

**RESPONSE TO THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERIES  
DATED 14 JANUARY 2026**

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*Unless otherwise defined, all capitalised terms shall bear the same meanings as ascribed to them in the Company's announcement dated 9 January 2026 (the "**Announcement**") in relation to the Proposed Acquisition Transactions.*

The Board of Directors (the "**Board**" or "**Directors**") of Embracing Future Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") would like to respond to the following queries raised by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 14 January 2026 (each, an "**SGX Query**") and would like to provide further information in relation to the Company's announcement dated 9 January 2026 on the Proposed Acquisition Transactions.

**SGX Query 1:**

*The EFBM Purchase Consideration implies an equity valuation of S\$66,500,000 for EFBM. Given that the economic value of EFBM is substantially derived from its wholly-owned subsidiary, Cellmex, and Cellmax was recently acquired by EFBM on 7 January 2026 for S\$6,650,000 ("**Cellmax Purchase Consideration**"), please explain how the Company (and the non-conflicted Directors) justified the EFBM Purchase Consideration to be 10 times that of the Cellmax Purchase Consideration.*

**Company's response**

The EFBM Purchase Consideration was negotiated on a willing-buyer willing-seller basis, taking into account, among others, that the Company is acquiring a strategic minority equity interest in EFBM, the parent company of Cellmex, rather than acquiring Cellmex directly, and the business plans of EFBM. EFBM will serve as an investment holding entity for future acquisitions and ventures within the biomedical sector.

The EFBM Purchase Consideration represents the acquisition price of the underlying operating subsidiary at the point of acquisition, being the Cellmex Purchase Consideration of S\$6,650,000, and reflects the implied equity valuation of EFBM post-acquisition and the longer-term strategic value of Cellmex's licensed facilities and regenerative medicine platform, including scale-up potential and capacity expansion.

Accordingly, based on information available as at the date of this announcement, the non-conflicted Directors formed a preliminary view that the EFBM Purchase Consideration is commercially negotiated, subject to, among others, the completion of satisfactory due diligence and the receipt and review of the independent valuation report, and IFA opinion. The non-conflicted Directors have not formed a final view on whether the Proposed EFBM Acquisition is fair and reasonable to the Company at this juncture.

In forming their preliminary views, the non-conflicted Directors noted, among others: (a) Cellmex's licensed facilities and profitability track record; (b) valuation based on forward-looking earnings and expansion potential rather than book value; (c) the use of consideration shares as a settlement mechanism / funding structure, with the EFBM Purchase Consideration being satisfied fully by way of the SK Consideration Shares at an issue price of S\$0.10, which represents a 60.5% premium to the VWAP of S\$0.0623 for trades done on 6 January 2026 (being the last market day preceding the date of the EFBM SPA); and (d) an independent valuation of EFBM (with Cellmex as the key value driver) which will be obtained prior to the completion of the Proposed EFBM Acquisition and to be disclosed in the Circular. Accordingly, the non-conflicted Directors recognise that the implied valuation involves

assumptions relating to future scale-up and strategic development, and place significant reliance on the independent valuation as a key safeguard before forming any final conclusion on fairness.

**SGX Query 2:**

*The SATPL Purchase Consideration implies an equity valuation of S\$6,500,000 for SATPL. Given that SATPL does not have any material track record, SH EduTech Co recorded net loss after tax of RMB993,624 (S\$181,650) and net tangible liability value of RMB1,583,887 (S\$289,559) based on the unaudited management accounts for the 10-month financial period ended 31 October 2025, and Astrovisor was incorporated on 17 December 2025 and has not commenced any business activities, please explain how the Company (and the non-conflicted Directors) justified the SATPL Purchase Consideration to be 10 times that of the aggregate purchase consideration by SATPL for SH EduTech Co and Astrovisor of S\$650,000.*

*Please clarify whether SH EduTech Co has any recent audited financial statements given its incorporation in 2017.*

**Company's response**

The SATPL Purchase Consideration was negotiated on a willing-buyer willing-seller basis taking into account, among others, that the Company is acquiring a strategic minority equity interest in SATPL, and the business plans of SATPL. The SATPL Purchase Consideration reflects the implied equity valuation of SATPL as an investment holding platform for future acquisitions and ventures within the AI agent technology business and is intended to consolidate and scale (a) 51% of SH EduTech Co and (b) 35% Astrovisor, following the completion of the SATPL Acquisitions.

