

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

This Appendix is circulated to the Shareholders of CDW Holding Limited (“Company”) together with the Company’s Annual Report 2023. Its purpose is to explain to the Shareholders the rationale of and to provide information pertaining to the proposed renewal of the Share Purchase Mandate (as defined herein) and to seek Shareholders’ approval of the same at the Annual General Meeting to be held on 29 April 2024 at 3.00 p.m. at Sentosa Room, Level 3, Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075.

The Notice of Annual General Meeting and proxy form are enclosed with the Annual Report 2023.

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



CDW Holding Limited

(Incorporated in Bermuda on 2 April 2004)
(Bermuda Company Registration Number: 35127)

APPENDIX

**TO THE NOTICE OF
ANNUAL GENERAL MEETING
DATED 5 APRIL 2024**

IN RELATION TO

**THE PROPOSED RENEWAL OF
THE SHARE PURCHASE MANDATE**

This page has been intentionally left blank.

CONTENTS

DEFINITIONS.....	2
LETTER TO SHAREHOLDERS	6
1. INTRODUCTION.....	6
2. RATIONALE FOR THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE...	6
3. AUTHORITY AND LIMITS OF THE SHARE PURCHASE MANDATE	7
4. SOURCE OF FUNDS	9
5. STATUS OF PURCHASED SHARES UNDER THE PROPOSED SHARE PURCHASE MANDATE	9
6. TREASURY SHARES	10
7. FINANCIAL AND OTHER IMPACT ARISING FROM THE SHARE PURCHASE MANDATE...	10
8. TAX IMPLICATIONS.....	18
9. TAKEOVER CONSEQUENCES.....	18
10. OTHER OBLIGATIONS UNDER LISTING MANUAL.....	19
11. LIMITS ON SHAREHOLDINGS.....	20
12. ACTION TO BE TAKEN BY SHAREHOLDERS AND DEPOSITORS.....	20
13. DIRECTORS' RECOMMENDATION	21
14. DIRECTORS' RESPONSIBILITY STATEMENT	21
15. DOCUMENTS FOR INSPECTION	21

DEFINITIONS

For the purpose of this Appendix, the following definitions have, where appropriate, been used:

“2023 Mandate”	:	The Share Purchase Mandate obtained by the Company at the SGM held on 14 December 2023
“2024 AGM”	:	The AGM of the Company to be held on 29 April 2024 at 3.00 p.m. at Sentosa Room, Level 3, Holiday Inn Singapore Atrium, 317 Outram Road, Singapore 169075
“Appendix”	:	This appendix to the Notice of AGM
“Approval Date”	:	Has the meaning ascribed to it in paragraph 3.1
“AGM”	:	The annual general meeting of the Company
“Bermuda Companies Act”	:	The Companies Act 1981 of Bermuda as amended from time to time
“Board”	:	The board of Directors of the Company as at the date of this Appendix
“Bye-laws”	:	The bye-laws of the Company, as amended, varied or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“CDW Employee Share Option Scheme 2018”	:	The CDW Employee Share Option Scheme 2018 adopted by the Company at the SGM on 22 June 2018 as the same may be amended from time to time pursuant to the terms and conditions set out therein
“CDW Share Performance Scheme 2018”	:	The CDW Share Performance Scheme 2018 adopted by the Company at the SGM on 22 June 2018 as the same may be amended from time to time pursuant to the terms and conditions set out therein
“Companies Act”	:	The Companies Act 1967 of Singapore, as amended or modified from time to time
“Company” or “CDW”	:	CDW Holding Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the SGX-ST
“Council”	:	The Securities Industry Council
“Directors”	:	Directors of the Company as at the date of this Appendix
“EPS”	:	Earnings per share
“FY”	:	Financial year ended or ending 31 December
“Group”	:	The Company and its Subsidiaries
“Latest Practicable Date”	:	26 March 2024 being the latest practicable date prior to the printing of this Appendix

“Listing Manual”	:	The Listing Manual of the SGX-ST, as the same may be amended, varied or supplemented from time to time
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Market Purchases”	:	On-market acquisitions of Shares on the SGX-ST through the Central Limit Order Book trading system during the Relevant Period. For the purposes of this definition, a market acquisition means an on-market purchase transacted on SGX-ST through the Central Limit Order Book trading system, and a “Market Purchase” shall be construed accordingly
“Maximum Price”	:	Has the meaning ascribed to it in paragraph 3.4
“NAV”	:	Net asset value
“NTA”	:	Net tangible assets
“Off-Market Purchases”	:	Off-market acquisitions of Shares undertaken by the Company during the Relevant Period on an equal access scheme as defined in Section 76C of the Companies Act, and an “Off-Market Purchase” shall be construed according
“Offeree Shareholders”	:	Shareholders holding Shares at the time of an offer of Shares Purchase, and an “Offeree Shareholder” shall be construed accordingly
“Relevant Period”	:	The period commencing from the date the Share Purchase Mandate is conferred by the Company in general meeting and expiring on the earlier of (i) the date the next AGM of the Company is held or is required by law to be held, (ii) the date on which the Share Purchases pursuant to the Share Purchase Mandate have been carried out to the full extent mandated, or (iii) the date the said mandate is revoked or varied by the Company in general meeting
“Required Price”	:	In relation to the offer required to be made under the provisions of Rule 14.1 of the Takeover Code, the offer shall be in cash or be accompanied by a cash alternative at a price in accordance with Rule 14.3 of the Takeover Code which is the highest price paid by the offerors and/or person(s) acting in concert with them for the Company’s Shares (i) during the offer period and within the preceding six (6) months, (ii) acquired through the exercise of instruments convertible into securities which carry voting rights within six (6) months of the offer and during the offer period, or (iii) acquired through the exercise of rights to subscribe for, and options in respect of, securities which carry voting rights within six (6) months of the offer or during the offer period; or at such price as determined by the Council under Rule 14.3 of the Takeover Code
“Securities and Futures Act”	:	Securities and Futures Act 2001 of Singapore, as amended or modified from time to time
“SGM”	:	Special general meeting of the Company
“SGX-ST”	:	Singapore Exchange Securities Trading Limited

