

APPENDIX DATED 14 OCTOBER 2025

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY. IF YOU ARE IN DOUBT ABOUT THE CONTENTS OF THIS APPENDIX OR THE ACTION THAT YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER(S) IMMEDIATELY.

This Appendix together with the Company's annual report of ISOTeam Ltd. (the "Company") for the financial year ended 30 June 2025 (the "**Annual Report**") has been made available to the shareholders of the Company (the "**Shareholders**") on the SGXNet and the Company's website at <http://isoteam.listedcompany.com>. Its purpose is to provide shareholders of the Company with information relating to the Proposed Transactions (as defined herein) to be tabled at the 2025 AGM (as defined herein) to be held on 29 October 2025 at 10.00 am. or at any adjournment thereof at 8 Changi North Street 1, ISOTeam Building, Singapore 498829.

The ordinary resolutions proposed to be passed in respect of the Proposed Transactions are set out as Ordinary Resolutions 8, 10, 11 and 12 in the Notice of AGM (as defined herein) enclosed in the Annual Report.

A printed copy of this Appendix and the Annual Report will NOT be despatched to Shareholders. The notice of AGM and a proxy form are enclosed with the Annual Report.

If you have sold or transferred all your Shares represented by physical share certificate(s), you should immediately inform the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee that this Appendix (together with the Annual Report) may be accessed via the SGXNet and the Company's website at <http://isoteam.listedcompany.com>.

This Appendix has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Hong Leong Finance Limited (the "**Sponsor**"). This Appendix has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any statements or opinions made, or reports contained in this Appendix.

The contact person for the Sponsor is Mr Kaeson Chui, Vice President, 16 Raffles Quay, #01-05, Hong Leong Building, Singapore 048581, telephone: (65) 6415 9886.



ISOTEAM
ISOTEAM LTD.

(Company Registration No.: 201230294M)
(Incorporated in the Republic of Singapore)

APPENDIX TO THE NOTICE OF AGM IN RELATION TO

- (1) **THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE**
- (2) **THE PROPOSED GRANT OF SHARE AWARDS OF 6,000,000 SHARES TO NG CHENG LIAN, AN EXECUTIVE DIRECTOR AND CONTROLLING SHAREHOLDER OF THE COMPANY, UNDER THE ISOTEAM PERFORMANCE SHARE PLAN**
- (3) **THE PROPOSED GRANT OF SHARE AWARDS OF 6,000,000 SHARES TO KOH THONG HUAT, AN EXECUTIVE DIRECTOR AND CONTROLLING SHAREHOLDER OF THE COMPANY, UNDER THE ISOTEAM PERFORMANCE SHARE PLAN**
- (4) **THE PROPOSED GRANT OF SHARE AWARDS OF 6,000,000 SHARES TO FOO JOON LYE, AN EXECUTIVE DIRECTOR AND CONTROLLING SHAREHOLDER OF THE COMPANY, UNDER THE ISOTEAM PERFORMANCE SHARE PLAN**

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DEFINITIONS

In this Appendix, except where the context otherwise requires, the following definitions shall apply throughout:

“2025 AGM”	:	the annual general meeting of the Company to be held at 8 Changi North Street 1, ISOTeam Building, Singapore 498829 on 29 October 2025 at 10.00am.
“ACRA”	:	has the meaning ascribed to it in Section 2.11.1 of this Appendix
“AGM”	:	the annual general meeting of the Company
“AIHPL”	:	has the meaning ascribed to it in Section 2.8.4 of this Appendix
“Annual Report”	:	the annual report of the Company for FY2025
“Appendix”	:	this Appendix to the Notice of AGM dated 14 October 2025
“Associate”	:	(a) in relation to any individual, including a Director, CEO, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Average Closing Price”	:	has the meaning ascribed to it in Section 2.2 of this Appendix
“Awards”	:	a contingent award of Shares granted under the rules of the ISOTeam PSP

DEFINITIONS

“Awards Committee”	:	the committee comprising the directors of the Company who are members of the Remuneration Committee of the Company for the time being, which is duly authorised and appointed by the Board to administer the ISOTeam PSP
“Board”	:	the board of Directors of the Company as at the date of this Appendix or from time to time, as the case may be
“Catalist”	:	the Catalist board of the SGX-ST
“Catalist Rules”	:	the SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, modified or supplemented from time to time
“CDP”	:	the Central Depository (Pte) Limited
“CEO”	:	Chief Executive Officer or the most senior executive officer who is responsible under the immediate authority of the board of directors for the conduct of the business
“Concert Party Group”	:	has the meaning ascribed to it in Section 2.8.4 of this Appendix
“Company”	:	ISOTeam Ltd.
“Companies Act”	:	the Companies Act 1967 of Singapore, as may be amended, modified or supplemented from time to time
“Constitution”	:	the Constitution of the Company, as may be amended, modified or supplemented from time to time
“control”	:	the capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
“Controlling Shareholder”	:	a person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in a company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over a company
“Director”	:	a director of the Company as at the date of this Appendix or from time to time, as the case may be

DEFINITIONS

“Employee”	:	any employee of the Group selected by the Awards Committee to participate in the ISOTeam PSP
“EPS”	:	has the meaning ascribed to it in Section 2.4 of this Appendix
“Executive Director”	:	a director of the Company for the time being, holding office in an executive capacity in the Company
“FJL Award”	:	the proposed grant of an award of up to 6,000,000 Shares to Foo Joon Lye, terms of which are set out in Section 3.3 of this Appendix
“Founders”	:	has the meaning ascribed to it in Section 2.8.4 of this Appendix
“FY2025”	:	the financial year ended 30 June 2025
“Group”	:	the Company and its subsidiaries
“Independent Director”	:	an independent director of the Company
“ISOTeam PSP”	:	the ISOTeam Performance Share Plan of the Company which was approved and adopted on 24 October 2023, as amended or modified from time to time
“KTH Award”	:	the proposed grant of an award of up to 6,000,000 Shares to Koh Thong Huat, terms of which are set out in Section 3.2 of this Appendix
“Latest Practicable Date”	:	30 September 2025, being the latest practicable date prior to the issue of this Appendix
“Market Day”	:	has the meaning ascribed to it in Section 2.2 of this Appendix
“Market Purchases”	:	has the meaning ascribed to it in Section 2.2 of this Appendix
“Maximum Price”	:	has the meaning ascribed to it in Section 2.2 of this Appendix
“NCL Award”	:	the proposed grant of an award of up to 6,000,000 Shares to Ng Cheng Lian, terms of which are set out in Section 3.1 of this Appendix
“Non-Executive Director”	:	a director of the Company for the time being, who is not an Executive Director but including an Independent Director