The Company acknowledges SGX-ST's query on the basis for the agreed SATPL Purchase Consideration given that: (i) SH EduTech Co recorded a loss of approximately RMB1.0 million for the 10-month period ended 31 October 2025, and net tangible liability of approximately RMB1.5 million as at 31 October 2025; and (ii) Astrovisor is at an early stage of operations.

Accordingly, based on information available as at the date of this announcement, the non-conflicted Directors formed a preliminary view that the SATPL Purchase Consideration is commercially negotiated, subject to, among others, the completion of satisfactory due diligence and the receipt and review of the independent valuation report, and IFA opinion. The non-conflicted Directors have not formed a final view on whether the Proposed SATPL Acquisition is fair and reasonable to the Company at this juncture.

In forming their preliminary views, the non-conflicted Directors noted, among others:

- (a) the nature of business / scalability and growth prospects of SH EduTech Co – Having considered that SH EduTech Co operates in the robotics (AI education) sector and that its intrinsic value is derived from its proprietary curriculum and modular AI-education framework which allows for seamless cross-border expansion through partner and franchise networks, rather than short-term accounting profitability.
- (b) Operating track record – Based on information available to the Company, SH EduTech Co recorded revenue of approximately RMB2.9 million and net profit of RMB0.2 million for the financial year ended 31 December 2024. The Company notes that the financial results may vary from year to year due to, among others, expansion pace, curriculum development costs and operating resources.
- (c) Astrovisor's value is primarily strategic – While Astrovisor has not commenced any business activities, it will serve as the Singapore-based execution node for robotics education expansion, curriculum localisation and brand-building. Its value is therefore largely platform and integration-led, rather than derived from short-period standalone earnings.

- (d) Independent valuation as a safeguard – The Company will appoint an independent valuer to prepare a valuation report on SATPL and/or its underlying assets (including SH EduTech Co and Astrovorator) prior to completion of the Proposed SATPL Acquisition. The independent valuation will form a key benchmark for the Audit and Risk Committee and the non-conflicted Directors in assessing whether the SATPL Purchase Consideration is fair and reasonable. The details of the independent valuation report to be issued in connection with SATPL and its underlying assets by the independent valuer will be set out in the Circular. For avoidance of doubt, the independent valuation provides an objective external reference point prepared using accepted valuation methodologies, which assists the non-conflicted Directors in assessing the reasonableness of valuation assumptions and whether the consideration is broadly consistent with the valuation range; it is not intended to be the sole basis of pricing nor a guarantee against overpayment, and the Company is not pre-judging that the valuation will necessarily support the consideration amounts.
- (e) Completion conditions and shareholder safeguards – Completion of the Proposed SATPL Acquisition is conditional upon (i) completion of satisfactory due diligence, and (ii) receipt of Shareholders' approval at the EGM. If there is any material adverse finding or material mismatch between valuation outcomes and the implied valuation basis, the Company will consider all necessary steps (including renegotiation of terms and/or enhanced disclosure). Any renegotiation of executed agreements can only occur by mutual agreement with the counterparty, or pursuant to specific contractual mechanisms such as conditions precedent/termination rights/long stop date. If any material mismatch arises, the Company will consider appropriate actions within its contractual and governance framework (including where applicable not proceeding to completion/exercising relevant contractual rights, seeking mutual realignment of terms, and/or enhancing disclosures to Shareholders for informed decision-making). "Enhanced disclosures" refer to transparent disclosure of the mismatch/adverse findings, key valuation assumptions and sensitivities, any premium/discount vs valuation and related risks, to facilitate informed Shareholders' assessment; disclosures are governance safeguards and do not in themselves change the economic terms.