“Shareholders”	:	Registered holders of Shares in the Register of Members maintained by the Company, except that where the registered holder is CDP, the term “Shareholders” shall, where the context admits, mean the Depositors in the Depository Register maintained by CDP and to whose Securities Accounts are credited with Shares
“Shares”	:	Shares of US\$0.04 each in the capital of the Company
“Share Purchase Mandate”	:	The general mandate to be granted by the Shareholders to authorise the Directors to make Share Purchases within the Relevant Period of up to ten per cent. (10%) of the issued ordinary share capital of the Company (ascertained as at the Approval Date) at the price of up to but not exceeding the Maximum Price, in accordance with the terms of this Appendix and subject to compliance with the Bermuda Companies Act and the rules and regulations of the SGX-ST, the renewal of which is subject to the approval of the Shareholders at the 2024 AGM
“Share Purchases”	:	Off-Market Purchases or Market Purchases undertaken by the Company during the Relevant Period and a “Shares Purchase” shall be construed accordingly
“Subsidiaries”	:	The subsidiaries of a company (as defined in Section 5 of the Companies Act) and “Subsidiary” shall be construed accordingly
“Substantial Shareholder”	:	A person who has an interest in not less than five per cent. (5%) of the total votes attached to all the voting shares of a company
“Takeover Code”	:	The Singapore Code on Take-overs and Mergers
“Treasury Shares”	:	The issued Shares of the Company which were purchased by the Company and held by the Company in accordance with the applicable provisions of the Companies Act and the Bermuda Companies Act
“S\$”	:	Singapore dollars
“US\$” or “US cents”	:	US dollars and cents respectively
“%” or “per cent.”	:	Per centum or percentage

The expressions “our”, “ourselves”, “us”, “we” or other grammatical variations thereof shall, unless otherwise stated, mean our Company and our Subsidiaries.

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the same meanings ascribed to them respectively by Section 81SF of the Securities and Futures Act.

The term “subsidiary holdings” shall have the meaning given to it in the Listing Manual.

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 Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined in the Securities and Futures Act, the Companies Act, the Bermuda Companies Act or any statutory modifications thereof and used in this Appendix shall, where applicable, have the same meaning assigned to it under the Securities and Futures Act, the Companies Act, the Bermuda Companies Act or statutory modifications as the case may be.

Any reference to a time of day in this Appendix will be a reference to Singapore time, unless otherwise stated.

Unless otherwise indicated, certain U.S. dollar amounts in this Appendix have been translated into Singapore dollars and *vice versa*, based on the exchange rate of US\$1.00 = S\$1.3452 (rounded to 4 decimal places), obtained from the Monetary Authority of Singapore on Latest Practicable Date.

Any discrepancies in the tables included in this Appendix between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown in certain tables in this Appendix might not add up to the figures shown as totals.

LETTER TO SHAREHOLDERS

CDW HOLDING LIMITED

(Incorporated in Bermuda)
(Bermuda Company Registration Number: 35127)

Directors:

Mr. KATO Tomonori (Chairman and Chief Executive Officer)
Mr. CHEUNG Chi Ming (Executive Director and Chief Financial Officer)
Mr. CHIA Seng Hee (Lead Independent Director)
Mr. YAP Tong Teck (Independent Director)
Mr. ENDO Mamoru (Independent Director)

Registered Office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

5 April 2024

To: The Shareholders of CDW Holding Limited

THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

Dear Shareholder,

1. INTRODUCTION

- 1.1 At the SGM held on 14 December 2023, the Company had obtained, amongst other resolutions, Shareholders' approval for the adoption of the Share Purchase Mandate (the "**2023 Mandate**"). The authority conferred on the Directors by the 2023 Mandate will expire on the date of the 2024 AGM.
- 1.2 Accordingly, the Directors wish to seek the approval of the Shareholders at the 2024 AGM for the proposed renewal of the Share Purchase Mandate, which shall be on the same or substantially the same terms as the 2023 Mandate.
- 1.3 The Share Purchase Mandate authorises the Directors to make Share Purchases from time to time within the Relevant Period, of up to ten per cent. (10%) of the issued Shares of the Company (ascertained as at the date of the annual general meeting) at the price of up to but not exceeding the Maximum Price. Any Shares which are held as Treasury Shares or subsidiary holdings (as defined in the Listing Manual of the SGX-ST) shall be disregarded for the purposes of computing the ten per cent. (10%) limit.
- 1.4 Any purchase of Shares by the Company will have to be made in accordance with, and in the manner prescribed by, the Bermuda Companies Act, the Listing Manual, and such other laws and regulations as may for the time being be applicable.

2. RATIONALE FOR THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

- 2.1 The proposed Share Purchase Mandate will provide the Directors with the flexibility to undertake purchases or acquisitions of the Company's issued Shares during the period when the Share Purchase Mandate is in force. The purchase or acquisition of Shares may, depending on market conditions and funding arrangements at the time, allow the Directors to better manage the Company's capital with a view to enhancing the EPS and/or the NAV per Share.
- 2.2 The proposed Share Purchase Mandate will also provide the Company with an expedient and cost-effective mechanism to facilitate the return of surplus cash reserves to the Shareholders, to the extent that the Company has capital and surplus funds which are in excess of its financial needs, taking into account its growth and expansion plans, and as and when the Directors are of the view that this would be in the best interests of the Company and the Shareholders.

- 2.3 The Share Purchase Mandate may be used to purchase existing Shares which may then be held in treasury, and such treasury shares may consequently be transferred for the purposes of or pursuant to the CDW Employee Share Option Scheme 2018 or the CDW Share Performance Scheme 2018.
- 2.4 The Directors will only make a Shares Purchase in compliance with all applicable laws and regulations as and when the circumstances permit and only if the Directors are of the view that such purchases are in the best interests of the Company and the Shareholders and would not have a material adverse effect on the financial position of the Group as a whole or the listing status of the Company.

