Securities Investors Association (Singapore)
7 Maxwell Road #05-03 MND Building Annexe B Singapore 069111
Tel: (65) 6227 2683 Email: admin@sias.org.sg
www.sias.org.sg
UEN No: S99SS0111B
GST Reg No: M90367530Y0Y

Issuer: Ascent Bridge Limited

Stock code: AWG

Meeting details:
Date: 26 September 2025
Time: 3.00 p.m.
Venue: Function Room 3-2, 60 Cecil Street, ISCA House, Singapore 049709

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Q1. During the year, the group expanded its premium Baijiu portfolio from a single SKU to three core SKUs: Moutai Bulao, JiuGui and Lang Jiu. The group also extended its duty-free footprint to 17 countries, with products sold at key international airports in those markets. In the duty-paid segment, the group's network now covers 25 cities across 14 countries.

However, for the financial year ended 31 March 2025, revenue fell by nearly 45% from $3.73 million to $2.06 million. Management attributes the decline mainly to reduced demand in the duty-paid segment in Hong Kong, Macau, Cambodia, Korea and Vietnam.

Net loss for the year was $(2.98) million (2024: $(4.67) million).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2025

	Note	2025 $'000	2024 $'000
Revenue	4	2,060	3,731
Cost of sales		(1,200)	(2,220)
Gross profit		860	1,511
Other operating income	5	65	58
Other gains/(losses), net	6	2,086	4,409
Expenses			
- Selling and distribution		(863)	(1,239)
- General and administrative		(5,198)	(9,514)
Loss from operating activities		(3,050)	(4,775)
Finance cost	9	(20)	(37)
Finance income	10	1	46
Loss before income tax		(3,069)	(4,766)
Income tax credit	11	94	95
Net loss		(2,975)	(4,671)

(Source: company annual report; emphasis added)

(i) **For the benefit of shareholders, can the company explain its competitive advantage, if any, in baijiu distribution and detail how management creates and captures value in its business model (across both duty-free and duty-paid channels)?**

(ii) **Given that employee compensation (Note 8) been greater than revenue over the past two years, what specific guidance has the board provided to management to optimise its cost structure and to align expenses with revenue?**

(iii) Why have inventories and trade receivables not grown in tandem with the business expansion?

(iv) Can management outline a clear pathway to profitability, including specific operational and financial milestones, associated timelines, key performance indicators (KPIs) and responsible owners?

In addition, revenue from the Chang Chang card segment was only $1,000 in 2025.

(v) Has management obtained any compelling evidence demonstrating the viability and potential scalability of the Chang Chang business model?

Q2. The independent auditors issued a disclaimer of opinion on the company and group financial statements for the financial year ended 31 March 2025. The auditor's basis for disclaimer of opinion includes:

- Opening balances
- Impairment assessments of the group's property, plant and equipment, right-of-use assets, intangible assets and derivative instruments
- Expected credit losses on the group's amount due from a related party, deposits and prepayment
- Expected credit losses on the company's amounts due from subsidiary corporations
- Going concern

The auditors stated that they were unable to obtain sufficient appropriate audit evidence and that information provided by management had been insufficient. The independent auditor's report can be found on pages 99 to 105 of the annual report.

The members of the audit & risk committee (ARC) are Mr Siow Chee Keong (chairman), Dr Tan Khee Giap and Mr Qiu Peiyuan (who is also joint chairman and joint chief executive officer).

(i) Can the ARC help shareholders better understand how it has facilitated the independent auditors during the audit, including specific information requests made to management, responses provided, unresolved information gaps and steps taken by the ARC to address those gaps?

The put option has been revalued up from $7.87 million to $10.36 million in 2025. The auditors have highlighted the lack of historical business performance and insufficient supportable information on business growth assumptions, stating that they were unable to obtain sufficient appropriate audit evidence to support the cash flow forecasts and certain key judgement and assumptions.

(ii) Does the ARC agree with the higher valuation of $10.36 million on the put option? If so, what evidence and independent work did the ARC review in endorsing this valuation?

(iii) Similarly, what oversight did the ARC provide over the outstanding balances disclosed in the disclaimer of opinion, including amount due from a related party, deposits and prepayments? Is the ARC confident that no expected credit loss will be recognised?

3. Expected credit losses on the Group's amount due from a related party, deposits and prepayment

As at 31 March 2025, the Group had:

(a) an amount due from a related party, CIGL of $2,842,000;

(b) a refundable deposits of $5,000,000 for the acquisition of businesses in Singapore and Malaysia from the vendors;

(c) a prepayment of $1,495,000 made to vendor; and

(d) a refundable deposit of $1,066,000 made to its supplier,

as disclosed in Notes 21 and 22 respectively to the financial statements.

Based on management's assessment, no expected credit losses were recognised on these balances as at 31 March 2025 despite the fact that these amounts have not been recovered or utilised for some time.

(iv) Given that the current composition of the ARC does not comply with the Listing Rules and the Code, has the board and the ARC assessed whether the non-compliance has impaired the effectiveness of the ARC?

Q3. On 22 August 2025, the company announced that it had deferred the resignation of Mr Sun Quan to comply with the Singapore Code on Take-overs and Mergers[1]. The company had announced on 24 July 2025 that Mr Sun Quan would resign as director, joint executive chairman and joint chief executive officer of the company, and from all executive positions and directorships in the group's subsidiaries.

(i) For better clarity to shareholders, can the company confirm Mr Sun Quan's current employment and delegation status, including reporting lines, a list of executive powers retained or delegated, any restrictions on decision-making while the deferment is in effect, and the timeline for the deferred resignation? Have the group's operations been disrupted in any way due to the deferred resignation?

(ii) What additional board oversight arrangement have been put in place since Montelion announced a mandatory unconditional general offer for the company on 12 August 2025?

[1] Under Rule 6.3 of the Singapore Code on Take-overs and Mergers (the "Takeover Code"), except with the consent of the Securities Industry Council, the Directors of the Offeree Company should not resign from the Board until the Offeror has clearly indicated that the Offer will not be revised and the later of the date of posting of the Offeree Board circular or the date the Offer becomes or is declared unconditional in all respects.

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(iii) Separately, for better transparency, what criteria were used to select the independent financial adviser (IFA) and why was Asian Corporate Advisors Pte. Ltd. (ACA) chosen? What role, if any, did Mr Sun Quan[2] play in the selection process?

> ***Shareholders are welcome to use and/or adapt the questions prepared by SIAS and to forward them to the company.***

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[2] Mr Sun Quan is the sole shareholder and sole director of the offeror, Montelion Global Holdings (f.k.a. MTBL Global Holdings Pte Ltd).