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MOG DIGITECH HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1942)

SUPPLEMENTAL ANNOUNCEMENT REGARDING THE DISCLOSEABLE TRANSACTION IN RELATION TO THE DISPOSAL OF THE EQUITY INTEREST IN THE TARGET COMPANIES

Reference is made to the announcement (the "**Announcement**") issued by MOG Digitech Holdings Limited (the "**Company**") dated 25 August 2025 in relation to the disposal of certain subsidiaries of the Company. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

THE SUPPLEMENTAL AGREEMENT

On 14 October 2025, Metro Eyewear entered into a supplemental agreement to the Agreement with the Purchaser to revise the following terms under the Agreement (the "**Revision**"):

(i) the total Consideration for the Sale Shares shall be revised from RM22,000,000 to RM12,095,000 (the "**Revised Consideration**");

(ii) the total number of Target Companies will be adjusted from 24 to 13 (the "**Revised Target Companies**"). The list of Revised Target Companies and their corresponding consideration will be revised as detailed below:

No.	Name of Revised Target Companies	Equity interest to be disposed of	Consideration *RM*
1.	MOG (QBM) Sdn. Bhd.	70%	643,000
2.	MOG Optometry (HK) Sdn. Bhd.	100%	1,535,000
3.	MOG Eyewear Boutique Sdn. Bhd.	70%	1,525,000
4.	MOG Eyewear (Kempas) Sdn. Bhd.	60%	1,118,000
5.	Modern Eyewear Sdn. Bhd.	55%	825,000
6.	Optical Arts Sdn. Bhd.	100%	1,529,000
7.	Unique Eyewear Sdn. Bhd.	100%	569,000
8.	Evershine Eyewear Sdn. Bhd.	71%	921,000
9.	Exon Eyewear Sdn. Bhd.	60%	1,997,000
10.	Evershine Eye Care Sdn. Bhd.	52%	544,000
11.	Evershine Gallery Sdn. Bhd.	52%	251,000
12.	Evershine Vision Care Sdn. Bhd.	65%	190,000
13.	Vivo Vision Sdn. Bhd.	60%	448,000
		Total	**12,095,000**

For details about the above Revised Target Companies, please see the section titled "INFORMATION ABOUT THE TARGET COMPANIES" in the Announcement.

Save as disclosed above, all other material terms and conditions of the Agreement shall remain in full force and effect.

THE SUPPLEMENTAL INFORMATION

The Board would like to provide additional information regarding the Disposal.

1. Basis for the determination of the Revised Consideration

The Revised Consideration was determined after arm's length negotiations between the Purchaser and Metro Eyewear on normal commercial terms and after taking into consideration the valuation results of the aggregate fair value of the equity interest in the Revised Target Companies held by Metro Eyewear, estimated at RM12,096,980 as of 30 June 2025 ("**Valuation**"). The Valuation was conducted by an independent valuer (the "**Valuer**"), adopting the higher value between the market approach, based on a price-to-earnings (P/E) multiple, and the cost approach.

In determining the Revised Consideration, the Directors reviewed the following key inputs and assumptions used in the Valuation.

a. Valuation methodology

In conducting the Valuation, the Valuer considered three generally accepted valuation approaches, including the market approach, the income approach, and the cost approach.

As advised by the Valuer, the income approach requires various subjective inputs, such as projections for revenue, cost of revenue, expenses, and the risk-adjusted discount rate. Given the uncertainty involved in forecasting both the amount and timing of future income for the Target Companies, the Valuer concluded that the income approach is not suitable for the Valuation.

Instead, the Valuer adopted the market approach for the Valuation, since there are publicly traded companies with operations similar to those of the Target Companies. This allows for a comparative analysis. Specifically, the Valuer employed the guideline publicly traded comparable method, which is based on the P/E multiple.

After conducting a financial audit of the Target Companies on 31 March 2025, the Valuer identified a clear and verifiable scope of assets and liabilities for the Target Companies. Consequently, the Valuer also adopted the cost approach for the valuation process, utilizing the adjusted net asset value method.

