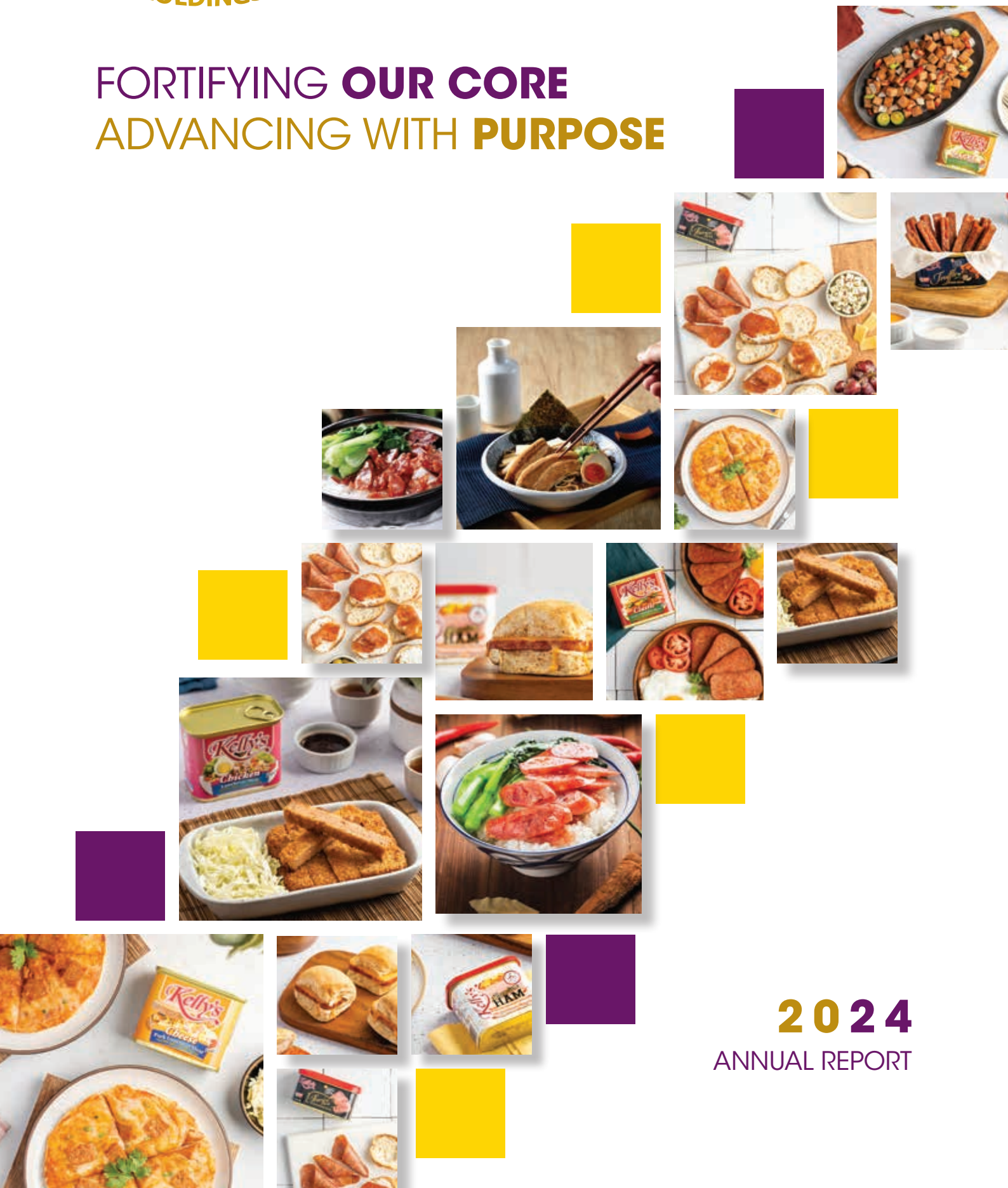
OLS HOLDINGS

FORTIFYING **OUR CORE**
ADVANCING WITH **PURPOSE**



2024

ANNUAL REPORT

TABLE OF CONTENTS













01	Corporate Profile
04	Our Brands
05	Corporate Milestones
06	Financial Highlights
07	Chairman's Letter to Shareholders
09	Message from Managing Director
11	Financial Review
14	Board of Directors
17	Executive Officers
18	Corporate Structure
19	Sustainability Report
60	Corporate Governance Report
90	Statement by Directors
94	Independent Auditor's Report
99	Financial Statements
145	Statistics of Shareholdings
147	Notice of Annual General Meeting
154	Additional Information on Re-Election of Directors
161	Letter to Shareholders (Proposed Renewal of the General Mandate for Interested Person Transactions)
174	Letter to Shareholders (Proposed Renewal of the Share Purchase Mandate)
	Proxy Form
	Corporate Information

This annual report has been reviewed by the Company's sponsor ("Sponsor"), SAC Capital Private Limited. This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made, or reports contained in this annual report.

The contact person for the Sponsor is Ms. Audrey Mok (Tel: +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542

CORPORATE PROFILE



Left - right:
Mr. Ong Bee Song (Sales Director of Golden Bridge and Ellaziq Singapore)
Mdm. Ong Chew Yong (Executive Director)
Mr. Ong Bee Chip (Managing Director)

The Group's vision is to develop a growing portfolio of established consumer brands and to become an innovative market leader in the region.

Established in 1993, OTS Holdings Limited is a brand builder and food manufacturing group in the consumer industry with a strong niche in ready-to-eat and ready-to-cook meat products with key markets in Singapore and Malaysia.

Targeting both halal and non-halal consumer segments, the Group has more than 1,100 SKUs across 13 main product types under its 7 house brands and notably the Group's flagship brands, "Golden Bridge" and "Kelly's" have become established household names within the ready-to-eat and ready-to-cook meat products market in Singapore and Malaysia.

In June 2022, the Group launched its 7th and latest house brand, ANEW, a plant-based, ready-to-eat food brand that aims to deliver quality, nutrition and convenience to consumers with a taste of heritage.

From challenging ourselves to improve our recipes to exploring technological innovations to enhance efficiency and quality in our manufacturing processes, we continue to push new boundaries as food innovators.

Supported by our in-house research and development team, we take pride in our commitment to continuously reinvent ourselves and create better products to respond swiftly and in a timely manner to market trends and support the diverse tastes of our customers.

The Group owns and operates three modern food manufacturing facilities, two in Singapore and one in Bulan Island, Indonesia. In Singapore, its integrated food manufacturing facilities with in-house research and development team span across around 9,131 square metres with an average annual production of around 2,500 tonnes of ready-to-eat and ready-to-cook meat products.

The Group's food products are sold in major supermarkets, convenience stores, provision shops, hotels and restaurants in Singapore and Malaysia. The Group also has direct market access to the Philippines markets via its overseas subsidiary.

Having built an established sales and distribution network over the past few decades, the Group's food products are also marketed and sold overseas, in countries such as Australia, Brunei, Hong Kong, Myanmar, New Zealand, India and Japan.

For more information, please visit the Company's website at www.ots-holdings.com.

CORPORATE PROFILE

MODERN FOOD MANUFACTURING FACILITIES



Our modern food manufacturing facilities at 30 Senoko South Road Singapore 758088

We own and operate three modern food manufacturing facilities, two in Singapore and one in Bulan Island, Indonesia.

In Singapore, our integrated food manufacturing facilities span across approximately 9,131 sq m with an average annual production of approximately 2,500 tonnes of ready-to-eat and ready-to-cook meat products.

We have the capability to manage and process as many as four product categories - chilled, frozen, dried and shelf-stable ready-to-eat and ready-to-cook meat products.

TECHNOLOGY DRIVEN MANUFACTURING CAPABILITIES

Recognising the importance of technology in increasing productivity and efficiency, we believe we were among the first in our industry in Singapore to adopt certain modules of an enterprise resource planning ("ERP") system in 2003.

Made several upgrades and improvements leading eventually to the implementation of an ERP system today, which connects every step of the manufacturing process, thereby enabling us to track and monitor every aspect of our process and products with speed, accuracy and ease.

ERP
ENTERPRISE RESOURCE PLANNING

PURCHASING | MANUFACTURING | FINANCE | CUSTOMER WEB PORTAL | CRM & SALES | DISTRIBUTION

QUALITY ASSURANCE & CERTIFICATIONS

Knowing how important safety and quality standards are to consumers, especially in the food business, we are dedicated to ensuring our culture embodies these key beliefs in our processes.

Since 2015, the food safety management systems of our production facilities in Singapore have received the FSSC 22000 Food Safety System Certification, which demonstrates that our production facilities have robust food safety management systems in place.

We have been achieving Grade 'A' status for excellence in food hygiene and food safety standards from the Singapore Food Agency or the Agri-Food & Veterinary Authority of Singapore (as the case may be) for processing such as retort canning, sausage and ham processing since 2010 for Golden Bridge Foods Manufacturing Pte Ltd and since 2011 for Ellaziq Private Limited.

We have obtained halal certification from Majlis Ugama Islam Singapura in Singapore for the products that are manufactured at Ellaziq Private Limited production facility.

In addition, our two production facilities in Singapore are the only two out of the four meat processing plants in Singapore which have obtained approval for the export of meat products from Singapore to the European Union.

ESTABLISHED DISTRIBUTION CHANNELS

We have built an established sales and distribution network over the past few decades and our brands have been widely marketed and sold in major supermarkets (such as NTUC Fairprice, Sheng Siong, Giant), convenience stores, provision shops, hotels and restaurants in Singapore and Malaysia. In addition, we intend to strengthen our presence on e-commerce platforms and via our websites.



Our food products have been marketed and sold in many countries, including Australia, Brunei, Hong Kong, Malaysia, Myanmar, New Zealand, India, Japan and the Philippines.

OUR BRANDS

Our "Golden Bridge" brand was created by our late founder, Mr. Ong Tuan Seng and it symbolises our belief to serve as a connection to consumers' preferences with our quality F&B products.

Since then, the "Golden Bridge" brand has grown progressively with a comprehensive range of new products, ranging from Taiwanese-style sausages, meat floss to a variety of luncheon meats, becoming an established household name within the ready-to-eat consumer market in Singapore and across Asia.

