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Issuer: AF Global Limited

Stock code: L38

Meeting details:

Date: 10 March 2026

Time: 10.30 a.m.

Venue: Aspial One, 55 Ubi Avenue 3, Level 1, Singapore 408864

Q1. The company made a joint announcement with the offeror on the proposed acquisition of the company by way of a scheme of arrangement¹ at a scheme consideration of \$0.11 in cash per share.

At the adjourned scheme meeting, shareholders are asked to vote on the scheme resolution which is subject to both a headcount test of more than 50% and a shareholding threshold of at least 75% in value of the scheme shares.

- (i) Can the independent directors help shareholders better understand the negotiation process with the offeror that led to the agreed scheme consideration of \$0.11 per share? Specifically, who led the negotiations, if any, with the offeror?**

The independent financial adviser (IFA)'s letter indicates that the offer price-to-revalued net asset value (RNAV) is below the mean and median of recent privatisation offers on the SGX.

Name of company	Date of announcement ⁽¹⁾	Type ⁽²⁾	Premium / (Discount) of offer price over ⁽³⁾				Offer price-to-NAV / RNAV ⁽³⁾ (times)
			Last transacted price (%)	1-month VWAP (%)	3-month VWAP (%)	6-month VWAP (%)	
Maximum			153.5	173.5	171.1	168.9	7.30
Minimum			(14.1)	(5.9)	(2.0)	(0.5)	0.43
Mean			37.1	40.7	42.3	44.8	1.60
Median			34.2	35.7	37.0	39.9	1.11
The Company	8-Oct-25	SOA	23.6	37.5	41.0	50.7	0.84 to 0.90⁽⁵⁾

(Adapted from Scheme document dated 23 February 2026; emphasis added)

- (ii) How did the independent directors deliberate on the attractiveness of the offer and justify their recommendations to shareholders? Was the recommendation unanimous? [See also Question 3(ii)]**

¹ <https://links.sgx.com/1.0.0/corporate-announcements/ZRW1TBUJ42BR20BI/8c5495070c9aa08296dcf9f28043c50ee69163fdc8c9310a9eaf625f9628f52f>

Q2. Xandar Capital Pte. Ltd. was appointed as the IFA to advise the non-conflicted directors on whether the terms of the scheme are fair and reasonable for the purpose of making a recommendation to the scheme shareholders.

- (i) Can the independent directors explain the selection process for the IFA, including how many firms were shortlisted, the evaluation criteria applied, and the specific factors that led to the appointment of Xandar Capital?**
- (ii) Could the board clarify whether any non-independent director or member of senior management was involved in the appointment of the IFA, and whether management provided inputs, assumptions or data to the IFA that could have influenced the opinion? Specifically, what measures were implemented to ensure the independence and objectivity of the IFA assumptions and conclusions?**
- (iii) Can the independent directors explain their oversight role in the IFA's methodologies and opinion and how they exercised independent judgement, including how they scrutinised and challenged assumptions, evaluated valuation sensitivities, and assessed the robustness of the IFA's methodologies?**
- (iv) Were there substantive areas of disagreement or concern regarding the valuation approach or assumptions, and if so, how were these addressed before the opinion was endorsed and the recommendations made to shareholders?**
- (v) How have the independent directors satisfied themselves that the RNAV presented in the scheme document has been prepared on a reasonable, supportable and balanced basis, with appropriate treatment (and inclusion) of asset revaluations and liabilities, and no undue conservatism bias depressing equity value?**
- (vi) In addition, did the independent directors oversee the valuation of Holiday Inn Resort Phuket (the group's most significant remaining asset) by SG&R Singapore Pte Ltd (HVS)? How was HVS picked and how did the independent directors satisfy themselves of HVS' independence? Has HVS had any prior or existing engagements with the offeror or its related parties?**

Q3. The offer was first announced on 8 October 2025 when the Straits Times Index was approximately 4,450. Over the subsequent five months, the index has risen by more than 12% to above 5,000, reflecting a materially stronger equity market environment.

The proposed scheme of arrangement may be perceived as limiting the company's ability to participate in the ongoing market rally.

- (i) How did the board assess the impact of the extended offer timeline on shareholder value and market relevance of the offer?
- (ii) Given that the STI is at an all-time high, and that the Monetary Authority of Singapore and SGX have launched a set of “Value Unlock” initiatives aimed at enhancing market liquidity and valuation, what is the rationale behind the independent directors’ recommendation that minority shareholders accept an offer that crystallises a discount of up to 16 per cent to RNAV?
- (iii) Following the 17 January 2026 agreement with the group’s partner (Compulsory liquidation resolution agreement), a significant development in resolving the Xuzhou stalemate and preserving shareholder value, have the independent directors sought an upward revision of the scheme consideration from the offeror to reflect the reduced uncertainty?
- (iv) Can the board outline the company’s prospects and intended strategic direction should shareholders vote against the scheme of arrangement? Please (re)state the key strategic objectives and how the board sees management creating value for shareholders.

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

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