



Amcorp Global Limited

Company Registration No: 201230851R
Incorporated in the Republic of Singapore

RESPONSE TO SIAS'S QUERIES ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

The Board of Directors (“**Board**”) of Amcorp Global Limited (the “**Company**”) refers to the queries raised by Singapore Investors Association (Singapore) (“**SIAS**”) in respect of the Company’s Annual Report for the financial year ended 31 March 2025 (the “**Annual Report**”) on 10 July 2025 and wishes to provide the following responses to the queries:

Question 1

With the handover of units at 35 Gilstead now completed, the group has closed out its Singapore development project and has since acquired a 50% interest in 126-134 Baker Street, Marylebone, London via Amcorp Baker Street Pte. Ltd.

There are ongoing plans to divest the office block at Third Avenue, Cyberjaya and two office units in Sydney, following earlier disposals of investment properties in Bangkok.

- (i) **Can the board elaborate on the group’s long-term strategy following these multiple acquisitions and divestments? What key lessons has management gained its past developments and disposals?**
- (ii) **Which are the past projects, such as 35 Gilstead and Third Avenue, that had delivered positive returns to shareholders after accounting for all fees, financing costs, currency effects, liquidated damages and impairments? As at 31 March 2025, the company has accumulated losses of \$(74.58) million.**
- (iii) **What operational, regulatory and market risks have the directors identified in the Baker Street development, and how are these being monitored and mitigated, particularly considering the group’s new market entry in the UK? Who is providing execution oversight in the absence of a CEO? (See question 3)?**

The group is also proceeding with the next phase of development in Sibujaya, East Malaysia (Block 4).

- (iv) **What are the specific market fundamentals or strategic advantages that had given the board the confidence in Sibujaya’s development potential?**

Company’s Response

- (i) The Group’s short-term strategy is to focus on capital recycling and value-accretive opportunities while exercising prudence. The divestments in Cyberjaya and other projects are consistent with our approach to exit matured or underperforming assets and reallocate capital towards new projects with stronger risk-adjusted returns. The Board together with management is in the midst of reassessing its longer-term strategy and is constantly looking for suitable opportunity. From past experience, key lessons learnt include the importance of economies of scale, timing in project launches and exits, disciplined cost control and the need for managing construction risks and regulatory compliance.
- (ii) The profit margins for property development in Singapore remain low particularly for smaller projects. Inflationary cost pressure and higher interest rates since 2022 are challenges that

smaller developers face. The Board is therefore cautious and selective in undertaking new property development projects in Singapore and will only choose projects that align with its strategic objectives and have reasonable profit margins considering its available capital and resources. Arising from this, it has not undertaken any new property projects in Singapore and has instead, pivoted to London, UK where it is jointly developing the Baker Street project. Amcorp Borneo, which was acquired from the major shareholder and undertakes the commercial units in the Sibujaya township, have also contributed positively the past two years.

The Group's consolidated accumulated losses reflect the cumulative impact of various factors including legacy impairments, currency translation losses, and strategic repositioning costs. In recent years due to COVID-19, the Group faced labour shortages and supply chain disruptions leading to prolonged completion and higher financing cost. We remain focused on rebuilding profitability.

- (iii) Other than specific country regulations, the risk profile of the Group's Baker Street development project in London, UK does not materially differ from that of other development projects the Group typically undertakes nor that faced by other property developers. The project is being undertaken in collaboration with a joint venture partner based in London, who leads day-to-day execution. Execution oversight is maintained by senior key executives with relevant experience.
- (iv) Sibujaya is an established township development in Central Sarawak that is located near the Sibujaya Airport. Our confidence stems from the Group Executive Committee members' experience and knowledge of the local market having been involved as the master developer of the township for more than 20 years. The township has won several awards, including for planning excellence. With support from the local government, its population has grown and there has been an increase in demand for completed housing. This leads to an established community ecosystem and correspondingly, increase need for supporting retail and commercial.

Block 4 is a logical phased approach to meeting the commercial needs of the township, having completed and fully sold a previous block. Substantially all the units have been taken up. The management continues to seek feedback and monitor its market condition.

Question 2

As disclosed in Note 11 (Completed properties and land held for sale; page 108 of the annual report), the carrying value completed properties and land held for sale stood at \$44.49 million as at 31 March 2025.

11 Completed properties and land held for sale (cont'd)

Details of the Group's completed properties and land held for sale as at 31 March 2025 are as follows:

Name of Property/location	Description	Tenure	Gross floor area/land area (sqm)	Group's ownership interest in property (%)
183 Longhaus 183 Upper Thomson Road, Singapore	10 commercial units	Freehold	1,049	100
Third Avenue Jalan Teknokrat 3 Cyberjaya, Selangor, Malaysia	1 office block and 2 commercial units	Freehold	20,698	100
Peach Garden Phu Huu Residential District 9, Ho Chi Minh City, Vietnam	14 plots of land	Freehold	2,349	65
Strata Office Suites 2-14 Kings Cross Road Potts Point New South Wales 2011, Australia	2 commercial units	Freehold	104	55

(Source: company annual report)

- (i) **What is the estimated cost of capital?**
- (ii) **How does the board assess whether holding these completed assets continues to create value relative to monetisation? What framework does management use to determine the optimal timing and strategy for divestment?**

One of the completed properties, with a carrying value of \$27.4 million, has been pledged to a bank to secure borrowings. This is likely to be the 10 commercial units at 183 Longhaus.