Launched in 2013, the GB GoldenLion brand is specially developed and targeted at food service businesses (such as hotels, restaurants, airlines, caterers, quick service restaurants, ship chandlers, bakeries, clubs, cafes and pubs) in Singapore and Asia.

The tradition of excellence is carried on with the GB GoldenLion brand with a wide range of high-quality oriental and western products that are made in Singapore.

Responding to growing consumer needs for halal lifestyles, our El-Dina brand specialises in offering a wide range of exquisite quality and gourmet halal food catered for the discerning end-consumer with iconic tastes of the world.

El-Dina has grown to be a prominent halal retail brand that is known for quality and gourmet taste with its extensive range of premium quality ambient, chilled, frozen halal meat products and meat floss.

Symbolising the motherly love and care for food preparation, the Kelly's brand was born in 2004 to serve the sophisticated tastes of modern consumers with an extensive range of Western-style meats and products.

From classic tastes to bold flavours, we have developed portion sized products under the Kelly's brand to cater to the growing trend of smaller families and convenient eating on the go.

As the national flower of Singapore, Orchid is closely identified with Singapore and it is the namesake for our overseas brand.

Produced with comprehensive quality and strict food safety standards, the Orchid brand has a wide range of ready-to-eat meat products that are specially developed to suit the palates of the local communities in our overseas markets.

The Kizmiq brand is targeted at the food service businesses in the halal F&B industry, providing a wide range of halal meat products and meat floss for better value.

Kizmiq serves various categories of food service businesses (such as hotels, restaurants, airlines, caterers, quick service restaurants, ship chandlers, bakeries, clubs, cafes and pubs).

With the tagline "Better Food Forward", ANEW is our plant-based, ready-to-eat food brand that aims to deliver quality, nutrition and convenience to consumers with a taste of heritage.

CORPORATE MILESTONES

The history of our Group can be traced back to August 1993 when Golden Bridge was established by Mr. Ong Tuan Seng and Mr. Ang Tik Bee (who are the father and brother-in-law respectively of our Executive Directors, Mr. Ong Bee Chip and Mdm. Ong Chew Yong, and our Controlling Shareholder, Mr. Ong Bee Song) primarily to produce premium Chinese sausages.

Mr. Ong Tuan Seng first came up with the innovative idea of creating XO special lean Chinese sausages, recognising that the aroma of XO brandy would be popular with the market.

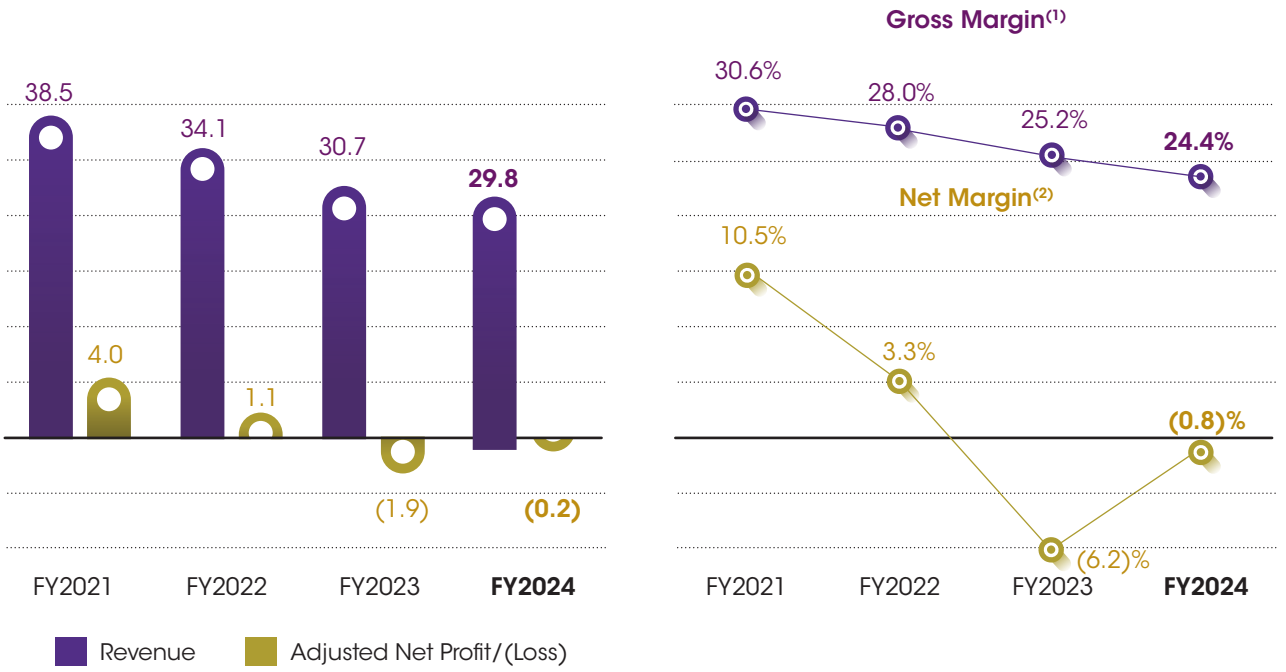
Since then, the Group has grown progressively over the past two decades with a vision to develop a growing portfolio of established consumer brands and to become an innovative market leader in the region.



FINANCIAL HIGHLIGHTS

(Financial year ended: 30 June) Profit & Loss	FY2020 S$'000	FY2021 S$'000	FY2022 S$'000	FY2023 S$'000	FY2024 S$'000
Revenue	34,535	38,506	34,136	30,664	29,753
Gross profit	10,248	11,787	9,558	7,742	7,255
Net profit/(loss)	3,551	2,989	1,120	(1,902)	(227)
Adjusted net profit/(loss)	3,551	4,045*	1,120	(1,902)	(227)

** Excluding IPO expenses of approximately S$1.06 million, of which S$0.9 million was recognised during 2H2021*



Balance Sheet	FY2020 S$'000	FY2021 S$'000	FY2022 S$'000	FY2023 S$'000	FY2024 S$'000
Total current assets	21,324	30,209	23,664	21,930	17,092
Total current liabilities	8,082	8,002	4,580	3,803	4,295
Total net current assets	13,242	22,207	19,084	18,127	12,797
Total assets	36,295	45,183	38,896	35,847	35,701
Total liabilities	16,311	15,543	9,570	8,949	9,036
Total shareholder's equity	19,984	29,640	29,326	26,898	26,665
Financial Statistics					
Gross margin(1)	29.7%	30.6%	28.0%	25.2%	24.4%
Net margin(2)	10.3%	10.5%	3.3%	(6.2)%	(0.8)%
Earnings/(losses) per share (Singapore cents)(3)	1.99	1.66	0.52	(0.89)	(0.11)
Net debt to equity ratio(4)	18.8%	Net cash	Net cash	Net cash	Net cash

(1) *Gross profit/revenue*
(2) *Adjusted net profit (loss)/revenue*
(3) *Net profit (loss)/total issued ordinary shares*
(4) *Total borrowings including lease liabilities less cash and cash equivalents/total equity*

CHAIRMAN'S LETTER TO SHAREHOLDERS

Dear Shareholders,

On behalf of the Board of Directors, I would like to present OTS Holdings Limited's ("OTS Holdings" or the "Company", and together with its subsidiaries, the "Group") Annual Report for the financial period ended 30 June 2024 ("FY2024").

As a manufacturer and owner of several well-recognised household brands of food products that were built up over 30 years, the Group understands the critical importance of protecting and growing our brands within the fast-moving consumer goods industry.

Our brands are now associated with quality, trust, consistency, and have established a deep emotional connection among local customers. Not only does the Group have strong heritage brands, majority of our brands also have a premium positioning, particularly our flagship brands, "Golden Bridge" and "Kelly's", which are established household names in Singapore and Malaysia.

Over the past few years, the Group had been faced with unexpected challenges, particularly the African Swine Fever that had affected our overseas markets and production. This has delayed our initial overseas plans by a couple of years and affected our business performance.

Despite this, the Group sees geographical expansion as key for long-term growth and risk diversification. We must therefore continue our efforts to grow our market presence geographically and harness new business opportunities with our strong long-standing F&B brands within the Group.

Inflationary pressures, increasing interest rates and production costs have also impacted the business. The Group is constantly monitoring the rising cost environment while cognisant of the fact that increased costs cannot be passed on suddenly to consumers or else we will risk losing market share, to new and driven competitors.

Faced with these challenges, the Group is actively pursuing mitigating strategies, which include productivity improvement, new sales channels and more cost-efficient production facilities, among others. We believe that these strategies are mid- to long-term and will bear fruits over the next few years.

Financially, the Group's revenue remained relatively stable at S$29.8 million in FY2024 and with encouraging results from our costs containment measures and productivity improvement initiatives, the Group's EBITDA increased to S$1.67 million in FY2024 as compared to FY2023's EBITDA of S$0.39 million.

More details of our operational and financial highlights in FY2024 can be found in the Financial Review section of the Annual Report.

Creating Our Legacy Beyond Singapore

As one of the largest meat product manufacturing companies in Singapore with modern technologies and in-house research and development team, the Group has built up a strong foundation in F&B manufacturing over the past three decades.

With Malaysia being identified as our next production base to improve our cost efficiencies, the Group announced the acquisition of a property with F&B manufacturing facility at Johor, Malaysia for RM14.3 million in November 2023. Currently undergoing renovation works, this F&B manufacturing facility is expected to commence production in mid-2025.

While continuing to enhance our overall production capabilities, the Group is also working to expand and deepen our market presence beyond Singapore, where our food products are marketed and sold in various countries, including Australia, Brunei, Hong Kong, India, Japan, Malaysia, Myanmar, New Zealand, Philippines, Thailand and the United Kingdom.

Moving forward, we will continue exploring various strategies to achieve our growth objectives and strengthen the Group's business resilience and sustainability.

CHAIRMAN'S LETTER TO SHAREHOLDERS

Acknowledgements

With the scale and scope of the Group, together with our productivity and growth initiatives, the past year has been an exciting and challenging one for OTS Holdings.

On behalf of the Board of Directors, I would like to thank our customers, suppliers, business partners, and bankers for their continued support, trust and confidence in us, which have been integral to the Group's growth throughout the years.

