ASIATIC GROUP (HOLDINGS) LIMITED

(Company Registration No. 200209290R)

(Incorporated in the Republic of Singapore)

RESPONSE TO QUESTIONS RECEIVED FROM
THE SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

The Board of Directors ("**Board**") of Asiatic Group (Holdings) Limited (the "**Company**", together with its subsidiaries, collectively the "**Group**") would like to provide the following information in response to questions raised by the Securities Investors Association (Singapore) ("**SIAS**").

SIAS's Question 1:

For the financial year ended 31 March 2026, the group recognised a total loss attributable to shareholders of $(29.9) million. The loss was primarily due to the planned divestment of the Cambodian energy business under Colben Energy (Cambodia) PPSEZ Limited pursuant to a settlement agreement with its joint venture partner, resulting in a loss of $(29.1) million.

28 Segments information (Cont'd)

(a) Business segment (Cont'd)

The Group	Note	Continuing operations: Fire Protection Solutions 2026 $'000	Continuing operations: Fire Protection Solutions 2025 $'000	Continuing operations: Energy Services 2026 $'000	Continuing operations: Energy Services 2025 $'000 (Re-presented)	Discontinued operations: Energy Services 2026 $'000	Discontinued operations: Energy Services 2025 $'000
Revenue	A	**21,050**	22,017	**–**	–	**22,124**	21,394
Results:							
Other income	B	**60**	140	**3**	1,119	**58**	107
Depreciation of property, plant and equipment		**(446)**	(453)	**(2)**	–	**(1,202)**	(1,312)
Depreciation of right-of-use assets		**(296)**	(278)	**–**	–	**–**	–
Impairment of goodwill		**–**	–	**–**	(175)	**–**	–
Impairment of property, plant and equipment		**–**	–	**–**	–	**(1,247)**	(868)
Impairment loss recognised on the remeasurement to fair value less costs to sell		**–**	–	**–**	–	**(29,063)**	–
Reversal of/(impairment of) financial assets		**2**	(13)	**–**	(1)	**–**	–
Finance costs	B, C	**(118)**	(158)	**(635)**	(885)	**–**	–
Write off of trade and other payables		**–**	–	**–**	1,116	**–**	–
Segment profit/(loss)	B	**1,698**	3,301	**(1,270)**	(381)	**(29,424)**	385
Assets:							
Additions to property, plant and equipment		**43**	200	**–**	147	**2**	–
Additions to right-of-use assets		**201**	631	**–**	–	**–**	–
Segment assets	D	**28,366**	37,440	**22,277**	38,338	**7,320**	–
Segment liabilities	E	**18,792**	18,371	**56,836**	58,317	**3,319**	–

(Source: company annual report; emphasis added)

While management has stated that the group will be exiting the energy business, the segment information continues to disclose an energy services continuing operation and a discontinued energy services operation.

(i) Can management clarify whether the group will be exiting the energy business in its entirety? Specifically, after the disposal of the joint venture, what activities, assets or liabilities remain within the group, and what were the factors that contributed to its $(1.27) million segment loss in FY2026?

Company's Response:

As at the date of the audited financial statement for FY2026, the Group still has existing subsidiaries in the energy business. The Group will provide more information on the plans for the energy business as and when appropriate.

The remaining assets and liabilities arise from the existing companies that remain under the energy business segment following the disposal of the joint venture. The segment loss mainly relates to the finance costs and provision for late payment interest to a supplier in Cambodia.

In the fire protection segment, gross margin declined from 50.8% to 48.0%, while segment profit fell from $3.3 million to $1.7 million.

(ii) Other than higher cost of goods sold, can management elaborate on the key factors that contributed to the weaker profitability? Which of these factors are expected to be temporary, and which are likely to be structural? What is management's strategy to improve profitability?

Company's Response:

Please refer to the "Review of performance of the Group" under the section "Other Information Required by Appendix 7C of the Catalist Rules" in the full yearly results announced on 26 May 2026 for details relating to the key factors that contributed to the weaker profitability. The Group will continue to tailor strategies to mitigate the inflationary effect on cost of goods to improve its gross margin.

(iii) What specific initiatives are being undertaken by management to grow the fire protection segment? Which of these initiatives are expected to have the greatest impact on revenue growth and profitability over the next two to three years?

Company's Response:

The Group is currently evaluating various opportunities and will provide more information as and when appropriate.

SIAS's Question 2:

The company is proposing to diversify into the automotive business in Malaysia. In addition, it has signed a non-binding heads of agreement[1] with Karrus Automotive Sdn. Bhd. to acquire the entire issued and fully paid-up share capital of Karrus Mobility Sdn. Bhd.

The target is principally engaged in the business of automotive dealership, including the sale of new motor vehicles, the provision of after-sales services and the distribution of spare parts.