3. **AUTHORITY AND LIMITS OF THE SHARE PURCHASE MANDATE**

The authority and limitations placed on Share Purchases by the Company under the Share Purchase Mandate, if renewed at the 2024 AGM, are the same or substantially the same as that previously approved by the Shareholders at the SGM held on 14 December 2023 and are summarised below:

3.1 Maximum Number of Shares

The total number of Shares which can be purchased pursuant to the Share Purchase Mandate is such number of Shares which represents up to a maximum of ten per cent. (10%) of the total number of issued shares in the capital of the Company as at the date of the AGM at which the resolution authorising the adoption of the Share Purchase Mandate is approved ("**Approval Date**"), whichever is the later, during the Relevant Period.

Treasury Shares and subsidiary holdings (as defined in the Listing Manual) shall be disregarded for the purposes of computing the ten per cent. (10%) limit.

3.2 Duration of Authority

A general mandate authorising the purchase of Shares by the Company representing up to ten per cent. (10%) of the Company's issued ordinary share capital will expire on the earlier of:

- (a) the conclusion of the next AGM of the Company;
- (b) the date by which the next AGM of the Company is required by law to be held; or
- (c) the time when such mandate is revoked or varied by an Ordinary Resolution of the Shareholders of the Company in general meeting.

The authority conferred on the Directors by the Share Purchase Mandate to purchase Shares may be renewed at the next AGM of the Company.

3.3 Manner of Purchase or Acquisition of Shares

Share Purchases can be effected by the Company in either one of the following two ways or both:

- (a) by way of Market Purchases of Shares on the SGX-ST, which means a purchase transacted through the SGX-ST's ready market or through one or more duly licensed stock brokers appointed by the Company for the purpose; and/or
- (b) by way of Off-Market Acquisitions on an equal access scheme as defined in Section 76C of the Companies Act.

Under Section 76C of the Companies Act, an equal access scheme must satisfy the following conditions:

- (a) Offer for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of Shares;
- (b) All Offeree Shareholders shall be given a reasonable opportunity to accept any offer made by the Company to purchase their Shares under the Share Purchase Mandate;
- (c) The Company may offer to purchase Shares from time to time under the Share Purchase Mandate subject to the requirement that the terms of any offer to purchase Shares by the Company shall be *pari passu* in respect of all Offeree Shareholders save under the following circumstances:
 - (i) where there are differences in consideration attributable to the fact that an offer relates to Shares with different dividend entitlements;
 - (ii) where there are differences in consideration attributable to the fact that an offer relates to Shares with different amounts remaining unpaid; and
 - (iii) where there are differences in an offer introduced solely to ensure that every Shareholder is left with a whole number of Shares in board lots of 100 Shares after the Share Purchases, in the event that there are Offeree Shareholders holding odd numbers of Shares.

For purchases of Shares made by way of an Off-Market Purchase, the Company shall issue an offer document to all Shareholders. The offer document shall contain, *inter alia*, the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptances;
- (c) the reasons for the proposed Shares Purchase;
- (d) the consequences, if any, of Shares Purchase by the Company that will arise under the Singapore Code on Take-overs and Mergers or any other applicable takeover rules;
- (e) whether the purchase of Shares, if made, would have any effect on the listing of the Company's securities on the Official List of SGX-ST;
- (f) details of any purchase of Shares made by the Company in the previous twelve (12) months whether through Market Purchases or Off-Market Purchases, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases, and
- (g) whether the shares purchased by the Company will be cancelled or kept as Treasury Shares.

3.4 Maximum Purchase Price

The purchase price (excluding ancillary expenses such as related brokerage, commission, applicable goods and services tax, stamp duties and clearance fees) to be paid for a Share will be determined by the Directors. The purchase price to be paid for the Shares as determined by the Directors shall not exceed the following:

- (a) in the case of a Market Purchase, not exceed the sum constituting five per cent. (5%) above the average closing price of the Shares over the period of five (5) Market Days in which transactions in the Shares on the SGX-ST were recorded before the day on which such purchase is made and deemed to be adjusted for any corporate actions occurring after the relevant 5-day period; and

- (b) in the case of an Off-Market Purchase, not exceed the sum constituting five per cent. (5%) above the average closing price of the Shares over the period of five (5) Market Days in which transactions in the Shares on the SGX-ST were recorded immediately preceding the date of the making of the offer by the Company and deemed to be adjusted for any corporate actions occurring after the relevant 5-day period,

(the “**Maximum Price**”).

For the above purposes:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted were recorded, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and

“**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

4. SOURCE OF FUNDS

- 4.1 Under the Bermuda Companies Act, a purchase of shares may only be funded (a) out of the capital paid-up on the shares to be purchased, (b) out of the funds of the company which would otherwise be available for dividend or distribution, or (c) out of the proceeds of a fresh issue of shares made for the purpose of the purchase, and the premium, if any, payable on the purchase (i.e. the amount paid in excess of the nominal value of the shares to be purchased) must be provided for out of the funds of the company which would otherwise be available for dividend or distribution, or out of the company’s share premium account before the shares are purchased.
- 4.2 In purchasing the Shares, the Company may only apply funds legally permitted for such purchase in accordance with its Bye-laws, and the relevant laws and regulations enacted or prescribed by the relevant competent authorities in Bermuda and Singapore. The Company may not purchase its Shares on the Official List of SGX-ST for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the SGX-ST.
- 4.3 The Company intends to use internal resources and/or external borrowings to finance Share Purchases. It is not possible for the Company to realistically calculate or quantify the impact of purchases that may be made pursuant to the proposed Share Purchase Mandate on the NAV and EPS as the resultant effect would depend on factors such as the aggregate number of Shares purchased, the purchase prices paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchases.

5. STATUS OF PURCHASED SHARES UNDER THE PROPOSED SHARE PURCHASE MANDATE

Under the Bermuda Companies Act, the Shares purchased or acquired by the Company shall be treated as cancelled immediately upon purchase or acquisition, unless such Shares are held continuously since they were purchased or acquired by the Company as treasury shares. Upon cancellation of the Shares, the issued share capital of the Company shall be diminished by the nominal value of the Shares purchased or acquired by the Company. The Shares purchased or acquired by the Company shall not be taken as reducing the amount of the Company’s authorised share capital. Under the Bermuda Companies Act, in order for the Company to hold Shares as Treasury Shares, either its memorandum of association or its Bye-laws must permit the Company to acquire and hold Shares as Treasury Shares. The Company is permitted by its Bye-laws to acquire and hold Shares as Treasury Shares.