Next, I would like to extend the Board's gratitude to our employees for their contributions and dedication in strengthening our Group's unique value propositions in our industry.

I would also like to express my appreciation to my fellow Board members for their insights and guidance that have been pivotal in navigating the complexities of our operating environment.

Last but not least, to our shareholders, we thank you for your patience and support as we progress towards our vision and corporate objectives.

Committed to our credo to make long-lasting connections with consumers with our quality food products, we look forward to harness the opportunities as a brand builder and food innovator in Singapore and beyond.

Thank You!

DR. YU LAI BOON
Non-Executive Chairman and Independent Director

MESSAGE FROM MANAGING DIRECTOR

Dear Shareholders,

As highlighted by our Chairman, the past year has been an exciting and challenging one for OTS Holdings. Celebrating our 30th year anniversary last year, we are reminded of how far we have come.

Particularly, we are reminded of the cost-conscious nature of our founder, Mr Ong Tuan Seng, that continue to be a defining characteristic of OTS Holdings.

Our key priorities for the foreseeable future are to continue to retain tight control of our costs, improve productivity, expansion to selected overseas markets and deepen our market presence in existing markets.

From year to year, the revenue contribution from the Group's four business segments may vary with different brands targeting different consumer price points and market segments.

In FY2024, the Group registered overall revenue of S$29.75 million as compared to S$30.66 million in FY2023. With our established presence and track record in Singapore, sales from our domestic market continues to be a major contributor with resilient demand.

Revenue contribution from Malaysia continues to face headwinds with sales of our flagship retail brands, which are generally marketed and retailed as premium products, being affected by persistent weaker spending power in Malaysia and increased market competition.

In terms of revenue contribution from the Group's four business segments in FY2024, our Food Service and Others segments registered higher revenue growth that are mainly attributed to higher product sales volume and higher demand for the Group's products for export respectively.

However, revenue contribution from our General Trade declined in FY2024, mainly due to sluggish product offtake amid intense competition and weakened consumer spending power in Malaysia. Our Modern Trade also experienced lower revenue contribution that was mainly due to subdued demand for our products amid increased product variety in the market.

In FY2024, the Group's gross profit margin decreased by 0.8 percentage points to 24.4%, as compared to 25.2% in FY2023. As a result, the Group's gross profit dipped marginally to S$7.26 million in FY2024.

Among the Group's expenses, the two core components are administrative costs and marketing and distribution costs. In FY2024, the Group's administrative costs remained relatively stable at $5.86 million, while our marketing and distribution costs decreased marginally to S$2.27 million that was mainly due to reduced sales and promotion expenses and lower sales delivery expenses in conjunction with lower revenue recognised in FY2024.

On a recurring EBITDA basis, the Group recognised S$1.67 million in FY2024, which was a significant improvement from S$0.39 million recognised in FY2023.

Notwithstanding the small loss before tax of S$0.03 million recognised in FY2024, the Group continues to produce positive cash flows from our operating activities, with S$3.62 million generated during FY2024.

Our financial performance in FY2024 shows much promise on our strategic initiatives implemented so far. Building on this momentum, we will continue to maintain our strategic course for the future, while focusing on increasing productivity and further reducing costs.

MESSAGE FROM **MANAGING DIRECTOR**

On this note, I am pleased to report that the Group has made significant progress with our new production base in Johor, Malaysia. With the completion of the acquisition in May 2024, the facility is currently undergoing renovations, with machinery installation targeted by the end of 2024 and we expect manufacturing to commence by mid-2025.

Recognising that it takes time for brands to develop and establish themselves in the hearts and taste buds of consumers, we will also continue to invest resources in our multi-brand, multi-product portfolio to strengthen brand loyalty and enhance product quality.

In conclusion, I wish to emphasize that as brand builders with a long-term vision, OTS Holdings will persist with our entrepreneurial mindset and advance towards our vision as an innovative market leader in the region.

Thank You!

MR. ONG BEE CHIP
Managing Director



PROFIT & LOSS HIGHLIGHTS

OTS Holdings' business activities are subject to seasonal fluctuations in demand, with higher sales typically seen during festive periods.

The Group's revenue is generated from the following segments:

(a) **Modern Trade:** Sales from major supermarkets;

(b) **General Trade:** Sales from convenience stores, provision shops, and wholesalers;

(c) **Food Services:** Sales to hotels, restaurants, hawker centres, food courts, food and beverage stores, and caterers; and

(d) **Others:** Sales primarily from e-commerce platforms and export markets, as well as other income such as vehicle rental and miscellaneous income.

Geographically, our primary markets are Singapore and Malaysia.

Revenue

Revenue decreased by approximately $0.9 million, or 3.0%, from $30.7 million in FY2023 to $29.8 million in FY2024. This decline was mainly due to reduced sales in the Modern Trade and General Trade segments, partially offset by an increase in the revenue of Food Services and Others segments.

- **Modern Trade:** Revenue decreased by approximately $0.8 million (9.5%), from $8.1 million in FY2023 to $7.3 million in FY2024, primarily due to subdued consumer demand and increased market competition.
- **General Trade:** Revenue decreased by approximately $2.0 million (17.2%), from $11.7 million in FY2023 to $9.7 million in FY2024, mainly due to slow product uptake amidst intense competition and weakened consumer spending in Malaysia.
- **Food Services:** Revenue increased by approximately $0.4 million (4.7%), from $7.4 million in FY2023 to $7.8 million in FY2024, driven by higher sales volumes in the second half of FY2024.
- **Others:** Revenue increased by approximately $1.5 million (44.0%), from $3.5 million in FY2023 to $5.0 million in FY2024, due to higher demand for exports.

Geographical Revenue Breakdown

- **Singapore:** Revenue decreased by approximately $0.6 million (2.6%), from $23.0 million in FY2023 to $22.4 million in FY2024, primarily due to lower sales in the Modern Trade and General Trade segments, partly offset by increased sales in the Food Services segment.

Revenue by Business segment	FY2024 S$'000	FY2023 S$'000	FY2024 vs FY2023 Increase/(decrease) S$'000	%
Modern Trade	7,334	8,108	(774)	(9.5)
General Trade	9,678	11,683	(2,005)	(17.2)
Food Services	7,772	7,422	350	4.7
Others	4,969	3,451	1,518	44.0
Total	**29,753**	**30,664**	**(911)**	**(3.0)**

Revenue by Geographical segment	FY2024 S$'000	FY2023 S$'000	FY2024 vs FY2023 Increase/(decrease) S$'000	%
Singapore	22,395	22,996	(601)	(2.6)
Malaysia	3,750	5,519	(1,769)	(32.1)
Others	3,608	2,149	1,459	67.9
Total	**29,753**	**30,664**	**(911)**	**(3.0)**

FINANCIAL REVIEW

- **Malaysia:** Revenue decreased by approximately $1.8 million (32.1%), from $5.5 million in FY2023 to $3.8 million in FY2024, mainly due to reduced consumer spending power and slow product uptake.

- **Other Markets:** Revenue increased by approximately $1.5 million (67.9%), from $2.1 million in FY2023 to $3.6 million in FY2024, driven by increased export sales.

Cost of Sales
Cost of sales decreased by approximately $0.4 million (1.8%), from $22.9 million in FY2023 to $22.5 million in FY2024, aligning with the decrease in revenue.

Gross Profit and Gross Profit Margin
Gross profit decreased by approximately $0.5 million (6.3%), from $7.7 million in FY2023 to $7.3 million in FY2024. The gross profit margin declined by 0.8 percentage points, from 25.2% to 24.4%.

Other Income and Gains
Other income and gains increased by $0.6 million (114.6%), from $0.5 million in FY2023 to $1.1 million in FY2024, mainly due to a one-time $0.6 million concession from a vendor for the supply of materials.

Expenses
- **Marketing and Distribution Costs:** Decreased by approximately $0.2 million (9.4%), from $2.5 million in FY2023 to $2.3 million in FY2024, due to lower sales and promotional activities and reduced delivery costs which is in line with the revenue decrease.

- **Administrative Expenses:** Remained relatively unchanged at approximately $5.9 million for both FY2023 and FY2024.

- **Finance Costs:** Remained relatively unchanged at approximately $0.2 million for both FY2023 and FY2024.

- **Other Losses:** Decreased by approximately $0.9 million (92.4%), from $1.0 million in FY2023 to $75,000 in FY2024, primarily due to reduced impairment allowances for trade receivables and inventory obsolescence, and lower foreign exchange losses.

- **Share of Loss from Joint Venture:** No share of loss from the joint venture in FY2024 as the investment in Delta Bridge Pte. Ltd. was fully written down to zero as at 30 June 2023 due to the temporary shutdown of the manufacturing site due to the African Swine Fever causing raw material shortage.

Income Tax Expense
Income tax expenses increased by approximately $0.1 million (243.1%), from $58,000 in FY2023 to $199,000 in FY2024, mainly due to higher profits from the Group's Singapore subsidiaries.

Loss for the Financial Year
The Group recorded a loss after tax of approximately $0.2 million for FY2024, compared to a loss of $1.9 million in FY2023.

BALANCE SHEET HIGHLIGHTS
Non-current Assets
Non-current assets increased by approximately $4.7 million, from $13.9 million as at 30 June 2023 to $18.6 million as at 30 June 2024, mainly due to investments in property, plant, and equipment for the new factory in Malaysia.

- **Property, Plant, and Equipment (PPE):** Increased by approximately $3.5 million, from $11.1 million to $14.6 million, primarily due to $4.8 million in new machinery and equipment acquisitions for the new factory in Malaysia, partially offset by $1.3 million in depreciation.

- **Right-of-Use Assets:** Decreased by approximately $0.4 million, from $2.8 million to $2.4 million, due to lease terminations and depreciation.

- **Other Non-Financial Assets:** Increased by $1.6 million, reflecting deposits for fixed assets and renovations for the new factory.

Current Assets
Current assets decreased by approximately $4.8 million, from $21.9 million to $17.1 million, primarily due to a reduction in cash, inventories, and trade and other receivables, partially offset by an increase in other non-financial assets.

Non-current Liabilities

Non-current liabilities decreased by approximately $0.4 million, from $5.1 million to $4.7 million, mainly due to repayments of lease liabilities and borrowings.