Accordingly, notwithstanding the short-period historical losses recorded by SH EduTech Co and the early stage of Astrovorator, the non-conflicted Directors were of the preliminary view that the SATPL Purchase Consideration was commercially negotiated, recognising that SH EduTech Co has recorded recent losses and that Astrovorator is at an early stage of development, and that a final assessment of fairness will be made only after receipt of the independent valuation, IFA opinion and completion of satisfactory due diligence.

The Company confirms that SH EduTech Co has submitted PRC statutory financial statements for the year ended 31 December 2024. The Company has obtained SH EduTech Co's 2024 annual statutory financial statements compiled under the PRC small enterprise accounting standards, including the balance sheet, profit and loss statement and cash flow statement.

**SGX Query 3:**

*BJWL Advertising was recently incorporated on 19 November 2025. Please (i) provide information on the incorporation, business, operations and financials of BJWL Nanjing Branch, BJWL Shanghai Branch, and BJWL Shenzhen Branch, including how they are related to and held by BJWL Advertising; and (ii) explain how the Company (and the non-conflicted Directors) justified the BJWL Purchase Consideration to be S\$68,000,000.*

**Company's response**

- (i) BJWL Advertising was incorporated on 19 November 2025 in the PRC as an entity to consolidate and hold the advertising/media operations conducted through its three newly-incorporated branches, BJWL Nanjing Branch, BJWL Shanghai Branch and BJWL Shenzhen Branch, under PRC law (no separate legal personality).

As the three branch offices are newly incorporated, they do not have any material historical track record of business and operations and the financial statements of the three branches have not been prepared as it would not be meaningful. The financial results of the three branches will be consolidated into BJWL Advertising's management accounts.

The Company will disclose further details in the Circular following due diligence, including business scope, operations, customers, and relevant financial information (to the extent available).

- (ii) Based on information available as at the date of this announcement, the non-conflicted Directors formed a preliminary view that the BJWL Purchase Consideration is commercially negotiated, subject to, among others, the completion of satisfactory due diligence and the receipt and review of the independent valuation report, and IFA opinion. The non-conflicted Directors have not formed a final view on whether the Proposed BJWL Advertising Acquisition is fair and reasonable to the Company at this juncture.

In forming their preliminary views, the non-conflicted Directors note that BJWL Advertising and its branch offices are newly incorporated and do not have a meaningful operating or financial track record. The BJWL Purchase Consideration was negotiated on a willing-buyer willing-seller basis taking into account, among others, the business plans of BJWL Advertising (and its three branch offices, BJWL Nanjing Branch, BJWL Shanghai Branch and BJWL Shenzhen Branch), its potential customer relationships/contracts, and subject to the completion of the Proposed BJWL Advertising Acquisition and the Proposed ZH EFM CN Shares Acquisition, the strategic integration with EFM CN's MCN ecosystem for monetisation. Additionally, the BJWL Purchase Consideration shall be satisfied fully by the ZH BJWL Consideration Shares (as a settlement mechanism / funding structure). Given the early-stage nature of the business, the non-conflicted Directors consider the independent valuation and enhanced due diligence to be critical safeguards, and any views expressed at this stage should not be regarded as a final determination of fairness. The details of the independent valuation report to be issued in connection with BJWL Advertising and its branch offices by the independent valuer will be set out in the Circular.

**SGX Query 4:**

*For HY2025, EFM CN had net loss after tax of S\$6,350 and net tangible liability value of S\$434,264. Please explain how the Company (and the non-conflicted Directors) justified the ZH EFM CN Purchase Consideration to be S\$104,000.*

**Company's response**

Based on information available as at the date of this announcement, the non-conflicted Directors formed a preliminary view that the ZH EFM CN Purchase Consideration is commercially negotiated, subject to, among others, the completion of satisfactory due diligence and the receipt and review of the independent valuation report, and IFA opinion. The non-conflicted Directors have not formed a final view on whether the Proposed ZH EFM CN Shares Acquisition is fair and reasonable to the Company at this juncture.