By integrating both the market approach and the cost approach, the Valuer can cross-validate the fair values of the Target Companies. This dual-method strategy mitigates the limitations associated with relying on a single approach, thereby facilitating a more accurate and reliable assessment of the fair values of the Target Companies in accordance with market standards.

b. Valuation assumptions

In conducting the Valuation, the Valuer has adopted the following key assumptions:

i. the representations made by the Group's management concerning the financial and business affairs of the Revised Target Companies are both accurate and trustworthy;

ii. there were no material changes in the financial positions of the Revised Target Companies between 31 March 2025 and 30 June 2025;

iii. the Revised Target Companies will continue to operate as a going concern and have adequate liquidity and capability to sustain their operations;

iv. the Revised Target Companies have obtained all necessary permits, business certificates, licenses, and legal approvals to operate the business, and all relevant permits, business certificates, licenses, and legal approvals to operate the business in the localities in which the Revised Target Companies operate or intend to operate would be officially obtained and renewable upon expiry with de minimis expenses;

v. upon expiry of the current permits, business certificates, licenses, and/or legal approvals, the Revised Target Companies can renew all such documents to operate the business with de minimis expenses;

vi. there will be sufficient supply of technical staff in the industry in which the Revised Target Companies operate or intend to operate, and the Revised Target Companies will retain competent management, key personnel, and technical staff to support their ongoing operations and developments;

vii. there will be no major changes in the current taxation laws in the localities in which the Revised Target Companies operate or intend to operate, and the rates of tax payable shall remain unchanged, and all applicable laws and regulations will be complied with;

viii. there will be no major changes in the political, legal, economic, or market conditions in the localities in which the Revised Target Companies operate or intend to operate, which would adversely affect the revenues attributable to and profitability of the Revised Target Companies;

ix. there will be no material changes in the relevant interest rates and exchange rates that would impact the Revised Target Companies' business; and

x. there are no undisclosed actual or contingent assets or liabilities, no unusual obligations or substantial commitments, other than in the ordinary course of business and as reflected in the financials, nor any litigation pending or threatened, which would have a material impact on the values of the Revised Target Companies as of the Valuation date.

c. Valuation under the market approach

The Valuer identified the P/E multiple as the most relevant valuation metric for its assessment of the Revised Target Companies, which have shown profitability in their latest financial statements. The P/E multiple is widely recognized as a standard valuation measure, as earnings play a crucial role in determining the value of equity.

The fair value of the Revised Target Companies was established by referencing the business characteristics and operational data of publicly listed companies that are considered comparable to the Revised Target Companies (the "**Comparable Companies**"). Considering that the business nature of the Revised Target Companies is consistent, thereby permitting the application of a uniform set of Comparable Companies for this analysis.

In the absence of direct counterparts to the Revised Target Companies, it is essential to identify a group of Comparable Companies to facilitate the valuation process. During the selection of these Comparable Companies, the Valuer focused on several key criteria based on public resources:

– the companies must principally operate in the optical products sector within Asia;

– the companies should be located in emerging markets in Asia; and

– there must be a sufficient amount of publicly available information, including detailed listing and operating histories, as well as accessible financial data.

The following are the details of the Comparable Companies:

Comparable Companies	**Descriptions**
Brighten Optix Corporation (TPEX: 6747)	Brighten Optix Corporation engages in the research, development, manufacturing, and sales of contact lenses, both in Taiwan and internationally.
Doctorglasses Chain Co., Ltd. (SZSE: 300622)	Doctorglasses Chain Co.,Ltd. engages in the retail of eyewear in China.
Formosa Optical Technology Co., Ltd. (TPEX: 5312)	Doctorglasses Chain Co., Ltd. engages in the retail sale of eyewear in China.
Mingyue Optical Lens Co., Ltd. (SZSE: 301101)	Mingyue Optical Lens Co., Ltd. specializes in the research, development, design, and production of high-quality optical products in China, including lenses, lens raw materials, finished mirrors, and frames.
Pegavision Corporation (TWSE: 6491)	Pegavision Corporation manufactures and sells medical devices and optical instruments in Taiwan.
St. Shine Optical Co., Ltd. (TPEX: 1565)	St. Shine Optical Co., Ltd. and its subsidiaries manufacture, sell, and trade contact lenses, optical lenses, and related products in Asia, Europe, America, and Taiwan.
Unicon Optical Co., Ltd. (TPEX: 4150)	Unicon Optical Co., Ltd. conducts research, develops, designs, manufactures, and sells contact lenses in Taiwan.
Visco Vision Inc. (TWSE: 6782)	Visco Vision Inc. manufactures and sells silicone hydrogel contact lenses across Asia, Europe, and the Americas.
Yash Optics & Lens Limited (NSEI: YASHOPTICS)	Yash Optics & Lens Limited manufactures, trades, distributes, and supplies a variety of spectacle and optical lenses in India and internationally.