Current Liabilities

Current liabilities increased by approximately $0.5 million, from $3.8 million to $4.3 million, driven by higher trade and other payables, which was largely due to an increase in advances from customers, other non-financial liabilities and income tax payable. This was partially offset by reduced borrowings and lease liabilities, stemming from repayments during the year.

CASH FLOW HIGHLIGHTS

The Group generated approximately $3.6 million in cash from operating activities due to approximately $1.5 million in operating cash inflows before working capital changes and approximately $2.2 million in net working capital inflows, offset by $90,000 in tax payments.

The net working capital inflows were primarily due to a decrease in inventories of approximately $1.6 million, reduction in trade and other receivables of approximately $0.5 million, increase in trade and other payables of approximately $0.4 million, and increase in other non-financial liabilities of approximately $0.2 million, offset by an increase in other non-financial assets of approximately $0.6 million.

Net cash used in investing activities was approximately $6.2 million, primarily due to capital expenditures and deposits for acquisition of plant and equipment.

Net cash used in financing activities amounted to approximately $0.7 million, mainly due to lease liability payments and loan repayments.

As a result of the above, the cash and cash equivalents decreased by approximately $3.3 million to $5.6 million as at 30 June 2024, compared with $8.9 million as at 30 June 2023.



BOARD OF DIRECTORS



Dr. Yu Lai Boon

Non-Executive Chairman and Independent Director

Dr. Yu Lai Boon ("**Dr. Yu**") was appointed to our Board on May 19, 2021. He has over 27 years of experience in sovereign wealth fund management, private equity investment, fund management, real estate development, and real estate-related consultancy. Since 2018, Dr. Yu has also been involved in the food and beverage industry.

Dr. Yu began his career at the Department of Real Estate, School of Design and Environment at the National University of Singapore, where he served as a Post-Graduate Researcher, Research Assistant, and Teaching Assistant from March 1988 to September 1997. He then joined Jones Lang Wootton as an Associate Director from October 1997 to March 1999. Dr. Yu went on to hold several leadership roles at Jones Lang LaSalle Property Consultants Pte Ltd, including National and Regional Director, Asia Pacific Head of Consultancy and Research, and eventually, Managing Director and Country Head from March 1999 to March 2006. Between August 2000 and December 2000, Dr. Yu served as a focus group member for the Ministry of National Development, providing expert advice on urban land economics for the Urban Redevelopment Authority's Concept Plan for Singapore's development.

From June 2003 to December 2005, he was appointed Honorary Real Estate Consultancy Advisor of the Real Estate Developers' Association of Singapore. Dr. Yu also served as the Chief Financial Officer and Chief Investment Officer at Nakheel PJSC in Dubai, the developers of the Palm Islands and The World Islands, from April 2006 to July 2006. He was subsequently appointed Group Chief Investment Officer of Dubai World from July 2006 to April 2010.

Dr. Yu was a Member of the Advisory Panel at the Singapore Land Authority from July 2014 to July 2016 and served as an Adjunct Associate Professor in the Department of Real Estate, School of Design and Environment at the National University of Singapore from March 2014 to December 2015.

He holds a Bachelor of Science (Estate Management) (Honours) from the National University of Singapore, obtained in 1988, a Master of Science (Estate Management) from the same university in 1991, and a Doctor of Philosophy from the University of Aberdeen in Scotland, United Kingdom, earned in 1997.

Dr. Yu has been a member of the Singapore Institute of Surveyors and Valuers since April 2001.



Mr. Ong Bee Chip
Managing Director

Mr. Ong Bee Chip ("**Mr. Ong**") has been a member of our Board since 3 March 2015. As Managing Director, he is responsible for overseeing the Group's overall business and strategic planning, including managing overseas operations, developing expansion plans, and sourcing investment opportunities to foster growth and development. Additionally, Mr. Ong oversees the management of the Group's facilities and maintenance.

He joined our Group as Managing Director of Golden Bridge in May 2006 and brings over 18 years of experience in the ready-to-eat and ready-to-cook meat manufacturing industry. Since August 2018, Mr. Ong has also served as Managing Director of Ellaziq Singapore.

Before joining our Group, Mr. Ong worked as a Sales Manager at Chen Hock Heng Textile Printing Pte Ltd from January 1983 to April 2006, where he was responsible for overseeing the sales and marketing department and facilities management.

Mr. Ong holds a Singapore-Cambridge General Certificate of Education Ordinary Level, obtained in December 1980. He has also completed the Nanyang International Chinese Advanced Management Program at Nanyang Business School, Nanyang Technological University, Singapore, in 2010; the Advanced Management Program at Haas School of Business, University of California, Berkeley, USA, in 2010; and the Scale-up SG Stanford Executive Programme at the Graduate School of Business, Stanford University, USA, in 2021.

Additionally, Mr. Ong was appointed by the Ministry of Education to serve on the Qihua Primary School Advisory Committee from May 2020 to May 2025.



Mdm. Ong Chew Yong
Executive Director

Mdm. Ong Chew Yong ("**Mdm. Ong**") has served on our Board since 3 March 2015. She oversees the Group's general operations, including human resources, procurement, general management, and administration. She also plays a crucial role in implementing information technology initiatives within the Group to enhance production and efficiency.

Mdm. Ong joined our Group as the Operations Director of Golden Bridge in May 2005 and has over 19 years of experience in the ready-to-eat and ready-to-cook meat manufacturing industry. Since August 2018, she has also been the Operations Director of Ellaziq Singapore.

Before joining our Group, Mdm. Ong was an Operations Senior Manager at Chen Hock Heng Textile Printing Pte Ltd from January 1976 to April 2005, where she was responsible for overseeing the company's operations. She received formal education up to Secondary 2 level in 1975 and obtained an Advanced Professional Qualification in Global Business Leadership and International Relations from the McDonough School of Business, Georgetown University, United States, in 2015.

BOARD OF **DIRECTORS**



Mr. Chan Hiang Tiak
Independent Director

Mr. Chan Hiang Tiak ("**Mr. Chan**") joined our Board on 19 May 2021. He began his career at DBS Bank Ltd as an Assistant Treasurer from May 1984 to December 1988, where he was responsible for planning and conducting information technology audits on the bank's computer systems. He then worked as a Senior Inspector at Standard Chartered Bank (Singapore) Limited from January 1989 to December 1989. In January 1990, he joined PricewaterhouseCoopers LLP and was promoted to Director in July 1998, before being re-designated as a Partner in January 2009. During his tenure at PricewaterhouseCoopers, he provided information technology audit, internal audit, consulting, and control assurance services. Mr. Chan retired from PricewaterhouseCoopers LLP in June 2020 and served as a Senior Advisor, providing quality management review services on a part-time basis until 2023.

Mr. Chan graduated from the National University of Singapore with a Bachelor of Science in 1984. He earned a Master of Business (Information Technology) from the Royal Melbourne Institute of Technology, Australia, in 1991, and a Master of Business Administration (Accountancy) from Nanyang Technological University in 1997.

He has been a Director of the Singapore Children's Society since August 2020 and a Director of The Children's Charities Association of Singapore since September 2020. Additionally, Mr. Chan serves on the Audit and Risk Committee of the Children's Museum of Singapore from August 2022 and continues to serve on the Audit and Risk Committee of HeritageSG from August 2024 after the Museum subsumes under HeritageSG. He also serves on the Audit Committee of the Tsao Foundation since October 2022 and the Audit Committee of CPF Board from July 2024. He was on the Audit and Risk Committee of A*Star Research Entities from 2021 to 2022.

He completed the Executive Certificate in Directorship program, a joint initiative by the Singapore Management University and the Singapore Institute of Directors, in 2017. He is an Accredited Director with Singapore Institute of Directors.



Ms. Tan Poh Hong
Independent Director

Ms. Tan Poh Hong ("**Ms. Tan**") was appointed to our Board on 19 May 2021. She served as the Chief Executive Officer of the former Agri-Food and Veterinary Authority (AVA) from March 2009 to September 2017, where she was responsible for achieving AVA's mission and vision, including ensuring food safety and security for Singapore. Prior to her role at AVA, Ms. Tan was the Deputy Chief Executive Officer of the Housing and Development Board (HDB) from September 2004 to March 2009, overseeing operations, sales, policy research and development, and corporate development.

Ms. Tan holds a Bachelor of Science (Honours) in Estate Management from the National University of Singapore and a Master of Business Administration (with Distinction) from New York University.

EXECUTIVE OFFICERS

Mr. Teh Chong Piow
General Manager, Malaysia

Mr. Teh Chong Piow ("**Mr. Teh**") is our General Manager for Malaysia and is responsible for managing the overall operations of our Group's business in the country.

Mr. Teh joined our Group in September 2018 as the Country Manager of GB Global (Malaysia) Sdn Bhd and was promoted to General Manager in July 2020. He also holds the position of General Manager at Ellaziq (Malaysia) Sdn Bhd.

Before joining our Group, Mr. Teh was the Sales Director at Torto Marketing Sdn Bhd from January 2017 to July 2018 and a Director at CP Smart Global Trading from May 2018 to July 2018. He also served as the Sales Director at Dr. Oetker Nona Malaysia Sdn Bhd from December 2013 to January 2017, where he was responsible for managing the company's overall sales and marketing functions. From July 2007 to November 2013, Mr. Teh held various positions at DKSH Malaysia Sdn Bhd, his last position was National Sales Manager, where he was responsible for managing the overall division sales and product management with brand principals. Prior to that, he was a trainee at Sharp Roxy Malaysia Sdn Bhd from September 2006 to July 2007.

Mr. Teh graduated from Universiti Putra Malaysia with a Diploma in Human Development in 2002 and subsequently graduated with a Bachelor in Business Administration from Universiti Utara Malaysia in 2006.