- (iii) **What are the average rental yields achieved at 183 Longhaus? Has the board considered divestment of these assets and returning the net proceeds to shareholders via dividends or capital distribution?**

Company's Response

- (i) Depending on market conditions, interest rates, and capital structure changes, the Group's cost of capital is in the range of 6% to 8%. The Company would generally consider new projects with potential returns above 10% p.a.

- (ii) The board considers a number of factors when evaluating assets which include rental yields versus cost of capital, opportunity cost of tied-up capital versus redeployment potential, market liquidity and buyer sentiment, and alignment to our long-term focus and strategy. Assets are earmarked for sale when it has matured, value-add activities are completed or when capital can be better utilised elsewhere. External consultants and valuations are also used in our divestment strategies.
- (iii) The 10 commercial units at 183 Longhaus have achieved net rental yields of above 2%, depending on tenancy terms and occupancy. The board regularly evaluates all assets, including 183 Longhaus. While the current rental income provides recurring cash flow, we remain open to divestment if it delivers value creation or if capital can be efficiently recycled. Proceeds from any such disposal will be considered alongside the Group's needs and shareholder return objectives.

Question 3

The company currently does not have a chief executive officer (CEO). For the financial year ended 31 March 2025, the two other key management personnels are Mr Wong Chee Meng, Raymond (chief operating officer; appointed on 30 April 2024) and Ms Ting Siew Yong (financial controller and company secretary; appointed on 5 March 2024).

There are seven directors in the board, with Mr Soo Kim Wai serving as the non-independent non-executive chairman and Mr Shahman Azman serving as non-independent non-executive director.

Director	Board	Audit Committee	Nominating and Remuneration Committee	Group Executive Committee	Sustainability Committee	Employee Share Scheme Committee
Mr. Soo Kim Wai	Non-Independent Non-Executive Chairman	Member	-	-	-	Member
Mr. Kamil Ahmad Merican	Lead Independent Non-Executive Director ^(a)	Member ^(a)	Member	-	-	-
Mr. Quah Ban Huat ^(b)	Independent Non-Executive Director	Chairman ^(b)	-	-	-	-
Mr. Tay Beng Chai	Independent Non-Executive Director	Member	Chairman	-	-	-
Mr. Khoo Swee Peng	Independent Non-Executive Director	-	Member ^(c)	-	-	-
Ms. Shalina Azman	Non-Independent Non-Executive Director	-	-	-	-	-
Mr. Shahman Azman	Non-Independent Non-Executive Director	-	Member	Chairman	Chairman	Chairman

(Source: company annual report)

- (i) **In the absence of a CEO and any executive directors, who currently holds the profit-and-loss accountability for the group's performance?**

- (ii) **Given that Mr Shahman Azman chairs the group executive committee, which met 16 times during the financial year, is he acting in a de facto executive role? If so, should this be formally acknowledged and reflected in the board composition and disclosures?**
- (iii) **What is the board's progress in identifying and appointing a suitable CEO? What leadership qualities, track record and capabilities are being prioritised in the search?**

Company's Response

- (i) The profit-and-loss accountability is jointly managed by the Group Executive Committee ("EXCO") and the management team. The EXCO reports to the Board and is chaired by a non-executive director. The EXCO oversees the implementation of strategic initiatives, operational decisions, and financial discipline.

Operational execution is led by Mr. Raymond Wong Chee Meng, the Chief Operating Officer, in coordination with Ms. Ting Siew Yong, the Financial Controller. This team ensures that performance metrics, risk controls, and reporting standards are maintained at appropriate level. The board is constantly working to enhance its executive capacity.

- (ii) Mr. Shahman Azman, in his role as Chair of the EXCO, provides strategic guidance and governance oversight but does not hold any formal executive responsibilities or remuneration tied to operational duties. His involvement is to ensure alignment between the board and management. The board continuously reviews the appropriateness of all disclosures and classifications in line with regulatory guidance and will make any necessary updates should responsibilities materially shift in scope or function.

Mr. Shahman Azman is not acting in a de facto executive role, as decisions on matters within the purview of the EXCO are made collectively and by a simple majority vote of its members. He does not hold unilateral executive authority.

- (iii) The Board together with management is in the process of undertaking a strategic review to identify new businesses that are aligned with its objective of delivering sustainable growth and long-term value creation for shareholders. The appointment of a Chief Executive Officer will be considered once a clear strategic roadmap is in place, to ensure that the selected candidate possesses the appropriate capabilities, track record, and experience aligned with the Group's future priorities and strategy.

By Order of the Board

Ting Siew Yong
Financial Controller and Company Secretary
18 July 2025