6. TREASURY SHARES

Under the Bermuda Companies Act, Shares purchased or acquired by the Company may be held as Treasury Shares. Some of the provisions on the Treasury Shares under the Bermuda Companies Act are summarised below:

6.1 Maximum holdings

The Company may not acquire its own Shares to be held as Treasury Shares if, as a result of the acquisition, all of the Company's issued Shares, other than the Shares to be held as Treasury Shares, would be non-voting Shares.

6.2 Voting and other rights

The Company cannot exercise any right in respect of Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings of the Company.

In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distributions of assets to members on a winding up) may be made, to the Company in respect of the Treasury Shares. However, the making of an allotment of Shares as fully paid bonus shares in respect of the Treasury Shares is allowed and any such bonus shares shall be treated for the purposes of the Bermuda Companies Act as if they had been acquired by the Company at the time they were allotted.

6.3 Disposal and cancellation

Where Shares are held as Treasury Shares, the Company may, *inter alia*, at any time: (a) dispose of or transfer all or any of the Shares for cash or other consideration; or (b) cancel all or any of the Shares.

6.4 Purchase or acquisition out of capital or profits

Under the Bermuda Companies Act, purchases or acquisitions of Shares by the Company shall be made in accordance with the requirements thereof and no purchase or acquisition by the Company of its own shares may be effected if, on the date on which the purchase or acquisition is effected, there are reasonable grounds for believing that the Company is, or after the purchase or acquisition would be, unable to pay its liabilities as they become due.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding related brokerage, goods and services tax, stamp duties and clearance fees) will correspondingly reduce the amount available for the declaration and payment of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of the capital paid up thereon, the share premium account or the proceeds of a fresh issue of Shares made for the purpose of the repurchase or acquisition, the amount available for the declaration and payment of cash dividends by the Company will not be reduced.

7. FINANCIAL AND OTHER IMPACT ARISING FROM THE SHARE PURCHASE MANDATE

The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, *inter alia*, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for FY2023, are based on the following principal assumptions:

- (a) the acquisition of Shares pursuant to the proposed Share Purchase Mandate had taken place on 1 January 2023 for the purpose of computing the financial effects on the EPS of the Group;
- (b) the acquisition of Shares pursuant to the proposed Share Purchase Mandate had been effected on 31 December 2023 for the purpose of computing the financial effects on the shareholders' equity, NTA per share and gearing of the Group and the Company; and

- (c) transaction costs incurred for the acquisition of Shares pursuant to the proposed Share Purchase Mandate are assumed to be insignificant and have been ignored for the purpose of computing the financial effects.

7.1 Information as at the Latest Practicable Date

As at the Latest Practicable Date, the Company's issued and fully paid up share capital is US\$10,087,084 represented by 252,177,110 Shares (which includes 26,689,702 Shares held as Treasury Shares). The maximum number of Share Purchases that can be made within the Relevant Period is up to ten per cent. (10%) of the issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company (ascertained as at the Approval Date).

For illustrative purposes only, as the Company has 225,487,408 Shares (excluding 26,689,702 Treasury Shares) as at the Latest Practicable Date, not more than 22,548,700 Shares (representing approximately ten per cent. (10%) of the issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the Approval Date) may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

No Shares are reserved for issue by the Company and there are no subsidiary holdings as at the Latest Practicable Date.

7.2 Financial effects

For illustrative purposes only, and on the basis of the assumptions set out below, the financial effects of the:

- (a) acquisition of Shares by the Company pursuant to the proposed Share Purchase Mandate by way of purchases made entirely out of capital and the share premium account of the Company and held as Treasury Shares;
- (b) acquisition of Shares by the Company pursuant to the proposed Share Purchase Mandate by way of purchases made entirely out of capital and the share premium account of the Company and cancelled;
- (c) acquisition of Shares by the Company pursuant to the proposed Share Purchase Mandate by way of purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and held as Treasury Shares; and
- (d) acquisition of Shares by the Company pursuant to the proposed Share Purchase Mandate by way of purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and cancelled,

on the audited financial statements of the Group and the Company for FY2023 are set out below.

(a) *Purchases made entirely out of capital and the share premium account and held as Treasury Shares*

Market Purchases

For illustrative purposes only, assuming that the Maximum Price is S\$0.191 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 22,548,700 Shares (representing approximately ten per cent. (10%) of the total issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the Latest Practicable Date) under and during the duration of the proposed Share Purchase Mandate, is approximately S\$4,307,000 (equivalent to approximately US\$3,202,000).

On these assumptions, the impact of the Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023 is as follows:

	Group		Company	
	Before Share Purchases US\$'000	After Share Purchases US\$'000	Before Share Purchases US\$'000	After Share Purchases US\$'000
<u>As at 31 December 2023</u>				
Share Capital	10,087	10,087	10,087	10,087
Share Premium	18,994	18,994	18,994	18,994
Retained Earnings	32,540	32,438	2,352	2,352
Shareholders' Equity	54,656	51,352	27,167	23,965
NTA ⁽¹⁾	38,400	35,096	27,167	23,965
Current Assets	72,816	69,512	138	138
Current Liabilities	39,741	39,741	132	132
Working Capital	33,075	29,771	6	6
Total Liabilities	42,554	42,554	132	132
Number of Shares ('000) ⁽²⁾	225,487	202,938	225,487	202,938
Financial Ratios:				
NTA per Share, US cents ⁽³⁾	17.03	17.29	12.05	11.81
Basic EPS, US cents ⁽⁴⁾	(0.48)	(0.53)	N/A	N/A
Gearing ⁽⁵⁾	0.18	0.19	N/A	N/A
Current Ratio ⁽⁶⁾	1.83	1.75	1.05	1.05

Notes:

- (1) NTA equals total assets less the sum of total liabilities and intangible assets.
- (2) Number of Shares outstanding excludes Treasury Shares and subsidiary holdings. In any event, Treasury Shares and subsidiary holdings are not entitled to any dividends and any right to attend or vote at meetings of the Company.
- (3) NTA per Share equals to NTA divided by the number of Shares outstanding as at 31 December 2023.
- (4) Basic EPS equals profit/(loss) attributable to shareholders divided by the weighted average number of Shares outstanding during the year ended 31 December 2023 before and after the Shares Purchase.
- (5) Gearing equals total bank borrowings and obligation under finance leases for the Group and the Company respectively, divided by shareholders' equity.
- (6) Current ratio equals current assets divided by current liabilities.

