given.

RESTRICTIONS ON DEALINGS OF DIRECTORS BEFORE PUBLICATION OF THE FINANCIAL RESULTS

Rules 5.56, 5.67, 5.61 and 5.62, GEM Listing Rules	Rule 1204(19)(c), Catalist Rules
Rule 5.56	A listed issuer and its officers should not deal in the listed issuer's securities during the period commencing two weeks before the announcement of the company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the company's full year financial statements (if the issuer announces its quarterly financial statements), or one month before the announcement of the company's half year and full year financial statements (if the issuer does not announce quarterly financial statements).
A director must not deal in any securities of the listed issuer on any day on which its financial results are published and:	
(i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and	
(ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results,	

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
unless the circumstances are exceptional as described in Rule 5.67 of the GEM Listing Rules. In any event, the director must comply with the procedure in the Rules 5.61 and 5.62 of the GEM Listing Rules.	
The listed issuer must notify the HKSE in advance of the commencement of each period during which directors are not allowed to deal under Rule 5.56(a) of the GEM Listing Rules. Such period will cover any period of delay in the publication of a results announcement.	
Rule 5.67	
If a director proposes to sell or otherwise dispose of securities of the listed issuer under exceptional circumstances where the sale or disposal is otherwise prohibited under the required standard of dealings, the director must comply with the provisions of the Rule 5.61 of the GEM Listing Rules regarding prior written notice and acknowledgement. The director must satisfy the chairman or the designated director that the circumstances are exceptional and the proposed sale or disposal is the only reasonable course of action available to the director before the director can sell or dispose of the securities. The listed issuer shall give written notice of such sale or disposal to the HKSE as soon as practicable stating why it considered the circumstances to be exceptional. The listed issuer shall publish an announcement immediately after any such sale or disposal and state that the chairman or the designated director is satisfied that there were exceptional circumstances for such sale or disposal of securities by the director.	

The GEM Listing Rules and Hong Kong Laws	Catalist Rules and Singapore Laws
Rule 5.61 A director must not deal in any securities of the issuer without first notifying in writing the chairman or a director (otherwise than himself) designated by the board for the specific purpose and receiving a dated written acknowledgement. In his own case, the chairman must first notify the board at a board meeting, or alternatively notify a director (otherwise than himself) designated by the board for the purpose and receive a dated written acknowledgement before any dealing. The designated director must not deal in any securities of the listed issuer without first notifying the chairman and receiving a dated written acknowledgement. In each case, (a) a response to a request for clearance to deal must be given to the relevant director within five business days of the request being made; and (b) the clearance to deal in accordance with (a) above must be valid for no longer than five business days of clearance being received. **Rule 5.62** The procedure established within the listed issuer must, as a minimum, provide for there to be a written record maintained by the listed issuer that the appropriate notification was given and acknowledged pursuant to Rule 5.61 of the GEM Listing Rules, and for the director concerned to have received written confirmation to that effect.	

II. Takeover Obligations

1. *The Singapore Take-over Code*

The Singapore Take-over Code regulates the acquisition of ordinary shares of public companies and contains certain provisions that may delay, deter or prevent a future takeover or change in control of the Company. Any person acquiring an interest, either on his own or together with persons acting in concert with him, in 30.0% or more of the Company's voting Shares, or, if such person holds, either on his own or together with persons acting in concert with him, between 30.0% and 50.0% (both inclusive) of the Company's voting Shares, and if he (or persons acting in concert with him) acquires additional voting Shares representing more than 1.0% of the Company's voting Shares in any six (6) month period, must, except with the consent of the Securities Industry Council in Singapore, extend a takeover offer for the remaining voting Shares in accordance with the provisions of the Singapore Take-over Code.

"Persons acting in concert" comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company. Without prejudice to the general application of this definition, the following individuals and companies are presumed to be acting in concert with each other (unless the contrary is established). They are as follows:

- a company and its related companies, the associated companies of any of the company and its related companies, companies whose associated companies include any of these companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;

- a company and any of its directors (including their close relatives, related trusts and companies controlled by any of the directors, their close relatives and related trusts);

- a company and any of its pension funds and employee share schemes;

- a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

- a financial or other professional adviser and its clients in respect of shares held by the adviser and persons controlling, controlled by or under the same control as the adviser;

- directors of a company (including their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for the company may be imminent;

- partners; and

- an individual and his close relatives, related trusts, any person who is accustomed to act in accordance with his instructions and companies controlled by the individual, his close relatives, his related trusts or any person who is accustomed to act in accordance with his instructions and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights.

A mandatory offer must be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or persons acting in concert with the offeror within the six (6) months preceding the acquisition of Shares that triggered the mandatory offer obligation. Under the Singapore Take-over Code, where effective control of a company is acquired or consolidated by a person, or persons acting in concert, a general offer to all other shareholders is normally required. An offeror must treat all shareholders of the same class in an offeree company equally. A fundamental requirement is that shareholders in the company subject to the takeover offer must be given sufficient information, advice and time to consider and decide on the offer.

2. *The Hong Kong Takeovers Code*

Public companies with a primary listing of their equity securities in Hong Kong fall within the regulatory framework of the Hong Kong Takeovers Code. The Hong Kong Takeovers Code is not legally enforceable. Its purpose is to provide guidelines for companies and their advisers contemplating, or becoming involved in, takeovers and mergers *affecting* public companies in Hong Kong.

The aim of the Hong Kong Takeovers Code is to ensure fair treatment of shareholders who are affected by takeovers, mergers and share buy-backs. It requires the timely disclosure of adequate information to enable shareholders to make an informed decision as to the merits of any offer. It also provides an orderly framework within which takeovers, mergers and share buy-backs are to be conducted.

The Hong Kong Takeovers Code regulates acquisitions of shares (whether by way of takeovers, mergers and share buy-back) in an offeree company and a potential offeree company, or a company in which control may change or be consolidated would be relevant. Control is currently defined as a holding, or aggregate holdings, of 30.0% or more of the voting rights of a company, irrespective of whether that holding or holdings gives de facto control.

The Hong Kong Takeovers Code also applies not only to the offeror and the offeree company, but also to those persons "acting in concert" with the offeror. Under the Hong Kong Takeovers Code, "persons acting in concert" are persons who "pursuant to an agreement or understanding (whether formal or informal), actively cooperate to obtain or consolidate control of a company through the acquisition by any of them of voting rights of the company". The Hong Kong Takeovers Code also describes classes of persons who are presumed to be acting in concert with others in the same class unless the contrary is established.

The Hong Kong Takeovers Code requires the making of a mandatory general offer to holders of each class of equity share capital of the offeree company, whether the class carries voting rights or not, and also to the holders of any class of voting non-equity share capital in which such person, or persons acting in concert with him, hold shares, unless a waiver has been granted by the executive of the HK SFC, where a person or a group of persons acting in concert (a) acquires control of a company (meaning 30.0% or more of the voting rights), whether by a series of transactions over a period of time, or not; or (b) when already holding between 30.0% and 50.0% of the voting rights of a company, acquires more than 2.0% of the voting rights in the offeree company in a twelve month period ending on and inclusive of the date of the relevant acquisition.

In either of the above cases, an offer must be made to the shareholders. The offer must be in cash or accompanied by a cash alternative at not less than the highest price paid by the offeror (or any person acting in concert with it) for shares of that class of the offeree company during the offer period and within six months prior to its commencement.

APPENDIX H – COMPARISON OF SUBSTANTIAL SHAREHOLDING DISCLOSURE REQUIREMENTS UNDER SINGAPORE AND HONG KONG RULES

INFORMATION RELATING TO SINGAPORE AND HONG KONG LAWS, RULES, REGULATIONS AND CODES

The Shares are currently listed on GEM. The summary below shows the major differences in substantial shareholding disclosure requirements between the GEM Listing Rules and the Catalist Rules, certain applicable laws and regulations of Singapore and Hong Kong, the takeover rules under the Singapore Take-over Code, the Hong Kong Takeovers Code and certain relevant legislations concerning companies with listed securities.

However, this summary is for general guidance only and is not and shall not be relied on as legal advice or any other advice to Shareholders. The summary is not meant to be a comprehensive or exhaustive description of all the relevant Singapore and Hong Kong laws, rules and regulations. In addition, Shareholders should also note that the laws, rules and regulations applicable to our Company and Shareholders may change, whether as a result of proposed legislative reforms to the Singapore or Hong Kong laws, rules or regulations or otherwise.

Prospective investors and/or Shareholders should consult their own legal advisers for specific legal advice concerning their legal rights and obligations under Singapore laws and Hong Kong laws. In the event of any conflict between the Hong Kong laws, rules and regulations, including but not limited to the GEM Listing Rules, the Hong Kong Takeovers Code and Part XV of the SFO HK, on the one hand, and Singapore laws, rules and regulations, including but not limited to the Catalist Rules, the Singapore Companies Act, the Singapore Take-over Code, and the SFA, on the other hand, we shall comply with the more restrictive and stringent rule.

	Singapore Rules	**Hong Kong Rules**
Disclosure by a substantial shareholder	The SFA requires disclosure when a person acquires or ceases to have a notifiable interest and when there is a change in the percentage level (i.e. the figure rounded down to the next whole number) of his interest.	The SFO HK requires disclosure when a person acquires or ceases to have a notifiable interest and when there is a change in the percentage level (i.e. the figure rounded down to the next whole number) of his interest.
What is substantial shareholding disclosure threshold	The Singapore threshold for disclosure is 5% of a listed company's issued voting share capital.	The Hong Kong threshold for disclosure is 5% of a listed company's issued voting share capital.
When is a notification required	– When a person first becomes interested in 5% or more of the shares of a listed company; – when a person's interest drops below 5%; – when there is an increase or decrease in the percentage level (i.e. the figure rounded down to the next whole number) of a person's holding above 5% (e.g. his interest increases from 6.8% to 7.1% – the percentage level increases from 6% to 7%).	(i) When a person first becomes interested in 5% or more of the shares of a listed company; (ii) When a person's interest drops below 5%; (iii) When there is an increase or increase in percentage figure of a person's holding that results in the person's interest crossing over a whole percentage number which is above 5% (e.g. one's interest increases from 6.8% to 7.1% – crossing over 7% or it decreases from 8.1% to 7.8% crossing over 8%);

	Singapore Rules	Hong Kong Rules
		(iv) When a person has a notifiable interest and the nature of the interest in the shares changes; (v) When a person has a notifiable interest and a person come to have, or cease to have, a short position of more than 1% (e.g. when a person is already interested in 6.8% of the shares of a listed company and write, issue or become the holder of an equity derivative under which the person has a short position of 1.9%); (vi) When a person has a notifiable interest and there is an increase or decrease in the percentage figure of the person's short position that results in the person's short position crossing over a whole percentage number which is above 1% (e.g. the person is already interested in 6.8% of the shares of a listed corporation and increase the person's short position from 1.9% to 2.1% or decease it from 6.2% to 5.8%); (vii) If a person has an interest in 5% or more of the shares of a corporation that is being listed, shares of a class that is being listed, or shares of a class which are being given full voting rights; (viii) If the 5% threshold is reduced (and a person has a notifiable interest immediately after the reduction) or the 1% threshold for short positions is reduced (and a person has a notifiable interest and a short position that is notifiable immediately after the reduction).

	Singapore Rules	Hong Kong Rules
What is an interest in shares	The following sections under the SFA primarily summarise an interest in shares: A person has an interest in shares if the person has authority (whether formal or informal, or express or implied) to dispose of, or to exercise control over the disposal of, those shares. It is immaterial that the authority of a person to dispose of, or to exercise control over the disposal of, particular shares is, or is capable of being made, subject to restraint or restriction. Where any property held in trust consists of or includes shares and a person knows, or has reasonable grounds for believing, that the person has an interest under the trust, the person is deemed to have an interest in those shares. Where a body corporate has, or is by the provisions of this section deemed to have, an interest in a share and – (a) the body corporate is, or its directors are, accustomed or under an obligation whether formal or informal to act in accordance with the directions, instructions or wishes of a person; or (b) a person has a controlling interest in the body corporate, that person is deemed to have an interest in that share. Where a body corporate has, or is by the provisions of this section (apart from this subsection) deemed to have, an interest in a share and – (a) a person is; (b) the associates of a person are; or (c) a person and the person's associates are, entitled to exercise or control the exercise of not less than 20% of the voting power in the body corporate, that person is deemed to have an interest in that share.	(A) Interest in shares According to s.322(2) of the Securities and Futures Ordinance, a person will have an "interest" in shares if the person has an interest of any kind whatsoever in the voting shares, and for that purpose any restraint or restriction to which the exercise of a right attached to the interest may be subject shall be disregarded. For examples: (i) If a person's name is listed in the register of members maintained by a corporation; (ii) If the shares are held for a person by another person such as stockbroker, a custodian, a trustee or a nominee (e.g. in the Central Clearing and Settlement System ("**CCASS**") or with HKSCC Nominees Limited, the CCASS depository); (iii) If a person is deemed by Part XV to be interested in the shares (see (B) below); (iv) If a person enters into a contract (for example if you hold, write or issue financial instruments including equity derivatives) that gives you a right to shares, a right of first refusal of shares, or to a payment in the event of a change in the price of shares (see (C) below); (v) If a person holds shares as security; (vi) If a person is entitled to exercise rights attaching to the shares or control their exercise (voting rights) or the right to sell the shares themselves. Hence if a person is a fund manager, that person would normally have an interest in the shares in the fund(s) that that person manages.

	Singapore Rules	Hong Kong Rules
	A person is an associate of another person if the firstmentioned person is – (a) a subsidiary of that other person; (b) a person who is accustomed or is under an obligation whether formal or informal to act in accordance with the directions, instructions or wishes of that other person in relation to the share; or (c) a body corporate that is, or a majority of the directors of which are, accustomed or under an obligation whether formal or informal to act in accordance with the directions, instructions or wishes of that other person in relation to the share. (d) Where a person – (a) has entered into a contract to purchase a share; (b) has a right, otherwise than by reason of having an interest under a trust, to have a share transferred to the person or to the person's order, whether the right is exercisable presently or in the future and whether on the fulfilment of a condition or not; (c) has the right to acquire a share, or an interest in a share, under an option, whether the right is exercisable presently or in the future and whether on the fulfilment of a condition or not; or (d) is entitled (otherwise than by reason of the person having been appointed a proxy or representative to vote at a meeting of members of a corporation or of a class of its members) to exercise or control the exercise of a right attached to a share, not being a share of which the person is the registered holder, that person is deemed to have an interest in that share.	A person has an interest in shares if that person has any right whatsoever in relation to the shares, that person has a right to receive a payment in the event of a change in the price of shares or may be required to take the shares, even if that person's right to the shares (or payment) or obligation to take the shares is conditional or is subject to any restraint or restriction. For example, if on 3 April 2003 a person agreed to buy 5% of a listed corporation's shares, subject to approval by the shareholders of the listed corporation at a meeting on 15 April 2003, that person will be taken to have an interest in the shares on 3 April 2003. It is also irrelevant whether the condition has a reasonable chance of being met or whether that person or the seller can influence the outcome of the condition. A person will cease to be interested in the shares on 15 April 2003 if the shareholders do not approve the resolution. That person must then file a notice stating that you ceased to be interested in 5% of the shares of the listed corporation. (B) Deemed interest in shares In calculating the total number of shares in which a person is interested, that person must include any interests, and derivative interests, in shares of the same listed corporation that any of the following persons and trusts have: (i) A person's spouse and any child of that person under the age of 18. For example, if a person holds 5% of the shares of a listed corporation and her husband holds 1% each of the person and the husband is deemed to be interested in 6%. If the husband then buys a further 1% both the person and the husband must file a notice as each of both are now interested in 7% of the shares of the listed corporation as a result of the purchase;

	Singapore Rules	Hong Kong Rules
	An interest in a share is not to be disregarded by reason only of – (a) its remoteness; (b) the manner in which it arose; or (c) the fact that the exercise of a right conferred by the interest is, or is capable of being made, subject to restraint or restriction.	(ii) A corporation which a person controls (a corporation is a "controlled corporation" if a person control, directly or indirectly, one-third or more of the voting power at general meetings of the corporation, or if the corporation or its directors are accustomed to act in accordance with your directions) including interests of a corporate fund manager that you control in the shares held by the various funds that it manages and interests of a corporate trustee or custodian that you control in the shares that it holds on trust or in custody (subject to certain exemptions; (iii) A trust, if a person is a trustee of the trust (other than a trust where the person is a bare trustee i.e. where the person has no powers or duties except to transfer the shares according to the directions of the beneficial owner); (iv) A discretionary trust, if the person is the "founder" of the trust (e.g. the person had the trust set up or put assets into it), and can influence how the trustee exercises his discretion; (v) A trust of which the person is a beneficiary (discretionary interests may be ignored); (vi) All persons who have agreed to act in concert to acquire interests in shares in the listed corporation, if you are a party to the agreement (the rules are complicated and legal advice should be sought).