Mr. Ang Wui Khoon
Group Financial Controller

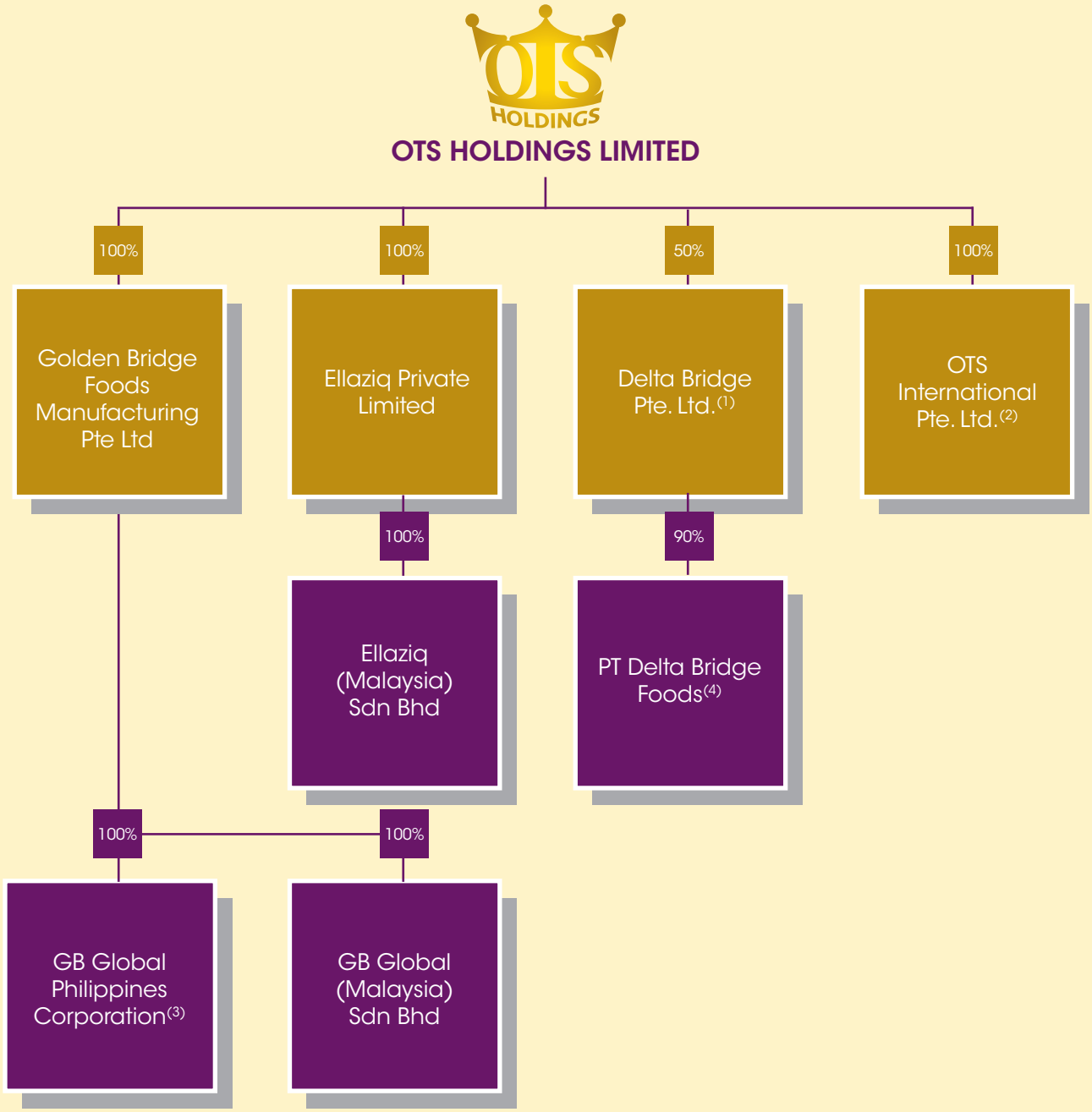
Mr. Ang Wui Khoon ("**Mr. Ang**") was appointed as our Group Financial Controller in November 2023. He is responsible for managing the Group's overall financial aspects, including financial reporting, budgeting, and strategic financial planning.

Mr. Ang has more than two decades of extensive commercial experience, with expertise in financial management, risk assessment, and corporate governance. His experience includes various managerial positions at both publicly listed companies and private firms, working with several SGX-listed companies such as Nera Electronics Ltd, ASJ Holdings Limited, and Pteris Global Limited, as well as private companies like TECH Semiconductor Singapore Pte Ltd. Prior to his appointment in the Group, Mr. Ang was the Financial Controller at Pesko Engineering Pte Ltd from February 2018 to December 2021, and Financial Controller at Smartflex Holdings Ltd from November 2013 to November 2016.

Mr. Ang graduated from Nanyang Technological University of Singapore with a Bachelor of Accountancy degree. He is a Chartered Accountant of Singapore, accredited by the Institute of Singapore Chartered Accountants ("**ISCA**").



CORPORATE STRUCTURE



Notes:

(1) The remaining 50.0% of Delta Bridge Pte Ltd is held by Hogsworld Pte Ltd, an unrelated third party. Neither our Group nor Hogsworld Pte Ltd has control over, including control over the board of directors of, Delta Bridge Pte Ltd..

(2) Incorporated in the Republic of Singapore on 1 January 2022.

(3) The total number of issued common shares of GB Global Philippines Corporation is 100,000 common shares. Due to local requirements in the Philippines, two (2) of the common shares of GB Global Philippines Corporation are held by two (2) individuals as nominees for Golden Bridge Foods Manufacturing Pte Ltd. The remaining 99,998 common shares of GB Global Philippines Corporation are directly held by Golden Bridge Foods Manufacturing Pte Ltd. The two (2) individuals are Danny Chan and Ong Yekai. Danny Chan is not related to any of our Directors or Controlling Shareholders. Ong Yekai is the son of our Managing Director, Ong Bee Chip.

(4) The remaining 10.0% of PT Delta Bridge Foods is held by PT Agro Green Asia, an unrelated third party. Neither our Group nor PT Agro Green Asia has control over, including control over the board of directors of, PT Delta Bridge Foods.

1. BOARD STATEMENT

OTS Holdings Limited ("**OTS**", the "**Company**" or together with its subsidiaries, the "**Group**", "**We**") reaffirm its commitment to sustainability with the publication of this sustainability report ("**Report**"). For this Report, we provide insights into the way we do business, while highlighting our material sustainability factors under the sustainability pillars of economic, environmental, social and governance ("**Sustainability Factors**").

We are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure the long-term future of the Group. In line with our commitment, the Board of Directors ("**Board**"), having considered sustainability issues as part of its strategic formulation, determined material Sustainability Factors and oversaw their management and monitoring.

Our sustainability framework communicates our commitment towards supporting the United Nations' Sustainable Development Goals ("**SDGs**") and is supported by our key stakeholders. We work closely with key stakeholders in our value chain and their inputs drive our sustainability focus on our material Sustainability Factors and the SDGs as follows:



2. PERFORMANCE AT A GLANCE

A summary of our key sustainability performance in financial year ("**FY**") 2024 is as follows:

Sustainability Pillar	Performance Indicator	Sustainability Performance	
		FY2024	FY2023
Economic	House brand portfolio	7 house brands	7 house brands
	Market standards adopted[1]	Relevant market standards have been adopted in our operations	Relevant market standards have been adopted in our operations
	Economic value generated[2] (S$ million)	30.30	29.57
	Operating costs[3] (S$ million)	20.99	21.76
	Employee benefit expenses (S$ million)	8.02	7.90
	Payments to providers of capital[4] (S$ million)	0.19	0.68
	Income taxes paid to governments (S$ million)	0.09	0.23
Environmental	Water consumption intensity (m^3/revenue S$'000)	0.87	0.84[5]
	Percentage of waste oil disposed through licensed oil collector (%)	100	100
	Total Greenhouse Gas ("**GHG**") emissions (tonnes CO_2e)	1,706	1,639
	GHG emissions intensity (tonnes CO_2e/revenue S$'000)	0.058	0.054
Social	Number of workplace fatalities	–	–
	Number of high consequence work-related injuries[6]	–	–
	Number of recordable work-related injuries	1	1
	Number of recordable work-related ill health cases[7]	–	–
	Turnover rate (%)	16	17
	Number of incidents of unlawful discrimination against employees[8]	–	–
	Number of food safety incidents which resulted in a regulatory non-compliance and/or penalty[9]	–	–
	Number of incidents of non-compliance concerning product labelling[10]	–	–
Governance	Number of incidents of serious offence[11]	–	–

1 The market standards adopted, and certifications attained by the Group include FSSC 22000 Food Safety System certification, Singapore Food Agency ("**SFA**") certification and Halal certification.
2 Economic value generated includes revenue, other income and gains and (other losses), share of loss from joint venture, net of government grants and unrealised gains/(losses).
3 Operating costs include cost of sales, marketing and distribution costs, administrative expenses, net of depreciation expenses and employee-related costs.
4 Payments to providers of capital include dividends to ordinary shareholders (if any) and finance costs.
5 Figure restated for better comparability.
6 A high consequence work-related injury refers to an injury from which the worker cannot recover or cannot recover fully to his/her pre-injury health status within six (6) months.
7 A work-related ill health case refers to a case with negative impacts on health arising from exposure to hazards at work.
8 An unlawful discrimination refers to an incident of discrimination whereby the relevant authority has commenced an investigation which resulted in a penalty to a company.
9 A food safety incident is defined as an incident whereby a customer is affected from consuming our products due to product contamination caused by foreign object, foodborne pathogen, allergen or chemical agents.
10 An incident of non-compliance with regulations concerning product labelling is defined as an incident whereby the relevant authority has commenced an investigation which resulted in a penalty to a company.
11 A serious offence is defined as one that involves fraud or dishonesty involving an amount not less than SGD100,000 and is punishable by imprisonment for a term of not less than two (2) years, which is being or has been committed against a company by officers or employees of the company.

3. OUR VISION, MISSION AND CORE VALUES

Our Vision

We strive to be a world class food company through developing a growing portfolio of established brands and to become an innovative market leader in the region.

Our Mission

We aspire to deliver premier value and services to customers and transforming the subsidiary companies into a regional brand.

Our Core Values



4. OUR BUSINESS

We are principally involved in the manufacturing and distribution of chilled, frozen, dried and shelf-stable meat products targeting both halal and non-halal market segments.

Our Suppliers



We source our packaging materials and food ingredients, such as raw meats from traders, distributors and other food manufacturers.

Our Operations



Our operations involve:

- Manufacturing of food products in our production facilities; and
- Distribution of food products in various geographical markets.