Off-Market Purchases

For illustrative purposes only, assuming that the Maximum Price is S\$0.191 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 22,548,700 Shares (representing approximately ten per cent. (10%) of the total issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the Latest Practicable Date) under and during the duration of the proposed Share Purchase Mandate, is approximately S\$4,307,000 (equivalent to approximately US\$3,202,000).

On these assumptions, the impact of the Off-Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023 will be the same as those presented for the impact of Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023, as stated above under the paragraph entitled "Purchases made entirely out of capital and the share premium account and held as Treasury Shares".

(b) Purchases made entirely out of capital and the share premium account and cancelled

The cancellation of any Shares pursuant to a Shares Purchase will reduce the issued share capital of the Company by the nominal value of the Shares purchased and the share premium account will be reduced by an amount being the consideration for the purchase of the Shares less the aggregate nominal value of such Shares. No reduction is made to the Company's authorised share capital. The NTA of the Company and the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

Market Purchases

For illustrative purposes only, assuming that the Maximum Price is S\$0.191 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 22,548,700 Shares (representing approximately ten per cent. (10%) of the total issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the Latest Practicable Date) under and during the duration of the proposed Share Purchase Mandate, is approximately S\$4,307,000 (equivalent to approximately US\$3,202,000).

On these assumptions, the impact of the Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023 is as follows:

	Group		Company	
	Before Share Purchases US\$'000	After Share Purchases US\$'000	Before Share Purchases US\$'000	After Share Purchases US\$'000
<u>As at 31 December 2023</u>				
Share Capital	10,087	9,185	10,087	9,185
Share Premium	18,994	16,694	18,994	16,694
Retained Earnings	32,540	32,438	2,352	2,352
Shareholders' Equity	54,656	51,352	27,167	23,965
NTA ⁽¹⁾	38,400	35,096	27,167	23,965
Current Assets	72,816	69,512	138	138
Current Liabilities	39,741	39,741	132	132
Working Capital	33,075	29,771	6	6
Total Liabilities	42,554	42,554	132	132
Number of Shares ('000) ⁽²⁾	225,487	202,938	225,487	202,938
Financial Ratios:				
NTA per Share, US cents ⁽³⁾	17.03	17.29	12.05	11.81
Basic EPS, US cents ⁽⁴⁾	(0.48)	(0.53)	N/A	N/A
Gearing ⁽⁵⁾	0.18	0.19	N/A	N/A
Current Ratio ⁽⁶⁾	1.83	1.75	1.05	1.05

Notes:

- (1) NTA equals total assets less the sum of total liabilities and intangible assets.
- (2) Number of Shares outstanding excludes Treasury Shares and subsidiary holdings. In any event, Treasury Shares and subsidiary holdings are not entitled to any dividends and any right to attend or vote at meetings of the Company.
- (3) NTA per Share equals to NTA divided by the number of Shares outstanding as at 31 December 2023.
- (4) Basic EPS equals to profit/(loss) attributable to shareholders divided by the weighted average number of Shares outstanding during the year ended 31 December 2023 before and after the Share Purchases.
- (5) Gearing equals total bank borrowings and obligation under finance leases for the Group and the Company respectively, divided by shareholders' equity.
- (6) Current ratio equals current assets divided by current liabilities.

Off-Market Purchases

For illustrative purposes only, assuming that the Maximum Price is S\$0.191 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 22,548,700 Shares (representing approximately ten per cent. (10%) of the total issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the proposed Share Purchase Mandate, is approximately S\$4,307,000 (equivalent to approximately US\$3,202,000).

On these assumptions, the impact of the Off-Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023 will be the same as those presented for the impact of Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023, as stated above under the paragraph entitled "Purchases made entirely out of capital and the share premium account and cancelled".

(c) *Purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and held as Treasury Shares*

Market Purchases

For illustrative purposes only, assuming that the Maximum Price is S\$0.191 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 22,548,700 Shares (representing approximately ten per cent. (10%) of the total issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the proposed Share Purchase Mandate, is approximately S\$4,307,000 (equivalent to approximately US\$3,202,000).

On these assumptions, the impact of the Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023 is as follows:

	Group		Company	
	Before Share Purchases US\$'000	After Share Purchases US\$'000	Before Share Purchases US\$'000	After Share Purchases US\$'000
<u>As at 31 December 2023</u>				
Share Capital	10,087	10,087	10,087	10,087
Share Premium	18,994	18,994	18,994	18,994
Retained Earnings	32,540	32,438	2,352	2,352
Shareholders' Equity	54,656	51,352	27,167	23,965
NTA ⁽¹⁾	38,400	35,096	27,167	23,965
Current Assets	72,816	69,512	138	138
Current Liabilities	39,741	39,741	132	132
Working Capital	33,075	29,771	6	6
Total Liabilities	42,554	42,554	132	132
Number of Shares ('000) ⁽²⁾	225,487	202,938	225,487	202,938
Financial Ratios:				
NTA per Share, US cents ⁽³⁾	17.03	17.29	12.05	11.81
Basic EPS, US cents ⁽⁴⁾	(0.48)	(0.53)	N/A	N/A
Gearing ⁽⁵⁾	0.18	0.19	N/A	N/A
Current Ratio ⁽⁶⁾	1.83	1.75	1.05	1.05

Notes:

- (1) NTA equals total assets less the sum of total liabilities and intangible assets.
- (2) Number of Shares outstanding excludes Treasury Shares and subsidiary holdings. In any event, Treasury Shares and subsidiary holdings are not entitled to any dividends and any right to attend or vote at meetings of the Company.
- (3) NTA per Share equals to NTA divided by the number of Shares outstanding as at 31 December 2023.
- (4) Basic EPS equals to profit/(loss) attributable to shareholders divided by the weighted average number of Shares outstanding during the year ended 31 December 2023 before and after the Share Purchases.
- (5) Gearing equals total bank borrowings and obligation under finance leases for the Group and the Company respectively, divided by shareholders' equity.
- (6) Current ratio equals current assets divided by current liabilities.