DEFINITIONS

“Notice of AGM”	:	the notice of the FY2025 AGM
“NTA”	:	has the meaning ascribed to it in Section 2.7 of this Appendix
“Off-Market Purchases”	:	has the meaning ascribed to it in Section 2.2 of this Appendix
“Proposed Transactions”	:	has the meaning ascribed to it in Section 1.1 of this Appendix
“Required Price”	:	has the meaning ascribed to it in Section 3.9 of this Appendix
“Securities Accounts”	:	the securities accounts maintained by Depositors with CDP, but not including the securities accounts maintained with a Depository Agent
“SFA” or “Securities and Futures Act”	:	the Securities and Futures Act 2001 of Singapore, as may be amended, modified or supplemented from time to time
“SGXNet”	:	Singapore Exchange Network, a system network used by listed companies in sending information and announcements to the SGX-ST or any other system networks prescribed by the SGX-ST
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Buyback Mandate”	:	has the meaning ascribed to it in Section 1.1(a) of this Appendix
“Shares”	:	ordinary shares in the capital of the Company and “Share” shall be construed accordingly
“Shareholders”	:	registered holder(s) of Shares in the register of members of the Company, except where the registered holder is CDP, in which case the term “Shareholders” shall, in relation to such Shares, mean the Depositors who have Shares entered against their name in the Depository Register of CDP. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective Securities Accounts
“Subsidiary Holdings”	:	Shares held by a subsidiary in accordance with the Companies Act
“Substantial Shareholder”	:	a person who has an interest or interests in voting Shares (excluding Treasury Shares and Subsidiary Holdings), representing not less than 5% of all the voting Shares

DEFINITIONS

“Take-over Code”	:	has the meaning ascribed to it in Section 2.8 of this Appendix
“Treasury Shares”	:	the Shares held in treasury by the Company
“Treasury Shares Limit”	:	has the meaning ascribed to it in Section 2.6.2 of this Appendix
“S\$”	:	Singapore dollars, being the lawful currency of Singapore
“%”	:	per centum or percentage

Unless the context otherwise requires:

- (a) the terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them respectively in Section 81SF of the SFA;
- (b) the terms “**subsidiary**” and “**related corporations**” shall have the meanings ascribed to them respectively in Section 5 of the Companies Act;
- (c) words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. Unless the context otherwise requires, any references to persons shall include individuals, corporate bodies (wherever incorporated), unincorporated associations and partnerships;
- (d) any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Catalist Rules or any statutory or regulatory modification thereof and not otherwise defined in this Appendix shall, where applicable, have the same meaning ascribed to it under the Companies Act, the SFA, the Catalist Rules or such modification thereof, as the case may be, unless the context otherwise requires;
- (e) any reference to a time of a day in this Appendix shall be a reference to Singapore time unless otherwise stated;
- (f) any discrepancies between the figures listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them; and
- (g) the headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

DEFINITIONS

CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements other than statements of historical facts included in this Appendix are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “expect”, “anticipate”, “believe”, “estimate”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “if”, “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Company’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements. Further, the Company disclaim any responsibility to update or revise any forward-looking statements for any reason, even if new information becomes available or other events occur in the future, subject to compliance with all applicable laws and regulations and/or the rules of the SGX-ST and/or any other regulatory or supervisory body or agency.

LETTER TO SHAREHOLDERS



ISOTEAM ISOTEAM LTD.

(Company Registration No.: 201230294M)
(Incorporated in the Republic of Singapore)

Directors:

David Ng Cheng Lian	(Executive Chairman)	Registered Office: 8 Changi North Street 1 ISOTeam Building Singapore 498829
Anthony Koh Thong Huat	(Executive Director and Chief Executive Officer)	
Danny Foo Joon Lye	(Executive Director)	
Ryota Fukuda	(Non-Executive Director)	
Yap Soon Yong	(Lead Independent Director)	
Teo Ho Pin	(Independent Director)	
Jeremiah Huang WeiQuan	(Independent Director)	

14 October 2025

To: The Shareholders of the Company

Dear Sir/Madam,

- (1) **THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE**
- (2) **THE PROPOSED GRANT OF SHARE AWARDS OF 6,000,000 SHARES TO NG CHENG LIAN, AN EXECUTIVE DIRECTOR AND CONTROLLING SHAREHOLDER OF THE COMPANY, UNDER THE ISOTEAM PERFORMANCE SHARE PLAN**
- (3) **THE PROPOSED GRANT OF SHARE AWARDS OF 6,000,000 SHARES TO KOH THONG HUAT, AN EXECUTIVE DIRECTOR AND CONTROLLING SHAREHOLDER OF THE COMPANY, UNDER THE ISOTEAM PERFORMANCE SHARE PLAN**
- (4) **THE PROPOSED GRANT OF SHARE AWARDS OF 6,000,000 SHARES TO FOO JOON LYE, AN EXECUTIVE DIRECTOR AND A CONTROLLING SHAREHOLDER OF THE COMPANY, UNDER THE ISOTEAM PERFORMANCE SHARE PLAN**

1. INTRODUCTION

- 1.1. The Directors refer to the Notice of AGM dated 14 October 2025 accompanying the Annual Report of the Company for FY2025, and ordinary resolutions set out in the Notice of AGM in relation to:
 - (a) the proposed renewal of a share buyback mandate (the “**Share Buyback Mandate**”);
 - (b) the proposed grant of share awards under the ISOTeam PSP to Ng Cheng Lian, an Executive Director and Controlling Shareholder of the Company;

LETTER TO SHAREHOLDERS

(c) the proposed grant of share awards under the ISOTeam PSP to Koh Thong Huat, an Executive Director and Controlling Shareholder of the Company;

(d) the proposed grant of share awards under the ISOTeam PSP to Foo Joon Lye, an Executive Director and a Controlling Shareholder of the Company;

((b) to (d) hereinafter collectively known as the “**Grant of Share Awards**” and together with (a) collectively, the “**Proposed Transactions**”).

1.2. The purpose of this Appendix is to provide Shareholders with information relating to the Proposed Transactions to be tabled at the FY2025 AGM.

1.3. This Appendix has been prepared solely for the purpose set out herein and may not be relied on by any persons (other than the Shareholders) nor for any other purpose.

1.4. Aquinas Law Alliance LLP has been appointed as the legal adviser to the Company as to Singapore law in relation to the proposed renewal of the Share Buyback Mandate and the Grant of Share Awards to be tabled at the AGM.