(i) How was this acquisition opportunity introduced to the company? Was it formally sourced by the board, management, the vendor or an intermediary?

Company's Response:

The acquisition opportunity was introduced by a third-party intermediary.

(ii) Prior to identifying this opportunity, had the board defined the automotive sector and Malaysia as strategic priorities for expansion? If not, what led the board to conclude that this acquisition represents an appropriate strategic fit, and what competitive advantages does the group possess that will enable it to succeed in this business?

Company's Response:

Prior to this opportunity, the Board did not single out the automotive sector or Malaysia specifically as an expansion target but has stayed open to opportunities that will be beneficial to the Group.

Following assessment of the opportunity, the Board determined that the proposed diversification into the automotive business will be a strategic move that is expected to

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1 https://links.sgx.com/FileOpen/Asiatic%20-%20HOA%20annmt%20for%20acquisition%20of%20iCaur.ashx?App=Announcement&FileID=892111

improve the Group's business performance and create long-term Shareholder value. The principal rationale for the proposed diversification into the automotive business is set out in Section 3.3 of the Circular to Shareholders announced on SGXNet on 13 July 2026.

The Group is currently carrying out the due diligence process to evaluate the viability of the business and has not yet entered into any binding agreement for acquisition of business in the automotive sector in Malaysia.

(iii) What financial return thresholds, including expected return on invested capital, earnings accretion and payback period, were used to evaluate the transaction?

Company's Response:

The Group is currently carrying out the due diligence process to evaluate the viability of the business and has not yet entered into any binding agreement for acquisition of business in the automotive sector in Malaysia.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2026

		The Group		The Company	
	Note	**2026 $'000**	2025 $'000	**2026 $'000**	2025 $'000
Equity and Liabilities					
Equity					
Share capital	11	**54,815**	54,815	**54,815**	54,815
Accumulated losses		**(66,127)**	(36,424)	**(59,117)**	(40,449)
Foreign currency translation reserve	12	**642**	1,175	–	–
Equity attributable to equity holders of the Company		**(10,670)**	19,566	**(4,302)**	14,366
Non-controlling interests	13	**5,534**	6,177	–	–
Total equity		**(5,136)**	25,743	**(4,302)**	14,366

(Source: company annual report; emphasis added)

After 23 years as a listed company since its listing in April 2003, the company-level accumulated losses now exceed its share capital, resulting in a net liability position of $(4.3) million.

(iv) Can the board provide greater clarity on the investment evaluation process for the proposed acquisition? Specifically, what roles did management and the board each play in originating, evaluating and approving the transaction? Given the group's investment and overseas expansion track record over the past two decades, why does the board

continue to have confidence in management's ability to execute this acquisition successfully?

Company's Response:

The Group is constantly looking for strategic opportunities to expand its business network, maximize shareholder value, and provide the Group with new revenue streams.

The proposed acquisition opportunity was introduced by a third-party intermediary and evaluated by Management, who conducted an initial assessment, including the prospects of the Malaysian automotive market and its alignment with the Group's growth strategy. The findings and considerations were subsequently presented to the Board for its review and deliberation.

The Management and the Board considered the positive prospects in the Malaysian automotive market and is of the view that the proposed acquisition may provide the Group with a suitable entry point into the Malaysian automotive sector. Please refer to Section 3.3 of the Circular to Shareholders announced on SGXNet on 13 July 2026 for more details.

The Group is currently carrying out the due diligence process to evaluate the viability of the business. As at the date of this response, the Group has not entered into any binding agreement for acquisition of business in the automotive sector in Malaysia. The Group will continue to update shareholders on any material developments relating to the proposed acquisition in accordance with the applicable requirements under the Catalist Rules of the SGX-ST.

SIAS's Question 3:

Mr Tan Boon Kheng was appointed to the board on 25 October 2002 and has served as the group managing director since the company's listing.

Mr Tan Boon Kheng will be retiring by rotation and is seeking re-election.

In the director's profile on page 9 of the annual report, it is stated that the director's primary responsibilities include strategic planning and business development, and that the director was instrumental in the group's foray into overseas markets and expansion into the power generation business.

(i) Can the nominating committee (NC) elaborate on the succession plans for directors, in particular, the managing director and key management personnel?

Company's Response:

The NC reviews the succession plans for the Board, including the Managing Director, and key management personnel on a regular basis. In carrying out its review, the NC considers the leadership needs of the Group, the skills, experience and diversity required to support the Group's operations and strategy, as well as the need to ensure an orderly and seamless transition of leadership.

Taking into consideration on the 9-year tenure limit for Independent Director, the NC has been actively identifying and evaluating suitable candidates who can contribute to the Board. The Company is undertaking a progressive Board renewal process to facilitate the orderly refreshment of the Board while ensuring continuity of leadership and for a smooth transition. The NC is satisfied that the current Board composition and leadership structure remain appropriate and effective.