	Singapore Rules	Hong Kong Rules
		A person must also count as his/her short position any short positions that such persons and trust have. This may create a short position (if the person does not have a short position already) or increase the size of the short position. (C) Derivative interests and underlying shares The term "equity derivatives" is given an extensive meaning in the Securities and Futures Ordinance in order to ensure that all interests and short positions in shares of a listed corporation are disclosed. Hence contracts or financial instruments such as those immediately below are covered by the term "equity derivatives" – (i) warrants, callable bull bear contracts and other structured products; (ii) convertible bonds, exchangeable bonds and other equity linked instruments (equity linked deposits, funds, notes, certificates or other securities); (iii) American Depositary Receipts ("ADRs") and Hong Kong Depositary Receipts ("HDRs"); (iv) stock options and stock futures; (v) over-the-counter ("OTC") forwards, options or swaps; (vi) a derivative over another equity derivative; and

	Singapore Rules	Hong Kong Rules
		(vii) credit derivatives that have reference obligations or deliverable obligations which are exchangeable or convertible bonds, regardless of whether they are physically settled, by delivery of the underlying shares, or cash settled. Depending on the particular derivative the person holds, the person may have rights to acquire shares, rights to require another person to buy shares, or a right to a sum of money depending on the price of certain shares. The term "underlying shares" is used in connection with "equity derivatives", it refers:– (i) in the case of physically settled equity derivatives, to the shares that may be delivered to a person, or by the person under the equity derivatives; or (ii) in the case of cash settled equity derivatives, of the shares by reference to the price or value of which, wholly or partly, the price or value of the equity derivatives is derived or determined.

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The summary below of certain taxes and tax consequences in the various jurisdictions is of a general nature. It is based on laws, regulations, interpretations, rulings and decisions presently in effect and available as at the Latest Practicable Date. These laws, regulations, interpretations, rulings and decisions, however, may change at any time, and any change could be retrospective to the date of issuance of our Shares. These laws and regulations are also subject to various interpretations and the relevant tax authorities or the courts could later disagree with the explanations or conclusions set out.

The summary is not intended to constitute a complete analysis of the taxes mentioned. It is not intended to be and does not constitute legal or tax advice.

Prospective investors of our Shares should consult their tax advisors concerning the tax consequences of owning and disposing of our Shares. Neither our Company, our Directors nor any other persons involved in this Placement accepts responsibility for any tax effects or liabilities resulting from the subscription, purchase, holding or disposal of our Shares.

SINGAPORE TAXATION

Singapore Income Tax

Corporate income tax

Corporate taxpayers (both resident and non-resident) are subject to Singapore income tax on income accrued in or derived from Singapore (i.e. Singapore-sourced) and income received in Singapore from outside Singapore (i.e. foreign-sourced income received or deemed received in Singapore) unless specifically exempt from income tax.

The prevailing corporate income tax rate in Singapore is 17.0% with the first S$200,000 of chargeable income of a company being partially exempt from tax as follows:

(a) 75.0% of the first S$10,000 of chargeable income; and

(b) 50.0% of the next S$190,000 of chargeable income.

Foreign-sourced income is deemed to be received in Singapore when it is:

(a) remitted to, transmitted or brought into Singapore;

(b) used to pay off any debt incurred in respect of a trade or business carried on in Singapore; or

(c) used to purchase any movable property brought into Singapore.

Foreign-sourced income in the form of branch profits, dividends and service fee income ("**specified foreign income**") received or deemed received in Singapore by a Singapore tax resident company are exempted from Singapore tax provided that the following qualifying conditions are met:

(a) such income is subject to tax of a similar character to income tax under the law of the territory from which such income is received;

(b) at the time the income is received in Singapore, the highest rate of tax of a similar character to income tax (by whatever name called) levied under the law of the territory from which the income is received is at least 15.0%; and

(c) the Comptroller of Income Tax is satisfied that the tax exemption would be beneficial to the recipient of the specified foreign income.

A company is regarded as a tax resident in Singapore if the control and management of its business is exercised in Singapore. Generally, control and management of a company is vested in its board of directors and its tax residency is generally where its board of directors meet to make strategic business decisions of the company.

Individual income tax

An individual taxpayer (both resident and non-resident) is subject to Singapore income tax on income accrued in or derived from Singapore. Foreign-sourced income received or deemed received by an individual is exempt from income tax in Singapore except for such income received by a resident individual through a partnership in Singapore. Certain Singapore-sourced investment income received or deemed received by individuals is also exempt from tax.

An individual is regarded as a tax resident in Singapore if in the calendar year preceding the year of assessment, he was physically present in Singapore or exercised an employment in Singapore (other than as a director of a company) for 183 days or more, or if he ordinarily resides in Singapore, except for such temporary absences therefrom as may be reasonable and not inconsistent with a claim by such individual to be resident in Singapore.

Currently, a Singapore tax resident individual is subject to tax at the progressive resident rates, ranging from 0% to 24.0%, after deductions of qualifying personal reliefs where applicable. A non-Singapore tax resident individual is generally taxed at the tax rate of 24.0% except that Singapore employment income is taxed at a flat rate of 15.0% or at progressive resident rates, whichever yields a higher tax.

Dividend Distributions

Singapore adopted the one-tier corporate tax system from 1 January 2003. Under the one-tier corporate tax system, the tax paid by a Singapore resident company on its corporate profits is a final tax. Dividends payable by the Singapore resident company to its shareholders are exempt from Singapore income tax in the hands of the shareholders.

There is no withholding tax on the dividend payments to both resident and non-resident shareholders.

Foreign shareholders receiving tax exempt (one-tier) dividends are advised to consult their tax advisors to take into account the tax laws of their respective countries of residence and the applicability of any double taxation agreement which their country of residence may have with Singapore.

Capital Gains Tax

Capital gains are not taxed in Singapore unless they are foreign-sourced disposal gains falling within Section 10L of the Income Tax Act 1947 ("**Income Tax Act**"). Under the Section 10L regime which took effect on 1 January 2024, gains from the sale or disposal of any movable or immovable property situated outside Singapore (referred to as a "foreign asset") are taxable when these gains (referred to as "foreign-sourced disposal gains") are received in or remitted to Singapore by an entity of a relevant group. These gains are treated as income taxable under Section 10(1)(g) of the Income Tax Act in the basis period they are received in or remitted to Singapore. This regime does not apply to foreign-sourced disposal gains received by individuals or foreign entities which do not operate in or from Singapore.

Any gains from the disposal of our Shares, if regarded as capital gains not falling within Section 10L of the Income Tax Act, are not taxable in Singapore.

However, gains arising from the disposal of our Shares which are considered gains derived from any trade, business, vocation or profession, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature. Gains derived from the sale of our Shares may also be taxable if they otherwise constitute gains or profits of any income nature under Section 10(1)(g) of the Income Tax Act.

Subject to specified exceptions, Section 13W of the Income Tax Act provides for certainty on the non taxability of gains derived by a corporate taxpayer from the disposal of ordinary shares in another company, where such shares were legally and beneficially owned by the divesting company immediately prior to the disposal, and such disposal satisfies the following conditions:

(a) the disposal occurs during the period from 1 June 2012 to 31 December 2025 (both dates inclusive);

(b) the divesting company had legally and beneficially held a minimum shareholding of 20.0% of the ordinary shares of the company whose shares are being disposed; and

(c) the divesting company had maintained the minimum 20.0% shareholding for a continuous period of at least 24 months immediately prior to the disposal.

The above-mentioned "safe harbour rules" prescribed under Section 13W of the Income Tax Act will not apply to a divesting company under the following scenarios:

(a) a divesting company whose gains or profits from the disposal of shares are included as part of its income based on the provisions of Section 26 of the Income Tax Act;

(b) the disposal of shares by a partnership, limited partnership and limited liability partnership one or more of the partners of which is a company or are companies; or

(c) the disposal of shares on or after 1 June 2022 not listed on a stock exchange in Singapore or elsewhere, being shares in a company that the Singapore Comptroller of Income Tax is satisfied:

    (i) is in the business of trading immovable properties situated in Singapore or elsewhere;

    (ii) principally carries on the activity of holding immovable properties situated (whether in Singapore or elsewhere), whereby passive or no income is derived; or

(iii) has undertaken property development (whether in Singapore or elsewhere), except where –

(A) the immovable property developed is used by the company to carry on its trade or business (including the business of letting immovable properties), not being a business mentioned in sub paragraph (i); and

(B) the company did not undertake any property development in Singapore or elsewhere for a period of at least 60 consecutive months before the disposal of shares.

Shareholders who apply, or who are required to apply, the Singapore Financial Reporting Standard 39 – Financial Instruments: Recognition and Measurement, or FRS 39; the Singapore Financial Reporting Standard 109 – Financial Instruments, or FRS 109; or the Singapore Financial Reporting Standard (International) 9 – Financial Instruments, or SFRS(I) 9 may for the purposes of Singapore income tax be required to recognise gains or losses in respect of financial instruments (not being gains or losses in the nature of capital) in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be) (as modified by the applicable provisions of Singapore income tax law) even where no sale or disposal of the shares is made.

Section 34A of the Income Tax Act provides the tax treatment for financial instruments in accordance with FRS 39 (subject to certain exceptions and "opt out" provisions) for taxpayers who are required to comply with FRS 39 for financial reporting purposes. The IRAS has also issued a circular titled "Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition and Measurement."

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the Income Tax Act requires taxpayers who comply or who are required to comply with FRS 109 or SFRS(I) 9 (as the case may be) for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions. The IRAS has also issued a circular titled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments." Shareholders are advised to consult their tax advisers on the Singapore tax consequences on their subscription, purchase, holding and disposal of our Shares.

Stamp Duty

There is no stamp duty payable on the subscription, allotment or holding of our Shares.

Where our Shares evidenced in certificated form are acquired in Singapore and the Shares are maintained in a share register in Singapore, stamp duty is payable on the contract or agreement entered into for such transfer of our Shares at 0.2% on the consideration for, or market value of our Shares, whichever is higher, and is rounded down to the nearest dollar, subject to a minimum duty of S$1.00.

The purchaser is liable for stamp duty, unless there is an agreement to the contrary.

No stamp duty is payable if no dutiable document relating to the share transfer is executed or if the instrument of transfer is executed outside Singapore. However, stamp duty may be payable if the dutiable document which is executed outside Singapore is subsequently received in Singapore. Stamp duty will be payable if there is an instrument (including an electronic instrument) for the transfer of our shares which is either executed in Singapore or executed outside Singapore and received in Singapore.

Where the instrument of transfer is executed in Singapore, stamp duty must be paid within fourteen (14) days of the execution of the instrument of transfer. Where the instrument of transfer is executed outside Singapore and received in Singapore, stamp duty must be paid within thirty (30) days of receipt of the instrument of transfer in Singapore. An electronic instrument that is executed outside Singapore is treated as received in Singapore in any of the following scenarios: (a) it is retrieved or accessed by a person in Singapore; (b) an electronic copy of it is stored on a device (including a computer) and brought into Singapore; or (c) an electronic copy of it is stored on a computer in Singapore.

Stamp duty is not applicable to electronic transfers of our Shares through the scripless trading system operated by CDP.

Goods and Services Tax ("GST")

The sale of our Shares by a GST-registered investor belonging in Singapore through an SGX-ST member or to another person belonging in Singapore is an exempt supply not subject to GST. Any GST incurred by the investor in making this exempt supply is generally not recoverable from the Comptroller of GST and will become an additional cost to the investor unless the investor satisfies certain conditions prescribed under the GST legislation or satisfies certain GST concessions.

Where our Shares are sold by a GST-registered investor to a person belonging outside Singapore, the sale is a taxable supply subject to GST at zero-rate if certain conditions are met. Any GST incurred by a GST-registered investor in the making of this supply in the course of or furtherance of a business may be recoverable from the Comptroller of GST.

Services such as brokerage, handling and clearing charges rendered by a GST-registered person to an investor belonging in Singapore in connection with the investor's purchase, sale or holding of our Shares will be subject to GST at the standard rate (currently at 9.0%). Similar services rendered to an investor belonging outside Singapore may be subject to GST at zero-rate if certain conditions are met.

Investors should seek their own tax advice on the recoverability of GST incurred on expenses in connection with purchase and sale of our Shares.

Estate Duty

Singapore estate duty has been abolished with effect from 15 February 2008.

MALAYSIA TAXATION

Income Tax Act 1967 ("ITA 1967")

The ITA 1967 is an act for the imposition of income tax. Pursuant to the ITA 1967, income tax shall be charged for each year of assessment upon the income of any person accruing in or derived from Malaysia or received in Malaysia from outside Malaysia. Companies in Malaysia are generally taxed at 24% on their chargeable income.

The Director General of Inland Revenue may seek to impose penalties on a taxpayer for failure to file a tax return under Section 112 of the ITA 1967, for making an incorrect return under Section 113 of the ITA 1967 and/or for wilful evasion of taxes under Section 114 of the ITA 1967. Under Section 112 of the ITA 1967, a maximum penalty of up to 300% of the tax payable and a fine of up to RM20,000 may be imposed, or to imprisonment for a term not exceeding 6 months, or both.

Under Section 113 of the ITA 1967, a maximum penalty of up to 200% of the tax undercharged and a fine of up to RM10,000 may be imposed. Under Section 114 of the ITA 1967, any person who wilfully and with the intent to evade, or assist any other person to evade, tax is guilty of an offence if he omits income from his return, makes a false statement or entry in his return, or commits fraud. A fine of RM1,000 to RM20,000 and/or imprisonment up to three years, and a special penalty of treble the tax undercharged may be imposed.

Sales Tax Act 2018 and Service Tax Act 2018

Pursuant to the Sales Tax Act 2018, sales tax is levied on taxable goods manufactured in Malaysia by a registered manufacturer. Sales tax is also imposed upon taxable goods imported into Malaysia by any person. The applicable sales tax rate depends on the type of taxable goods manufactured or imported into Malaysia.

Pursuant to the Service Tax Act 2018, service tax is chargeable on the provision of prescribed taxable services, as follows:

(a) taxable services provided in Malaysia by a registered person in carrying on his business, if the relevant threshold is reached;

(b) taxable services acquired by any person in Malaysia from any person who is outside Malaysia (recipient of the imported services is liable to account for service tax, instead of the service provider, in this situation); and

(c) provision of "digital services" by foreign service providers to any "consumer" in Malaysia.

"Taxable services" are as specified in the Service Tax Regulations 2018 and include, among others, consultancy services, digital services and management services.

Customs Act 1967 ("CA 1967")

The CA 1967 is an act relating to customs. The customs duties payable depend on the type and nature of goods along with its tariff classification.

Pursuant to the CA 1967, the Director General of Customs and Excise of Malaysia may grant a licence to any person to carry on any manufacturing process and other operations in respect of goods liable to customs duties. Any such licence would also include a licence for warehousing the goods liable to customs duties. A licensed manufacturing warehouse approved under the CA 1967 may be entitled to certain exemptions from customs duties in respect of raw materials, components, machinery or equipment used in the manufacturing process subject to the terms and conditions thereof.