2. THE PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

2.1. Introduction

Shareholders had previously approved the share buyback mandate of the Company at the AGM of the Company held on 25 October 2024, to authorise the Directors to purchase or otherwise acquire Shares on the terms of the Share Buyback Mandate. The authority conferred by the Share Buyback Mandate will expire on 29 October 2025, being the date of the AGM.

2.2. Authority and Limits of the Share Buyback Mandate

The Share Buyback Mandate, if renewed, will authorise the Directors, from time to time, to purchase Shares either through market purchases (the “**Market Purchases**”) or off-market purchases on an equal access scheme (the “**Off-Market Purchases**”) as defined in Section 76C of the Companies Act 1967 (the “**Companies Act**”) of up to a maximum of 10% of the total number of issued Shares as at the date of the AGM at which the Share Buyback Mandate is renewed, at such price up to but not exceeding the Maximum Price (as defined below). For the purpose of calculating the percentage of the total number of issued Shares above, any Shares which are held as treasury shares and subsidiary holdings will be disregarded.

For illustrative purposes only, based on the total number of issued Shares of 793,400,000¹ Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, and assuming that there is no change in such number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM, not more than 79,340,000 Shares (representing 10% of the total number of issued Shares excluding treasury shares and subsidiary holdings as at the date of the AGM) may be purchased or acquired by the Company pursuant to the Share Buyback Mandate.

¹ 793,400,000 Shares include 86,158,138 Shares allotted and issued in connection with the share placement as announced on 11 September 2025, as well as 9,675,000 Shares allotted and issued pursuant to the ISOTeam PSP, as announced on 2 January 2025.

LETTER TO SHAREHOLDERS

The purchase price (excluding applicable brokerage, stamp duty, commission, goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. However, the purchase price to be paid for a Share as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below); and
- (b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as defined below),

(the “**Maximum Price**”) in either case, excluding related expenses of the purchase or acquisition.

For the above purposes,

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five days on which the SGX-ST is open for trading in securities (the “**Market Day**”), on which transactions in the Shares were recorded, before the day on which the Market Purchase is made or, as the case may be, the day of making of the offer for an Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five Market Day period and the day on which the purchase is made; and

“**day of making of the offer**” means the day on which the Company makes an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

If renewed, the Share Buyback Mandate will take effect from the date of the AGM and continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier, unless prior thereto, the purchases or acquisitions of Shares are carried out to the full extent mandated or the Share Buyback Mandate is revoked or varied by the Company at a general meeting.

2.3. Manner of Purchase or Acquisition of Shares

Purchases or acquisitions of Shares may be made by way of, *inter alia*:

- (a) Market Purchases transacted on the SGX-ST through the SGX-ST trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
- (b) Off-Market Purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined under Section 76C of the Companies Act and as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules.

LETTER TO SHAREHOLDERS

The Directors may impose such terms and conditions which are not inconsistent with the Share Buyback Mandate, the Catalist Rules and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded, where applicable:
 - (aa) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements;
 - (bb) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and
 - (cc) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Catalist Rules provide that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders which must contain at least the following information:

- (a) the terms and conditions of the offer;
- (b) the period and procedures for acceptance;
- (c) the reasons for the proposed purchase or acquisition of Shares;
- (d) the consequences, if any, of the purchases or acquisitions of Shares by the Company that will arise under the Take-over Code (as defined below) or other applicable take-over rules;
- (e) whether the purchases or acquisitions of Shares, if made, would have any effect on the listing of the Shares on Catalist;
- (f) details of any purchases or acquisitions of Shares made by the Company in the previous 12 months (whether by way of Market Purchases or Off-Market Purchases in accordance with an equal access scheme), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions of Shares, where relevant, and the total consideration paid for such purchases or acquisitions; and
- (g) whether the Shares purchased or acquired by the Company will be cancelled and/or kept as treasury shares.

LETTER TO SHAREHOLDERS

2.4. **Rationale**

The Share Buyback Mandate will give the Directors the flexibility to purchase or acquire the Shares if and when circumstances permit. The Directors believe that share buyback provides the Company and its Directors with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner and helps to mitigate short-term volatility, offset the effects of short-term speculation and bolster Shareholder's confidence. It also allows the Directors to exercise greater control over the Company's share capital structure, dividend payout and cash reserves.

The purchases or acquisitions of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the earnings per Share ("EPS") of the Company, and will only be made when the Directors believe that such purchases or acquisitions would benefit the Company and its Shareholders.

Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate will only be made when the Directors believe that such purchases or acquisitions would be made in circumstances which would not have a material adverse effect on the financial position of the Company.

2.5. **Source of Funds for Share Buyback**

The Company may only apply funds legally available for the purchase or acquisition of its Shares in accordance with its Constitution and the applicable laws in Singapore. The Company may not purchase or acquire its Shares for a consideration other than in cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

Under the Companies Act, the Company may purchase or acquire its Shares out of the Company's capital or profits so long as the Company is solvent.

The Company may use internal resources and/or external borrowings to finance the purchases or acquisition of its Shares pursuant to the Share Buyback Mandate.

The Directors do not propose to exercise the Share Buyback Mandate in a manner and to such extent that the liquidity and capital adequacy position of the Company and its subsidiaries (the "**Group**") would be materially adversely affected.

2.6. **Status of Purchased Shares**

2.6.1. **Cancellation**

Any Share which is purchased or acquired by the Company shall, unless held as treasury share to the extent permitted under the Companies Act, be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to that Share will expire on cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

LETTER TO SHAREHOLDERS

All Shares purchased or acquired by the Company (other than treasury shares held by the Company to the extent permitted under the Companies Act) will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled by the Company as soon as reasonably practicable following settlement of any such purchase or acquisition.

2.6.2. Treasury Shares

Under the Companies Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

(i) Maximum Holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares (the “**Treasury Shares Limit**”).

(ii) Voting and Other Rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at general meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

(iii) Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (aa) sell the treasury shares (or any of them) for cash;
- (bb) transfer the treasury shares (or any of them) for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (cc) transfer the treasury shares (or any of them) as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (dd) cancel the treasury shares (or any of them); or
- (ee) sell, transfer or otherwise use the treasury shares for such other purposes as the Minister for Finance may by order prescribe.

In respect of Shares that are purchased or acquired pursuant to the Share Buyback Mandate, the Directors intend for such Shares to be held as treasury shares.

LETTER TO SHAREHOLDERS

As at the Latest Practicable Date, the Company has 1,195,659 treasury shares representing approximately 0.15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings). Where Shares purchased or acquired pursuant to the Share Buyback Mandate are held as treasury shares, the number of such Shares to be held as treasury shares, when aggregated with the existing treasury shares held, shall not, subject to the Companies Act, exceed the Treasury Shares Limit at any time.