Our Customers



We sell our products to customers from the following business segments:

- Major supermarkets (or commonly known as 'Modern Trade');
- Convenience stores, provision shops and wholesalers (or commonly known as 'General Trade');
- Hotels, restaurants, hawker centres, food courts, food and beverages stores and caterers (or commonly known as 'Food Services'); and
- E-commerce platforms and export markets.

5. REPORTING FRAMEWORK

This Report is prepared in accordance with Rules 711A and 711B of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the guidance set out in SGX-ST's sustainability reporting guide under Practice Note 7F of the Catalist Rules. This Report is also prepared in accordance with the Global Reporting Initiative ("**GRI**") standards for the period from 1 July 2023 to 30 June 2024 ("**Reporting Period**"). We chose to report using the GRI Standards as it is an internationally recognised reporting framework that covers a comprehensive range of sustainability disclosures. The GRI content index can be found in Section 14 of the Report.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we mapped our sustainability efforts to the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 ("**UN Sustainability Agenda**"). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all countries – developed and developing – in a global partnership. We incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

Our climate-related disclosures are guided by the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**").

We relied on internal data monitoring and verification to ensure accuracy for this Report. Internal review on the sustainability reporting process is incorporated as part of our internal audit review cycle and we will work towards external assurance for our future sustainability reports subject to market trends and regulatory requirements.

6. REPORTING SCOPE

This Report covers the following key operating entities within the Group which contributed approximately 100% of the Group's total revenue for the Reporting Period (FY2023: 100%[12]).

S/N	Entity	Country
1	OTS Holdings Limited	Singapore
2	OTS International Pte Ltd	Singapore
3	Golden Bridge Foods Manufacturing Pte Ltd ("**GB**")	Singapore
4	GB Global (Malaysia) Sdn Bhd	Malaysia
5	Ellaziq Private Limited ("**EL**")	Singapore
6	Ellaziq (Malaysia) Sdn Bhd	Malaysia

7. FEEDBACK

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback via email address: enquiry@ots-holdings.com.

[12] Figure restated for better comparability.

8. STAKEHOLDER ENGAGEMENT

Through a stakeholder mapping exercise, we identified key stakeholder groups which we prioritise our engagements with. These include entities or individuals that have an effect on or are affected by the Group and our activities.

Our efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprise communities, customers, employees, regulators, shareholders and suppliers. Relevant stakeholders are identified for each material Sustainability Factor.

As a Group, we actively engage our key stakeholders through both formal and informal communication channels as follows:

S/N	Stakeholder	Engagement Channel	Frequency of Engagement	Key Concern Raised
1	Communities	Annual sustainability report	Ongoing	• Corporate social responsibility ("**CSR**") • Environmental initiatives
2	Customers	• Advertisements • Customer feedback • Email queries • Hotline • Marketing or promotional activities • Social media platforms • Digital commerce channels set up by food exhibition organisers	Regularly	• Food quality and safety • Customer service standards
3	Employees	• Emails • Staff meetings	Daily	• Career development and training • Job security • Remuneration • Equal employment opportunities • Occupational health and safety
		Townhall meetings	Half-yearly	
		Networking sessions	Ad-hoc	
4	Regulators	Consultations and briefings organised by key regulatory bodies such as Singapore Stock Exchange, SFA, National Environment Agency ("**NEA**"), Ministry of Manpower, Islamic Religious Council of Singapore ("**MUIS**"), Building and Construction Authority and other relevant government agencies/ bodies	Ad-hoc	• Corporate governance • Food safety and hygiene • Occupational health and safety • Environmental compliance
5	Shareholders	Annual report	Annually	• Sustainable business performance • Market valuation • Dividend payment • Corporate governance • Environmental initiatives
		Annual general meeting	Annually	
		Results announcements	Half-yearly	
		Corporate announcements/press release	Ad-hoc	
6	Suppliers	• Email communications • Face-to-face meetings • Phone calls	Regularly	Order volatility

Through the above channels, we seek to understand the views of our key stakeholders, communicate effectively with them and respond to their concerns.

9. POLICY, PRACTICE AND PERFORMANCE REPORTING

Our sustainability reporting policy ("**SR Policy**") covers the sustainability processes in place to identify and monitor material Sustainability Factors and serves as a point of reference to how we conduct our sustainability reporting. Under this SR Policy, we review our material Sustainability Factors annually, considering the feedback that we receive from our engagement with our stakeholders as well as considering relevant internal and external developments. A sustainability report is published annually in accordance with our SR Policy.

9.1 Sustainability Reporting Processes

Under our SR policy, our sustainability process begins with an understanding of the Group's context. This is followed by the ongoing identification and assessment of the Group's sustainability-related impacts. The most significant impacts are prioritised for reporting, and the result of this process is a list of material Sustainability Factors disclosed in this Report.

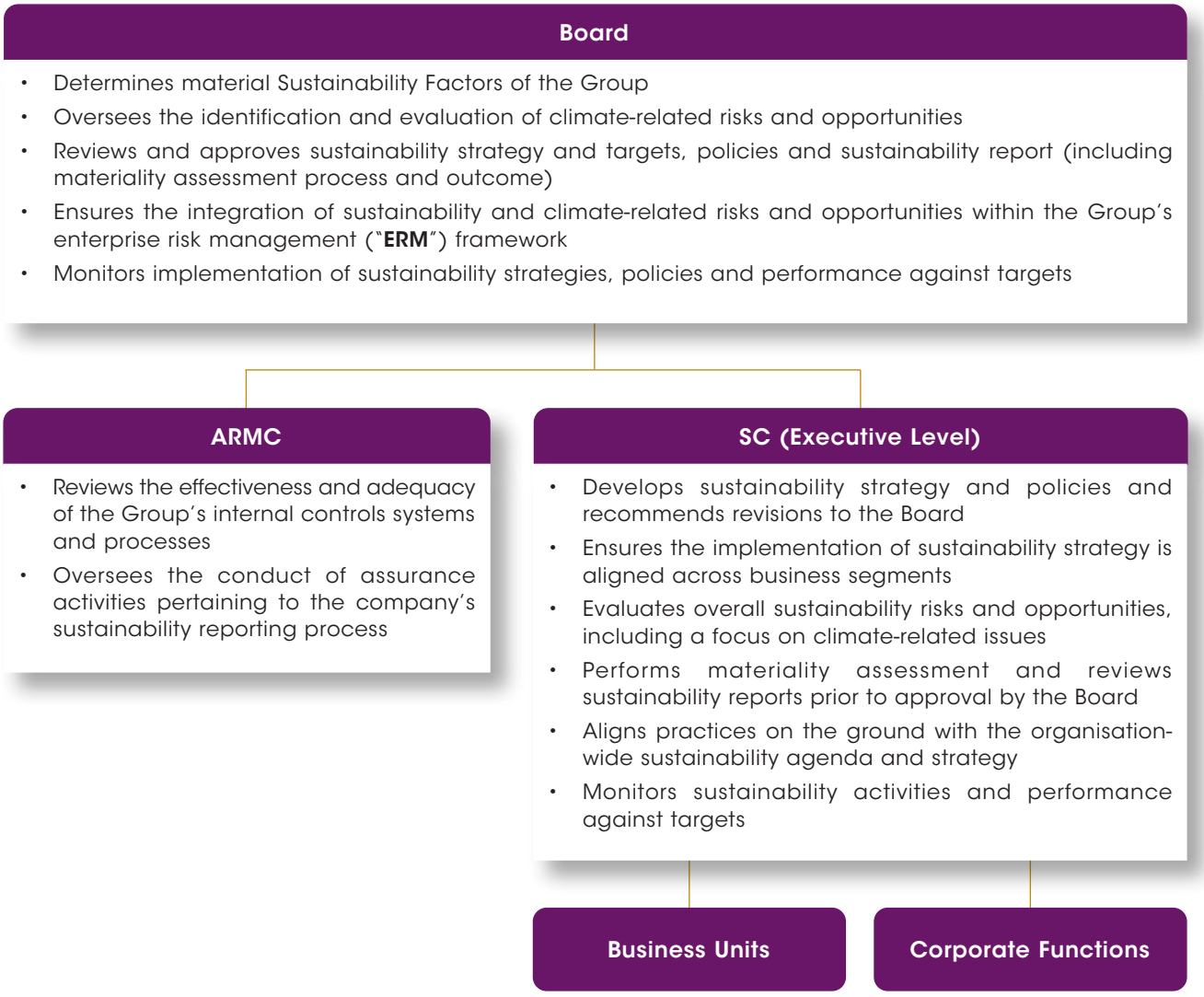
Processes involved are shown in the chart below:



9.2 Sustainability Governance Structure

The Board is ultimately responsible for the oversight of the Group's sustainability matters including the determination of material Sustainability Factors, development of sustainability strategy, performance target setting and is primarily supported by an executive level Sustainability Committee ("**SC**") by virtue of delegation. As part of our continual efforts to upgrade the knowledge of our Directors on sustainability reporting and to meet the requirement of Catalist Rule 720(6), all our Directors have attended one (1) of the approved sustainability training courses as at the date of this Report.

The Group's SC is led by the Managing Director ("**MD**"), Executive Director ("**ED**") and Deputy General Manager ("**DGM**") and its members comprise selected representative members from the key business units and corporate functions. Beside the SC, the Board is supported by the Audit and Risk Management Committee ("**ARMC**") on specific sustainability matters under its terms of reference. Our sustainability reporting structure and the responsibilities of its component parties are detailed as follows:



As we are still refining our sustainability related performance indicator measuring and tracking mechanism, we will link key executives' remuneration to sustainability performance when the mechanism is more mature and stable.

9.3 Materiality Assessment

We consistently refine our management approach to effectively respond to the dynamic shifts within the business landscape. Aligned with the GRI standards, a cornerstone of our commitment is the undertaking of annual materiality assessment to ensure that the relevance and materiality of sustainability issues are addressed and disclosed within this Report.

The scope of materiality assessment encompasses both positive and negative as well as the actual and potential impacts of the sustainability issues. The assessment also considers: (i) the likelihood of their occurrence; and (ii) their significance on the economy, environment, social aspects and in terms of their contribution to sustainable development.

