AVARGA LIMITED
(Formerly known as UPP Holdings Limited)
(Incorporated in the Republic of Singapore)
(Company Registration Number: 196700346M)
(the "**Company**")

PROPOSED ACQUISITION BY TKO PTE. LTD. OF ALL THE ISSUED ORDINARY SHARES IN THE CAPITAL OF AVARGA LIMITED (OTHER THAN TREASURY SHARES AND SHARES OWNED OR CONTROLLED BY THE EXCLUDED SHAREHOLDERS (AS DEFINED BELOW)) BY WAY OF A SCHEME OF ARRANGEMENT UNDER SECTION 210 OF THE COMPANIES ACT 1967 OF SINGAPORE

- **REPLY TO SHAREHOLDER'S QUESTIONS AND INFORMATION ON THE ROLE OF THE NON-CONFLICTED DIRECTORS IN CONNECTION WITH THE SCHEME OF ARRANGEMENT**

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*Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as set out in the scheme document dated 10 July 2026 (the "**Scheme Document**").*

1. The board of directors (the "**Board**") of Avarga Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to inform that the Company has, as at the deadline of 11.59 p.m. on 17 July 2026 for the submission of questions, received questions from a Shareholder relating to the approval thresholds and voting arrangements for the Court Meeting and on whether brokerage is payable for Scheme Shares. Substantial and relevant questions received after this deadline will be addressed at the Court Meeting.

2. The Company's responses are as follows:

   (a) The Scheme needs to be approved by a majority in number of Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting, such majority holding not less than three-fourths in value of the Scheme Shares voted at the Court Meeting pursuant to the requirements of Section 210(3AB) of the Companies Act.

   (b) The Court Meeting is required to be held even if there are sufficient proxy votes received prior to the time the Court Meeting is to be held.

   (c) No brokerage is payable by Scheme Shareholders for Scheme Shares acquired by the Offeror under the Scheme. The Company is however not able to comment on whether there is any other payment required under the terms of the relationship between Scheme Shareholders and CPF Agent Banks and/or online platforms (as the case may be).

3. The Company has also received questions from a third party that is not a Shareholder relating primarily to the role of the Non-Conflicted Directors in connection with the Scheme. The Board takes this opportunity to provide Shareholders with general information on the actions taken by the Non-Conflicted Directors in this regard.

4. The Non-Conflicted Directors (being the Directors who are considered independent for the purposes of making a recommendation to the Scheme Shareholders in respect of the Scheme), comprise the following four independent Directors, namely:

   (i) Ms. Lai Ven Li (Lead Independent Director)
   (ii) Mr. Moey Weng Foong (Independent Director)
   (iii) Mr. Andrew Lim Cheong Seng (Independent Director)
   (iv) Mr. Kevin Kang Kah Wee (Independent Director)

5. The following actions were taken by the Non-Conflicted Directors after being informed of the Offeror's intention to privatise the Company through the Scheme:

   (a) The Directors determined who among them should be considered as being conflicted and should therefore be excluded from making any recommendation to Scheme Shareholders in connection with the Scheme. The Board determined that Dr Tong Kooi Ong (Executive Chairman) and Mr. Tong Ian (Chief Executive Officer and Executive Director) were conflicted, and should be excluded from further discussions among the Non-Conflicted Directors in relation to the Scheme and from evaluating the terms of the Scheme.

   (b) The Board then formed an independent committee (the "**Independent Committee**") comprising only the Non-Conflicted Directors to review and oversee the process, collaborate with advisors, participate in negotiations and safeguard the Company's interests (particularly those of the minority Shareholders) throughout the Scheme. Dr Tong Kooi Ong and Mr. Tong Ian were not and have not been involved in the deliberations and decisions of the Independent Committee.

   (c) The Independent Committee first considered the Offeror's rationale for the Scheme (which are set out in the Joint Announcement and the Scheme Document). The Independent Committee concluded in-principle that, amongst other things, the Scheme was a good opportunity for minority Shareholders to exit the Company at a premium to the then-prevailing market prices of the Shares taking into consideration the consistently low trading volumes of the Shares on the SGX-ST, meaning the Shares have been thinly traded and it was difficult for Shareholders to buy or sell the Shares.

   (d) Having decided that the rationale was sound in principle, the Independent Committee then evaluated the preliminary terms of the Scheme that the Offeror had proposed, taking into particular consideration the interests of minority Shareholders. As a result of the Independent Committee's evaluation and deliberations, queries were made by the Independent Committee to the Offeror relating to the proposed consideration for the Scheme Shares. Subsequent to these queries, the Offeror reverted with clarifications and an improved consideration for the Scheme Shares. Based on the new proposal, the Independent Committee decided to proceed with progressing work on the Scheme.

   (e) The Independent Committee then set out to select an independent financial adviser to assess if the terms of the Scheme (particularly the Scheme Consideration) were fair and reasonable and to advise the Non-Conflicted Directors for the purposes of making a recommendation to Shareholders on the Scheme. Such an assessment requires knowledge, expertise and resources which are best undertaken by experienced professional parties who are able to exercise professional judgment in, amongst other things, adopting and applying suitable assumptions, comparable companies and valuations methodologies.

   (f) The Independent Committee considered a list of suitable candidates for the role of independent financial adviser. After deliberation, the Independent Committee decided to approach PrimePartners Corporate Finance Pte. Ltd. ("**PPCF**") with a view to appointing them as the independent financial adviser ("**IFA**"), taking into consideration their expertise, reputation and track record, the profile of the Company and the nature and size of the transaction. After further considering PPCF's engagement proposal, the Company, upon the recommendation of the Independent Committee, proceeded to appoint PPCF as the IFA.

   (g) PPCF carried out a preliminary analysis of the terms of the Scheme and presented its findings to the Independent Committee. After having discussions with PPCF regarding its preliminary analysis and having deliberated on PPCF's findings, the Independent Committee proceeded with further negotiations on the terms of the Implementation Agreement and to prepare for the Joint Announcement. The Implementation

Agreement was eventually entered into, and the Joint Announcement was released, on 13 March 2026.

(h) PPCF's analysis was updated from time to time up to the Latest Practicable Date based on the publicly available information as well as information provided by the Company. Prior to the finalisation of the IFA Letter, PPCF had also briefed the Non-Conflicted Directors on updates to its analysis. Relevant queries relating to the IFA Letter were raised by the Non-Conflicted Directors during this period, which were addressed satisfactorily.

6. The directors of the Company (including any who may have delegated detailed supervision of the preparation of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement which relate to the Company are fair and accurate and that, where appropriate, no material facts which relate to the Company have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading and the directors of the Company jointly and severally accept responsibility accordingly.

   Where any information which relates to the Company has been extracted or reproduced from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the directors of the Company has been to ensure that, through reasonable enquiries, such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Announcement in its proper form and context. The directors of the Company do not accept any responsibility for any information relating to the Offeror, the Offeror's concert parties and/or the Offeror Financial Adviser, or any opinion expressed by the Offeror, the Offeror's concert parties and/or the Offeror Financial Adviser.

BY ORDER OF THE BOARD

Tong Ian
Chief Executive Officer/Executive Director

22 July 2026