2.7. Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases or acquisitions of Shares that may be made pursuant to the Share Buyback Mandate on the EPS and net tangible assets (“NTA”) per Share of the Group as the resultant effect would depend on, *inter alia*, the aggregate number of Shares purchased or acquired, whether the purchase or acquisition is made out of capital or profits, the purchase price paid for such Shares, the amount (if any) borrowed by the Company to fund such purchases or acquisitions and whether the Shares purchased or acquired are cancelled or held as treasury shares.

Under the Companies Act, the Company may purchase or acquire its Shares out of the Company’s capital or profits so long as the Company is solvent. Where a purchase or an acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced. Where a purchase or an acquisition of Shares is made out of profits, such purchase or acquisition (including costs incidental to the purchase or acquisition) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

The Directors do not propose to exercise the Share Buyback Mandate to such an extent that it would have a material adverse effect on the working capital requirements of the Group. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirements, the availability of financial resources, the expansion and investment plans of the Group, and the prevailing market conditions. The Share Buyback Mandate will be exercised with a view to enhance the EPS and/or NTA per Share of the Group.

The financial effects presented below are based on the following assumptions:

(a) *No new Shares have been issued since FY2025*

Whilst 85,158,138 Shares were issued on 23 September 2025 (the “**Placement Shares**”), we have assumed that these Placement Shares have not been issued as at the Latest Practicable Date for illustrative purposes.

(b) *Illustrative Financial Effects*

Purely for illustrative purposes, on the basis of 707,241,862 Shares in issue (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, the purchase or acquisition by the Company of 10% of its Shares will result in the purchase or acquisition of 70,724,186 Shares.

LETTER TO SHAREHOLDERS

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 70,724,186 Shares at the Maximum Price of S\$0.088 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the last five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 70,724,186 Shares is approximately S\$6.22 million.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 70,724,186 Shares at the Maximum Price of S\$0.101 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares for the last five Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 70,724,186 Shares is approximately S\$7.14 million.

For illustrative purposes only and on the basis of the assumptions set out above as well as the following:

- (i) the Share Buyback Mandate had been effective on 1 July 2024; and
- (ii) such purchases or acquisitions of Shares are funded solely by internal resources,

the financial effects of the share buyback on the audited consolidated financial statements of the Group for the financial year ended 30 June 2025 ("FY2025"), are set out below:

(a) **Purchases made entirely out of capital or profits and held as treasury shares**

	Group			
	Market Purchase		Off-Market Purchase	
	Before	After	Before	After
As at 30 June 2025	S\$'000	S\$'000	S\$'000	S\$'000
Shareholders' Funds ⁽¹⁾	48,426	42,202	48,426	41,283
NTA	46,297	40,073	46,297	39,154
Current Assets	93,129	86,905	93,129	85,986
Current Liabilities	62,156	62,156	62,156	62,156
Working Capital	30,973	24,749	30,973	23,830
Net Debt/(Cash) ⁽²⁾	2.75	4.30	2.75	4.69
Number of Shares ('000)	708,437,521	637,713,335	708,437,521	637,713,335
Treasury Shares ('000)	1,195,659	71,919,845	1,195,659	71,919,845
Weighted Average Number of Shares for FY2025 ('000)	702,338,095	631,613,909	702,338,095	631,613,909
Financial Ratios				
NTA per Share (cents) ⁽³⁾	6.55	6.30	6.55	6.15
Gearing (times)	0.98	1.13	0.98	1.15
Current Ratio (times) ⁽⁴⁾	1.50	1.40	1.50	1.38
Basic EPS (cents)	0.73	0.81	0.73	0.81

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(b) **Purchases made entirely out of capital or profits and cancelled**

	Group			
	Market Purchase		Off-Market Purchase	
	Before	After	Before	After
As at 30 June 2025	S\$'000	S\$'000	S\$'000	S\$'000
Shareholders' Funds ⁽¹⁾	48,426	42,202	48,426	41,283
NTA	46,297	40,073	46,297	39,154
Current Assets	93,129	86,905	93,129	85,986
Current Liabilities	62,156	62,156	62,156	62,156
Working Capital	30,973	24,749	30,973	23,830
Net Debt/(Cash) ⁽²⁾	2.75	4.30	2.75	4.69
Number of Shares ('000)	708,437,521	637,713,335	708,437,521	637,713,335
Weighted Average Number of Shares for FY2025 ('000)	702,338,095	631,613,909	702,338,095	631,613,909
Financial Ratios				
NTA per Share (cents) ⁽³⁾	6.55	6.30	6.55	6.15
Gearing (times)	0.98	1.13	0.98	1.15
Current Ratio (times) ⁽⁴⁾	1.50	1.40	1.50	1.38
Basic EPS (cents)	0.73	0.81	0.73	0.81

Notes:

- (1) Shareholders' funds include non-controlling interests.
- (2) Net debt/(cash) means long-term and short-term liabilities and finance lease divided by cash and cash equivalents.
- (3) NTA per Share equals to Shareholders' funds less intangible assets divided by the total number of issued Shares excluding treasury shares and subsidiary holdings, where applicable.
- (4) Current ratio means current assets divided by current liabilities.

Shareholders should note that the financial effects illustrated above are based on certain assumptions and purely for illustrative purposes only. In particular, it is important to note that the above analysis is based on the audited consolidated financial statements of the Group for FY2025 and is not necessarily representative of the future financial performance of the Group.

The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a purchase or an acquisition of Shares before execution. Although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares purchased or hold all or part of the Shares purchased as treasury shares.

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2.8. Take-over Implications under the Singapore Code on Take-overs and Mergers

Appendix 2 of the Singapore Code on Take-overs and Mergers (the “**Take-over Code**”) contains the Share Buy-back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

2.8.1. Obligation to Make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition of Shares for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make a mandatory take-over offer for the Company under Rule 14 of the Take-over Code.

2.8.2. Persons Acting in Concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) a company with its parent company, its subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any companies whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing for the purchase of voting rights;
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts);
- (c) a company with any of its pension funds and employee share schemes;
- (d) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;
- (e) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and persons controlling, controlled by or under the same control as the adviser, and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client’s equity share capital;

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- (f) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (g) partners; and
- (h) an individual with his close relatives, his related trusts, any person who is accustomed to act in accordance with his instructions, companies controlled by any of the foregoing persons, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing persons and/or companies for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders (including Directors) and persons acting in concert with each of them, will incur an obligation to make a mandatory take-over offer under Rule 14 of the Take-over Code after any purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

2.8.3. Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a mandatory take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Directors and persons acting in concert with them would increase to 30% or more, or in the event that such Directors and persons acting in concert with them hold between 30% and 50% of the Company's voting rights, the voting rights of such Directors and persons acting in concert with them would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and persons acting in concert with them, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder who is not acting in concert with the Directors will not be required to make a mandatory take-over offer under Rule 14 of the Take-over Code if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the ordinary resolution authorising the proposed renewal of the Share Buyback Mandate.

