
RESPONSES TO QUESTIONS FROM SHAREHOLDERS IN RELATION TO THE ANNUAL GENERAL MEETING TO BE HELD ON 28 APRIL 2025

The Board of Directors of Choo Chiang Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the annual report of the Company for the financial year (“**FY**”) ended 31 December 2024 and the notice of annual general meeting (“**AGM**”) dated 10 April 2025 (“**Notice**”).

The Company wishes to thank shareholders for submitting their questions in advance of the AGM and has set out below responses to substantial and relevant questions relating to the agenda in the Notice.

Q1 With reference to the Group’s Distribution Business,

- (i) **What is the breakdown of revenue among government, commercial, and residential projects?**
- (ii) **According to the BCA, overall construction demand in Singapore in 2024 exceeded estimates and increased year-over-year. However, the results from the Company’s Distribution Business have shown a decline. What contributed to the variation from construction industry trends?**
- (iii) **Chairman’s Statement of the Annual Report 2024 stated that "Revenue from the Distribution Business segment decreased by \$1,442,000 or 1.6% from \$90,452,000 in FY2023 to \$89,010,000 in FY2024. The decrease was mainly due to a lower demand for certain electrical products and accessories during the year." What is the primary reason for this lower demand? Was it driven by heightened competition or a general slowdown in the industry?**

Company’s response

- (i) The Group’s Distribution Business customers comprise a mix of retail customers, contractors, re-sellers, interior designers, and end users. While the Group supplies directly to contractors who undertake government, commercial, and residential projects, the Company does not maintain a detailed revenue breakdown by these specific project categories.
- (ii) Given the nature of our business—supplying electrical products and accessories typically required in the later stages of construction, specifically during the interior fit-out stages—there is often a timing gap between the awarding of construction contracts and the actual demand for our products on-site. As such, our revenue does not necessarily move in tandem with short-term fluctuations in construction demand or contract awards as reported by BCA.
- (iii) The lower demand for certain electrical products and accessories in FY2024 was primarily driven by demand for specific product categories, such as certain series of switches, which were used in projects that had already reached completion.

This decline in demand was not merely the result of heightened competition or a broad industry slowdown, but rather due to the natural construction cycle and project timelines.

Q2 Does the Board anticipate any significant impact on the Group's business arising from the reciprocal tariffs and the ongoing trade tensions between China and the USA?

Company's response

As our customer base is entirely focused on local consumption and projects within Singapore, we face little to no exposure to export and re-import issues, and thus anticipate minimal impact on our business from the ongoing trade tensions. Nevertheless, we will continue to exercise prudence in managing our operations and closely monitor any potential impact of the reciprocal tariffs on our overall supply chain and operations.

BY ORDER OF THE BOARD

Lim Teck Chuan
Executive Chairman and Chief Executive Officer

22 April 2025

This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). This announcement 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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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