In forming their preliminary views, the non-conflicted Directors noted, among others, that the net loss for HY2025 was mainly attributable to early-stage set-up expenses, and the Proposed ZH EFM CN Shares Acquisition of the remaining shares in EFM CN enables full ownership/control and consolidation by the Company, and hence, facilitating integration of the MCN segment (including BJWL Advertising to be held under EFM CN). The ZH EFM CN Purchase Consideration is relatively modest and will be fully satisfied by the ZH EFM CN Consideration Shares as a settlement mechanism / funding structure. The details of the independent valuation report to be issued in connection with EFM CN by the independent valuer will be set out in the Circular.

Accordingly, notwithstanding the net loss recorded by EFM CN for HY2025, the non-conflicted Directors were of the preliminary view that the ZH EFM CN Purchase Consideration was commercially negotiated,

recognising that EFMCN has recorded recent losses, and that a final assessment of fairness will be made only after receipt of the independent valuation, IFA opinion and completion of satisfactory due diligence.

**SGX Query 5:**

*Given that the Company will be engaging an independent valuer to prepare a valuation report on EFBM, SATPL, BJWL Advertising and EFMCN, please explain why the Company has fixed the respective purchase consideration prior to the issuance of the valuation report.*

**Company's response**

The Company wishes to clarify that the respective purchase consideration is commercially negotiated, subject to, among others, the completion of satisfactory due diligence and the receipt and review of the independent valuation report, and IFA opinion.

In determining and negotiating the respective purchase consideration for the purposes of the Announcement, the Company and the non-conflicted Directors took into account, among others:

- (a) available information at the time of negotiations, including the target companies' management accounts/operational information, business model and growth plans, key assets (including licences, operating platforms, customer network and/or intellectual property) and strategic importance to the Group's business segments;
- (b) the Proposed Acquisitions Transactions are part of the Group's overall corporate restructuring and expansion roadmap into the (i) biomedical technology business, (ii) technology-enabled lifestyle business, involving the ownership, operation and management of multi-channel network (MCN) businesses and related-businesses, and (iii) AI agent technology business, and therefore the relevant purchase consideration reflects the parties' commercial negotiations based on available information at the time, and does not constitute a valuation conclusion by the non-conflicted Directors; and
- (c) the method of settlement of the respective purchase consideration, being satisfied fully by the allotment and issuance of new Shares (instead of cash consideration), serves as a settlement mechanism / funding structure that preserves the Group's financial flexibility, but is not the basis for determining the fairness of the purchase consideration.

The Company further clarifies that the independent valuation report(s) commissioned by the Audit and Risk Committee are intended to serve as an independent benchmark and safeguard, and will be obtained prior to completion of the respective Proposed Acquisition Transactions. In particular:

- (i) each Proposed Acquisition Transaction remains conditional upon, among others, satisfactory completion of due diligence, and Shareholders' approval at the EGM; and
- (ii) the Company will disclose the independent valuation reports (and the basis thereof), and where applicable, the views of the Audit and Risk Committee and the IFA, in the Circular to Shareholders. The valuation provides an objective external benchmark prepared using accepted valuation methodologies, which supports the Board/ARC's assessment and enhances disclosure transparency for Shareholders; it is not intended to be the sole basis of pricing nor a guarantee against overpayment.