2.8.4. Concert Party Group

As at the Latest Practicable Date, the executive Directors, namely Ng Cheng Lian, Koh Thong Huat and Foo Joon Lye (the "**Founders**") and their investment holding vehicle, ADD Investment Holding Pte. Ltd. ("**AIHPL**"), hold an aggregate of 190,000,812 Shares representing approximately 23.95% of the total issued voting Shares of the Company. The Founders, AIHPL and persons acting in concert with any of them (collectively, the "**Concert Party Group**") are presumed to be persons acting in concert in relation to the Shares under the Take-over Code. In the event that the Company should pursuant to the

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Share Buyback Mandate, purchase or acquire up to 10% of the total number of issued Shares (excluding treasury Shares and subsidiary holdings), the voting rights of the Concert Party Group in the Company could potentially increase from 23.95% to 26.61% in any period of six months as set out below. Accordingly, the Concert Party Group will not incur a mandatory take-over obligation for the issued Shares not already owned by them.

Shareholder	Number of Shares	Approximate % of total voting Shares before share buyback	Approximate % of total voting Shares after share buyback
AIHPL	140,908,812	17.76	19.74
Ng Cheng Lian ⁽¹⁾	15,364,000	1.94	2.15
Koh Thong Huat ⁽¹⁾	18,364,000	2.31	2.57
Foo Joon Lye ⁽¹⁾	15,364,000	1.94	2.15
Total	190,000,812	23.95	26.61

Note:

(1) Excludes deemed interest in the Shares held by AIHPL.

2.8.5. Securities Industry Council's Waiver

Under Appendix 2 of the Take-over Code, the Concert Party Group will be exempted from the requirement under Rule 14 of the Take-over Code to make a mandatory take-over offer for the issued Shares not already owned by them if their voting rights in the Company increase by more than 1% in any period of six months, as a result of the Company purchasing or acquiring its Shares pursuant to the Share Buyback Mandate, subject to the following conditions:

- this Appendix contains advice to the effect that by voting for the resolution authorising the proposed renewal of the Share Buyback Mandate, Shareholders are waiving their rights to a general offer at the required price from the Concert Party Group, who, as a result of the Company buying back its Shares, would increase their voting rights to 30% or more, or, if they together hold between 30% and 50% of the Company's voting rights, would increase their voting rights by more than 1% in any period of six months; and the names of the members of the Concert Party Group and their voting rights at the time of the resolution and after the proposed share buyback are disclosed in this Appendix;
- the resolution authorising the proposed renewal of the Share Buyback Mandate is approved by a majority of those Shareholders present and voting at the AGM on a poll who could not become obliged to make an offer as a result of the Company purchasing or acquiring its Shares pursuant to the Share Buyback Mandate;
- the Concert Party Group to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution authorising the proposed renewal of the Share Buyback Mandate;

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- (d) within seven days after the passing of the resolution authorising the proposed renewal of the Share Buyback Mandate, each of the Founders to submit to the Securities Industry Council (“SIC”) a duly signed form as prescribed by the SIC; and
- (e) the Concert Party Group has not acquired and will not acquire any Shares between the date on which they know that the announcement of the Share Buyback Mandate is imminent and the earlier of:
 - (i) the date on which the authority of the Share Buyback Mandate expires; and
 - (ii) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the proposed share buyback, would cause their aggregate voting rights in the Company to increase to 30% or more; and

- (f) the Concert Party Group, together holding between 30% and 50% of the Company’s voting rights, has not acquired and will not acquire any Shares between the date on which they know that the announcement of the Share Buyback Mandate is imminent and the earlier of:
 - (i) the date on which the authority of the Share Buyback Mandate expires; and
 - (ii) the date on which the Company announces it has bought back such number of Shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its Shares, as the case may be,

if such acquisitions, taken together with the proposed share buyback, would cause their aggregate voting rights in the Company to increase by more than 1% in the preceding six months.

It follows that where the aggregate voting rights held by the Concert Party Group increase by more than 1% solely as a result of the Company purchasing or acquiring its Shares and none of them has acquired any Shares during the relevant period defined above, then the Concert Party Group would be eligible for SIC’s exemption from the requirement to make a general offer under Rule 14 of the Take-over Code, or where already exempted, would continue to be exempted.

Shareholders should therefore note that by voting for the proposed renewal of the Share Buyback Mandate, they are waiving their rights to a mandatory take-over offer by the Concert Party Group under the circumstances set out above. Such take-over offer, if required to be made and had not been exempted by the SIC, would have to be made in cash or be accompanied by a cash alternative at the Required Price (as defined below).

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of the Company purchasing or acquiring its Shares, should consult the SIC and/or their professional advisers at the earliest opportunity.

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“Required Price” means in relation to the offer required to be made under the provisions of Rule 14.1 of the Take-over Code, the highest of the price paid by the offerors and/or any person(s) acting in concert with them for the Shares (i) during the offer period and within the preceding six months, (ii) acquired through the exercise of instruments convertible into securities which carry voting rights within six months of the offer and during the offer period, or (iii) acquire through the exercise of rights to subscribe for, and options in respect of, securities which carry voting rights within six months of the offer or during the offer period; or at such price as determined by SIC under Rule 14.3 of the Take-over Code.

Other than as disclosed above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert who may become obligated to make a mandatory take-over offer in the event the Directors exercise the power to purchase or acquire Shares pursuant to the Share Buyback Mandate.

2.9. Tax Implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of purchase or acquisition of Shares by the Company or who may be subject to tax, whether in or outside Singapore, should consult their own professional advisers.

2.10. Catalyst Rules

- 2.10.1. As at the Latest Practicable Date, 506,773,868 Shares representing 63.87% of the total number of issued Shares (excluding treasury shares) are held in the hands of the public. For illustrative purposes only, assuming the Company exercises the Share Buyback Mandate in full and purchases 10% of the total number of issued Shares through Market Purchases from the public, the public float would be reduced to approximately 59.86%.

Accordingly, the Company is of the view that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Buyback Mandate without adversely affecting the listing status of the Shares on Catalyst, and that the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or to adversely affect orderly trading. The Company does not have any individual shareholding limit or foreign shareholding limit.