Off-Market Purchases

For illustrative purposes only, assuming that the Maximum Price is S\$0.191 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 22,548,700 Shares (representing approximately ten per cent. (10%) of the total issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the proposed Share Purchase Mandate, is approximately S\$4,307,000 (equivalent to approximately US\$3,202,000).

On these assumptions, the impact of the Off-Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023 will be the same as those presented for the impact of Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023, as stated above under the paragraph entitled "Purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and held as Treasury Shares".

(d) *Purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and cancelled*

The cancellation of any Shares pursuant to a Shares Purchase will reduce the issued share capital of the Company by the nominal value of the Shares purchased. The retained earnings of the Company will be reduced by an amount being the consideration for the purchase of the Shares less the aggregate nominal value of such Shares. Any deficit in the Company's retained earnings as a consequence of this reduction will be removed by the declaration of dividends by the Subsidiaries to the Company. No reduction is made to the Company's authorised share capital. The NTA of the Company and the Group will be reduced by the aggregate purchase price paid by the Company for the Shares.

Market Purchases

For illustrative purposes only, assuming that the Maximum Price is S\$0.191 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 22,548,700 Shares (representing approximately ten per cent. (10%) of the total issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the proposed Share Purchase Mandate, is approximately S\$4,307,000 (equivalent to approximately US\$3,202,000).

On these assumptions, the impact of the Share Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023 is as follows:

	Group		Company	
	Before Share Purchases US\$'000	After Share Purchases US\$'000	Before Share Purchases US\$'000	After Share Purchases US\$'000
<u>As at 31 December 2023</u>				
Share Capital	10,087	10,087	10,087	10,087
Share Premium	18,994	18,994	18,994	18,994
Retained Earnings	32,540	29,236	2,352	(850)
Shareholders' Equity	54,656	51,352	27,167	23,965
NTA ⁽¹⁾	38,400	35,096	27,167	23,965
Current Assets	72,816	69,512	138	138
Current Liabilities	39,741	39,741	132	132
Working Capital	33,075	29,771	6	6
Total Liabilities	42,554	42,554	132	132
Number of Shares ('000) ⁽²⁾	225,487	202,938	225,487	202,938
Financial Ratios:				
NTA per Share, US cents ⁽³⁾	17.03	17.29	12.05	11.81
Basic EPS, US cents ⁽⁴⁾	(0.48)	(0.53)	N/A	N/A
Gearing ⁽⁵⁾	0.18	0.19	N/A	N/A
Current Ratio ⁽⁶⁾	1.83	1.75	1.05	1.05

Notes:

- (1) NTA equals total assets less the sum of total liabilities and intangible assets.
- (2) Number of Shares outstanding excludes Treasury Shares and subsidiary holdings. In any event, Treasury Shares and subsidiary holdings are not entitled to any dividends and any right to attend or vote at meetings of the Company.
- (3) NTA per Share equals to NTA divided by the number of Shares outstanding as at 31 December 2023.
- (4) Basic EPS equals to profit/(loss) attributable to shareholders divided by the weighted average number of Shares outstanding during the year ended 31 December 2023 before and after the Share Purchases.
- (5) Gearing equals total bank borrowings and obligation under finance leases for the Group and the Company respectively, divided by shareholders' equity.
- (6) Current ratio equals current assets divided by current liabilities.

Off-Market Purchases

For illustrative purposes only, assuming that the Maximum Price is S\$0.191 which is five per cent. (5%) above the average of the closing market prices of a Share over the last five (5) Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date, the maximum amount of funds required for the purchase of up to 22,548,700 Shares (representing approximately ten per cent. (10%) of the total issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as at the Latest Practicable Date, which is the maximum number of Shares the Company is allowed to purchase) under and during the duration of the proposed Share Purchase Mandate, is approximately S\$4,307,000 (equivalent to approximately US\$3,202,000).

On these assumptions, the impact of the Off-Market Purchases by the Company undertaken in accordance with the proposed Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023 will be the same as those presented for the impact of Market Purchases by the Company undertaken in accordance with the proposed

Share Purchase Mandate on the Company's and the Group's audited financial statements for FY2023, as stated above under the paragraph entitled "Purchases made entirely out of funds of the Company which would otherwise be available for dividends or distributions and cancelled".