9.4 Performance Tracking and Reporting

We track the progress of our material Sustainability Factors by identifying, monitoring and measuring the relevant performance indicators. In addition, we set performance targets that are aligned with our business strategies to ensure that we remain focused in our path to sustainability. We aim to constantly enhance our performance-monitoring and data collection processes.

10. MATERIAL SUSTAINABILITY FACTORS

In FY2024, we conducted a stakeholder engagement session and materiality assessment[13] to understand the concerns and expectations of our key stakeholders. Through this session and assessment, material Sustainability Factors with significant impacts to the sustainability of our business were updated. In this Report, we also reported on our progress in managing these factors and set related targets to improve our performance.

Our material Sustainability Factors are presented as follows:

S/N	Material Sustainability Factor	SDG	Key Stakeholder
Economic			
1	Total Customer Satisfaction	Decent work and economic growth	• Customers • Suppliers
2	Sustainable Business Performance	Decent work and economic growth	• Employees • Regulators • Shareholders • Suppliers
Environmental			
3	Water Conservation and Effluent Management	Clean water and sanitation	• Communities • Regulators • Shareholders
4	Responsible Waste Management	Responsible consumption and production	• Communities • Regulators • Shareholders
5	Energy Conservation and GHG Emissions Reduction	Climate action	• Communities • Regulators • Shareholders

[13] We engaged the stakeholders of customers, employees and suppliers for our materiality assessment.

S/N	Material Sustainability Factor	SDG	Key Stakeholder
Social			
6	Safe Working Environment	Good health and well-being	• Employees • Regulators
7	Employee Retention and Development	Decent work and economic growth	• Employees
8	Equality and Diversity in the Workplace	Reduced inequalities	• Employees
9	Ongoing Community Engagement	Sustainable cities and communities	• Communities
10	Commitment to Consistent Quality and Food Safety	Peace, justice and strong institutions	• Customers • Regulators • Suppliers
Governance			
11	Robust Corporate Governance Framework	Peace, justice and strong institutions	• Regulators • Shareholders

You may refer to section 12 'Supporting the SDGs' section in this Report on our efforts in addressing these goals.

We update the material Sustainability Factors on an annual basis to reflect changes in business operations, environment, stakeholders' feedback and sustainability trends. The details of each material Sustainability Factor are presented as follows:

10.1 Total Customer Satisfaction

Our Commitment

We are committed to building and retaining a loyal customer base for long-term sustainability by maximising each customer's experience.

Our Approach

Multi-Brand and Multi-Product Portfolio

Our Brands

With an established track record of over three (3) decades in the industry, we understand the need to constantly re-assess and improve our brand portfolio as well as refresh our product offering. Our brands include:

Our Brand	Value Proposition
Golden Bridge	Our heritage 'Golden Bridge' brand symbolises our belief to serve as a connection to consumers' preferences with our food products. The brand is becoming an established household name within the ready-to-eat consumer market in Singapore.
Kelly's	'Kelly's' symbolises motherly love and care for food preparation in serving the sophisticated tastes of modern consumers with an extensive range of western-style meats and products.
Golden Lion	'GB Golden Lion' brand is specially developed and targeted at food service businesses in Singapore and Asia.
Orchid	'Orchid' brand specialises in a wide range of ready-to-eat meat products that are specially developed to suit the palates of the international markets.
ANEW	'ANEW' is our plant-based, ready-to-eat food brand that aims to deliver quality, nutrition and convenience to consumers with a taste of heritage.
El-Dina	'El-Dina' brand specialises in offering a wide range of exquisite quality and gourmet halal food catered for the discerning end-consumer with iconic taste of the world.
Kizmiq	'Kizmiq' brand focuses on the food service businesses in the halal F&B industry, offering a wide range of halal meat products and meat floss for better value.

Through our brands, we offer an extensive product range of sausages, luncheon meat, hams and seasoned meat at all times of the year, with the capacity to cater to high demand during festive seasons such as Chinese New Year, Hari Raya Haji and Christmas.

In-house Research and Development ("**R&D**") Department and Product Innovation

With our in-house R&D team, we create new products and recipes that cater to the latest market trends and our consumers' diverse, evolving tastes. The principles driving our R&D efforts are as follows:

Principle	Description
1	We create new recipes with better tasting, higher quality products to cater to new evolving trends.
2	We enhance sensory properties that make our ready-to-eat food products more appealing.
3	We enhance nutritional value of our products to cater to various dietary needs.
4	We improve food safety with new innovation and processes.
5	We add convenience to consumers with new concepts and packaging.

'ANEW', our 100% plant-based brand, is developed by our in-house R&D team and aims to deliver quality, nutrition and convenience to meet growing demand for plant-based and environmentally healthy food products. Our plant-based luncheon meat line-up include flavours such as classic chunky, rich tangy barbecue and black pepper, as well as international flavours such as butter chicken, rendang meat and Bolognese minced meat.

In-line with the initiatives of the Health Promotion Board ("**HPB**") in Singapore, we introduced healthier options for our pork and chicken luncheon meat products. Under this initiative, our food products are required to fulfil requirements set by HPB on ingredient composition such as calories per serving and sodium content. By meeting such requirements, the said products can be labelled with the healthier choice symbol.

We also continuously explore and adopt technological solutions such as having an enterprise resource planning system in place to enhance our productivity and efficiency in our manufacturing processes.

Adoption of Market Standards

We adopt market standards in our operations to ensure quality and safety in our products. Compliance with standards and continual certifications are subject to audits or reviews by the relevant agencies and bodies.

You may refer to section 10.10 'Commitment to Consistent Quality and Food Safety' for our food quality and safety management practices.

Proactively Gather Customer Feedback for Improvements and to Develop Strategies

We strongly encourage our customers to provide their feedback on our products and services via various touchpoints such as social media, website, email and phone calls. Customer feedback is analysed to gather valuable insights into current and future customer requirements and preference. Insights gathered are discussed during management meetings to drive product and service improvements, enhance operational effectiveness and provide inputs for strategies. Customer feedback is also tracked so that corrective actions can be taken to resolve customer complaints timely.

Established Sales and Distribution Channel

Over the years, we built an extensive sales and distribution network that covers countries such as Australia, Hong Kong and the Philippines. Our brands are widely marketed and sold in major supermarkets, convenience stores, provision shops, hotels and restaurants in Singapore and Malaysia.

Our Performance

Multi-Brand and Multi-Product Portfolio

During the Reporting Period, we offered a diverse range of products under our 7 house brands (FY2023: 7 house brands).

In-house R&D Department and Product Innovation

During the Reporting Period, we offered 6 plant-based food products (FY2023: 6 plant-based food products).

Adoption of Market Standards

The market standards adopted or certifications achieved by us are as follows:

Standard/Certification	Focus of Relevant Standard/Certification
FSSC 22000	A Global Food Safety Initiative recognised certification for food safety management, food safety standards and processes.
SFA	A standard food license to operate a food processing establishment. We achieved a grade 'A' status for excellence in food hygiene and good safety standards.
Halal certificate	A certification that ensures our food processing operations are complied with the rules and regulation set out by MUIS.
Vegan trademark[14]	A certification that ensures the manufacturing and development of relevant products neither include animal products, genes nor involve any animal testing. The preparation of the relevant products must also be separated from non-vegan products.
Approved European Union (EU) food establishments	A certification that ensures meat products produced for the EU are prepared in accordance with the requirements set out for EU food establishments for food hygiene. Our food production facilities are two (2) of the four (4) approved establishments in Singapore.

Established Sales and Distribution Channel

During the Reporting Period, we exported our products to 25 countries through distributors (FY2023: 25 countries).

[14] The vegan trademark is applicable for selected plant-based products.

10.2 Sustainable Business Performance

Our Commitment

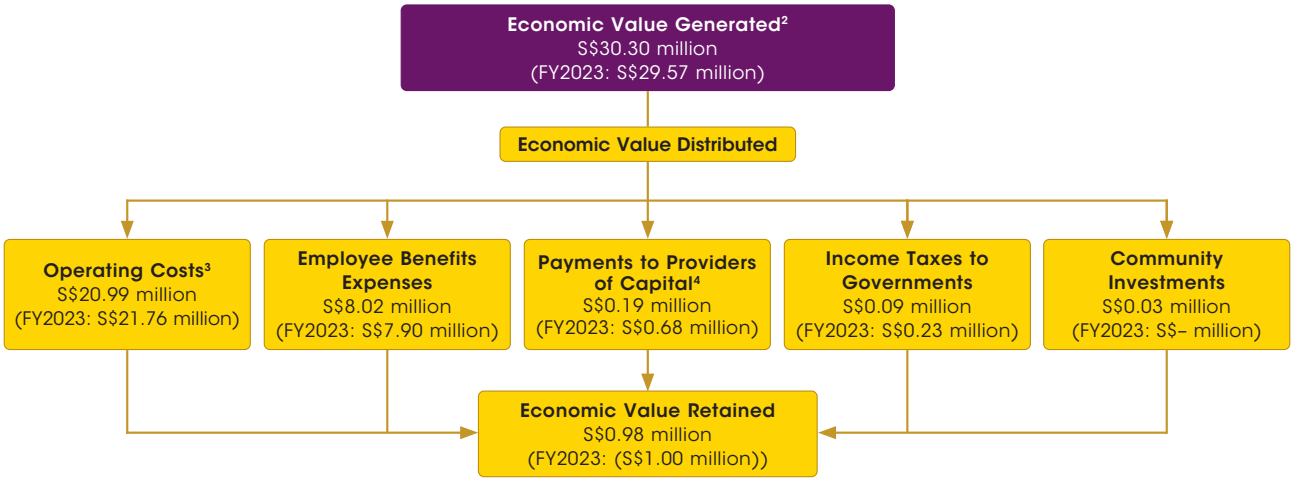
We are committed to create long-term value for our stakeholders through relevant and meaningful ways.

Our Approach

We strive to generate and distribute economic value by executing our business strategy, which includes staying abreast with market trends, maintaining a healthy balance sheet and strong cash flow, whilst mitigating relevant business risks identified.

Our Performance

In line with this commitment, economic value we generated in FY2024 is distributed as follows to achieve a more sustainable future:



Further details of our economic performance can be found in the financial contents and audited financial statements of the Annual Report.