Under Section 138 of the CA 1967, every omission or neglect to comply with and every act done or attempted to be done contrary to, the provisions of the CA 1967, or any breach of the conditions and restrictions subject to, or upon which, any licence or permit is issued or any exemption is granted under of the CA 1967, shall be an offence against of the CA 1967 and in respect of any such offence for which no penalty is expressly provided the offender shall be liable to a fine of not exceeding RM50,000 or to a term of imprisonment not exceeding five years, or both.

HONG KONG (CHINA) TAXATION

Dealings in the Shares registered on our Hong Kong branch register will be subject to Hong Kong stamp duty. The current rate of stamp duty in Hong Kong for transfer of Hong Kong stock is 0.1% on the higher of the consideration for and the market value of the Shares, and it is charged on the purchaser on every purchase and on the seller on every sale of the Shares. In other words, a total stamp duty of 0.2% is currently payable on a typical sale and purchase transaction involving the Shares. In addition, a fixed duty of HK$5.00 is charged on each instrument of transfer (if required).

No tax is payable in Hong Kong in respect of dividends paid by our Company. Dividends paid by our Company and received in Hong Kong by natural persons would not be taxable in Hong Kong. However, dividends paid by our Company and received in Hong Kong by a multinational enterprise entity carrying on a trade, profession, or business in Hong Kong will be subject to Hong Kong profit tax of up to 16.5% (unless an exemption applies to the foreign-sourced dividend income received in Hong Kong). Corporate investors are advised to consult their own tax advisors.

CAYMAN ISLANDS TAXATION

Our Company was incorporated in the Cayman Islands as an exempted company. Pursuant to Section 6 of the Tax Concessions Act (As Revised) of the Cayman Islands, our Company has obtained an undertaking from the Governor-in-Cabinet that: (a) no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to our Company or its operations; and (b) no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable (i) on or in respect of the shares, debentures or other obligations of our Company; or (ii) by way of the withholding in whole or in part of any relevant payment as defined in the Tax Concessions Act (As Revised) of the Cayman Islands. The undertaking for our Company is for a period of 20 years from 31 December 2021.

The Cayman Islands currently levy no taxes on exempted companies based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. Dividends remitted to Shareholders resident outside the Cayman Islands will not be subject to Cayman Islands withholding tax. There are no reciprocal tax treaties between the Cayman Islands and Singapore. There are no other taxes likely to be material to our Company levied by the Government of the Cayman Islands save for certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands.

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APPENDIX J – LIST OF PRESENT AND PAST DIRECTORSHIPS OF OUR DIRECTORS AND EXECUTIVE OFFICERS

The list of present and past directorships of our Directors and Executive Officers in the last five (5) years up to the Latest Practicable Date, excluding that held in our Company, is as follows:

Name	Present directorships	Past directorships
Directors		
Dato' Sri Chua	*Group Companies*	*Group Companies*
	Metasurface Technologies SPW SGP Malaysia	N.A.
	Other Companies	*Other Companies*
	SGP BVI Meson Technology Pte Ltd	Sterling Rock Capital Pte Ltd MetaOptics Technologies Lhatul Rinpoche Charity Foundation Ltd
Mrs. Chua	*Group Companies*	*Group Companies*
	Metasurface Technologies	N.A.
	Other Companies	*Other Companies*
	MetaOptics Ltd Baccini MetaOptics Technologies	Top 3 Trading & Services Pte Ltd Top88 Trading & Services Pte Ltd
Mr. Soh	*Group Companies*	*Group Companies*
	SPW SGP Malaysia	N.A.
	Other Companies	*Other Companies*
	N.A.	J&P Electrical Construction Sdn Bhd
Mr. Thng	*Group Companies*	*Group Companies*
	N.A.	N.A.
	Other Companies	*Other Companies*
	MetaOptics Ltd MetaOptics Inc. MetaOptics Technologies	SGCAN Pte Ltd Baccini Capital Pte Ltd

Name	Present directorships	Past directorships
Mr. Tan Chek Kian	*Group Companies*	*Group Companies*
	N.A.	N.A.
	Other Companies	*Other Companies*
	N.A.	1FSS Pte Ltd Taiwan Ratings Corporation TRIS Rating Co., Ltd S&P Global Asian Holdings Pte Ltd
Mr. Ang Yong Sheng, Jonathan (Hong Yongsheng)	*Group Companies*	*Group Companies*
	N.A.	N.A.
	Other Companies	*Other Companies*
	Tembusu Partners Pte Ltd Auto.Zac's Pte Ltd L&N Engineering and Trading Pte Ltd DJOA Investment Pte Ltd SM Universe (Singapore) Pte Ltd AL Artiste Management Pte Ltd AL International (SEA) Pte Ltd AL Entertainment (SEA) Pte Ltd	Eco-Business Pte Ltd Toku SPV Pte Ltd WTV Food Pte Ltd Zacsoda Pte Ltd Toku Ltd
Mr. Chan Yang Kang	*Group Companies*	*Group Companies*
	N.A.	N.A.
	Other Companies	*Other Companies*
	Geffyl Corporate Advisory Pte Ltd	N.A.
Executive Officers		
Ms. Hou Jing	*Group Companies*	*Group Companies*
	N.A.	N.A.
	Other Companies	*Other Companies*
	N.A.	N.A.

APPENDIX J – LIST OF PRESENT AND PAST DIRECTORSHIPS OF OUR DIRECTORS AND EXECUTIVE OFFICERS

Name	Present directorships	Past directorships
Mr. Chin Chee Hong	*Group Companies*	*Group Companies*
	N.A.	N.A.
	Other Companies	*Other Companies*
	N.A.	*N.A.*

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RULES OF THE 2024 SHARE OPTION SCHEME

1. DEFINITIONS

1.1 In this document, the following expressions have the following meanings:

"Administration"	The Board, remuneration committee of the Company, and/or delegate(s) of the aforementioned in charge of the operation and all other aspects of the Scheme;
"Adoption Date"	7 June 2024 (the date on which the Scheme is conditionally adopted by resolution of the Shareholders);
"Affiliate Company"	a Controlling Shareholder of the Company or a Subsidiary (other than a member of the Group) or Associate of a Controlling Shareholder;
"Allotment Date"	the date on which Shares are allotted to a Grantee pursuant to an Option granted and exercised hereunder;
"Associate"	shall have the meaning ascribed to it under the Listing Rules;
"Auditors"	the auditors of the Company at the relevant time;
"Bankruptcy Ordinance"	the Bankruptcy Ordinance (Chapter 6 of the laws of Hong Kong) as amended from time to time;
"Board"	the board of directors of the Company from time to time;
"Business Day"	shall have the meaning ascribed to it under the Listing Rules;
"Catalist Rules"	the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, as amended, modified or supplemented from time to time;
"Chief Executive"	shall mean any person falling under the definitions of "chief executive" and/or "chief executive officer" (if any) in the Listing Rules;
"Close Associate"	shall have the meaning ascribed to it under the Listing Rules;

"Companies Act"	the Companies Act, Cap. 22 (As Revised) of the Cayman Islands;
"Companies (Winding Up and Miscellaneous Provisions) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong) as amended from time to time;
"Company"	Metasurface Technologies Holdings Limited 元续科技控股有限公司;
"Connected Person"	shall have the meaning ascribed to it under the Listing Rules;
"Controlling Shareholder"	shall have the meaning ascribed to it under the Listing Rules;
"Core Connected Person"	shall have the meaning ascribed to it under the Listing Rules;
"Culpable Termination"	termination of the employment of an Employee Participant or Related Entity Participant on the grounds that he has been guilty of serious misconduct, or there exist grounds allowing his summary dismissal under his employment contract or under common law, or he is unable or has no reasonable prospects of being able to pay his debts within the meaning of the Bankruptcy Ordinance or any other applicable law, or he has become otherwise insolvent or has made any arrangements or compositions with his creditors generally, or he has been convicted of any criminal offence involving his integrity or honesty;
"Director"	the director of the Company from time to time;
"Electronic Communication"	a communication sent by electronic transmission in any form through any medium;
"Eligible Participant(s)"	means the Employee Participant(s) and/or Related Entity Participant(s);
"Employee Participant(s)"	the director(s) (including executive, non-executive and independent non-executive directors) and employee(s) (whether full-time or part-time) of the Group;
"GEM"	GEM operated by the HKSE;

"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM of the HKSE, as amended from time to time;
"Grantee"	any Eligible Participant who accepts an Offer in accordance with the terms of the Scheme or (in the case of an Eligible Participant being an individual and where the context so permits) the legal personal representative(s) entitled to any such Option in consequence of the death of such Eligible Participant;
"Group"	the Company and its Subsidiaries from time to time, and the expression ***member(s) of the Group*** shall be construed accordingly;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"HKSE"	The Stock Exchange of Hong Kong Limited;
"Holding Company Participant(s)"	the director(s) and employee(s) of the holding companies or fellow subsidiaries (i.e. subsidiaries of the holding companies of the Company) of the Company;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Listing"	the listing and commencement of dealing of the Shares on GEM of HKSE;
"Listing Date"	the date of the Listing;
"Listing Rules"	means the rules governing the listing of securities on the stock exchange(s) on which the Shares are listed from time to time (as amended, supplemented or otherwise modified from time to time), including but not limited to the GEM Listing Rules; and for the avoidance of doubt, where the Company is listed on more than one stock exchange, references to the "**Listing Rules**" shall mean the respective rules governing the listing of securities on each such stock exchange as the context requires;
"Offer"	the offer of the grant of an Option made in accordance with paragraph 4 of the Scheme;

"Offer Date"	the date of the Board resolution on which the grant of Options is approved and made to an Eligible Participant, which must be a Business Day;
"Option"	an option to subscribe for Shares granted pursuant to the Scheme;
"Option Period"	in respect of any particular Option, a period to be notified by the Board to each Grantee commencing on the Offer Date and expiring on the last day of such period as the Board may in its absolute discretion subject to the Listing Rules determine and is subject to the early cancellation of the particular Option mutually agreed by the Company and the Grantee, save that such period shall not be longer than 10 years commencing on the Offer Date;
"Option Shares"	Shares to which any particular Option relates;
"Other Post-IPO Share Option Schemes"	any and all Post-IPO schemes of the Company other than the Scheme involving the grant of options over new Shares or other new securities of the Company after the Listing;
"Related Entity"	any holding company, fellow subsidiary or associated company of the Company (provided that the Company has control over the relevant associated company);
"Related Entity Participant(s)"	the Holding Company Participant(s) and the director(s) and employee(s) of the associated companies of the Company (provided that the Company has control over the relevant associated company);
"Scheme"	the share option scheme set out in this document (as may be amended from time to time);
"Scheme Mandate Limit"	as such term as defined in paragraph 8.1;
"Share"	ordinary share of HK$0.001 each in the share capital of the Company, or, if there has been a subdivision, consolidation, reclassification of or reconstruction of the share capital of the Company, shares forming part of the ordinary share capital of the Company;
"Shareholder"	the holder of Share(s);
"Singapore"	the Republic of Singapore;

"Stock Exchange"	means the stock exchange(s) on which the Shares are listed from time to time, including but not limited to the Hong Kong Stock Exchange; and for the avoidance of doubt, where the Company is listed on more than one stock exchange, references to the "**Stock Exchange**" shall mean the respective stock exchange as the context requires;
"Subscription Price"	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to paragraph 5;
"Subsidiary(ies)"	in relation to a company, a company which is for the time being and from time to time a subsidiary (within the meaning of the Listing Rules, Companies Ordinance (Chapter 622 of the laws of Hong Kong) (as amended from time to time) or the companies law, act and/or ordinance where the subject company was incorporated) whether incorporated in Hong Kong or elsewhere;
"Substantial Shareholder"	shall have the meaning ascribed to it under the Listing Rules; and
"Supplementary Guidance"	Supplementary Guidance attached to the letter from HKSE dated 5 September 2005 and any guidance and interpretation issued from time to time by HKSE relating to share option schemes

1.2 Paragraph headings are inserted herein for convenience of reference only and shall be ignored in the interpretation of the Scheme. References to paragraphs are to paragraphs of the Scheme. Words importing the singular include the plural and vice versa, words importing a gender include every gender and references to persons include bodies corporate and unincorporated.

2. PURPOSE OF THE SCHEME

2.1 The purpose of the Scheme is to motivate Eligible Participants to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with Eligible Participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group and to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

2.2 In determining the basis of eligibility of each potential Eligible Participant, the Board would mainly consider a series of factors including but not limited to the experience on the Group's business; the length of service with the Group; the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship established with the Group; the amount of support, assistance, guidance, advice, efforts and contributions exerted and given towards (or likely to be able to give or make towards) the success of the Group; and/or any other factors which the Board considers to be appropriate, fair,

reasonable and necessary to take into account when assessing the eligibility of a potential Eligible Participant. In particular, the Board may assess factors including the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with the Group and the individual contribution or potential contribution to the development and growth of the Group.

3. ADMINISTRATION

3.1 The Scheme shall be subject to Administration whose decision on all matters arising in relation to this Scheme or its interpretation or effect shall (save as otherwise provided herein) be final and binding on all parties, in its absolute discretion with such powers and duties conferred on it by the Board, in accordance with this Scheme and subject to the Listing Rules, provided that no member of the Administration shall participate in any deliberation or decision in respect of Options to be granted to such member or held by such member.

3.2 Subject to the requirements of the Listing Rules, the Board shall have the right (i) to interpret and construe the provisions of the Scheme, (ii) to determine the persons who will be awarded Options under the Scheme, the vesting period of the Options, the number of Shares to be issued under Options under the Scheme and the Subscription Price, (iii) to make such appropriate and equitable adjustments to the terms of Options granted under the Scheme as it deems necessary, and (iv) to make such other decisions, determinations or regulations as it shall deem appropriate in the administration of the Scheme.

3.3 The Board may delegate any or all of its powers in relation to the Scheme to any of its committees.

4. GRANT OF OPTIONS

4.1 On and subject to the terms of the Scheme, all applicable statutory requirements and the Listing Rules, the Board shall be entitled at any time within the period of the Scheme provided under paragraph 15 to make an Offer to any Eligible Participant as the Board may in its absolute discretion select to subscribe for such number of Shares as the Board may (subject to paragraph 8) determine at the Subscription Price, and on acceptance of the Offer, grant such part of the Option as accepted to the Eligible Participant. For the avoidance of doubt, the grant of any options by the Company for the subscription of Shares to any person who falls within the definition of Eligible Participants shall not, by itself, unless the Board otherwise determines, be construed as a grant of Options under the Scheme.

4.2 A grant of Options shall not be made after a development of or a matter constituting inside information has come to the Company's knowledge until (and including) the trading day on which such inside information has been announced pursuant to the requirements of the Listing Rules and the Inside Information Provisions of Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) or any other applicable law. In particular, during the period of one month immediately preceding the earlier of:-

(a) the date of the Board meeting (as such date is first notified to the Stock Exchange, in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

(b) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement, no Option shall be granted. For the avoidance of doubt, no Option may be granted during any period of delay in publishing a results announcement.

4.3 An Offer shall be made to an Eligible Participant by letter in such form as the Board may from time to time determine. Such an Offer shall specify, among other things: (a) the number of Option Shares; (b) the Subscription Price; and (c) the Option Period, and shall require the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Scheme and shall remain open for acceptance by the Eligible Participant for the period of 21 Business Days from the Offer Date. An Offer may not be accepted by a person who ceases to be an Eligible Participant after the Offer has been made. No Offer shall be capable of or remain open for acceptance after the expiry of 10 years commencing on the Adoption Date.