- 7.3 As at 31 December 2023, the Group and the Company had cash and bank balances of US\$27,398,000. In order to effect a purchase of up to 22,548,700 Shares at the Maximum Price computed at the Latest Practicable Date, whether by way of Market Purchases or Off-Market Purchases, cash reserves by the Company of approximately US\$3,202,000 will be required.
- 7.4 For illustrative purposes, it is assumed that the Company demands the repayment of approximately US\$3,202,000 from its related corporations to finance purchases of its Shares. The Company may, however, when making Share Purchases pursuant to the proposed Share Purchase Mandate, whether by way of Market Purchases or Off-Market Purchases, use internal resources and/or external borrowings to finance the purchases.
- 7.5 As illustrated above, the purchase of Shares will have the effect of reducing the working capital and the NTA of the Company and/or the Group by the dollar value of the Shares purchased and interest income foregone as mentioned in paragraph 7.6 below. The consolidated NTA per Share as at 31 December 2023 will increase from 17.03 US cents to 17.29 US cents as a result of the reduction in the number of issued Shares after the Share Purchases.
- 7.6 Assuming that the Share Purchases had taken place on 1 January 2023, whether by way of Market Purchases or Off-Market Purchases, the consolidated basic EPS of the Group for FY2023 would be increased from the loss of 0.48 US cents per Share to the loss of 0.53 US cents per Share as a result of the reduction in the number of issued Shares, after taking into account interest income foregone (based on an interest rate of 3.2% per annum, being the prevailing bank fixed deposits 12-month interest rate in Singapore). The Company's non-current assets will decrease from US\$27,161,000 to US\$23,959,000 as it is assumed that the Company will demand the repayment from its subsidiaries of the debts owed to the Company to finance the purchases of its Shares while its current assets and current liabilities will remain unchanged after the purchase at the Maximum Price in a Market Purchase. The Group's current assets will decrease from US\$72,816,000 to US\$69,512,000 after the Share Purchases.
- 7.7 As the Share Purchases will reduce the cash reserves of the Group, there will be a corresponding reduction in the current assets and the Shareholders' equity of the Group. The current ratios of the Group and the Company will decline. The actual impact on the current ratios will depend on the number of Shares purchased and the prices at which the Shares were purchased.
- 7.8 **Shareholders should note that the financial effects set out above, based on the respective aforementioned assumptions, are for illustration purposes only. In particular, it is important to note that the above analysis is based on historical audited FY2023 numbers, and is not necessarily representative of future financial performance.**
- 7.9 The Company will take into account both financial factors (for example, cash surplus, debt position and working capital requirement) and non-financial factors (for example, share market conditions and the performance of the shares) in assessing the relative impact of a Shares Purchase before execution.
- 7.10 Share Purchases by the Company pursuant to the proposed Share Purchase Mandate will only be made in circumstances where it is considered to be in the best interests of the Company. It should be noted that purchases pursuant to the proposed Share Purchase Mandate may not be carried out to the full ten per cent. (10%) as mandated. Further, the Directors do not propose to exercise the proposed Share Purchase Mandate to such an extent as would have a material adverse effect on the working capital requirements of the Company or the gearing levels which, in the opinion of the Directors, are from time to time appropriate for the Company.

8. TAX IMPLICATIONS

Shareholders who are in doubt as to their respective tax positions or any tax implications, or who may be subject to tax in a jurisdiction outside Singapore, should consult their own professional advisers.

9. TAKEOVER CONSEQUENCES

9.1 Requirement to make General Offer

Under Appendix 2 of the Takeover Code, an increase of a Shareholder's proportionate interest in the voting rights of the Company resulting from a Shares Purchase by the Company will be treated as an acquisition for the purpose of Rule 14 of the Takeover Code. Rule 14.1 of the Takeover Code requires, *inter alia*, that, except with the consent of the Council, where:

- (a) any person acquires, whether by a series of transactions over a period of time or not, shares which (taken together with shares held or acquired by persons acting in concert with him) carry thirty per cent. (30%) or more of the voting rights of a company; or
- (b) any person who, together with persons acting in concert with him, holds not less than thirty per cent. (30%) but not more than fifty per cent. (50%) of the voting rights and such person, or any person acting in concert with him, acquires in any period of six (6) months additional shares carrying more than one per cent. (1%) of the voting rights,

such person shall extend immediately an offer in accordance with the provisions of the Takeover Code to the holders of any class of share capital which carries votes and in which such person or persons acting in concert with him hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

The offer required to be made under the provisions of Rule 14.1 of the Takeover Code shall, in respect of each class of share capital involved, be in cash or be accompanied by a cash alternative at the Required Price.

9.2 Application of the Takeover Code

As at the Latest Practicable Date, the Directors' and Substantial Shareholders' shareholding interests in the Company are as follows:

Name	Direct Interest		Deemed Interest		Options to subscribe for new shares
	Number of Shares	%	Number of Shares	%	
<u>Directors</u>					
Mr. KATO Tomonori	–	–	–	–	1,000,000
Mr. CHEUNG Chi Ming	–	–	–	–	–
Mr. CHIA Seng Hee	500	0.00	–	–	–
Mr. YAP Tong Teck	–	–	–	–	–
Mr. ENDO Mamoru	–	–	–	–	–
<u>Directors of Subsidiary Companies</u>					
Mr. YOSHIKAWA Makoto	500,000	0.22	–	–	1,500,000
Mr. IMAI Junya	1,000,000	0.44	–	–	–
<u>Substantial Shareholders</u>					
Mikuni Co., Limited	110,270,850	48.90	–	–	–
Mr. YOSHIMI Kunikazu ⁽¹⁾	–	–	110,270,850	48.90	–

Note:

- (1) Mr. Yoshimi Kunikazu is deemed interested in the Shares held by Mikuni Co., Limited by virtue of his 100% shareholdings in Mikuni Co., Limited.

Mr. Yoshimi Kunikazu, a Substantial Shareholder of the Company, owns the entire issued and paid-up share capital of Mikuni Co., Limited, which is also a Substantial Shareholder of the Company. Based on the shareholdings of Mikuni Co., Limited and Mr. Yoshimi Kunikazu in the Company (as shown above), as at the Latest Practicable Date, they collectively own more than thirty per cent. (30%) but less than fifty per cent. (50%) of the voting rights of the Company. In the event the Company undertakes Share Purchases of up to ten per cent. (10%) of the issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as permitted by the proposed Share Purchase Mandate, the shareholdings of Mikuni Co., Limited and Mr. Yoshimi Kunikazu could increase by more than one per cent (1%) in any period of six (6) months.

Under Section 2 of Appendix 2 of the Takeover Code, a Shareholder who is not acting in concert with the Directors of the Company will not be required to make an offer under Rule 14 of the Takeover Code if, as a result of a Shares Purchase by the Company, the voting rights of such Shareholder in the Company would increase by more than one per cent. (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate. The Directors are not aware of Mikuni Co., Limited and Mr. Yoshimi Kunikazu acting in concert with any of the Directors of the Company. Accordingly, Mikuni Co., Limited and Mr. Yoshimi Kunikazu are not required under the Takeover Code to make a mandatory offer.