To the extent the independent valuation outcomes differ materially from the implied valuation basis underlying the agreed purchase consideration, the Company will, together with its Sponsor and professional advisers, consider the appropriate course of action, including further disclosure and/or renegotiation of the relevant transaction terms, where necessary, to ensure that the Company's

interests are protected. Any renegotiation of executed agreements can only occur by mutual agreement with the counterparty, or pursuant to specific contractual mechanisms such as conditions precedent/termination rights/long stop date. If any material mismatch arises, the Company will consider appropriate actions within its contractual and governance framework (including where applicable not proceeding to completion/exercising relevant contractual rights, seeking mutual realignment of terms, and/or enhancing disclosures to Shareholders for informed decision-making). "Further disclosures" refer to transparent disclosure of the mismatch/adverse findings, key valuation assumptions and sensitivities, any premium/discount vs valuation and related risks, to facilitate informed Shareholders' assessment; disclosures are governance safeguards and do not in themselves change the economic terms.

**SGX Query 6:**

*Given that EFBM is directly related to Mr. Zhu Hua, the Company's Executive Director and Chairman, please explain why there would be introducers for the Proposed EFBM Acquisition, and the involvement / work done by the Introducers in relation to EFBM, Cellmax and the Proposed EFBM Acquisition. Please clarify the relationships of the Introducers with the Group, EFBM, Cellmax and Mr. Katsuki.*

**Company's response**

Although EFBM is an associate of Mr. Zhu Hua, introducers may still be involved, particularly in cross-border transactions where third parties assist in business matching and coordination.

The Introducers had facilitated the introduction of the EFBM Acquisition of Cellmex, assisted in coordinating discussions with Mr. Katsuki and parties involved, and supported preliminary structuring, documentation coordination and due diligence for the EFBM Acquisition of Cellmex and the Proposed EFBM Acquisition prior to the entry into the definitive agreement.

The Company will disclose the introducers' identities, relationships and scope of work once the introducer agreements have been finalised, to ensure compliance with the Catalist Rules.

**SGX Query 7:**

*It is stated that the financial statements of EFBM have not been prepared due to its limited track record. Given the foregoing, please explain how it was derived that the net profit attributable to the Proposed EFBM Acquisition at a shareholding interest of 10% would be S\$15,133, including the period for which such profit would be applicable. Same comment applies to SATPL and BJWL Advertising.*

**Company's response**

The Company wishes to clarify that certain acquisition targets (including EFBM) have been dormant since incorporation or are newly incorporated holding entities and therefore do not have meaningful standalone operating track records. Accordingly, for the purposes of computing the relative figure under Rule 1006(b) of the Catalist Rules, the Company derived the net profit (or loss) attributable based on the financial information of the relevant underlying operating entities which drive the economic value of the acquisitions, as follows:

- (a) with respect to the Proposed EFBM Acquisition which contemplates the acquisition of 10% interest in EFBM, EFBM is a holding company and is not the operating business which generates revenue and profits. The underlying operating entity is Cellmex, whose business operations and financial results form the economic basis of the investment. Accordingly, the net profit attributable for Rule 1006(b) of the Catalist Rules was derived based on Cellmex's financial figures, multiplied by the Company's proposed 10% equity interest.
- (b) with respect to the Proposed SATPL Acquisition which contemplates the acquisition of 10% interest in SATPL, SATPL is a newly incorporated company and it is intended to be a holding company and not an operating business which generates revenue and profits. The underlying

operating entity is SH EduTech Co, whose operations and financial performance form the economic basis of the investment. Accordingly, the net profit (or loss) attributable for Rule 1006(b) of the Catalist Rules was derived based on SH EduTech Co's financial figures, multiplied by the Company's proposed 10% equity interest.

- (c) with respect to the Proposed BJWL Advertising Acquisition which contemplates the acquisition of 100% interest in BJWL Advertising. BJWL Advertising is a newly incorporated company and does not have a meaningful standalone operating track record. As disclosed, the Company did not compute the relative figure under Rule 1006(b) of the Catalist Rules for BJWL Advertising at the time of the Announcement as the relevant profit/loss attributable information is not meaningful / not available at this stage.

The Company will provide further clarification and relevant supporting information (including the periods and the underlying financial information used) in the subsequent announcement on the financial effects and/or the Circular to Shareholders, where applicable.