4.4 An Offer shall be deemed to have been accepted when the duplicate letter comprising acceptance of the Option duly signed by the Grantee with the number of Shares in respect of which the Offer is accepted clearly stated therein together with a payment or remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof is received by the Company within 21 Business Days from the Offer Date or within such other period of time as may be determined by the Board pursuant to the Listing Rules. Such payment or remittance shall in no circumstances be refundable nor be deemed to be part of the Subscription Price. Once such acceptance is made, the Option shall be deemed to have been granted and to have taken effect from the Offer Date.

4.5 Any Offer may be accepted or deemed to have been accepted in respect of less than the number of Option Shares in respect of which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. To the extent that the Offer is not accepted and received by the Company within 21 Business Days in the manner indicated in paragraph 4.4, it shall be deemed to have been irrevocably declined and the Offer will lapse.

4.6 Subject to the provisions of the Scheme and the Listing Rules, the Board may in its absolute discretion when making an Offer impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the Scheme as the Board may think fit (to be stated in the letter containing the Offer) including (without prejudice to the generality of the foregoing) continuing eligibility criteria or, subject to paragraph 4.7, the time or period when the right to exercise the Option in respect of all or some of the Option Shares shall vest.

4.7 The vesting period for the Options shall not be less than 12 months, save that Options granted at a discount shall only be exercisable after a period of not less than 24 months from the date of grant.

4.8 An Eligible Participant or Grantee shall provide the Board such information and supporting evidence as the Board may in its absolute discretion subject to the Listing Rules request from time to time (including, without limitation, before making the Offer, at the time of acceptance of a grant of Option, and at the time of exercise of an Option) for the purpose of assessing and/or determining his eligibility or continuing eligibility as an Eligible Participant and/or Grantee or for purposes in connection with the terms of an Option (and

the exercise thereof) or the Scheme and the administration thereof. Without affecting the generality of the foregoing, an Eligible Participant or Grantee shall notify the Company forthwith in writing of the following, with details and supporting evidence:

(a) the failure to meet or the non-satisfaction or non-compliance with any of the conditions or criteria upon which an Option is to be granted or was granted or is to be or was attached to the grant of an Option;

(b) a change in circumstances of an Eligible Participant or Grantee leading to, causing or likely to lead to or cause, the failure to meet or the non-satisfaction or non-compliance with any of the conditions or criteria attached to the grant or proposed grant of an Option;

(c) the occurrence of any of the events set out in paragraphs 6.3 and 7.1(d) to (g) or any event or circumstance leading to, causing or likely to lead to or cause, the occurrence of any of the said events; and

(d) in respect of an Eligible Participant or Grantee who is a corporation, any change in its constitution, management, directors or shareholding.

5. SUBSCRIPTION PRICE

The Subscription Price in respect of each Share issued pursuant to the exercise of any Option granted hereunder shall be such price notified to an Eligible Participant as the Board may in its absolute discretion subject to the Listing Rules determine at the time of grant of the relevant Option (and shall be stated in the letter containing the Offer) but the Subscription Price shall not be less than whichever is the highest of:

(a) the nominal value of a Share on the Offer Date;

(b) the closing price of the Shares as stated in HKSE's daily quotations sheet on the Offer Date, which must be a Business Day; and

(c) the average of the closing prices of the Shares as stated in HKSE's daily quotations sheet for the five Business Days immediately preceding the Offer Date (provided that the new issue price for the listing of the Shares shall be used as the closing price for any Business Day falling within the period before listing of the Shares if the Shares have been listed for less than five Business Days before the Offer Date).

For the purpose of this paragraph, if the Offer Date does not fall on a Business Day, the Offer Date shall be deemed the following Business Day.

The Subscription Price shall also be subject to adjustment in accordance with paragraph 10.

6. EXERCISE OF OPTIONS

6.1 An Option shall be personal to the Grantee and shall not be assignable nor transferable, and no Grantee shall in any way sell, transfer, charge, mortgage, encumber, assign or create any interest (whether legal or beneficial) in favour of any third party over or in relation to any Option or purport to do so or enter into any agreement to do so, unless a waiver is granted by the Stock Exchange for any Option to be transferred to a vehicle (such as a trust

or a private company) for the benefit of the Grantee and any family members of such Grantee that would continue to meet the purpose of this Scheme and comply with other requirements of the Listing Rules. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Grantee without any compensation or incurring any liability on the part of the Company.

6.2 Unless otherwise determined by the Board and specified in the letter containing the Offer as specified in paragraph 4.3 at the time of the Offer, there is no general performance target attached to the Options. An Option shall be exercised in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) in the manner as set out in the letter containing the Offer, this paragraph and paragraph 6.3 by the Grantee giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised. Every such notice must be accompanied by a remittance for the full amount of the Subscription Price for the Option Shares in respect of which the Option is being exercised. After receipt of the notice and the remittance and, where appropriate, receipt of the Auditor's certificate pursuant to paragraph 10, the Company shall allot the relevant number of Shares to the Grantee (if permitted under the letter containing the Offer but subject to paragraph 4.8) and issue to the Grantee (if permitted as aforesaid) the share certificate(s) in respect of the Shares so allotted according to the procedures established by the Company from time to time.

6.3 Subject to paragraph 6.5 and any conditions, restrictions or limitations imposed in relation to the particular Option pursuant to the provisions of paragraph 4.6 or 8 and subject as hereinafter provided, an Option may be exercised by the Grantee at any time during the Option Period, provided that:

(a) if the Grantee (being an individual) dies or becomes permanently disabled before exercising an Option (or exercising it in full), he (or his legal representative(s)) may exercise the Option up to the Grantee's entitlement (to the extent which has become exercisable and not already exercised) within a period of 12 months following his death or permanent disability or such longer period as the Board may determine;

(b) in the event of the Grantee ceasing to be an Employee Participant or Related Entity Participant by reason of his retirement pursuant to such retirement scheme applicable to the Group or the relevant Related Entity at the relevant time, his Option (to the extent which has become exercisable and not already exercised) shall be exercisable until the expiry of the relevant Option Period;

(c) in the event of the Grantee ceasing to be an Employee Participant or Related Entity Participant by reason of his transfer of employment to an Affiliate Company, his Option (to the extent which has become exercisable and not already exercised) shall be exercisable until the expiry of the relevant Option Period unless the Board in its absolute discretion subject to the Listing Rules otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board has determined;

(d) in the event of the Grantee ceasing to be an Employee Participant or Related Entity Participant for any reason (including his employing company ceasing to be a member of the Group or a Related Entity) other than his death, permanent disability, retirement pursuant to such retirement scheme applicable to the Group or the relevant Related Entity at the relevant time, transfer of employment to an Affiliate Company or the termination of his employment with the relevant member of the Group or the relevant

Related Entity by resignation or Culpable Termination, the Option (to the extent not already exercised) shall lapse on the date of cessation of such employment and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion subject to the Listing Rules determine following the date of such cessation;

(e) in the event of the Grantee ceasing to be an Employee Participant or Related Entity Participant by reason of the termination of his employment by resignation or Culpable Termination, the Option (to the extent not already exercised) shall lapse on the date on which the notice of termination is served (in the case of resignation) or the date on which the Grantee is notified of the termination of his employment (in the case of Culpable Termination) and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion subject to the Listing Rules determine following the date of such service or notification. A resolution of the Board resolving that the Employee Participant or Related Entity Participant's Option has lapsed pursuant to this sub-paragraph shall be final and conclusive;

(f) if a Grantee being an executive Director of the Company ceases to be an executive Director of the Company but remains a non-executive Director of the Company, his Option (to the extent which has become exercisable and not already exercised) shall be exercisable until the expiry of the relevant Option Period unless the Board in its absolute discretion subject to the Listing Rules otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board has determined, the Option (to the extent not already exercised) shall lapse on the date of cessation of such appointment and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board has determined;

(g) if (i) the Board in its absolute discretion subject to the Listing Rules at any time determines that a Grantee has ceased to be an Eligible Participant; or (ii) a Grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions that may be attached to the grant of the Option or which were the basis on which the Option was granted, the Option (to the extent not already exercised) shall lapse on the date on which the Grantee is notified thereof (in the case of (i)) or on the date on which the Grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions as aforesaid (in the case of (ii)) and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion subject to the Listing Rules determine following the date of such notification or the date of such failure/non-satisfaction/non-compliance. In the case of (i), a resolution of the Board resolving that the Grantee's Option has lapsed pursuant to this sub-paragraph shall be final and conclusive;

(h) if a Grantee (being a corporation) (i) has a liquidator, provisional liquidator, receiver or any person carrying out any similar function appointed anywhere in the world in respect of the whole or any part of the assets or undertaking of the Grantee; or (ii) has suspended ceased or threatened to suspend or cease business; or (iii) is unable to pay its debts (within the meaning of Listing Rules, section 178 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance or any similar provisions under the Companies Act) or any other applicable law; or (iv) otherwise becomes insolvent; or

(v) suffers a change in its constitution, directors, shareholding or management which in the opinion of the Board is material; or (vi) commits a breach of any contract entered into between the Grantee or his Associate and any member of the Group, the Option (to the extent not already exercised) shall lapse on the date of appointment of the liquidator or receiver or other similar person or on the date of suspension or cessation of business or on the date when the Grantee is deemed to be unable to pay its debts as aforesaid or on the date of notification by the Company that the said change in constitution, directors, shareholding or management is material or on the date of the said breach of contract (as the case may be) and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion subject to the Listing Rules determine following the date of such occurrence. A resolution of the Board resolving that the Grantee's Option has lapsed pursuant to this sub-paragraph by reason of a breach of contract as aforesaid shall be final and conclusive;

(i) if a Grantee (being an individual) (i) is unable or has no reasonable prospects of being able to pay his debts within the meaning of the Bankruptcy Ordinance or any other applicable law or has otherwise become insolvent; or (ii) has made any arrangements or compositions with his creditors generally; or (iii) has been convicted of any criminal offence involving his integrity or honesty; or (iv) commits a breach of any contract entered into between the Grantee or his Associate and any member of the Group, the Option (to the extent not already exercised) shall lapse on the date on which he is deemed unable or to have no reasonable prospects of being able to pay his debts as aforesaid or on the date on which a petition for bankruptcy has been presented in any jurisdiction or on the date on which he enters into the said arrangement or composition with his creditors or on the date of his conviction or on the date of the said breach of contract (as the case may be) and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion subject to the Listing Rules determine following the date of such occurrence. A resolution of the Board resolving that the Grantee's Option has lapsed pursuant to this sub-paragraph by reason of a breach of contract as aforesaid shall be final and conclusive;

(j) if a general or partial offer (whether by way of takeovers offer, share repurchase offer is made to all the holders of the Shares or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional (in the case of a takeovers offer or share repurchase offer) or is approved by the requisite majorities at the relevant meetings of the Shareholders (in the case of a scheme of arrangement), the Grantee shall be entitled to exercise the Option (to the extent which has become exercisable and not already exercised) at any time (in the case of a takeovers offer or share repurchase offer) within one month after the date on which the offer becomes or is declared unconditional or (in the case of a scheme of arrangement) prior to such time and date as shall be notified by the Company, after which it shall lapse;

(k) in the event of a notice being given by the Company to the Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it despatches such notice to convene the general meeting, give notice thereof to all Grantees and thereupon, the Grantees (or their respective personal representative(s)) may, subject to the provisions of all applicable laws, by notice in writing to the Company (such notice to be received by the Company not later than 2 Business Days prior to the proposed general meeting of the Company) exercise the Option (to the extent that it has become exercisable and has not already been exercised) either to its full extent or to the extent specified in such notice, such notice to be accompanied by a payment or remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant Shares to the Grantee credited as fully paid and register the Grantee as the holder of such Shares, which shall rank *pari passu* with all other Shares in issue on the date prior to the passing of the resolution to wind-up the Company to participate in the distribution of assets of the Company available in liquidation; and

(l) other than a general or partial offer or a scheme of arrangement contemplated in paragraph 6.3(j) above, if a compromise or arrangement between the Company and its Shareholders and/or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company, the Company shall give notice thereof to the Grantees who have unexercised Options at the same time as it dispatches notices to all Shareholders or creditors of the Company summoning the meeting to consider such a compromise or arrangement and thereupon each Grantee (or his legal representatives or receiver) may until the expiry of the earliest of: (i) the Option Period; (ii) the period of two months from the date of such notice; and (iii) the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction and becoming effective, exercise in whole or in part his Option. Except insofar as exercised in accordance with this paragraph 6.3(l), all Options outstanding at the expiry of the relevant period referred to in this paragraph 6.3(l) shall lapse. The Company may thereafter require each Grantee to transfer or otherwise deal with the Shares issued on exercise of the Option to place the Grantee in the same position as would have been the case had such Shares been the subject of such compromise or arrangement, provided that in determining the entitlement of any Grantee to exercise an Option at any particular date, the Board may in its absolute discretion subject to the Listing Rules relax or waive, in whole or in part, conditionally or unconditionally, any additional conditions, restrictions or limitations imposed in relation to the particular Option pursuant to the provisions of paragraph 4.6 and/or deem the right to exercise the Option in respect of the Shares the subject thereof to have been exercisable notwithstanding that according to the terms of the particular Option such right shall not have then vested.

6.4 The Shares to be allotted and issued upon the exercise of an Option shall be subject to all the provisions of the memorandum of association and articles of association of the Company and the laws of the Cayman Islands in force from time to time and shall rank *pari passu* in all respects with the then existing fully-paid Shares in issue on the Allotment Date, and accordingly shall entitle the holders to participate in all dividends or other

distributions paid or made on or after the Allotment Date, other than any dividend or other distributions previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Allotment Date. Shares allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered into the register of members of the Company as the holder thereof. The trustee directly or indirectly holding unvested Shares shall abstain from voting on matters that require the Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given. Subject as aforesaid, no Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Option pursuant to the Scheme.

6.5 The Company is entitled to refuse any exercise of an Option if such exercise is not in accordance with the terms of the Scheme or the procedures for exercise of Options established by the Company from time to time or if such exercise may cause the Company to contravene or breach any laws, enactment or regulations for the time being in force in Hong Kong, Singapore and the Cayman Islands or other jurisdiction where applicable or the Listing Rules.

6.6 Any outstanding Options granted may not be exercised if all or part of the Options once exercised will result in the Shares held by the public falling below 25% (or such percentage as stated in the Listing Rules).

7. LAPSE OF OPTIONS

7.1 An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of the occurrence of any of the following events unless otherwise relaxed or waived (conditionally or unconditionally) by the Board:

(a) the expiry of the Option Period (subject to paragraph 15);

(b) the expiry of any of the periods referred to in paragraphs 6.3(a) to (l), where applicable;

(c) the date on which the Grantee ceases to be an Eligible Participant by reason of the termination of his employment by resignation or Culpable Termination or (if so determined by the Board) on any other ground on which an employer or a sourcing party would be entitled to terminate his employment or engagement at common law or pursuant to any applicable laws or under the Grantee's service contract or supply contract with the Company. A resolution of the Board to the effect that the employment or engagement of a Grantee has or has not been terminated on one or more of the grounds specified in this paragraph 7.1(c) shall be final, conclusive and binding on the Grantee;

(d) (subject to paragraph 6.3(k)) the date of the commencement of the winding-up of the Company;

(e) there is an unsatisfied judgement, order or award outstanding against the Grantee or the Board has reason to believe that the Grantee is unable to pay or to have no reasonable prospect of being able to pay his/its debts within the meaning of the Bankruptcy Ordinance or any other applicable law;

(f) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in paragraphs 6.3(h), 6.3(i) or paragraph 7.1(e); or

(g) a bankruptcy order has been made against any director or shareholder of the Grantee (being a corporation) in any jurisdiction.

7.2 No compensation shall be payable upon the lapse of any Option, provided that the Board shall be entitled in its discretion to pay such compensation to the Grantee in such manner as it may consider appropriate in any particular case.