The P/E multiple is calculated by dividing the share price (P) by the last-twelve-month net profit of the company (E). The P/E multiple is determined using the following formula:

P/E multiple = P/E

Details of the valuation multiple for the Comparable Companies (the "**Base Valuation Multiple**") as of the Valuation date are shown below:

Comparable Companies	**S&P Capital Ticker**	**Base P/E Multiple**
Brighten Optix Corporation	TPEX: 6747	85.07
Doctorglasses Chain Co., Ltd.	SZSE: 300622	72.85
Formosa Optical Technology Co., Ltd.	TPEX: 5312	20.94
Mingyue Optical Lens Co., Ltd.	SZSE: 301101	54.07
Pegavision Corporation	TWSE: 6491	14.05
St. Shine Optical Co., Ltd.	TPEX: 1565	12.48
Unicon Optical Co., Ltd.	TPEX: 4150	Negative
Visco Vision Inc.	TWSE: 6782	16.40
Yash Optics & Lens Limited	NSEI: YASHOPTICS	21.71
Median		**21.32**

The Comparable Companies often vary significantly in size compared to the company under valuation. This disparity may arise from factors such as differing clientele and the scale of business operations. Typically, larger companies are associated with lower expected returns, which results in higher valuations. In contrast, smaller companies are often perceived as carrying greater risk in terms of business operations and financial performance, leading to higher expected returns (or discount rates) and consequently lower valuation multiples.

To appropriately address the distinctions between the Comparable Companies and the Revised Target Companies, the Base Valuation Multiple has been adjusted. The adjusted valuation multiple (the "**Adjusted Valuation Multiple(s)**") has been calculated using the following formula:

Adjusted Valuation Multiple = $1/(1/M + \theta)$

Where

M	=	Base Valuation Multiple
θ	=	Required increase in the equity discount rate for size difference

The reciprocal of the Base Valuation Multiple essentially represents the capitalization rate based on the company's market capitalization. This capitalization rate does not take into account the size differences between Comparable Companies and Target Companies.

According to the 2023 Valuation Handbook – U.S. Guide to Cost of Capital by Kroll, size premium differentials ranging from –0.06% to 10.73% were applied based on the market capitalization of each of the Comparable Companies. These differentials were used to account for the size differences between the Comparable Companies and the Target Companies as of the Valuation date. The Adjusted Valuation Multiple was then calculated by taking the reciprocal of the capitalization rate, incorporating the aforementioned adjustments.

The following are the details of the Adjusted Valuation Multiple of the Comparable Companies:

Comparable Companies	**S&P Capital Ticker**	**Adjusted P/E Multiple**
Brighten Optix Corporation	TPEX: 6747	10.50
Doctorglasses Chain Co., Ltd.	SZSE: 300622	9.33
Formosa Optical Technology Co., Ltd.	TPEX: 5312	7.40
Mingyue Optical Lens Co., Ltd.	SZSE: 301101	8.94
Pegavision Corporation	TWSE: 6491	5.99
St. Shine Optical Co., Ltd.	TPEX: 1565	5.97
Unicon Optical Co., Ltd.	TPEX: 4150	Negative
Visco Vision Inc.	TWSE: 6782	6.74
Yash Optics & Lens Limited	NSEI: YASHOPTICS	21.71 (Outlier, excluded)
Median		**7.40**

After careful consideration, the Company determined that the Target Companies share similar business characteristics, allowing for the uniform application of a single set of Comparable Companies. Consequently, all Adjusted Valuation Multiples for Revised Target Companies are 7.40.