Based on the respective individual shareholding of our Director, namely Mr. Chia Seng Hee, as set out in this paragraph 9.2 above, in the event that the Company undertakes Share Purchases of up to ten per cent. (10%) of the issued share capital (excluding Treasury Shares and subsidiary holdings) of the Company as permitted by the proposed Share Purchase Mandate, none of the resultant shareholdings of our other Directors will increase to thirty per cent. (30%) or more. Accordingly, no mandatory offer is required to be made pursuant to the Takeover Code.

The Directors are not aware of any other Shareholder or group of Shareholders acting in concert, who may become obligated to make a mandatory offer in the event that the Directors exercise the power to make Share Purchases pursuant to the proposed Share Purchase Mandate.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory takeover offer under the Takeover Code as a result of Share Purchases by the Company are advised to consult their professional advisers and/or the Council and/or other relevant authorities at the earliest opportunity.

9.3 Shares bought by the Company in the previous twelve (12) months.

The Company did not make any purchases of Shares in the twelve (12) months preceding the Latest Practicable Date.

10. **OTHER OBLIGATIONS UNDER LISTING MANUAL**

10.1 Listing Status on the SGX-ST

The Directors will ensure that the Share Purchases will not have any effect on the listing of the Company's securities including the Shares listed on the SGX-ST. Rule 723 of the Listing Manual requires at least ten per cent. (10%) of any class of a company's listed securities to be held by the public at all times. The Directors shall safeguard the interests of public Shareholders before undertaking any Shares Purchase. Before exercising the proposed Share Purchase Mandate, the Directors shall at all times take due cognisance of (a) the then shareholding spread of the Company in respect of the number of Shares held by Substantial Shareholders and by non-Substantial Shareholders and (b) the volume of trading on the SGX-ST in respect of the Shares immediately before the exercise of any Shares Purchase.

As at the Latest Practicable Date, 113,716,058 Shares constituting approximately 50.43% of a total of 225,487,408 Shares issued by the Company (excluding Treasury Shares and subsidiary holdings) are held by the public. The Company is of the view that there is sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake Share

Purchases of up to ten per cent. (10%) of its issued ordinary share capital within the Relevant Period without affecting the listing status of the Shares on the SGX-ST. The Company will ensure that notwithstanding the Share Purchases, a sufficient float in the hands of the public will be maintained in order not to cause market illiquidity or affect orderly trade.

10.2 'Blackout' Period

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price or trade sensitive development has occurred or has been the subject of a decision until the price or trade sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Ordinary Shares through Market Purchases during the period of one month immediately preceding the announcement of the Company's half-year or full-year financial statements (as the case may be).

11. **LIMITS ON SHAREHOLDINGS**

The Company does not have any limits on the shareholdings of any Shareholder.

12. **ACTION TO BE TAKEN BY SHAREHOLDERS AND DEPOSITORS**

Shareholders who are unable to attend the 2024 AGM and who wish to appoint a proxy to attend and vote at the 2024 AGM on their behalf should complete, sign and return the proxy form despatched to the Shareholders together with this Appendix in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the office of the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 no later than seventy-two (72) hours before the time fixed for the 2024 AGM. The completion and return of the proxy form by such Shareholder will not prevent him from attending the 2024 AGM and voting in person in place of his proxy should he subsequently wish to do so. Only Shareholders whose names are entered on the Register of Members of the Company and who are entitled to attend and vote at a general meeting of the Company will receive a proxy form with this Appendix. A proxy need not be a Shareholder of the Company.

Under the Bermuda Companies Act, only a person whose name is entered in the register of members of a Bermuda company may have rights to attend and vote at general meetings of such company. Accordingly, under Bermuda laws, a Depositor holding Shares through the CDP would not be recognised as a Shareholder of the Company, and would not have the right to attend and vote at general meetings convened by the Company. Pursuant to Bye-law 85(B) of the Bye-laws of the Company, the CDP shall be deemed to have appointed as the CDP's proxies to vote on behalf of the CDP at a general meeting of the Company each of the Depositors who are individuals and whose names are shown in the records of the CDP (as at a time not earlier than seventy-two (72) hours prior to the time of the general meeting) supplied by the CDP to the Company. In addition, such appointment of proxies shall not require an instrument of proxy or the lodgement of any instrument of proxy.

Accordingly, Depositors who are individuals and whose names are listed in the Depository Register as at seventy-two (72) hours before the time of the 2024 AGM may attend and vote at the 2024 AGM.

A Depositor which is a corporation and which wishes to attend and vote at the 2024 AGM must complete and return the enclosed Depositor Proxy Form, for the nomination of person(s) to attend and vote at the 2024 AGM on behalf of CDP. Depositors who are individuals and who wish to nominate an alternative person(s) to attend and vote at the 2024 AGM on behalf of CDP must also complete and return the enclosed Depositor Proxy Form.

To be valid, the enclosed Proxy Form or Depositor Proxy Form (as the case may be) must be signed and returned, together with the power of attorney or other authority, if any, under which it is signed, or a notarial certified copy of such power or authority, in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach one of the places specified in the Proxy Form or Depositor Proxy Form (as the case may be) not less than seventy-two (72) hours before the time appointed for holding the 2024 AGM. The completion and return of the Proxy Form or Depositor Proxy Form (as the case may be) by a Shareholder or Depositor who is an individual (as the case may be) will not prevent him from attending and voting in person at the 2024 AGM as a Shareholder or as a proxy of CDP (as the case may be) if he subsequently wishes to do so.

13. DIRECTORS' RECOMMENDATION

The Directors, having considered the rationale and benefit of the proposed renewal of the Share Purchase Mandate, are of the view that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company and recommend that Shareholders vote in favour of the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Purchase Mandate, the issuer and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in the Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

15. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Singapore Share Transfer Agent of the Company, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 during normal business hours from the date of this Appendix up to and including the date of the 2024 AGM:

- (a) the Bye-laws of the Company; and
- (b) the annual report of the Company for the financial period ended 31 December 2023.

Yours faithfully
For and on behalf of the Board of Directors of
CDW HOLDING LIMITED

CHEUNG Chi Ming
Executive Director