7.3 If an Option shall lapse, the Board shall notify the Grantee in writing of such lapse.

8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

8.1 Upon adoption of the Scheme by the Shareholders, the maximum number of Shares which may be issued upon exercise of all Options to be granted under the Scheme and under any Other Post-IPO Share Option Schemes shall not in aggregate exceed 10 per cent. of the Shares in issue as at the Listing Date (the "***Scheme Mandate Limit***"); provided that the Company may at any time as the Board may think fit seek approval from the Shareholders to refresh the Scheme Mandate Limit pursuant to paragraph 8.2. Options previously granted under the Scheme and any Other Post-IPO Share Option Schemes which lapsed in accordance with the terms of the Scheme or any Other Post-IPO Share Option Schemes shall not be counted for the purpose of calculating the Scheme Mandate Limit.

8.2 The Company may seek approval of the Shareholders in general meeting to refresh the Scheme Mandate Limit, save that the maximum number of Shares which may be issued upon exercise of all Options to be granted under the Scheme and under any Other Post-IPO Share Option Schemes shall not exceed 10 per cent. of the Shares in issue as at the date of approval by the Shareholders in general meeting where the Scheme Mandate Limit is refreshed (the "***Renewal Limit***"). Options previously granted under the Scheme and any Other Post-IPO Share Option Schemes (including those outstanding, cancelled, lapsed in accordance with the terms of the Scheme or any Other Post-IPO Share Option Schemes or exercised Options) shall not be counted for the purpose of calculating the Renewal Limit. The Company shall send a circular containing the information and the disclaimer required under the Listing Rules to the Shareholders for the purpose of seeking the approval of the Shareholders for the Renewal Limit, including the number of Options that were already granted under the existing Scheme Mandate Limit and the reason for the refreshment. In the event that the Company seeks approval of the Shareholders in general meeting to renew the Scheme Mandate Limit within 3-year period after the Adoption Date (or the date of Shareholders' approval for the last refreshment), any Controlling Shareholders (or Directors (excluding independent non-executive Directors) and the Chief Executive if there is no Controlling Shareholder) and their Associates must abstain from voting in favour of the relevant resolution at the general meeting and the relevant resolution shall be approved in accordance with the Listing Rules.

8.3 In addition, the Company may seek separate approval from the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit, provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Participants specified by the Company before such approval is sought and for whom specific approval is obtained. The Company shall issue a circular to the Shareholders in connection with the general meeting at which their approval will be sought containing the names of the specified

Eligible Participants who may be granted such Options, the number and terms of the Options to be granted to each specified Eligible Participant, the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose, the information and the disclaimers required under the Listing Rules and such further information as may be required by the Stock Exchange from time to time. The number and terms (including the Subscription Price) of Options to be granted to such Eligible Participant under the circumstances set out in this paragraph 8.3 shall be fixed before the date on which the Shareholders' approval is sought. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the Offer Date for the purpose of calculating the Subscription Price.

8.4 The maximum number of Shares issued and to be issued upon exercise of the Options granted and to be granted pursuant to the Scheme and any share schemes of the Company to any one Eligible Participant (including exercised, cancelled and outstanding Options but excluding any Options lapsed in accordance with paragraph 7) in any 12-month period up to and including the date of grant of the Options shall not exceed one per cent. of the Shares in issue from time to time. Where any further grant of Options to such an Eligible Participant would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding Options but excluding any Options lapsed in accordance with paragraph 7) in the 12-month period up to and including the date of such further grant representing in aggregate over one per cent. of the Shares in issue, such further grant shall be separately approved by the Shareholders in general meeting with such Eligible Participant and his Close Associates (or Associates if the Eligible Participant is a Connected Person) abstaining from voting and must be subject to such other requirements prescribed under the Listing Rules from time to time. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll. A circular shall be sent to the Shareholders with disclosure of the identity of the Eligible Participant, the number and terms of the Options to be granted and any Options previously granted to such Eligible Participant in the 12-month period, the purpose of granting the Options and an explanation as to how the terms of the Options serve such purpose. The number and terms (including the Subscription Price) of Options to be granted to such Eligible Participant under the circumstances set out in this paragraph 8.4 shall be fixed before the date on which the Shareholders' approval is sought. In respect of any Options to be granted, the date of the Board meeting for proposing such further grant shall be taken as the Offer Date for the purpose of calculating the Subscription Price.

8.5 Each grant of Options to an Eligible Participant who is a Director, Chief Executive or Substantial Shareholder of the Company or any of their respective Associates (including discretionary trust in which any Connected Persons are beneficiary) shall be approved by the independent non-executive Directors of the Company (excluding an independent non-executive Director who is the proposed Grantee) and shall comply with the relevant provisions of the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules). Where the Board proposes to grant any Options to an Eligible Participant who is a Substantial Shareholder or an independent non-executive Director of the Company or any of their respective Associates, and such grant of Options would result in the Shares issued and to be issued in respect of all Options granted pursuant to the Scheme and any Other Post-IPO Share Option Schemes (including exercised, cancelled and outstanding Options but excluding any Options lapsed in accordance with paragraph 7) to such Eligible Participant in the 12-month period up to and including the date of grant, representing in aggregate over 0.1 per cent. of the Shares in issue at such date of grant, such further grant of Options shall be approved by the Shareholders in accordance with the Listing Rules and by way of a poll in general meeting with the Eligible Participants concerned and their

Associates and all Core Connected Persons of the Company abstaining from voting in favour of the grant (unless such person's intention to vote against the proposed grant of option has been stated in the relevant circular). The Company shall send a circular to the Shareholders in a manner complying with the relevant provisions of the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules) which must contain:

(a) details of the number and terms of the Options to be granted to such Eligible Participant, which must be fixed before the Shareholders' meeting. In respect of any Options to be granted, the date of the Board meeting for proposing such further grant is to be taken as the Offer Date for the purposes of calculating the Subscription Price;

(b) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the relevant Grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting;

(c) information relating to any Directors who are trustees of the Scheme or have a direct or indirect interest in the trustees; and

(d) the information required under the Listing Rules and the information as may be required by the Stock Exchange from time to time.

Any change in the terms of Options granted to an Eligible Participant who is a Director, Chief Executive or Substantial Shareholder, or any of their respective Associates, must be approved by the Shareholders in the manner as set out in the relevant provisions of the Listing Rules if the initial grant of the Options requires such approval (except where the changes take effect automatically under this Scheme). For the avoidance of doubt, this paragraph 8.5 does not apply where the Eligible Participant is only a proposed Director or Chief Executive.

8.6 If required by the applicable Listing Rules from time to time, any grant of Options (including the number and terms of the Options to be granted) to Controlling Shareholders or their respective Associates must be approved by independent Shareholders as a separate resolution in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules. Such Grantees and their respective Associates will be required to abstain from voting at such general meeting, and the Company must comply with the relevant requirements under the Listing Rules.

8.7 If required by the applicable Listing Rules from time to time, where any grant of Options to a Related Entity Participant, together with all Options granted to such person in accordance with the terms of this Scheme up to and including the date of such grant, would represent in aggregate 5% or more of the total number of Options available to the Related Entity Participant, such grant of Options to each Related Entity Participant must be approved by independent Shareholders as a separate resolution in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules, and a separate resolution must also be passed to approve the aggregate number of Options to be made available for grant to the Related Entity Participant. The Grantees and their respective Associates will be required to abstain from voting at such general meeting, and the Company must comply with the relevant requirements under the Listing Rules.

8.8 Subject to paragraphs 8.1 to 8.7 above, the maximum numbers set out in paragraphs 8.1 to 8.7 will be adjusted in such manner as the Auditors shall certify to be fair and reasonable, in the event of any alteration in the capital structure of the Company whether by way of capitalisation of profits or reserves, rights issue, repurchase, consolidation, subdivision or reduction in the share capital of the Company or otherwise howsoever (excluding any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in respect of a transaction to which the Company is a party), provided that the maximum number of Shares that may be issued under the Scheme Mandate Limit as a percentage of the total number of issued shares at the date immediately before and after share consolidation or subdivision shall be the same, rounded to the nearest whole share.

8.9 For so long as the Company's Shares are listed on any Stock Exchange, any grant of Option to any Grantee shall be subject to and conditional upon the Company's compliance with the applicable Listing Rules when determining the Shares to be granted to an Eligible Participant (or certain categories of Eligible Participants) under the Scheme from time to time, including seeking the relevant approvals from independent Shareholders as required.

9. CANCELLATION OF OPTIONS

9.1 The Board shall be entitled at any time at its absolute discretion subject to the Listing Rules for the following causes to cancel, recover or withhold any Option in whole or in part by giving notice in writing to the Grantee stating that such Option is thereby cancelled, recovered or withheld with effect from the date specified in such notice (the "***Cancellation Date***"):

(a) the Grantee commits or permits or attempts to commit or permit a breach of paragraphs 4.6 or 6.1 or any terms or conditions attached to the grant of the Option;

(b) the Grantee makes a written request to the Board for, or agrees to, the Option to be cancelled;

(c) a material misstatement in the Company's financial statements;

(d) if the Grantee has, in the opinion of the Board, conducted himself in any manner whatsoever to the detriment of or prejudicial to the interests of the Company or its Subsidiary; or

(e) any other circumstances as the Board considers to be reasonable, fair, equitable and appropriate to cancel, recover or withhold such Options.

9.2 The Option shall be deemed to have been cancelled with effect from the Cancellation Date in respect of any part of the Option which has not been exercised as at the Cancellation Date. No compensation shall be payable upon any such cancellation, provided that the Board shall be entitled in its discretion to pay such compensation to the Grantee in such manner as it may consider appropriate in any particular case. Where the Company cancels an Option held by a Grantee and issues new Options to the same Grantee, the issue of such new Options may only be made under the Scheme with available Scheme Mandate Limit (to the extent not yet granted) within the limits set out in paragraph **8**. For the avoidance of doubt, the Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

10. REORGANISATION OF CAPITAL STRUCTURE

10.1 In the event of any change in the capital structure of the Company while any Option may become or remains exercisable, whether by way of capitalisation/bonus issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company, the Board may, if it considers the same to be appropriate, direct that adjustments be made to:

(a) the number of Shares subject to outstanding Options;

(b) the Subscription Price per Share of each outstanding Option; and/or

(c) the number of Shares subject to the Scheme.

10.2 Where the Board determines that adjustments are appropriate (other than an adjustment arising from a capitalisation/bonus issue), the Auditors shall certify in writing to the Board that any such adjustments are in their opinion fair and reasonable and in compliance with the Listing Rules (including but not limited to Rule 23.03(13) of the GEM Listing Rules) (as amended from time to time) and the notes thereto and the applicable listing guidance (including but not limited to the Supplementary Guidance), provided that:

(i) the aggregate percentage of the issued share capital of the Company available for the grant of Options shall remain as nearly as possible the same as it was before such change but shall not be greater than the maximum number prescribed by the Listing Rules from time to time;

(ii) any such adjustments shall be made on the basis that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same as (but shall not be greater than) it was before such event;

(iii) no such adjustments shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; and

(iv) any such adjustments shall be made on the basis that the proportion of the issued share capital of the Company for which any Grantee is entitled to subscribe pursuant to the Options held by him shall remain the same, rounded to the nearest whole share, as that to which he was previously entitled (as interpreted in accordance with the Supplementary Guidance); and

(v) any such adjustment must be made in such a way that an Eligible Participant will not receive a benefit that a Shareholder does not receive.

10.3 For the avoidance of doubt only, the issue of securities as consideration in a transaction (including any acquisition) shall not be regarded as a circumstance requiring an adjustment.

10.4 The capacity of the Auditors in this paragraph 10 is that of experts and not of arbitrators and their certification or confirmation shall, in the absence of manifest error, be final, conclusive and binding on the Company and the Grantees. The costs of the Auditors shall be borne by the Company. Notice of such alteration(s) (if any) shall be given to the Grantees by the Company.

11. DISTRIBUTIONS

Upon distribution by the Company to holders of the Shares of any cash or in specie of assets (other than dividends in the ordinary course) ("***Distribution***"), the Company may make a downward adjustment to the Subscription Price of any Option granted but not exercised as at the date of such Distribution by an amount which the Board considers as reflecting the impact such Distribution will have or is likely to have on the trading price of the Shares provided that (i) the Board's determination of any adjustments shall be final and binding on all Grantees; (ii) the amount of adjustment shall not exceed the amount of such Distribution to be made to holders of the Shares; (iii) such adjustment shall take effect on or after the date of such Distribution by the Company; (iv) any adjustment provided for in this paragraph 11 shall be cumulative to any other adjustments contemplated under paragraph 10 or approved by the Shareholders in general meeting; and (v) the adjusted Subscription Price shall not, in any case, be less than the nominal value of the Shares.

12. SHARE CAPITAL

The exercise of any Option shall be subject to the Shareholders in general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company to meet subsisting requirements on the exercise of Options.

13. DISPUTES

Any dispute arising in connection with the Scheme (whether as to the number of Shares the subject of an Option, the amount of the Subscription Price or otherwise) shall be referred to the Auditors for decision, who shall act as experts and not as arbitrators and whose decision, save in the case of manifest error, shall be final, conclusive and binding.

14. ALTERATION OF THE SCHEME

14.1 The Scheme may be altered in any respect by a resolution of the Board except that the following shall not be carried out except with the prior sanction of an ordinary resolution of the Shareholders in general meeting (with Grantees and their Associates abstaining from voting):

(a) any material alteration to its terms and conditions or any change to the terms of Options granted (except where the amendment or alteration take effect automatically under the existing terms of the Scheme);

(b) any alteration to the provisions of the Scheme in relation to the matters set out in the Listing Rules (including but not limited to Rule 23.03 of the GEM Listing Rules, Rules 843 to 848 of the Catalist Rules and Rules 852 to 853 of the Catalist Rules) to the advantage of Grantees or Eligible Participants;

(c) any change to the authority of the Directors of the Company in relation to any alteration to the terms of the Scheme; and

(d) any alteration to this paragraph 14.

14.2 Any change to the terms of granted Options must be approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be) if the initial grant of the Options was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be), except (i) where the amendment or alteration take effect automatically under the existing terms of the Scheme; or (ii) to the extent such amendment or alteration is required by the Listing Rules or any guidelines issued by the Stock Exchange from time to time.

14.3 The amended terms of the Scheme or the Options must still comply with the relevant requirements of the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules).

14.4 The Company must provide to all Grantees all details relating to changes in the terms of the Scheme during the life of the Scheme immediately upon such changes taking effect.

15. PERIOD OF SCHEME/TERMINATION

Subject to the termination provisions in this paragraph, the Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date. However, the Shareholders in general meeting by resolution or the Board may at any time terminate the operation of the Scheme. Upon the expiry or termination of the Scheme as aforesaid, no further Options shall be offered but in all other respects of all Options which remain exercisable at the end of such period, the provisions of the Scheme shall remain in full force and effect. All Options granted prior to such expiry or termination (as the case may be) and not then exercised or in respect of which Shares are not yet issued to the Grantees shall continue to be valid and exercisable subject to and in accordance with the Scheme and the Listing Rules.

16. ABSTENTION FROM VOTING

16.1 Shareholders who are eligible to participate in the Scheme must abstain from voting on any resolution relating to the Scheme, including any resolution relating to the implementation of the Scheme, or the making of offers and grants of Options under the Scheme at a discount not exceeding the maximum discount, or the participation by, and Options granted to, Associates of Controlling Shareholders (other than a resolution relating to the participation of, or grant of Options to, Holding Company Participant), and should not accept nominations as proxy or otherwise for such voting unless specific instructions have been given in the proxy form on how the vote is to be cast.

16.2 The following categories of persons must abstain from voting on any resolution relating to the participation of, or grant of Options to Holding Company Participant:

(a) the Company's holding company and its associates; and

(b) the Holding Company Participants, who are also Shareholders and are Eligible Participants.

17. DISCLOSURE

17.1 The Company shall comply with all applicable disclosure obligations, including without limitation the annual report disclosure requirements under the Listing Rules from time to time relating to the Scheme.