Since the equity interests in the Revised Target Companies represent majority shareholdings, their equity values were further adjusted to include a control premium as well as a discount for lack of marketability. This adjustment was made to determine the fair values of particular equity interests in the Revised Target Companies as of the Valuation date, taking into account both majority ownership and non-marketable conditions.

Discount for lack of marketability

To determine a reasonable lack of marketability, the Valuer referenced the Stout research published by the Corporate Finance Institute, which indicated that the discount for lack of marketability ("**DLOM**") was approximately 40%.

Control premium

To determine a reasonable control premium, the Valuer referred to the Control Premium Study for the 3rd Quarter of 2024, published by Business Valuation Resources, LLC, and adopted the median equity control premium ("**CP**"), which was 25.8%.

The fair values of the Revised Target Companies using the market approach (by P/E multiple) are outlined below:

No.	Revised Target Companies	Net profit/(loss) for the year ended 31 March 2025	Adjusted Valuation Multiple	CP	DLOM	Equity interest held by the Company	Fair values under the market approach
							RM
1.	MOG (QBM) Sdn. Bhd.	RM164,407	7.40	25.80%	40.00%	70%	642,740
2.	MOG Optometry (HK) Sdn. Bhd.	RM(14,850)	7.40	Not applicable	applicable	100%	–
3.	MOG Eyewear Boutique Sdn. Bhd.	RM390,100	7.40	25.80%	40.00%	70%	1,525,075
4.	MOG Eyewear (Kempas) Sdn. Bhd.	RM333,764	7.40	25.80%	40.00%	60%	1,118,425
5.	Modern Eyewear Sdn. Bhd.	RM268,505	7.40	25.80%	40.00%	55%	824,769
6.	Optical Arts Sdn. Bhd.	RM273,799	7.40	25.80%	40.00%	100%	1,529,147
7.	Unique Eyewear Sdn. Bhd.	RM101,802	7.40	25.80%	40.00%	100%	568,557
8.	Evershine Eyewear Sdn. Bhd.	RM232,338	7.40	25.80%	40.00%	71%	921,289
9.	Exon Eyewear Sdn. Bhd.	RM595,921	7.40	25.80%	40.00%	60%	1,996,904
10.	Evershine Eye Care Sdn. Bhd.	RM187,428	7.40	25.80%	40.00%	52%	544,321
11.	Evershine Gallery Sdn. Bhd.	RM86,269	7.40	25.80%	40.00%	52%	250,539
12.	Evershine Vision Care Sdn. Bhd.	RM52,415	7.40	25.80%	40.00%	65%	190,277
13.	Vivo Vision Sdn. Bhd.	RM133,842	7.40	25.80%	40.00%	60%	448,498

d. Valuation under the cost approach

The adjusted net asset value method, utilized under the cost approach, was employed in the Valuation. This method is founded on the principle that the aggregate fair value of the individual assets reflects the overall fair value of the Revised Target Companies. To ascertain the fair values of specific equity interests, one can calculate the difference between the total assets and the total liabilities of the Revised Target Companies.

Based on the statement of financial position for the Revised Target Companies as of 31 March 2025, we have conducted a detailed analysis that separately identifies the assets and liabilities of the Target Companies as follows:

(i) Non-current assets

(A) Property, plant and equipment

The carrying amounts of the property, plant, and equipment of the Target Companies mainly include machinery and equipment, furniture and fittings, renovations, computers and software, and electrical systems and wiring. Since these items do not experience significant revaluation gains or losses, the Valuer assessed that their carrying amounts are reflective of their fair values as of the date of the Valuation.

(B) Right-of-use assets

The right-of-use assets of the Target Companies have been reasonably measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Therefore, the Valuer considered that their carrying amounts are close to their fair values as of the date of the Valuation.

(ii) Current assets

(A) Trade and other receivables

The trade and other receivables of the Target Companies are expected to be recovered within a short timeframe, making the impact of discounting these assets insignificant. Therefore, the Valuer assessed that the carrying amounts of these current assets accurately represent their fair values as of the date of the Valuation.