- 2.10.2. Under the Catalyst Rules, a listed company may only purchase or acquire shares by way of a market acquisition at a price which is not more than 5% above the average closing market price. The term average closing market price is defined as the average of the closing market prices of the shares over the last five Market Days on which transactions in the shares were recorded, before the day on which purchases are made, and deemed to be adjusted for any corporate action that occurs during the relevant five Market Day period and the day on which the purchases are made. The Maximum Price for a Share in relation to Market Purchases by the Company, referred to in paragraph 3.2 of this Appendix, conforms to this restriction.

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2.10.3. While the Catalist Rules do not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time, because the listed company would be regarded as an “insider” in relation to any purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buyback Mandate at any time after any matter or development of a trade or price-sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such trade or price-sensitive information has been publicly announced. Further, in line with the best practices on dealing with securities stipulated in the Catalist Rules, the Company will not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period commencing one month immediately preceding the announcement of the Company’s half year results or the full year results.

2.11. Reporting Requirements

2.11.1. Notification to Accounting and Corporate Regulatory Authority of Singapore

Within 30 days of the passing of the Shareholders’ resolution to approve the proposed renewal of the Share Buyback Mandate, the Company will lodge a copy of such resolution with the Accounting and Corporate Regulatory Authority of Singapore (“ACRA”).

The Company will also lodge with ACRA a notice of purchase or acquisition of Shares within 30 days of such purchase or acquisition. Such notification shall include the date of purchase or acquisition, the number of Shares purchased or acquired, the number of Shares cancelled or held as treasury shares, the Company’s issued share capital before and after the purchase or acquisition, the amount of consideration paid for the purchase or acquisition and whether such consideration is paid out of capital or profits of the Company, and such other information as may be prescribed from time to time.

In addition, within 30 days of the cancellation or disposal of treasury shares, the Company will lodge with ACRA a notice of cancellation or disposal of treasury shares with such information as may be prescribed from time to time.

2.11.2. Notification to the SGX-ST

The Catalist Rules specifies that a listed company shall notify the SGX-ST of all purchases or acquisitions of its shares not later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

Such announcement shall include the number of Shares authorised for purchase or acquisition, the date of purchase or acquisition, the number of Shares purchased or acquired, the purchase price per Share or (in the case of Market Purchases) the purchase price per Share or the highest price and lowest price per Share, the total consideration paid for the Shares, the number of issued Shares after purchase or acquisition and such other information as may be prescribed from time to time.

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In addition, under the Catalist Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the “usage”). Such announcement must include the date of usage, the purpose of usage, the number of treasury shares comprised in the usage, the number of treasury shares before and after the usage, the percentage of the number of treasury shares comprised in the usage against the total number of issued Shares before and after the usage, the value of the treasury shares comprised in the usage and such other information as may be prescribed from time to time.

2.12. Details of the Shares Bought by the Company in the Previous 12 Months

The Company has not purchased any Shares within the past 12 months preceding the Latest Practicable Date.

3. THE PROPOSED GRANT OF SHARE AWARDS

The ISOTeam PSP was adopted by the Company at the extraordinary general meeting held on 24 October 2023 and amendments thereto had been adopted at the annual general meeting held on 25 October 2024. Pursuant thereto, amongst others, Executive Directors who are Substantial Shareholders or an Associate of a Substantial Shareholder are eligible to participate in the ISOTeam PSP. The participation of each Controlling Shareholder(s) or his Associate and the number and terms of Awards to be granted to each such person is required to be approved by independent Shareholders of the Company in a general meeting in separate resolutions for each such person, further provided that such person abstains from voting on the resolution in relation to his participation in the ISOTeam PSP and the grant of Awards to him.

The objective of the ISOTeam PSP is to, amongst others, provide an opportunity for full-time employees of the Group to participate in the equity of the Company, thereby inculcating a stronger sense of identification with the long-term prosperity of the Group and promoting organizational commitment, dedication and loyalty towards the Group.

3.1. NCL Award

The Company proposes to grant the NCL Award to Ng Cheng Lian, subject to the approval by independent Shareholders for the grant of the NCL Award, on the following terms:

Proposed Date of Grant of the Award	January 2026	January 2027	January 2028
Number of Shares which are the subject of the Award	2,000,000	2,000,000	2,000,000
Vesting period of the Award	Immediately upon grant	Immediately upon grant	Immediately upon grant

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The aggregate number of Shares under the NCL Award has been determined after taking into account, among others, Ng Cheng Lian's job performance, leadership and management capabilities and contribution to the success and development of the Group. The NCL Award will be released to Ng Cheng Lian in accordance with the rules of the PSP.

The eligibility of Ng Cheng Lian to participate in the ISOTeam PSP, and the number of Shares which are the subject of the NCL Award to be granted to Ng Cheng Lian in accordance with the ISOTeam PSP and Vesting Period shall be determined at the absolute discretion of the Awards Committee, which shall take into account:

- (a) the financial performance of the Group; and
- (b) Ng Cheng Lian's rank, job performance, potential for future development and his contribution to the success and development of the Group.

In accordance with the Catalist Rules and the ISOTeam PSP, the proposed grant of the NCL Award to Ng Cheng Lian is subject to the approval of independent Shareholders at the AGM.

3.2. KTH Award

The Company proposes to grant the KTH Award to Koh Thong Huat, subject to the approval by independent Shareholders for the grant of the KTH Award, on the following terms:

Proposed Date of Grant of the Award	January 2026	January 2027	January 2028
Number of Shares which are the subject of the Award	2,000,000	2,000,000	2,000,000
Vesting period of the Award	Immediately upon grant	Immediately upon grant	Immediately upon grant

The aggregate number of Shares under the KTH Award has been determined after taking into account, among others, Koh Thong Huat's job performance, leadership and management capabilities, contribution to the success and development of the Group. The KTH Award will be released to Koh Thong Huat in accordance with the rules of the PSP.

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The eligibility of Koh Thong Huat to participate in the ISOTeam PSP, and the number of Shares which are the subject of the KTH Award to be granted to Koh Thong Huat in accordance with the ISOTeam PSP and Vesting Period shall be determined at the absolute discretion of the Awards Committee, which shall take into account:

- (a) the financial performance of the Group; and
- (b) Koh Thong Huat's rank, job performance, potential for future development and his contribution to the success and development of the Group.

In accordance with the Catalist Rules and the ISOTeam Plan, the proposed grant of the KTH Award to Koh Thong Huat is subject to the approval of independent Shareholders at the AGM.