In respect of key management personnel, including the Managing Director, the Group continues to identify talent within the organization, and provide training and development of high-potential employees with the objective of building a sustainable leadership pipeline and ensuring continuity of the Group's operations.

The NC will continue to review succession planning on an ongoing basis to support the Group's long-term growth and sustainability.

(ii) What is the current bench strength of the senior management team across key functions such as technical operations, sales, business development and investments? Are there identified successors for the critical roles, and is the group satisfied with its ability to attract, develop and retain talent?

Company's Response:

The Group has an experienced key management team with strong operational knowledge across its core functions. The Group continues to develop internal capabilities and identify potential talent to strengthen its succession pipeline and ensure continuity of key functions.

The Group has identified potential successors for its critical roles and continues to review and develop its succession pipeline to ensure business continuity and a smooth transition when required.

The Group is satisfied with its ability to attract, develop and retain talent. The Group continues to invest in the training and development of its employees, provide

opportunities for career progression, and foster a supportive working environment to strengthen employee engagement and retention.

The Group will continue to enhance its talent management and succession planning initiatives to support its long-term growth and sustainability.

(iii) In recommending Mr Tan Boon Kheng for re-election, how did the NC objectively assess his overall contribution, long-term performance and achievements, particularly in relation to the outcomes of the group's strategic initiatives, overseas expansion and diversification efforts, beyond simply considering the director’s tenure and experience?

Company’s Response:

In recommending Mr Tan Boon Kheng (“Mr Tan”) for re-election, the NC assessed his overall contribution to the Board’s role and the attainment of the Group’s strategic objectives and the long-term performance. Mr Tan abstained from the review of his own performance.

In addition to Mr Tan’s experience and tenure of more than 40 years with the Group, the NC considered his overall contribution to the Group, including the energy business divestment and his efforts in sourcing new business opportunities.

The Group’s Fire Protection Solutions division has grown steadily. The NC recognises that the outcomes of the Group’s overseas expansion have been mixed. After taking into consideration the prolonged arbitration proceedings with the joint venture partner, as well as the shift in electricity demand in Cambodia, the Board decided that the divestment was in the best interest of the Group and its shareholders.

The NC also took into account Mr Tan’s role in leading the Group’s pivot toward the proposed automotive diversification as part of the Group’s business expansion.

Based on this assessment, the NC is satisfied with Mr Tan’s overall contribution, long-term performance and achievements for the Group to date, as well as his efforts in managing the Group’s setback and in sourcing new opportunities for the Group, and recommended Mr Tan for re-election at the upcoming AGM.

CHANGE - ANNOUNCEMENT OF APPOINTMENT::APPOINTMENT OF NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

Date of appointment
22/04/2026

Name of person
Teh Chooi Peng

Age
56

Country of principal residence
Singapore

The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)
The Board of Directors, having considered the assessment and recommendation by the Nominating Committee, and having reviewed and considered the qualification and experiences of Dato Teh Chooi Peng ("Dato Teh"), as well as the composition and diversity of skillsets of the Board, is of the view that Dato Teh possesses the requisite qualification and experiences to assume the role as a Non-Independent Non-Executive Director of the Company.

(https://links.sgx.com/1.0.0/corporateannouncements/777TP7DRH9U5T2QP/68e8099ea8cf181bf0949cfe3eb9380cfbc4c4bf3f94c4b19ec3599bbfc6702c;emphasis added)

(iv) Can the board elaborate on the search process undertaken to identify potential candidates for the board? Was Dato Teh Chooi Peng nominated by Lecca Capital Pte. Ltd, a substantial shareholder of the company?

Company's Response:

The Board sourced for potential candidates through the network of contacts of the Board and Management, as well as through independent third parties where required.

When identifying potential director candidates, the Board evaluates individuals based on their skills, experience, expertise, and the overall contribution they would bring to the Board and the Group, with a focus on the factors required to drive the Group's strategy, business objectives and focus, while also taking into account the Board's gender diversity target.

Dato' Teh Chooi Peng ("Dato' Elaine Teh") was not nominated by Lecca Capital Pte. Ltd. ("Lecca"). Dato' Elaine Teh was selected by the NC based on her skills, experience and expertise, and considering the overall contribution she would bring to the Board and the

Group, including networks and relationships relevant to the Group's operations and strategic direction, as well as the Company's gender diversification target.

By Order of the Board

Chia Soon Hin William
Independent Chairman

22 July 2026

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*This announcement has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

The contact person for the Sponsor is Mr. Joseph Au at 36 Robinson Road, #10-06 City House, Singapore 068877, Email: sponsor@rhtgoc.com.