(B) Cash and bank balances

The cash and bank balances of the Target Companies are highly liquid in the market and can be readily converted into cash. Therefore, their respective carrying amounts are appropriate representations of their fair values as of the date of the Valuation.

(iii) Current liabilities

(A) Trade and other Payables

The carrying amounts of the current liabilities of the Target Companies reflect the amounts that the Target Companies are obligated to settle. The impact of discounting these liabilities is deemed immaterial. Therefore, the Valuer assessed that the carrying amounts accurately represent their fair values as of the date of the Valuation.

The fair values of the Revised Target Companies under the cost approach (by adjusted net asset value method) have been set out below, respectively:

No.	Revised Target Companies	Carrying amount of the net assets as at 31 March 2025 *RM*	Fair value of the net assets *RM*	Equity interest held by the Company	Fair values under the cost approach *RM*
1.	MOG (QBM) Sdn. Bhd.	861,623	861,623	70%	603,136
2.	MOG Optometry (HK) Sdn. Bhd.	1,536,439	1,536,439	100%	1,536,439
3.	MOG Eyewear Boutique Sdn. Bhd.	1,285,157	1,285,157	70%	899,610
4.	MOG Eyewear (Kempas) Sdn. Bhd.	547,364	547,364	60%	328,418
5.	Modern Eyewear Sdn. Bhd.	357,295	357,295	55%	196,512
6.	Optical Arts Sdn. Bhd.	1,183,786	1,183,786	100%	1,183,786
7.	Unique Eyewear Sdn. Bhd.	384,969	384,969	100%	384,969
8.	Evershine Eyewear Sdn. Bhd.	939,047	939,047	71%	666,723
9.	Exon Eyewear Sdn. Bhd.	475,952	475,952	60%	285,571
10.	Evershine Eye Care Sdn. Bhd.	531,176	531,176	52%	276,212
11.	Evershine Gallery Sdn. Bhd.	224,291	224,291	52%	116,631
12.	Evershine Vision Care Sdn. Bhd.	96,960	96,960	65%	63,024
13.	Vivo Vision Sdn. Bhd.	543,055	543,055	60%	325,833

The fair value of the net assets as of 31 March 2025 is the same as its carrying amount on the same date.

e. Valuation analysis under the market approach and the cost approach

The fair values of particular equity interests in the Revised Target Companies were evaluated using both the market approach and the cost approach.

If the value obtained from the market approach is lower than that derived from the cost approach, this may suggest that the profitability of the Revised Target Companies is unusually low or possibly negative. In such cases, the values generated by the cost approach would serve as a more appropriate point of reference.

Accordingly, in the Valuation, the Valuer considered that using the higher value from either the market approach or the cost approach would yield more reasonable results. This approach helps reduce the risk of undervaluing the Revised Target Companies, particularly in situations of negative or unusually low profitability. Below are the fair values that have been established for each approach:

No.	Revised Target Companies	Fair values under the market approach *RM*	Fair values under the cost approach *RM*	Adopted fair values *RM*
1.	MOG (QBM) Sdn. Bhd.	642,740	603,136	642,740
2.	MOG Optometry (HK) Sdn. Bhd.	–	1,536,439	1,536,439
3.	MOG Eyewear Boutique Sdn. Bhd.	1,525,075	899,610	1,525,075
4.	MOG Eyewear (Kempas) Sdn. Bhd.	1,118,425	328,418	1,118,425
5.	Modern Eyewear Sdn. Bhd.	824,769	196,512	824,769
6.	Optical Arts Sdn. Bhd.	1,529,147	1,183,786	1,529,147
7.	Unique Eyewear Sdn. Bhd.	568,557	384,969	568,557
8.	Evershine Eyewear Sdn. Bhd.	921,289	666,723	921,289
9.	Exon Eyewear Sdn. Bhd.	1,996,904	285,571	1,996,904
10.	Evershine Eye Care Sdn. Bhd.	544,321	276,212	544,321
11.	Evershine Gallery Sdn. Bhd.	250,539	116,631	250,539
12.	Evershine Vision Care Sdn. Bhd.	190,277	63,024	190,277
13.	Vivo Vision Sdn. Bhd.	448,498	325,833	448,498
			Total	**12,096,980**

The Directors have conducted a thorough assessment of the Valuer's qualifications and have concluded that the individual responsible for signing the Valuation report has significant expertise and experience in the field. The Valuer has successfully engaged in a wide range of services related to both tangible and intangible asset valuations, as well as business valuations. Therefore, the Directors considered that the Valuer is competent to carry out the Valuation.