3.3. FJL Award

The Company proposes to grant the FJL Award to Foo Joon Lye, subject to the approval by independent Shareholders for the grant of the FJL Award, on the following terms:

Proposed Date of Grant of the Award	January 2026	January 2027	January 2028
Number of Shares which are the subject of the Award	2,000,000	2,000,000	2,000,000
Vesting period of the Award	Immediately upon grant	Immediately upon grant	Immediately upon grant

The aggregate number of Shares under the FJL Award has been determined after taking into account, among others, Foo Joon Lye's job performance, leadership and management capabilities and contribution to the success and development of the Group. The FJL Award will be released to Foo Joon Lye in accordance with the rules of the PSP.

The eligibility of Foo Joon Lye to participate in the ISOTeam PSP, and the number of Shares which are the subject of the FJL Award to be granted to Foo Joon Lye in accordance with the ISOTeam PSP and Vesting Period shall be determined at the absolute discretion of the Awards Committee, which shall take into account:

- (a) the financial performance of the Group; and
- (b) Foo Joon Lye's rank, job performance and his contribution to the success and development of the Group.

In accordance with the Catalist Rules and the ISOTeam PSP, the proposed grant of the FJL Award to Foo Joon Lye is subject to the approval of independent Shareholders at the AGM.

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3.4. Rationale and Justification

The Proposed Grant of Share Awards is consistent with the Company's objectives to motivate its key employees and maintain a high level of performance and contribution which is vital to the success of the Company. The Company is of the view that the Proposed Grant of Share Awards is a fair and equitable system to reward the eligible directors and employees of the Group who have made and continue to make significant contributions to the long-term growth of the Group, notwithstanding that they are Controlling Shareholder(s) and/or Executive Director(s). This method of remuneration would also conserve the Company's cash and allow the Company increased flexibility to use their existing cash for the Group's operations.

3.4.1. Grant of Award to Ng Cheng Lian

Ng Cheng Lian is an Executive Director and a Controlling Shareholder of the Company. He heads the Board and aids the CEO in the corporate and strategic development of the Group and supports the senior management. As at the Latest Practicable Date, Ng Cheng Lian has a deemed interest in 156,272,812 Shares representing approximately 19.70% of the total number of issued Shares (excluding treasury shares).

Ng Cheng Lian has more than 39 years of experience in the building refurbishment and estate upgrading industry and co-founded the Group in 1998. He is an integral personnel of the Group, together with the key executives of the Company, having helped to expand the business of the Group. In view of the above reasons, the Company proposes to grant to Ng Cheng Lian the NCL Award of up to 6,000,000 Shares, subject to the approval of the Independent Shareholders for the grant of the NCL Award. The NCL Award shall be granted in three equal tranches in January 2026, January 2027 and January 2028, and the respective Share Awards shall be vested immediately upon each grant.

3.4.2. Grant of Award to Koh Thong Huat

Koh Thong Huat is the Chief Executive Officer and a Controlling Shareholder of the Company. He sets and implements the Group's expansion plans and overall corporate and strategic development, as well as oversees key functions such as marketing and tendering strategies, budget and cost controls, and resource planning and allocation. As at the Latest Practicable Date, Koh Thong Huat has a direct interest in 3,000,000 Shares and deemed interest in 156,272,812 Shares representing approximately 20.07% in aggregate of the total number of issued Shares (excluding treasury shares).

Koh Thong Huat has more than 34 years of experience in the building refurbishment and estate upgrading industry and co-founded the Group in 1998. Koh Thong Huat is indispensable to the Group, and together with the key executives of the Company, have helped to expand the business of the Group. In view of the above reasons, the Company proposes to grant to Koh Thong Huat the KTH Award of up to 6,000,000 Shares, subject to the approval of the Independent Shareholders for the grant of the KTH Award. The KTH Award shall be granted in three equal tranches in January 2026, January 2027 and January 2028, and the respective Share Awards shall be vested immediately upon each grant.

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3.4.3. Grant of Award to Foo Joon Lye

Foo Joon Lye is a Controlling Shareholder and as at the date hereof, has been the Executive Director of the Company. In his role as Executive Director, he was responsible for matters concerning compliance with workplace and onsite safety rules and regulations for projects undertaken by the Group. He also managed manpower planning and procurement of machinery and equipment for the Group. Subsequent to his retirement as Executive Director at the AGM, Foo Joon Lye will step down from the Board but continue as an employee of the Group. As at the Latest Practicable Date, Foo Joon Lye has a deemed interest in 156,272,812 Shares representing approximately 19.70% of the total number of issued Shares (excluding treasury shares).

Foo Joon Lye has more than 33 years of experience in the building refurbishment and estate upgrading industry and co-founded the Group in 1998. Foo Joon Lye has made invaluable contributions to the Group, and together with the key executives of the Company, have helped to expand the business of the Group. In view of the above reasons, the Company proposes to grant to Foo Joon Lye the FJL Award of up to 6,000,000 Shares, subject to the approval of the Independent Shareholders for the grant of the FJL Award. The FJL Award shall be granted in three equal tranches in January 2026, January 2027 and January 2028, and the respective Share Awards shall be vested immediately upon each grant.

3.5. **Limitation on the size of the PSP**

The aggregate number of Shares which may be issued and/or transferred pursuant to the Awards granted under the ISOTeam PSP on any date, when added to the number of Shares issued and issuable and/or transferred and transferrable in respect of (a) all Awards granted under the ISOTeam PSP, and (b) all options granted under any other share option, share incentive, performance share or restricted share plan implemented by the Company and for the time being in force, shall not exceed 15.0% of the number of all issued Shares (excluding treasury shares, as defined in the Companies Act) on the day preceding that date, which limit is equivalent to 119,010,000 Shares as at the Latest Practicable Date (the “**PSP Limit**”).

As at the Latest Practicable Date, Awards in respect of an aggregate of 6,450,000 Shares had on 2 January 2025 been granted under the PSP. The aggregate number of Shares to be issued and/or transferred pursuant to the vesting of the NCL Award, KTH Award and FJL Award is up to 18,000,000 Shares. Accordingly, the grant of NCL Award, KTH Award and FJL Award falls within the PSP Limit.

3.6. **Announcement relating to the NCL Award, KTH Award and FJL Award**

Pursuant to the Catalist Rules, the Company will make an announcement in relation to each of the NCL Award, KTH Award and FJL Award, if approved by Independent Shareholders, on the date of grant of the Award and provide details, including (i) the date of grant; (ii) the number of Shares comprised in the Award granted; (iii) the market price of its Shares on the date of grant; and (iv) the number of Shares granted to each Executive Director and/or Controlling Shareholder.