**SGX Query 8:**

*Please provide details of the partners and management of Shanghai XingRiQiYe management Center Limited Partnership, the 27.0% shareholder of SH EduTech Co, and whether they are related to the Group.*

**Company's response**

The Company wishes to clarify that Shanghai XingRiQiYe Management Center Limited Partnership ("SH XingRiQiYe LP") holds 27.0% of the equity interest in SH EduTech Co. Based on corporate information obtained by the Company, the partners of SH XingRiQiYe LP are as follows:

- (a) Ms. Zhou Jun – holds approximately 98.9% of the partnership interest, and is also the executing partner (执行事务合伙人) of SH XingRiQiYe LP; and
- (b) Mr. Lin Li – holds approximately 1.1% of the partnership interest.

Accordingly, Ms. Zhou Jun effectively controls SH XingRiQiYe LP.

The Company will include the above information in the Circular to Shareholders and will also disclose whether SH XingRiQiYe LP (and/or its partners) has any management role in SH EduTech Co.

The Company further confirms that the vendor of the Proposed SATPL Acquisition and the SATPL Acquisitions (i.e. where the target companies are SATPL, SH EduTech Co and Astrovalor) is Ms. Zhou Jun, and hence, the shareholding structure above does not change the identity of the controlling party of SH EduTech Co. The independent valuation and due diligence will take into account the shareholding and control structure in assessing the reasonableness of the SATPL Purchase Consideration. This will not constitute an interested person transaction under Chapter 9 of the Catalist Rules as Ms. Zhou Jun is an independent third party and not related to the Company's Directors/controlling shareholders/substantial shareholders (as at the date of the Announcement).

**SGX Query 9:**

*Please clarify details of Ms. Zhou Jun's involvement in both SH EduTech Co (based in the PRC) and Astrovator (based in Singapore), including whether she is considered a key management / involved in the operations of both entities, and how she plans to devote her time to carry out her duties effectively in both countries.*

**Company's response**

Ms. Zhou Jun is the founder and key executive of SH EduTech Co and is also a co-founder of Astrovator. The Company clarifies that Ms. Zhou Jun's role in the enlarged group is expected to be primarily strategic and programme-led, rather than day-to-day operational management across both jurisdictions.

In particular:

- (a) with respect to the PRC operations of SH EduTech Co, Ms. Zhou Jun will continue to provide strategic leadership and oversee key matters including curriculum development, teacher training standards and brand direction. The daily operations (including teaching execution, student enrolment administration, and centre operations) will be supported by SH EduTech Co's existing local PRC operating team;
- (b) with respect to the Singapore operations of Astrovator, the operations will be managed by the local Singapore-based operations team, which will oversee daily teaching delivery, student enrolment, centre operations and local regulatory compliance. Ms. Zhou Jun will support Astrovator mainly through curriculum framework, teacher training methods and programme quality assurance to ensure alignment with the Group's AI robotics education model, and will be based in Singapore during the early stages of the Singapore operations, and will continue to support the Singapore operations on an ongoing basis thereafter; and
- (c) with respect to operational arrangement and governance of SH EduTech Co and Astrovator, the Company intends to implement appropriate delegation and reporting structures to ensure that management responsibilities are clearly segregated between the PRC and Singapore operations, with periodic reporting to SATPL's board and management to ensure proper oversight.

Accordingly, Ms. Zhou Jun is not expected to be physically managing both operations concurrently on a full-time daily basis, and the Group will rely on local operating teams in each jurisdiction, with Ms. Zhou Jun providing strategic direction and curriculum leadership.

**SGX Query 10:**

*Please clarify the reasons that the Company was not able to provide the financial effects for all the Proposed Acquisition Transactions at the time of the announcement, including the information that has not been finalised.*

**Company's response**

The Company was unable to provide meaningful and reliable financial effects of the Proposed Acquisition Transactions at the time of the Announcement as key financial information and inputs required for pro forma computations were not sufficiently finalised and/or verified as at that time.