The Directors believe that the Valuation is fair and reasonable, having considered (i) the Valuer has the necessary experience, qualifications, and expertise to conduct the Valuation; and (ii) the assumptions and methodologies used in the Valuation process are considered fair and reasonable. Therefore, since the Consideration is based on this Valuation, the Directors conclude that the Consideration itself is also fair and reasonable.

2. Financial information of the Revised Target Companies

Set out below is the unaudited combined financial performance of the Revised Target Companies for the years ended 31 December 2023 and 31 December 2024, and the unaudited combined financial performance for the six months ended 30 June 2025:

	For the six months ended 30 June 2025	**For the years ended 31 December**	
		2024	**2023**
	RM'000	*RM'000*	*RM'000*
	(unaudited)	*(unaudited)*	*(unaudited)*
Revenue	21,267	41,305	38,025
Profit before taxation	2,332	3,991	4,006
Profit after taxation	1,858	2,980	2,899

As of 30 June 2025, the unaudited combined total assets and net asset value of the Revised Target Companies were approximately RM21,597,000 and RM10,098,000, respectively.

3. Reasons for entering into the Supplemental Agreement

Following the signing of the Agreement, the Buyer conducted an internal reassessment regarding the timing of the settlement of the Consideration, which is expected to take longer than initially anticipated. In light of this situation and with due consideration for the overall interests of the Company, the parties to the Agreement have mutually agreed to revise the list of Target Companies and the associated consideration. This adjustment aims to establish a completion timeline, including the settlement of the Consideration, that is reasonable and acceptable to both the Company and the Purchaser.

4. Additional information regarding the Group's optical business upon Completion

As stated in the Announcement, the Company is strategically transitioning from a capital-intensive model to a more asset-light and service-oriented approach in response to the prevailing uncertain business conditions. To support this new direction, the Group plans to establish trademark licensing agreements with the Revised Target Companies.

Under the preliminary terms of these licensing agreements, the Group, as the licensor, will grant a non-exclusive, non-transferable license to each of the Revised Target Companies. This license will allow the Revised Target Companies to utilise the intellectual property rights associated with the trademark "MOG", and other related trademarks owned by the Group (the "**Intellectual Property**").

The Revised Target Companies may use the Intellectual Property in their packaging, advertising, and promotional materials, whether physical or digital, for their respective operations.

The Group's business model is fundamentally based on collaboration with licensees who are genuinely committed to the Group's vision and motivated to expand the dedicated brand and store network. To achieve this goal, the Group strives to cultivate close, long-term, and mutually beneficial relationships with its licensees by establishing a comprehensive management and support platform to ensure a sustainable partnership.

To maintain consistent quality and services among its licensees, including the Revised Target Companies, and to promote operational efficiency and profitability, the Group is committed to providing a comprehensive range of support. This support includes, but is not limited to, the following:

(i) establishing a supply chain to facilitate stock procurement from selected suppliers and production facilities;

(ii) providing comprehensive training and supervision, including ongoing education in store management and new product launches, as well as regular online monitoring and scheduled store visits; and

(iii) offering extensive promotional support tailored for each store, including guidance on store opening promotions and marketing strategies provided by the Group.

The Group will also actively oversee its network of licensees by conducting regular evaluations to assess their performance and compliance with the Group's established standards and policies. If any licensee fails to meet the evaluation criteria, the Group will offer educational resources and additional training to support their development.

Under this model, the licensee pays the Group for its marketing, operating system, training, purchasing power, and brand recognition, and benefits from centralized supply chain management, including reduced costs for raw material procurement and high-quality supplies.

As part of this licensing agreement, the Revised Target Companies are required to pay a licensing fee, calculated as a percentage of their monthly revenue, as agreed upon.