17.2 Without prejudice to the generality of Rule 17.1 and Rule 17.3, the Company shall disclose in its annual reports details of, among others,

(a) the names of the members of the Administration administering the Scheme;

(b) the names of participants of the Scheme who are Directors of the Company, or Controlling Shareholders and their Associates or who received 5 per cent. or more of the total number of Shares comprised in Options available under the Scheme;

(c) the Options granted to the persons set out in the foregoing paragraphs (a) and (b) during the financial year under review (including terms), the aggregate Options granted to them since commencement of the Scheme to the end of the financial year under review, the aggregate Options exercised since commencement of the Scheme to the end of the financial year under review, and the aggregate Options outstanding as at the end of the financial year under review;

(d) the names of and number and terms of Options granted to each Holding Company Participant who receives 5 per cent. or more of the total number of Options available to all Holding Company Participants under the Scheme during the financial year under review;

(e) the aggregate number of Options granted to the Holding Company Participants for the financial year under review, and since the commencement of the Scheme to the end of the financial year under review; and

(f) the number and proportion of Options granted at a discount during the financial year under review in respect of every 10 per cent. discount range, up to the maximum quantum of discount granted.

17.3 Without prejudice to the generality of Rule 17.1 and Rule 17.2, the Company shall further disclose in its annual reports:

(a) the following information relating to Options granted and to be granted under the Scheme to: (i) the Directors, Chief Executive or Substantial Shareholders of the Company or their respective Associates; (ii) each participant with options and awards granted and to be granted in excess of the one per cent. limit set out in Rule 8.4; (iii) each Related Entity Participant with options and awards granted and to be granted under all share schemes of the Company in any 12-month period exceeding 0.1 per cent. of the relevant class of Shares in issue (excluding treasury shares); and (iv) other Employee Participants and Related Entity Participants by category:

(i) a table showing details of Options granted to each participant or category of participants as required under the Listing Rules;

(ii) the number of Options available for grant under the Scheme Mandate Limit at the beginning and the end of the financial year, and

(iii) the number of Shares that may be issued in respect of options and awards under all share schemes of the Company during the financial year divided by the weighted average number of Shares of the relevant class in issue (excluding treasury shares) for the year;

(b) a summary of the Scheme setting out its purpose, its participants, the total number of Shares available for issue under the Scheme as at the date of the annual report, the maximum entitlement of each participant, exercise and vesting periods, the amount payable on application or acceptance of the Option, the basis of determining the Subscription Price, the remaining life of the Scheme, and any other information required to be disclosed under the Listing Rules.

18. MISCELLANEOUS

18.1 The Company shall bear the costs of establishing and administering the Scheme. Each Grantee shall be responsible for all fees of any securities depository relating to or in connection with the allotment and issue or transfer of any Shares, the deposit of share certificate(s), the Grantee's securities account with the securities depository, or the Grantee's securities sub-account with a depository agent.

18.2 Any notice or other communication between the Company and a Grantee may be given by sending the same by prepaid post or by personal delivery to, in the case of the Company, its headquarters and principal place of business in Singapore from time to time and, in the case of the Grantee, his address in Singapore or Hong Kong as notified to the Company from time to time, provided that in case of notice or other communication by the Company to a Grantee, it may be given by Electronic Communication.

18.3 Any notice or other communication served by post:

(a) by the Company shall be deemed to have been served 24 hours after the same was put in the post; and

(b) by the Grantee shall not be deemed to have been received until the same shall have been actually received by the Company.

18.4 Any notice or other communication by Electronic Communication by the Company to a Grantee shall be deemed to have been served on the day on which the Electronic Communication is transmitted to the Grantee and no notification has been received by the Company that the Electronic Communication has not reached the Grantee. Any failure in transmission of the Electronic Communication which is beyond the sender's control shall not invalidate the effectiveness of the notice or communication being served.

18.5 A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant, acceptance and/or exercise of his Option. By accepting an Offer or exercising his Option, the Grantee thereof is deemed to have represented to the Company that he has obtained all such consents and shall indemnify the Company in full against any loss, claim, penalty, demand, liability, costs and expenses made against or incurred by the Company in respect of a breach by the Grantee of such representation or failure to obtain such consents. The

Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in the Scheme. All tax and other matters in connection with the grant, acceptance and/or exercise of an Option shall be for the account of the Grantee.

18.6 By accepting an Option, a Grantee shall be deemed irrevocably to have waived any entitlement to any sum or other benefit to compensate him for loss of any rights under the Scheme (whether by way of compensation for loss of office or otherwise howsoever).

18.7 This Scheme shall not form part of any contract of employment between the Company, any Subsidiary, any Related Entity and any Eligible Participant and the grant of an Option under the Scheme shall not confer on the Grantee any additional employment rights or limit in any way the right of the relevant member of the Group to terminate the Grantee's employment or confer any additional rights to compensation or damages in consequence of the termination of employment for any reason.

18.8 The grant of an Option under the Scheme shall not confer on the Grantee any additional or preferential rights in respect of the Grantee's relationship and dealings with the Company or any additional rights to compensation or damages in consequence of the termination of such relationship or dealings (contractual or otherwise) for any reason.

18.9 This Scheme shall not confer on any person any legal or equitable rights (other than under those constituting the Options themselves) against the Company directly or indirectly or give rise to any cause of action at law or in equity against the Company.

19. GOVERNING LAW

The Scheme and all Options granted hereunder shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Grantees, by accepting grants of Options in accordance with the Scheme, and the Company, submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

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RULES OF THE 2026 SHARE AWARD SCHEME

1. DEFINITION AND INTERPRETATION

1.1 Unless the context requires otherwise, each of the following words and expressions in these Rules shall have the following corresponding meanings:

"Acceptance Period"	shall have the meaning as set out in Rule 7.2;
"Administration"	the Board, remuneration committee of the Company, and/or delegate(s) of the aforementioned in charge of the operation and all other aspects of the Scheme;
"Adoption Date"	the date on which the Shareholders approved the adoption of the Scheme;
"Articles"	the articles of association of the Company from time to time;
"associate(s)"	shall have the meaning as defined under the Listing Rules;
"Award(s)"	an award, in the form of conditional vesting of Award Shares to a Selected Participant, granted by the Administration to a Selected Participant, under which Award Shares may be vested in accordance with the terms of these Rules;
"Award Share(s)"	the Shares granted to a Selected Participant in an Award;
"Board"	the board of directors of the Company from time to time;
"Business Day"	shall have the meaning ascribed to it in the Listing Rules;
"Catalist Rules"	the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited, as amended, modified or supplemented from time to time;
"chief executive"	shall mean any person falling under the definitions of "chief executive" and/or "chief executive officer" (if any) in the Listing Rules;

"Company"	Metasurface Technologies Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Hong Kong Stock Exchange with Stock Code 8637 as at the Adoption Date;
"Company Secretary"	the company secretary of the Company;
"connected person(s)"	shall have the meaning ascribed to it in the Listing Rules;
"control"	in relation to a company, means the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of such company;
"controlling shareholder(s)"	shall have the meaning ascribed to it in the Listing Rules;
"core connected persons"	a director, chief executive or substantial shareholder of the Company or any of its Subsidiaries or a close associate of any of them;
"Director(s)"	director(s) of the Company;
"Eligible Participant(s)"	(i) the Employee Participants; and (ii) the Related Entity Participants; provided that he is not an Excluded Participant;
"Employee Participant(s)"	director(s) (including independent non-executive Directors) and employee(s) (whether full time or part time) of any member of the Group;
"Excluded Participant(s)"	an individual who is a resident in a place where the grant, acceptance or vesting of an Award pursuant to the Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual;
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM of the Hong Kong Stock Exchange, as amended, supplemented or otherwise modified from time to time;
"Grant Date"	the date on which the grant of an Award is made to a Selected Participant, being the date of a Grant Instrument;

"Grant Instrument"	shall have the meaning as set out in Rule 7.1;
"Group"	the Company and its Subsidiaries from time to time, and the expression "**member(s) of the Group**" shall be construed accordingly;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Holding Company Participant(s)"	the director(s) and employee(s) of the holding companies or fellow subsidiaries (i.e. subsidiaries of the holding companies of the Company) of the Company;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Listing Rules"	the rules governing the listing of securities on the stock exchange(s) on which the Shares are listed from time to time (as amended, supplemented or otherwise modified from time to time), including but not limited to the GEM Listing Rules; and for the avoidance of doubt, where the Company is listed on more than one stock exchange, references to the "**Listing Rules**" shall mean the respective rules governing the listing of securities on each such stock exchange as the context requires;
"on-market"	the trading of Shares through one or more transactions through the facilities of the Stock Exchange in accordance with the Listing Rules and any other applicable laws and regulations;
"Related Entity Participant(s)"	the Holding Company Participants and director(s) and employee(s) of associated companies of the Company (provided that the Company has control over the relevant associated company);
"Rules"	the rules set out herein relating to the Scheme as amended from time to time;
"Scheme"	the share award scheme adopted by the Company in accordance with these Rules on the Adoption Date, as amended, supplemented or otherwise modified from time to time;

"Scheme Mandate Limit"	the total number of new Shares which may be allotted and issued upon exercise of all share options and grant of share awards under the Scheme and any other share award schemes and share option schemes of the Company shall not in aggregate exceed 10% of the total number of Shares in issue (excluding Treasury Shares, if any) (being 15,000,000 Shares, subject to adjustment in the case of any consolidation or sub-division of shares of the Company thereafter) as at the Adoption Date or as at the date of approval of the refreshment of the Scheme Mandate Limit by Shareholders in general meeting, whichever is later;
"Scheme Period"	the period commencing on the Adoption Date, and ending on the Business Day immediately prior to the tenth (10th) anniversary of the Adoption Date;
"Selected Participant"	any Eligible Participant approved for participation in the Scheme and who has been granted any Award pursuant to Rule 5.1;
"SFC"	the Securities and Futures Commission of Hong Kong;
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
"Shareholders"	the shareholders of the Company from time to time;
"Shares"	ordinary shares of HK$0.001 each in the capital of the Company (or, if there has been a consolidation, reduction, re-classification, sub-division or reconstruction of the share capital of the Company, shares forming part of the equity share capital of the Company of such revised amount as shall result from such sub-division, consolidation, reduction, re-classification or reconstruction of such ordinary shares from time to time);
"Stock Exchange"	the stock exchange(s) on which the Shares are listed from time to time, including but not limited to the Hong Kong Stock Exchange; and for the avoidance of doubt, where the Company is listed on more than one stock exchange, references to the "**Stock Exchange**" shall mean the respective stock exchange as the context requires;

"Subsidiary(ies)"	any subsidiary (as the term is defined in the Listing Rules and/or any applicable laws, as the context requires) of the Company;
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules;
"Taxes"	shall have the meaning as set out in Rule 9.4;
"Treasury Shares"	Shares repurchased and held by the Company in treasury (if any), as authorised by the laws and regulations of the Cayman Islands and/or the Articles, or has the meaning as may be amended from time to time in accordance with the Listing Rules;
"Vesting Date"	the date or dates, as determined from time to time by the Administration, on which the Award (or part thereof) is to vest in the relevant Selected Participant as set out in the relevant Grant Instrument, unless a different Vesting Date is deemed to occur by the operation of other Rules, the Listing Rules and other applicable laws or regulations.

1.2 In these Rules, except where the context otherwise requires:

(a) references to Rules are to these Rules;

(b) references to times of the day are to Hong Kong time;

(c) if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day;

(d) a reference, express or implied, to statutes, statutory provisions or the Listing Rules shall be construed as references to those statutes, provisions or rules as respectively amended or re-enacted or as their application is modified from time to time by other provisions (whether before or after the date hereof) and shall include any statutes, provisions or rules of which are re-enacted (whether with or without modification) and shall include any orders, regulations, instruments, subsidiary legislation, other subordinate legislation or practice notes under the relevant statute, provision or rule;

(e) unless otherwise indicated, the Board can make determinations in its absolute discretion subject to the Listing Rules and if the Board delegates its authority to administer the Scheme to a committee of the Board or other person(s), the committee of the Board or such other person(s) shall enjoy the same absolute discretion subject to the Listing Rules;

(f) a reference to "**include**", "**includes**" and "**including**" shall be deemed to be followed by the words "**without limitation**";

(g) words importing the singular include the plural and *vice versa*, and words importing a gender include every gender;

(h) headings are included in these Rules for convenience only and do not affect its interpretation; and

(i) references to any statutory body shall include the successor thereof and anybody established to replace or assume the functions of the same.

2. PURPOSES AND OBJECTIVES

The purpose of this Scheme is to reward Selected Participants for their contributions to the Group, encourage Selected Participants to optimise their future contributions to the Group, as well as attract and retain or otherwise maintain on-going relationships with Selected Participants who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, thereby increasing the overall competitiveness of the Group, aligning the interests of the Selected Participants directly with those of the Company and Shareholders, and motivating the performance of Eligible Participants.

3. LIFE OF THE SCHEME

In order to give effect to the vesting of such Award Shares or otherwise as may be required in accordance with the provisions of these Rules, subject to Rule 19, the Scheme shall be valid and effective for the Scheme Period, after which no further Awards shall be granted while the provisions of this Scheme will in all other respects remain in full force and effect and Award Shares granted but not vested before the end of the Scheme Period may still be vested in accordance with the terms and conditions of the relevant Awards.

4. ADMINISTRATION

4.1 The Scheme shall be administered by the Administration in its absolute discretion with such powers and duties conferred on it by the Board, in accordance with these Rules and subject to the Listing Rules, provided that no member of the Administration shall participate in any deliberation or decision in respect of Awards to be granted to such member or held by such member. A decision of the Administration shall be final and binding on all persons affected thereby, subject to the power of the Board under Rule 4.2.

4.2 Notwithstanding any other provision in these Rules, the authority of the Administration to administer the Scheme shall not prejudice the Board's ultimate power to (i) override or modify the decisions of the Administration in its execution of the Scheme, (ii) revoke any delegation to the Administration at any time, and/or (iii) derogate from the discretion rested with the Administration.

4.3 Without prejudice to the Board's general power of administration, the Administration may from time to time appoint one or more administrators, who may be independent third-party contractors, to assist in the administration of the Scheme, to whom they, at their sole discretion, may delegate such functions relating to the administration of the Scheme as they may think fit. The duration of office, terms of reference and remuneration (if any) of such administrator(s) shall be determined by the Administration at its sole discretion from time to time.

4.4 Subject to these Rules, the Listing Rules and any applicable laws and regulations, the Administration shall have the power, without limitation, from time to time to:

(a) grant Awards to those Eligible Participants whom it shall select from time to time;

(b) determine the terms and conditions of the Awards and vesting of Award Shares;

(c) decide how the vesting of the Award Shares will be settled;

(d) construe and interpret these Rules and the terms of the Awards granted under the Scheme;

(e) make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of the Scheme, provided that they are not inconsistent with these Rules;

(f) determine the commencement or termination date of an Eligible Participant's employment with and the retirement date of any Selected Participant from any member of the Group;

(g) establish and administer performance targets (if any) that must be duly fulfiled by a Selected Participant before any of the Awards may be granted and/or vested to such Selected Participant;

(h) determine the form and substance of and approve the Grant Instrument; and

(i) take such other steps or actions to give effect to the terms and intent of these Rules.

4.5 No members of the Administration shall be personally liable by reason of any contract or other instrument executed by him/her, or on his/her behalf or for any mistake of judgement made in good faith, for the purposes of the Scheme, and the Company shall indemnify and hold harmless each member of the Administration in relation to the administration or interpretation of the Scheme, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out of any act or omission to act in connection with the Scheme unless arising out of such member's own wilful default, fraud or bad faith.