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3.7. Potential Cost of Awards

The accounting rules in the Singapore Financial Reporting Standards requires the fair value of employee services received in exchange for the grant of the Shares to be recognised as an expense. For equity-settled share-based payment transactions, the total amount to be expensed in the income statement over the vesting period is determined by reference to the fair value of each Share granted at the grant date and the number of Shares vested by the vesting date, with a corresponding increase in share-based payment reserve.

At each reporting date, the Group revises its estimates of the number of shares under performance share plan that are expected to be vested and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share-based payment reserve over the remaining vesting period.

4. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Based on the Register of Directors and Register of Substantial Shareholders, as at the Latest Practicable Date, the shareholdings of the Directors, and Substantial Shareholders in the Shares are as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
<u>Directors</u>				
Ng Cheng Lian ^{(2),(3)}	—	—	156,272,812	19.70
Koh Thong Huat ^{(2),(3)}	3,000,000	0.38	156,272,812	19.70
Foo Joon Lye ^{(2),(3)}	—	—	156,272,812	19.70
Ryota Fukuda	—	—	—	—
Yap Soon Yong	—	—	—	—
Teo Ho Pin	—	—	—	—
Jeremiah Huang WeiQuan	—	—	—	—
<u>Substantial Shareholders (other than Directors)</u>				
ADD Investment Holding Pte. Ltd. ⁽⁴⁾	—	—	140,908,812	17.76
Taisei Oncho Co., Ltd ⁽⁵⁾	—	—	62,500,000	7.88
Ginko-AGT Global Growth Fund	47,600,000	6.00	—	—

Notes:

- (1) Based on the total issued and paid-up share capital of the Company of 793,400,000 Shares (excluding Treasury Shares and Subsidiary Holdings) as at the Latest Practicable Date.
- (2) Ng Cheng Lian, Koh Thong Huat and Foo Joon Lye hold the total issued share capital of ADD Investment Holding Pte. Ltd. in equal proportion. Each of them is therefore deemed to be interested in all the shares in the capital of the Company held by ADD Investment Holding Pte. Ltd. under Section 7 of the Companies Act 1967.

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- (3) Ng Cheng Lian, Koh Thong Huat and Foo Joon Lye are each deemed to be interested in 15,364,000 shares in the capital of the Company held by Citibank Nominees Singapore Pte Ltd as their nominee.
- (4) ADD Investment Holding Pte. Ltd. is deemed to be interested in 140,908,812 shares in the capital of the Company held by Citibank Nominees Singapore Pte. Ltd. as its nominee.
- (5) Taisei Oncho Co., Ltd is deemed to be interested in 62,500,000 shares in the capital of the Company held by Citibank Nominees Singapore Pte Ltd as the nominee of its custodian.

Save as disclosed, none of the Directors or their Associates or, as far as the Company is aware, Substantial Shareholders or their Associates, has any interest, direct or indirect, in Ordinary Resolution 8 in relation to the proposed renewal of the Share Buy Back mandate and Ordinary Resolution 10, 11 and 12 in relation to the proposed grant of Share Awards to Mr Ng Cheng Lian, Mr Koh Thong Huat and Mr Foo Joon Lye respectively as set out in the Notice of AGM, other than through their respective shareholding interest (if any) in the Company.

5. DIRECTORS' RECOMMENDATIONS

5.1. Proposed Renewal of the Share Buy Back Mandate

Ng Cheng Lian, Koh Thong Huat and Foo Joon Lye will abstain from voting on the resolution relating to the proposed renewal of the Share Buy Back Mandate and have therefore refrained from making any recommendation to Shareholders on Ordinary Resolution 8 set out in the Notice of AGM. The rest of the Directors, having fully considered the rationale set out under paragraph 3.4 of this Appendix for the proposed renewal of the Share Buyback Mandate, are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of the Ordinary Resolution 8 as set out in the Notice of AGM.

5.2. Proposed Grant of Share Awards

Ng Cheng Lian (Executive Chairman of the Company), Koh Thong Huat (Executive Director and Chief Executive Officer) and Foo Joon Lye (Executive Director), who are interested in Ordinary Resolutions 10, 11 and 12 respectively have abstained from the Board's review and determination, and from making any recommendation to Shareholders in relation to the proposed grant of share awards to Ng Cheng Lian, Koh Thong Huat and Foo Joon Lye, each an Executive Director and Controlling Shareholder as at the Latest Practicable Date, under the ISOTeam PSP.

Having fully considered, amongst others, the rationale for and the terms of the Proposed Grant of Share Awards, the Directors (save for Ng Cheng Lian, Koh Thong Huat and Foo Joon Lye) are of the opinion that the proposed grant of awards to Ng Cheng Lian, Koh Thong Huat and Foo Joon Lye under the ISOTeam PSP is in the best interests of the Company. Accordingly, the Directors (save for Ng Cheng Lian, Koh Thong Huat and Foo Joon Lye) recommend that the Independent Shareholders vote in favour of Ordinary Resolutions 10, 11 and 12 in respect of the proposed grant of awards to Ng Cheng Lian, Koh Thong Huat and Foo Joon Lye, as set out in the Notice of AGM.

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6. ABSTENTION FROM VOTING

6.1. Proposed Renewal of the Share Buy Back Mandate

Ng Cheng Lian, Koh Thong Huat, Foo Joon Lye and the persons acting in concert with them will abstain from voting, whether by representative or proxy, on Ordinary Resolution 8 set out in the Notice of AGM. They will also not accept nominations as proxies or otherwise for voting in respect of the aforesaid ordinary resolution at the AGM unless specific instruction has been given in the proxy form as to the manner in which votes are to be cast in respect of such ordinary resolution.

6.2. Proposed Grant of Share Awards

Pursuant to Rule 859 of the Catalist Rules, directors and employees of a company who are eligible to participate in the scheme must abstain from voting on any resolution relating to a participation of such directors and employees.

Accordingly, all Directors and Employees will abstain from voting in respect of Ordinary Resolutions 10, 11 and 12 and will also decline to accept any appointment as proxy to vote at and attend the forthcoming AGM unless the Shareholder concerned has given specific instructions as to the manner in which his/her votes are to be cast.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Transactions to be tabled at the 2025 AGM, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading.

Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

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8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at No. 8 Changi North Street 1, ISOTeam building, Singapore 498829 during normal office hours from the date of this Appendix up to the date of the 2025 AGM:

- (a) the annual report of the Company for FY2025;
- (b) the Constitution of the Company; and
- (c) the current rules of the ISOTeam PSP.

Yours faithfully

For and on behalf of the Board of Directors of
ISOTEAM LTD.

Koh Thong Huat
Executive Director and Chief Executive Officer