In particular:

- (a) The Proposed Acquisition Transactions involve different equity interests (e.g. 10%, 35%, 49%, 51%). As such, the appropriate pro forma presentation (i.e. whether to account as subsidiary consolidation, equity accounting as associate/joint venture, or otherwise) will affect how revenue, profit, NTA and EPS effects are reflected. Accordingly, the Company required additional time to confirm the appropriate basis for disclosure; and



- (b) key pro forma inputs were not finalised at the time of the Announcement. The Company was still finalising the information required for the pro forma computations, including the number of consideration shares to be issued under each transaction and the resulting enlarged share capital following the completion of the Proposed Acquisition Transactions.

Accordingly, the Company was of the view that it would not be appropriate to disclose pro forma financial effects based on incomplete and unverified information, as such disclosure may not be meaningful and could be potentially misleading.

The Company will provide the relevant financial effects in a subsequent announcement and/or in the Circular to Shareholders once the above information is finalised and verified.

**SGX Query 11:**

*Please clarify the considerations that the issue price of S\$0.065 for the ZH BJWL Consideration Shares and ZH EFMCN Consideration Shares to Mr. Zhu Hua and BJZHAT, both interested persons, is lower than the issue price of S\$0.100 for the ZJ Consideration Shares to Ms. Zhou Jun and the SK Consideration Shares to Mr. Katsuki, who are not interested persons, when all the Proposed Acquisition Transactions are being considered together. Please provide the non-conflicted directors' views on how such an arrangement would be fair.*

**Company's response**

The Company wishes to clarify that the respective issue price of the consideration shares were determined on a commercially negotiated basis with the respective vendors, taking into account the nature of the transactions, the counterparties involved, and the overall structure of the Proposed Acquisition Transactions. The different issue prices do not represent preferential treatment to any party.

In particular:

- (a) with respect to the ZH BJWL Consideration Shares and ZH EFMCN Consideration Shares, the issue price of S\$0.065 per Share was agreed with Mr Zhu Hua for the Proposed BJWL Advertising Acquisition and the Proposed ZH EFMCN Shares Acquisition relating to the MCN segment (being the acquisition of the 49% interest in EFMCN and the acquisition of 51% of BJWL Advertising), having regard to, among others:
- (i) these transactions are part of the overall MCN restructuring within the enlarged group and Mr. Zhu Hua is willing to accept Shares (instead of cash) as consideration at such agreed issue price; and
  - (ii) the intention to structure the consideration shares issuance at a price that is commercially acceptable while balancing potential dilution impact to Shareholders.
- (b) with respect to the SK Consideration Shares and ZJ Consideration Shares, the issue price of S\$0.10 per Share was agreed with the independent third-party vendors (i.e. Mr. Katsuki and Ms. Zhou Jun) for the Proposed EFBM Acquisition and the Proposed SATPL Acquisition relating to the biomedical and AI education segment (being the acquisition of 10% interest of EFBM and 10% interest of SATPL), respectively, having regard to, among others:
- (i) the negotiated implied valuation of the underlying businesses and growth prospects; and
  - (ii) the counterparties' willingness to accept a higher issue price as purchase consideration for the Proposed EFBM Acquisition and the Proposed SATPL Acquisition.

- (c) the Company further highlights that the following safeguards are in place to protect Shareholders,
- (i) the Proposed Acquisition Transactions are subject to completion of satisfactory due diligence, and Shareholders' approval in accordance with Chapter 9 and Chapter 10 of the Catalist Rules; and
  - (ii) the Company will appoint independent valuers to value the target companies prior to completion of the Proposed Acquisition Transactions to provide an objective valuation benchmark for the Company's and the non-conflicted Directors' assessment of the Proposed Acquisition Transactions (it is not intended to be the sole basis of pricing nor a guarantee against overpayment). The details of the independent valuation report to be issued in connection with EFBM, SATPL, BJWL Advertising and EFM CN by the independent valuer will be set out in the Circular.