5. GRANT AND LIMIT ON GRANT

5.1 The Administration may, from time to time, select any Eligible Participant to be a Selected Participant and subject to Rule 5.7, grant an Award to such Selected Participant during the Scheme Period. Participation in this Scheme is limited to Eligible Participants only. In determining the basis of eligibility of each Eligible Participant to an Award, the Administration will take into account, without limitation, (i) the experience, technical expertise and qualification, level of responsibilities of the Eligible Participant in relation to the Group's business; (ii) the length of service of the Eligible Participant with the Group; (iii) the financial condition and short-term and long-term objectives of the Group; (iv) the current remuneration packages of the Eligible Participant; and/or (v) the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given to the Group and/or towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.

5.2 The Administration may impose any conditions (including but not limited to a mandated service period with the Group, or certain performance targets) as it deems appropriate with respect to the entitlement of a Selected Participant to an Award, and the Administration will inform the Selected Participant by way of a Grant Instrument in accordance with Rule 7.1 of the terms and conditions of the Award and the Selected Participant shall indicate the acceptance of the Award in accordance with Rule 7.2. For the avoidance of doubt, any grant of Awards to an independent non-executive Director shall not be subject to any performance targets.

5.3 Subject to Rule 5.7, no Award Shares shall be granted to any Eligible Participant if such grant of Award Shares to such person would result in the Shares issued and to be issued in respect of all award shares and options granted (excluding any award shares and share options lapsed) in accordance with the terms of the Scheme and other share scheme(s) adopted by the Company to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding Treasury Shares, if any), unless:

(a) such grant has been duly approved, in the manner prescribed by the relevant provisions of the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules), by resolution of the Shareholders in general meeting, at which such person and his close associates (as defined under the GEM Listing Rules) (or his associates if such person is a connected person) shall abstain from voting;

(b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules); and

(c) the number and terms of such Award Shares are fixed before the general meeting of the Company at which the same are approved.

5.4 Subject to Rule 5.7, each grant of an Award to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of an Award). In addition:

(a) where any grant of Award Shares to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all award shares granted (excluding any award shares lapsed) in accordance with the terms of the Scheme and other share award scheme(s) of the Company (if any) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of the Shares in issue (excluding Treasury Shares, if any) as at the date of such grant, such further grant of Award Shares must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules; or

(b) where any grant of Award Shares to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in Shares issued and to be issued in respect of all award shares and options granted (excluding any award shares and options lapsed) in accordance with the terms of the Scheme and other share scheme(s) adopted by the Company to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant, representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding Treasury Shares, if any) as at the date of such grant, such further grant of Award Shares must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules.

In the circumstances described in Rules 5.4(a) and 5.4(b) above, the Company must send a circular to the Shareholders. The Selected Participants, his associates and all core connected persons of the Company will be required to abstain from voting in favour at such general meeting, and the Company must comply with the relevant requirements under the Listing Rules.

5.5 Subject to Rule 5.7, if required by the applicable Listing Rules from time to time, any grant of Award Shares (including the number and terms of the Awards to be granted) to controlling shareholders or any of their respective associates must be approved by independent Shareholders as a separate resolution in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules. The Selected Participant(s) and their respective associates will be required to abstain from voting at such general meeting, and the Company must comply with the relevant requirements under the Listing Rules.

5.6 Subject to Rule 5.7, if required by the applicable Listing Rules from time to time, where any grant of Award Shares to a Holding Company Participant, together with all Award Shares granted to such person in accordance with the terms of this Scheme up to and including the date of such grant, would represent in aggregate 5% or more of the total number of Awards available to Holding Company Participants, such grant of Award Shares to each Holding Company Participant must be approved by independent Shareholders as a separate resolution in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules, and a separate resolution must also be passed to approve the aggregate number of Awards to be made available for grant to the Holding Company Participant. The Selected Participant(s) and their respective associates will be required to abstain from voting at such general meeting, and the Company must comply with the relevant requirements under the Listing Rules.

5.7 Notwithstanding the provisions in Rule 5.1 to Rule 5.6, no grant of any Award Shares to any Selected Participant may be made:

(a) in any circumstances where the requisite approval from any applicable regulatory authorities has not been granted;

(b) in any circumstances that any member of the Group will be required under applicable securities laws, rules or regulations to issue a prospectus or other offer documents in respect of such Award or the Scheme, unless the Administration determines otherwise;

(c) where such Award would result in a breach by any member of the Group or its Directors of any applicable securities laws, rules or regulations in any jurisdiction;

(d) where such grant of Award would result in a breach of the Scheme Mandate Limit or would otherwise cause the Company to issue Shares in excess of the permitted amount in the mandate approved by the Shareholders,

and any such grant so made shall be null and void to the extent (and only to the extent) that it falls within the circumstances above. In addition, for so long as the Company's Shares are listed on any Stock Exchange, all grants of Award Shares to any Selected Participant shall be subject to and conditional upon the Company's compliance with the applicable Listing Rules when determining the Award Shares to be granted to an Eligible Participant (or certain categories of Eligible Participants) under the Scheme from time to time, including seeking the relevant approvals from independent Shareholders as required.

6. RESTRICTION ON THE TIME OF GRANT

6.1 No Award shall be made to Selected Participants:

(a) after inside information (having the meaning as defined in the SFO) has come to the Company's knowledge until (and including) the trading day after such inside information has been announced in accordance with the relevant requirements of the Listing Rules;

(b) the period commencing thirty (30) days immediately before the earlier of:

(i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and

(ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules);

and ending on the date of results announcement, no Awards may be granted;

(c) during any other periods of time stipulated by the Listing Rules from time to time in relation to any restriction on the time of grant of awards; or

(d) in any other circumstances where dealings by a Selected Participant (including a Director) are prohibited under the Listing Rules, the SFO or other applicable laws or regulations or where the requisite approval from applicable regulatory authorities has not been granted.

7. GRANT INSTRUMENT

7.1 The Company shall issue a letter agreement to each Selected Participant in such form as the Administration may from time to time determine, specifying the (i) Grant Date, (ii) the number of Award Shares underlying the Award, (iii) the granting and/or vesting criteria and conditions (including but not limited to performance targets (if any)), (iv) the purchase price of Award Shares (if any), (v) the Vesting Date and (vi) such other details as they may consider necessary (the "**Grant Instrument**").

7.2 Upon receipt of the Grant Instrument, the Selected Participants are required to confirm their acceptance of the Award by returning to the Company a notice of acceptance duly executed by them together with all information and documents as requested by the Company in the Grant Instrument within 10 Business Days after the Grant Date (the "**Acceptance Period**") together with a payment of HK$1.00 or such other nominal amount (if any) in favour of the Company as consideration for the grant thereof as the Administration may determine. The Award may be accepted by the Selected Participant in respect of less than the number of the Award Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the notice of acceptance. If any Selected Participant fails to return the notice of acceptance or provide any requested information and documents upon the expiration of the Acceptance Period to the Company, the Award automatically lapses forthwith.

8. SATISFYING THE VESTING OF AWARD SHARES

8.1 The Company may satisfy the vesting of Award Shares by issuing and allotting Shares, transferring Treasury Shares and/or making a cash payment to the Selected Participant in accordance with these Rules, the Listing Rules and any other applicable laws and regulations. Any stamp duty, levy, trading fee, and other, if any, direct cost and expense arising on the vesting of Award Shares to Selected Participants shall be borne by the Company.

8.2 To the extent that, (i) a Selected Participant chooses to receive cash instead of Award Shares upon vesting of Award Shares, and such choice is approved by the Administration at its absolute discretion subject to the Listing Rules, or (ii) at the determination of the Administration, it is not practicable for the Selected Participant to receive Award Shares upon vesting due to legal or regulatory restrictions, the Administration may satisfy the vesting of Award Shares by making a cash payment to the Selected Participant. The amount of such payment shall be calculated by reference to the number of Award Shares to be vested in respect of the Selected Participant on the Vesting Date and valuing the same at the closing price of the Shares as stated in the daily quotations sheet published by the Stock Exchange on the Vesting Date and deducting therefrom any stamp duty, levy, trading fee and other, if any, direct costs and expenses which would have been payable if the Award Shares were sold on-market on the Vesting Date at the said closing price.

8.3 The Administration may require any Selected Participant to return duly executed transfer documents or other documents for the purpose of vesting and transferring the relevant Award Shares within a stipulated period. The Award shall automatically lapse if a Selected Participant fails to do so, unless the Administration determines otherwise at its absolute discretion subject to the Listing Rules.

9. VESTING CONDITIONS AND PERIOD OF AWARD

9.1 Subject to the Listing Rules, the Administration may from time to time while the Scheme is in force, and subject to all applicable laws, determine such vesting criteria and conditions (including but not limited to performance targets) or periods for the Award to be vested hereunder. The Award shall automatically lapse if a Selected Participant fails to meet any such vesting criteria or condition, unless the Administration determines otherwise at its absolute discretion subject to the Listing Rules.

9.2 The Vesting Date in respect of any Award shall not be a date within 12 months from the Grant Date.

9.3 If the Vesting Date is not a Business Day, the Vesting Date shall, subject to any trading halt or suspension in the Shares or book closure period of the Company, be the Business Day immediately thereafter.

9.4 Other than the stamp duty or other direct costs and expenses to be borne by the Company in accordance with Rule 8.1, all other taxes (including personal income taxes, professional taxes, salary taxes, withholding taxes and other taxes, as applicable), duties, social security contributions, impositions, charges and other levies arising out of or in connection with the Selected Participant's participation in the Scheme or in relation to the Award Shares or cash amount of equivalent value of the Award Shares (the "**Taxes**") shall be borne by the Selected Participant and neither the Company nor any other member of the Group shall be liable for any Taxes. The Selected Participant will indemnify all members of the Group against any liability each of them may have to pay or account for such Taxes, including any withholding liability in connection with any Taxes. To give effect to this, any member of the Group may, notwithstanding anything else in these Rules (but subject to applicable laws):

(a) reduce or withhold the number of the Selected Participant's Award Shares underlying the Award by the number of Award Shares having a fair market value on the date of withholding that, in the reasonable opinion of the Company is sufficient to cover any such liability;

(b) sell, on the Selected Participant's behalf, such number of Shares as necessary for an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority to which the Selected Participant becomes entitled under the Scheme and retain the proceeds and/or pay them to the relevant authorities or government agency;

(c) deduct or withhold, without notice to the Selected Participant, the amount of any such liability from any payment to the Selected Participant made under the Scheme or from any payments due from a member of the Group to the Selected Participant, including from the salary and/or fees payable to the Selected Participant by any member of the Group; and/or

(d) require the Selected Participant to remit to any member of the Group, in the form of cash or a certified or bank cashier's check, an amount sufficient to satisfy any Taxes or other amounts required by any governmental authority to be withheld and paid over to such authority by any member of the Group on account of the Selected Participant or to otherwise make alternative arrangements satisfactory to the Company for the payment of such amounts.

For the avoidance of doubt, the Administration or the Company shall not be obliged to transfer any Award Shares to a Selected Participant unless and until the Selected Participant satisfies the Administration and the Company that such Selected Participant's obligations under this Rule have been met.

9.5 The Selected Participant must remain an Eligible Participant under the Scheme on the Vesting Date. Specifically, the Selected Participant must remain in employment or contractual engagement with the Group and in good standing, and not be under termination notice or garden leave, and must be in continued compliance with all relevant terms of these

Rules and his employment or contractual engagement on each relevant Vesting Date, unless the Administration determines otherwise at its absolute discretion subject to the Listing Rules.

10. LAPSE OF AWARD

10.1 If there is a change in position(s) or duty(ies) of the Selected Participant's employment or contractual engagement with the Group and such Selected Participant is still regarded as an Eligible Participant, any outstanding Award Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Grant Instrument, unless the Administration determines otherwise at its absolute discretion subject to the Listing Rules.

10.2 If a Selected Participant ceases to be an Eligible Participant by reason of:

(a) retirement of the Selected Participant at his normal retirement age as specified in his terms of employment or contractual engagement with the Group or as prescribed by any applicable laws or regulations; or

(b) his job-related permanent physical or mental disablement or job-related death,

any outstanding Award Shares not yet vested shall be vested in accordance with the Vesting Dates set out in the Grant Instrument, unless the Administration determines otherwise at its absolute discretion subject to the Listing Rules. For the purpose of this Rule 10.2, a Selected Participant shall be taken to have retired on the date that he retires upon or after reaching the age of retirement specified in his service agreement or pursuant to any retirement policy of the Group or the statutory age of retirement as prescribed by the laws and/or regulations applicable to him from time to time or, in case there are no such terms of retirement applicable to the Selected Participant, with the approval of the Administration. In the event of vesting by reason of job-related death of a Selected Participant, the legal personal representatives of the Selected Participant shall have two years from the date of the death of the Selected Participant to provide the necessary documents (including but not limited to a legal opinion) to the satisfaction of the Administration as to the entitlement of the estate of the deceased Selected Participant. After the said two years, or if the Award or Award Shares unvested would have become *bona vacantia* at the time of death, the Award shall lapse automatically and the underlying Award Shares shall not vest and will cease to be transferable. The successor of the estate shall have no claims or restitution against any member of the Group.

10.3 If a Selected Participant ceases to be an Eligible Participant for reasons other than those stated above (such as non-job-related permanent physical or mental disablement or non-job-related death, resignation, termination for cause or for other reasons, winding up of the member of the Group employing or engaging the Selected Participant), the Award granted to the Selected Participant shall lapse automatically, unless the Administration determines otherwise at its absolute discretion subject to the Listing Rules.

10.4 In the event of an order for the winding-up of the Company being made or a resolution being passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to a successor company) on or prior to any Vesting Date, the Award granted to the Selected Participant shall lapse automatically.

10.5 If a Selected Participant is declared bankrupt or becomes insolvent or makes any arrangements or composition with his creditors generally, the Award granted to the Selected Participant shall lapse automatically, unless the Administration determines otherwise at its absolute discretion subject to the Listing Rules.

10.6 Without prejudice to the interpretation and operation of other Rules, an Award of a Selected Participant shall lapse automatically on the earliest of:

(a) the Selected Participant is found to be an Excluded Participant;

(b) the Selected Participant fails to meet the requirements under Rule 7.2 (on accepting the Grant), Rule 8.3 (on providing vesting documents) and/or Rule 9.1 (on fulfiling vesting conditions); or

(c) the cancellation of the Award under Rule 16.1, unless the Administration determines otherwise at its absolute discretion subject to the Listing Rules.

10.7 For the avoidance of doubt, when an Award lapses under this Scheme, the Award or all relevant parts of the Award granted to the Selected Participant concerned shall lapse automatically and the Award Shares or the relevant Award Shares underlying the Award or parts of the Award so lapsed shall not vest on the relevant Vesting Date and shall cease to be transferable. The affected Selected Participant in this case shall have no claims or restitution against any member of the Group.

11. TRANSFERABILITY AND OTHER RIGHTS TO DEAL WITH AWARD SHARES

11.1 Any Award granted hereunder but not yet vested shall be personal to the Selected Participant to whom it is made. Unless a waiver is granted by the Stock Exchange or otherwise permitted or required under the applicable laws and regulations, any Award shall not be assignable or transferable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

11.2 Any actual or purported breach of Rule 11.1 shall entitle the Company to cancel any outstanding Award or part thereof granted to such Selected Participant. For this purpose, a determination from the Company Secretary, or the Administration, to the effect that the Selected Participant has or has not breached any of the foregoing shall be final and conclusive as to such Selected Participant, subject to the power of the Board under Rule 4.2.

12. PRE-VESTING INTEREST IN THE AWARD SHARES

12.1 For the avoidance of doubt:

(a) a Selected Participant shall have only a contingent interest in the Award subject to the vesting of such Award in accordance with these Rules;

(b) no instructions may be given by a Selected Participant in respect of the Award or Award Shares except for informing the Company the account of the Selected Participant to which the Company shall transfer the Award Shares to on the Vesting Date;

(c) the Selected Participant does not have any rights to voting, dividend, or transfer, including those arising on a liquidation of the Company, in relation to any Shares granted but unvested under the Scheme; and

(d) a Selected Participant shall have no rights in the balance of the fractional shares arising out of consolidation of Shares (if any) and such Shares shall be deemed forfeited for the purposes of the Scheme.