In accordance with the outlined plan, the Group's operations are anticipated to maintain their current scale. Additionally, save as disclosed above, there are no significant alterations to the existing operational model.

By implementing this strategy, the Group will effectively mitigate the financial risks associated with capital investments, as the Revised Target Companies will be responsible for funding their own operations. This transition will also allow the Group to allocate more resources toward expanding its licensing model, ultimately leading to a larger market share. Furthermore, this approach aims to create a stable revenue stream without significantly impacting the size of the Group's optical business.

As at the date of this announcement, the Group's optical business operates under two distinct models. The first model involves distributing products through retail outlets, while the second model focuses on managing outlets operated by Independent Third Parties through licensing agreements. Upon Completion, a total of 20 retail outlets will continue to be operated by the Group.

As mentioned above, the Company is strategically transitioning to an asset-light and service-oriented business model. In alignment with this strategy, the Group's management is actively seeking interested investors to support its optical business-related subsidiaries that require significant capital investment. These investors would be expected to join the Group as licensees under the specified business model. As at the date of this announcement, aside from the Agreement, no other arrangements have been established concerning the disposal of additional subsidiaries of the Company.

The Directors would like to clarify that, except in circumstances where financial or strategic investors may be required to support or collaborate on business development initiatives to increase the Company's value, the Company does not plan to downsize its existing optical businesses within the next 12 months.

Should there be any updates regarding this investment or such an investment constitutes a notifiable transaction as defined under Chapter 14 of the Listing Rules, the Company will publish announcements as soon as possible, in accordance with the applicable Listing Rules.

5. Additional information regarding the intended use of proceeds from Disposal

As stated in the Announcement, the Directors intend to use the net proceeds from the Disposal (the "**Proceeds**") to support the development of the Group's optical-related business.

The Directors would like to provide additional information regarding the allocation of the Proceeds. The Company plans to use the Proceeds to boost sales and marketing initiatives focused on increasing the visibility of the "MOG" brand. This strategy involves enhancing marketing efforts in Malaysia through targeted advertising, strategic market promotions, and comprehensive brand development.

Additionally, the Company plans to allocate proceeds for industry exhibitions, product launch events, and other marketing-related activities. In addition to its marketing efforts, the Company is committed to refining its sales and customer service processes to enhance customer satisfaction and loyalty. In light of this direction, part of the Proceeds will support the launch of a customer loyalty program aimed at strengthening the Company's partnerships with key customers and licensees, including the Revised Target Companies.

6. Adjusted financial effect of the Disposal

Following the Revision, it is estimated that the Company will record a gain on the Disposal of approximately RM4,064,000, which is calculated with reference to the Revised Consideration less the unaudited combined net asset value after deducting non-controlling interest of the Revised Target Companies as at 30 June 2025 of approximately RM7,581,000, taking into account the expenses directly attributable to the Disposal of approximately RM450,000.

The abovementioned financial effects are shown for illustrative purposes only, and the actual gain to be recognised in the consolidated financial statements of the Company depends on, among other things, the review by the auditor of the Company, upon finalisation of the consolidated financial statements of the Group.

IMPLICATIONS UNDER THE LISTING RULES

Following the Revision, as the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposal are more than 5% but all applicable percentage ratios are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is therefore subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

Saved as disclosed above, all other information as set out in the Announcement remains unchanged and shall continue to be valid for all purposes. This announcement is supplemental to and should be read in conjunction with the Announcement.

Completion is subject to the fulfillment (or waiver) of the Conditions Precedent and therefore the Disposal may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By Order of the Board
MOG Digitech Holdings Limited
Chen Yongzhong
Executive Director

Hong Kong, 14 October 2025

As at the date of this announcement, the Board has five executive Directors, namely Mr. Deng Zhihua (Chairman and Co-chief executive officer), Mr. Chen Yongzhong (Co-chief executive officer), Mr. Mo Mingdong, Ms. Tang Tsz Yuet, and Mr. Zhou Yue, and three independent non-executive Directors, namely Mr. Yau Tung Shing, Ms. Chen Wen, and Mr. Gao Hongxiang.