Accordingly, the non-conflicted Directors have not relied solely on the comparison of issue prices in forming their preliminary views, and will take into account the independent valuation and the IFA's opinion (where applicable) before determining whether the arrangements are fair and reasonable.

**SGX Query 12:**

*It is stated that based on the unaudited management accounts of EFM CN for HY2025, the net loss before tax and let loss after tax of EFM CN was S\$6,350. Please explain how the net loss attributable to the Proposed ZH EFM CN Shares Acquisition at a shareholding interest of 51% would be S\$6,340, and why a 51% shareholding interest was used when the Company would be acquiring 49% of EFM CN.*

**Company's response**

The Company wishes to clarify that the reference to the Proposed ZH EFM CN Shares Acquisition at a shareholding interest of 51% was an inadvertent error, as the Proposed ZH EFM CN Shares Acquisition relates to the acquisition of the remaining 49% equity interest in EFM CN such that following the completion of the Proposed ZH EFM CN Shares Acquisition, EFM CN would be a wholly-owned subsidiary of the Company.

Accordingly, the net loss attributable to the Proposed ZH EFM CN Shares Acquisition of the remaining 49% equity interest in EFM CN should be computed based on 49% of the net loss of approximately S\$6,092, and the negative figure computed under Rule 1006(b) of the Catalist Rules should be 0.97% instead of 1.01%.

The Company will rectify and clarify the above disclosures in subsequent announcement and/or the Circular to Shareholders (as applicable).

**SGX Query 13:**

*Please provide details and timeline of the Company and Sponsor's due diligence conducted for each of the Proposed Acquisition Transactions.*

**Company's response**

The Company, together with its Sponsor and professional advisers, has conducted and is in the process of conducting due diligence on the target companies and assets (i.e. EFBM with Cellmex, SATPL with SH EduTech Co and Astrovator, BJWL Advertising with BJWL Nanjing Branch, BJWL Shanghai Branch and BJWL Shenzhen Branch, and EFM CN) in respect of the Proposed Acquisition Transactions, which is appropriate for the nature, size and risk profile of each transaction. The due diligence is ongoing and will continue up to completion prior to the release of the Circular to Shareholders.

The scope of due diligence undertaken / in progress includes, among others:

- (a) corporate and legal due diligence, including verification of corporate information, ownership structures and the interests to be acquired, review of constitutional documents, material contracts, licences (where applicable) and litigation/disputes;
- (b) financial due diligence, including review and verification of relevant financial information and management accounts, assessment of key revenue and cost items, liabilities and working capital requirements and an assessment of the reasonableness of the proposed purchase consideration based on the financial and independent valuation findings; and
- (c) business and commercial due diligence, including assessment of the business model, operational capability and key commercial assumptions, including key counterparties and customer relationships (where applicable).

With respect to the timeline of the Company and Sponsor's due diligence conducted for each of the Proposed Acquisition Transactions, preliminary discussions and initial information review for the Proposed Acquisition Transactions commenced in early December 2025. In addition to the due diligence undertaken as mentioned above, which remains ongoing, the Company has also performed counterparty and relationship checks to assess any potential interested person transaction under Chapter 9 of the Catalist Rules. As part of its due diligence, the Sponsor had, among others, conducted desktop searches, reviewed the respective sale and purchase agreements and the Announcement, to ensure that the Company is in compliance with the Catalist Rules and makes proper disclosure.

The Company will disclose further relevant information (including independent valuation outcomes and IFA opinion, where applicable) in the Circular to Shareholders.

#### **BY ORDER OF THE BOARD**

Zhu Hua  
Executive Director and Chairman  
20 January 2026

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*This document has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.*

*The contact person for the Sponsor is Mr. Jerry Chua (Tel: (65) 6241 6626), at 160 Robinson Road, #20-01/02, SBF Center, Singapore 068914.*