12.2 The Award Shares vested pursuant to this Scheme will be subject to all the provisions of the Articles for the time being in force and will rank *pari passu* in all respects with other Shares in issue on the date they are transferred to the Selected Participant and accordingly, will entitle the holders to the same voting, dividend, transfer and other rights (including those arising on liquidation of the Company) as the existing fully paid Shares in issue on the date on which they are transferred upon vesting of an Award. Without prejudice to the generality of the foregoing, Award Shares vested pursuant to the Scheme shall entitle their holders to participate in all dividends or other distributions paid or made on or after the date on which the Shares are transferred to the Selected Participant.

13. CHANGE IN CONTROL AND CAPITAL STRUCTURE

13.1 If there is an event of change in control of the Company by way of a takeover, merger, scheme of arrangement, general offer, or the Company shall otherwise be privatised, the Administration shall at their sole discretion determine whether the Vesting Date of any Awards will be accelerated to an earlier date, whereby the Vesting Date may be less than 12 months from the Grant Date (including on the Grant Date), subject to the compliance with the Listing Rules and these Rules. For the purpose of this Rule 13.1, "**control**" shall have the meaning as specified in The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC from time to time.

13.2 In the event of any alteration in the capital structure of the Company following the commencement of the Scheme due to any capitalisation/bonus issue, rights issue, sub-division or consolidation of shares or reduction of capital, the Administration shall adjust (if any) the purchase price and/or the number of outstanding Award Shares that have been granted but unvested in accordance with Rule 13.3. All fractional Shares (if any) arising out of such alteration in the capital structure of the Company in respect of the Award Shares of a Selected Participant shall be deemed forfeited and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date.

13.3 Any adjustments made under Rule 13.2 must give a Selected Participant the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that person was previously entitled, but no such adjustments may be made to the extent that a Share would be issued at less than its nominal value (if any). The issue of securities as consideration in a transaction (including any acquisition) may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation/bonus issue, the auditors of the Company must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules. Such adjustment must also be made in such a way that a Selected Participant will not receive a benefit that a Shareholder does not receive.

14. SCHEME MANDATE LIMIT

14.1 The total number of Shares which may be issued in respect of all options and awards to be granted under the Scheme and other share schemes of the Company must not in aggregate exceed the Scheme Mandate Limit (or such other percentage which may be specified by the Stock Exchange from time to time).

14.2 For the purposes of calculating the Scheme Mandate Limit under Rule 14.1, Shares which are the subject matter of any options or awards that have already lapsed in accordance with the terms of the relevant share scheme(s) of the Company will not be regarded as utilised.

14.3 The Scheme Mandate Limit may be refreshed and the Company may award beyond such limits by seeking separate approval from its Shareholders in general meeting(s) in accordance with the Listing Rules. In the event that the Company seeks approval of the Shareholders in general meeting to renew the Scheme Mandate Limit within 3-year period after the Adoption Date (or the date of Shareholders' approval for the last refreshment), if required by the Listing Rules, any controlling shareholders (or Directors (excluding independent non-executive Directors) and the chief executive if there is no controlling shareholder) and their associates must abstain from voting in favour of the relevant resolution at the general meeting and the relevant resolution shall be approved in accordance with the Listing Rules.

14.4 If the Company conducts any share consolidation or sub-division after the Scheme Mandate Limit has been approved in the general meeting, the maximum number of Shares that may be issued by the Company pursuant to the Scheme and all other share schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares (excluding Treasury Shares, if any) at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole Share.

15. CLAWBACK MECHANISM

15.1 Unless determined otherwise by the Board, the Award Shares, granted but not yet vested, will be automatically and immediately cancelled when the Selected Participant ceases to be an Eligible Participant as defined in the Scheme in the following circumstances:

(a) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement or service to any member of the Group and whether or not it has resulted in his employment or engagement or service being terminated by the relevant member of the Group;

(b) where such a person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;

(c) where such person has been convicted of any criminal offence;

(d) where such person has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time;

(e) where such person commits a material breach of contract(s) between any member of the Group and the Eligible Participant(s); or

(f) where the granting of any Award was based on material misstatement in the financial statements of the Company or any other materially inaccurate performance metric criteria.

16. CANCELLATION OF AWARDS GRANTED

16.1 The Administration may cancel an Award granted but which remains unvested in certain circumstances, including where it is necessary to comply with the laws of the jurisdictions in which the Eligible Participants and the Company are subject to, or in order to comply with the Listing Rules.

16.2 Award Shares may be granted to an Eligible Participant in place of his cancelled Award Shares, provided that there remains available Shares under the Scheme Mandate Limit approved by the Shareholders as referred to in the Listing Rules. The cancelled Award Shares will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

17. ADMINISTRATION DECISION AND DISPUTE

Any decision to be made under the Scheme, including matters of interpretation with respect to these Rules, shall be made by the Administration. Any dispute arising in connection with this Scheme shall be referred to the decision of the Administration and whose decision is final and binding, subject to the power of the Board under Rule 4.2.

18. ALTERATION OF THE SCHEME

18.1 The Board may alter, from time to time:

(a) the authority of the Administration to alter the terms of the Scheme;

(b) provisions of the Scheme in relation to the matters set out Rules 843 to 848 and Rules 852 to 853 of the Catalist Rules to the advantage of the Selected Participants;

(c) the terms and conditions of the Scheme which are of a material nature; or

(d) provisions relating to the matters set out in rule 23.03 of the GEM Listing Rules to the advantage of Selected Participants or prospective Selected Participants,

provided that approval from the Shareholders in general meeting (with the Selected Participants and their associates abstaining from voting) has been obtained.

18.2 Other than alterations set out in Rule 18.1 and any other alterations required to be approved by Shareholders by any applicable Listing Rules, the Administration may alter the terms of the Scheme without the approval of the Shareholders in a general meeting, provided that no such alteration shall operate to affect adversely the terms of issue of any Award Shares granted or agreed to be granted prior to such alteration except with the consent of all affected Selected Participant(s) or the sanction in writing of such majority of Selected Participants as would be required of the Shareholders under the Articles for the time being of the Company for a variation of entire rights attached to the Shares.

18.3 Any change to the terms of any Awards granted to a Selected Participant must be approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the Scheme.

18.4 The amended terms of the Scheme and/or the Award pursuant to this Rule 18 must comply with the relevant requirements of the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules).

19. TERMINATION

19.1 The Scheme shall terminate on the earlier of:

(a) the tenth (10th) anniversary date of the Adoption Date; and

(b) such date of early termination as determined by the Board provided that such termination does not affect any subsisting rights of any Selected Participant.

In such event, no further Awards may be offered or granted but Awards granted prior to the termination of the Scheme shall in all other respects remain in full force and effect.

19.2 For the avoidance of doubt, any temporary suspension of the granting of Awards shall not be construed as a decision to terminate the operation of the Scheme.

20. ABSTENTION FROM VOTING

20.1 Shareholders who are eligible to participate in the Scheme must abstain from voting on any resolution relating to the Scheme, including any resolution relating to the implementation of the Scheme, or the making of offers and grants of Awards under the Scheme at a discount not exceeding the maximum discount, or the participation by, and Awards granted to, associates of controlling shareholders (other than a resolution relating to the participation of, or grant of Awards to, Holding Company Participant), and should not accept nominations as proxy or otherwise for such voting unless specific instructions have been given in the proxy form on how the vote is to be cast.

20.2 The following categories of persons shall abstain from voting on any resolution relating to the participation of, or grant of Awards to Holding Company Participant:

(a) the associates of the Company's holding company; and

(b) the Holding Company Participants, who are also Shareholders and are Eligible Participants.

21. DISCLOSURE

21.1 The Company shall comply with all applicable disclosure obligations required under the Listing Rules from time to time relating to the Scheme.

21.2 Without prejudice to the generality of Rule 21.1 and Rule 21.3, the Company shall disclose in its annual reports details of, among others,

(a) the names of the members of the Administration administering the Scheme;

(b) the names of participants of the Scheme who are Directors of the Company, or controlling shareholders and their associates or who received 5% or more of the total number of Shares pursuant to the grant of Awards available under the Scheme;

(c) the Awards granted to the persons set out in the foregoing paragraphs (a) and (b) during the financial year under review (including terms), the aggregate Awards granted to them since commencement of the Scheme to the end of the financial year under review, the aggregate Awards vested since commencement of the Scheme to the end of the financial year under review, and the aggregate Awards outstanding as at the end of the financial year under review;

(d) the names of and number and terms of Awards granted to each Holding Company Participant who receives 5% or more of the total number of Awards available to all Holding Company Participants under the Scheme during the financial year under review;

(e) the aggregate number of Awards granted to the Holding Company Participants for the financial year under review, and since the commencement of the Scheme to the end of the financial year under review; and

(f) the number and proportion of Awards granted at a discount during the financial year under review in respect of every 10% discount range, up to the maximum quantum of discount granted.

21.3 Without prejudice to the generality of Rule 21.1 and Rule 21.2, the Company shall further disclose in its annual reports:

(a) the following information relating to Awards granted and to be granted under the Scheme to: (i) the Directors, chief executive or substantial shareholders of the Company or their respective associates; (ii) each participant with options and awards granted and to be granted in excess of the 1% limit set out in Rule 5.3; (iii) each Related Entity Participant with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of Shares in issue (excluding Treasury Shares); and (iv) other Employee Participants and Related Entity Participants by category:

(i) a table showing details of Awards granted to each participant or category of participants as required under the Listing Rules;

(ii) the number of Awards available for grant under the Scheme Mandate Limit at the beginning and the end of the financial year, and

(iii) the number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the financial year divided by the weighted average number of Shares of the relevant class in issue (excluding Treasury Shares) for the year;

(b) a summary of the Scheme setting out, amongst others, its purpose, its participants, the total number of Shares available for issue under the Scheme as at the date of the annual report, the maximum entitlement of each participant, vesting period, the amount payable on application or acceptance of the Awards, the basis of determining the purchase price of Shares awarded (if any), the remaining life of the Scheme, and other information required to be disclosed under the Listing Rules.

22. MISCELLANEOUS

22.1 This Scheme shall not form part of any contract of employment, appointment or engagement between the Company or any of its Subsidiaries and any Eligible Participant, and the rights and obligations of any Eligible Participant under the terms of his office or employment or engagement shall not be affected by his participation in this Scheme or any right which he may have to participate in it and this Scheme shall afford such Eligible Participant no additional rights to compensation or damages in consequence of the termination of such office or employment or engagement for any reason. Furthermore, an Eligible Participant shall not be entitled to any right to compensation or damages or any other benefit whatsoever for the loss of any rights under this Scheme due to the termination of such office or employment or engagement for any reason.

22.2 The Company shall bear the costs of establishing and administering the Scheme, including, for the avoidance of doubt, costs arising from communication as referred to in Rule 22.3, expenses incurred in the issuance and/or purchase of Shares and stamp duty and normal registration fees (i.e. not being fees chargeable by the share registrar for any express service of registration) in respect of the transfer of Shares to Selected Participants on the relevant Vesting Date. For the avoidance of doubt, the Company shall not be liable for any Taxes or expenses of such other nature payable on the part of any Eligible Participant in respect of any sale, purchase, vesting or transfer of Shares (or cash amount of equivalent value being paid), other than for any withholding tax liability of the Company or any member of the Group under applicable laws. Each Selected Participant shall be responsible for all fees of any securities depository relating to or in connection with the allotment and issue or transfer of any Shares, the deposit of share certificate(s), the Selected Participant's securities account with the securities depository, or the Selected Participant's securities sub-account with a depository agent.

22.3 Any notice or other communication between the Company and any Eligible Participant shall be in writing (in either English language or Chinese language) and may be given by sending the same by pre-paid post or by personal delivery to, in the case of the Company, its prevailing principal place of business in Hong Kong, or such other address as notified to the Eligible Participant from time to time and, in the case of an Eligible Participant, his address as notified to the Company from time to time. In addition, any notice or other communication from the Company to any Eligible Participant or Selected Participant may also be given by any electronic means as the Administration considers appropriate.

22.4 Any notice or other communication shall be deemed to have been served, if served by personal delivery, at the time of delivery; and if by pre-paid post:

(a) by the Company shall be deemed to have been served 24 hours after the same was posted if to an address in Hong Kong and on the seventh day after posting if to an address outside Hong Kong;

(b) by the Eligible Participant to the Company to its principal place of business in Hong Kong (and marked for the attention of the Company Secretary) shall not be deemed to have been served until the same shall have been received by the Company.

Any notice or other communication served by electronic means shall be deemed to have been received on the day following that on which it was sent.

22.5 The Company shall not be responsible for any failure by any Eligible Participant to obtain any consent or approval required for such Eligible Participant to participate in the Scheme as a Selected Participant or for any Taxes, expenses, fees or any other liability to which an Eligible Participant may become subject as a result of participation in the Scheme.

22.6 Each and every provision hereof shall be treated as a separate provision and shall be severally enforceable as such in the event of any provision or provisions being or becoming unenforceable in whole or in part. To the extent that any provision or provisions are unenforceable, they shall be deemed to be deleted from these Rules, and any such deletion shall not affect the enforceability of the Rules as remain not so deleted.

22.7 Save as specifically provided herein, the Scheme shall not confer on any person any legal or equitable rights (other than those constituting and attaching to the Award Shares themselves) directly or indirectly, or give rise to any cause of action at law or in equity, against the Group. No person shall, under any circumstances, hold the Administration and/or any member of the Group liable for any costs.

22.8 In the event that an Award lapses in accordance with these Rules, no Selected Participants shall be entitled to any compensation for any loss or any right or benefit or prospective right or benefit under the Scheme which it might otherwise have enjoyed.

22.9 The Scheme shall operate subject to the Articles and to any restrictions under any applicable laws, rules and regulations.

22.10 By participating in the Scheme, the Selected Participant consents to the holding, processing, storage and use of personal data or information concerning him by any member of the Group, or other third-party service provider, in Hong Kong or elsewhere, for the purpose of the administration, management or operation of the Scheme. Such consent permits, but is not limited to, the following:

(a) the administration and maintenance of records of the Selected Participant;

(b) the provision of data or information to members of the Group, registrars, brokers or third-party administrators or managers of the Scheme, in Hong Kong or elsewhere;

(c) the provision of data or information to future purchasers or merger partners of the Company, the Selected Participant's employing company, or the business in which the Selected Participant works;

(d) the transfer of data or information about the Selected Participant to a country or territory outside the Selected Participant's home country which may not provide the same statutory protection for the information as his home country; and

(e) in the case where an announcement or disclosure otherwise is required to be made pursuant to the Listing Rules or any other laws or regulations, the disclosure of the identity of such Selected Participant, the number of Award Shares and the terms of the Award granted and/or to be granted and all other information as required under the Listing Rules or any other laws or regulations.

The Selected Participant is entitled, on payment of a reasonable fee, to a copy of the personal data held about it, and if such personal data is inaccurate, the Selected Participant has the right to have it corrected.

22.11 In this Scheme, where applicable, references to "**Shares**" to satisfy the grant of Award Shares shall include Treasury Shares, and references to the issue and purchase of Shares shall include the transfer of Treasury Shares (as the case may be, and to the extent permissible by the Listing Rules, applicable laws and regulations).

22.12 In case where an Award is funded by existing Shares (rather than the issue and allotment of new Shares) then to the extent permissible under the Listing Rules (including but not limited to Chapter 23 of the GEM Listing Rules) and other applicable laws and regulations, the Administration may make a determination to waive, modify and/or vary the application of any terms or provisions of these Rules to the Award and/or the Selected Participants as the Administration may at its discretion consider appropriate.

23. GOVERNING LAW

23.1 The Scheme shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Selected Participants, by accepting grants of Awards in accordance with the Scheme, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.