10.3 Water Conservation and Effluent Management

Our Commitment

We are committed to the responsible usage of water resources through enhancing our water consumption efficiency and managing the quality of effluent generated from our business operations.

Our Approach

Our water source[15] is derived from the Public Utilities Board ("**PUB**"), Singapore's National Water Agency. We rely on water resources primarily for washing and cleaning during the production process and as an ingredient in our products.

Water consumption trends are regularly tracked, analysed and corrective actions are taken when unusual consumption patterns are observed. To conserve water, hot water produced by our retort machine is fed into our boiler to generate steam for our production.

During the production process, effluent is generated from washing and cleaning processes. To better manage the effluent generated, we adopt the recommended good practices in the guidelines published by the PUB and ensure that we comply with the Sewerage and Drainage Act and Sewerage and Drainage (Trade Effluent) Regulations ("**Prevailing Effluent Regulations**").

To better manage effluent generated, we set up grease interceptors for filtration purposes before effluent is released into the waterways. We also engage accredited laboratories for analysis of effluent content on a periodic basis and have designate areas for washing and cleaning purposes within our food production facilities.

Our Performance

Key statistics on water consumption and effluent generated during the Reporting Period are as follows:

Performance Indicator	Unit of Measurement	FY2024	FY2023
Water consumption	m^3	25,778	25,452
Water consumption intensity	m^3/revenue S$'000	0.87	0.84[16]
Effluent generated	m^3	8,193	14,253
Effluent generated intensity	m^3/revenue S$'000	0.28	0.56[16]

The rise in water consumption intensity is attributed to a change in product mix with the launch of new products that consume more water in their production. Conversely, our effluent generated intensity reduced significantly as we took proactive measures in our production process such as reminding our employees to dispose contaminants properly and increase in grease trap maintenance to reduce the effluent generated.

During the Reporting Period, 100% of effluent generated from our production are disposed in accordance with Prevailing Effluent Regulations (FY2023: 100%).

[15] Disclosure on water drawn from water stress areas is not made as the Group does not significantly impact the ability of the countries where it operated, in meeting their human and ecological water demands.

[16] Figure restated for better comparability.

10.4 Responsible Waste Management

Our Commitment

We believe that responsible waste management can help to preserve the environment in which we operate in. Accordingly, we are committed to improving the management of waste generated in our operations.

Our Approach

In line with the Singapore government's Zero Waste Nation vision and prevailing waste regulations[17], we track our non-hazardous waste generated in our value chain and it includes:

- General waste generated during production such as food and oil waste; and
- Packaging material such as cans, labels and stickers, carton boxes, plastic packaging and bags.

As the amount of food waste generated from our operations is immaterial, no disclosures were made for the Reporting Period. We will continue to track our food waste generated during production and make appropriate disclosures when the amount is deemed material.

To reduce waste generated from our value chain, the following control procedures are in place:

- We systematically track the amount of waste generated, production variances, perform follow-up actions on significant variances to determine root causes and rectify them timely;
- Residual cooking oil from our production is properly disposed by a licensed waste oil collector; and
- Recyclable waste is segregated into plastics, papers (including corrugated boxes and cardboards) and metal. They are weighed, tracked and reported monthly to the Management for follow-up actions where applicable.

To further minimise the impact of the packaging materials on our environment, we procure Forest Stewardship Council (or commonly known as 'FSC') certified carton boxes, which are made from verified sustainable sources and is transitioning from tin cans to aluminium cans as the recycling of aluminium cans is more energy efficient.

Our Performance

For the calendar year 2023[18], the weight of packaging materials used in our value chain amounted to 799 tonnes (Calendar year 2022: 1,171 tonnes). The reduction in the weight of packaging materials used is primarily due to an overall reduction in production volume of our food products. We also adjusted the composition of our packaging materials such as using lighter packaging materials and optimising packaging material designs.

During the Reporting Period, 100% of used cooking oil generated in our operations are disposed in accordance with Prevailing Waste Regulations (FY2023: 100%).

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[17] Prevailing waste regulations include NEA's Mandatory Packaging Reporting ("**MPR**"), general waste collection system, requirements of the Environmental Public Health Act, the Environment Public Health (General Waste Collection) Regulations and the General Waste Collector Conditions of License.

[18] In line with MPR, the data reported for packaging materials is in accordance with the calendar year and differs from the Reporting Period.

10.5 Energy Conservation and GHG Emissions Reduction

Our Commitment

We acknowledge that our energy consumption and the resultant GHG emissions contribute to climate change. Accordingly, we are committed to reduce our carbon footprint whilst open to capitalise on opportunities that may arise as we transit to become a low-carbon organisation.

Our Approach

We aim to reduce our environmental footprints and at the same time, establish operational resilience to deliver long-term and sustainable value to our stakeholders.

Decarbonisation Approach

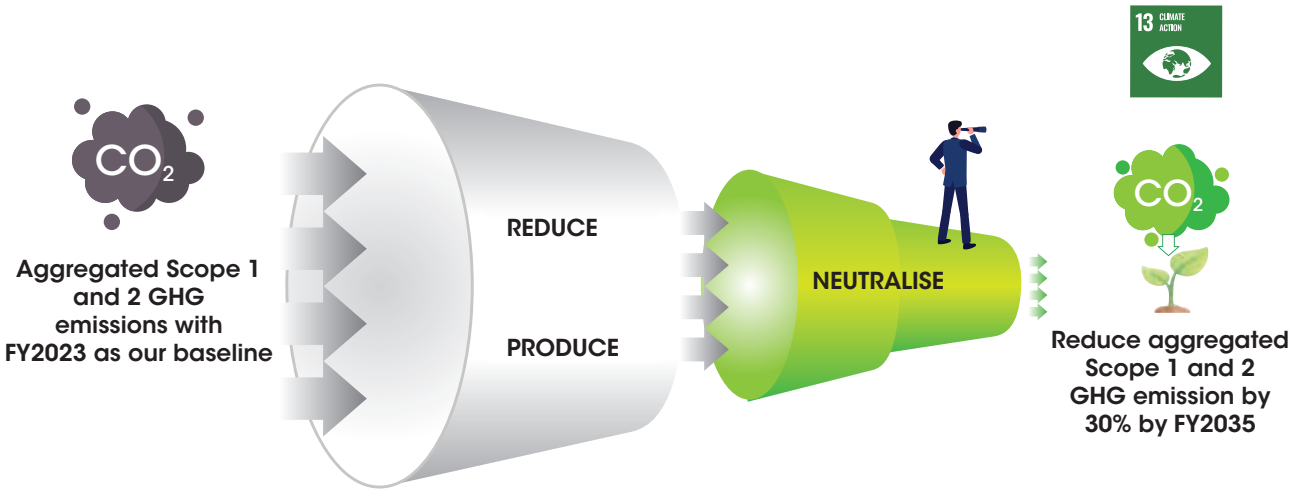
To achieve our decarbonisation goals, we set up a seven-step continuous circular process for our decarbonisation efforts as follows:



This year, we conducted a GHG emission profiling exercise for our Scope 1, 2 and 3 GHG emissions based on defined organisational boundaries. We track and monitor our Scope 1, 2 and certain categories of Scope 3 GHG emissions closely and are developing mechanisms to track our other categories of our Scope 3 GHG emissions, where relevant and practicable. We also developed a climate change transition plan and will refine and improve our climate change transition plan as we progressively implement the plan, by considering changes in business operations, environment and market trends. Progress updates and performance will be provided in our sustainability report with assurance on the reporting process covered by an internal review.

Climate Change Transition Plan

Our climate change transition plan steers us on our decarbonisation journey. Under this strategy, we commit to reduce 30% of our aggregated Scope 1 and 2 GHG emissions by FY2035, with FY2023 as our baseline. Our climate change transition plan is focused on three (3) strategic levers of reduce, produce and neutralise as follows:



Details of our strategic levers are as follows:

Lever	Reduce	Produce	Neutralise
Description	• Reduce aggregated GHG emissions first within our operations and followed by our supply chain • Replace existing energy source with low or zero-carbon sources	On-site generation of green or renewable energy	Neutralise unavoidable residual GHG emissions
Focus Area	• Energy efficiency • Machinery and Equipment – Lighting – Cooling – Electric vehicle • Clean energy	Solar energy	• Renewable energy certificates ("**REC**") • Carbon credits

We track and review spending on energy consumption regularly to control usage and take corrective actions when unusual consumption patterns are observed. We continuously strive to improve our energy use and efficiency through the following initiatives and aspirations:

Lever	Key Initiative	Description
Reduce	Reduction in energy consumption through efficient machinery and equipment	Our initiatives on this front include: • Replacing our existing air-conditioning units with those of higher energy efficiency; • Periodic preventive maintenance of machinery and equipment to optimise energy efficiency; • Regular cleaning of filters for air-conditioning systems to reduce air flow resistance; and • Adoption of greener work practices such as switching off appliances when not in use and enabling power saving modes.
	Reduction in energy consumption through energy efficient lighting	Our initiatives on this front include: • Installation of motion sensors in our lighting systems where practicable; and • Adoption of energy-saving light emitting diode lightings.
	Reduction through replacement of existing vehicles with electric vehicles	Our motor vehicles are currently powered by diesel fuel which emits more carbon dioxide than electric vehicles for each unit of distance travelled. We are considering switching to electric-powered motor vehicles which are cleaner than diesel-powered ones when practicable.
	Reduction through switching to renewable energy source	We constantly explore opportunities to use clean and/or renewable energy available in the locations that we operate in.
Produce	Solar energy	Solar panels are installed on the rooftop of our production facilities to generate electricity. The resultant clean energy generated is utilised for our operations which allows for savings in utility cost.
Neutralise	• REC • Carbon credits	The Group plans to explore the use of REC and carbon credits to offset unavoidable residual GHG emissions when the relevant markets mature.

Energy conservation and GHG emissions management is of paramount concern to the Group. As part of our efforts to mitigate climate change, we are committed to responsible usage of energy and GHG emissions reduction through enhancing our energy usage efficiency and carbon reduction initiatives.

To run our operations, we rely mainly on the following energy sources:

- Liquefied petroleum gas ("**LPG**") for operating cooking equipment;
- Diesel for boiler and motor vehicles; and
- Electricity for machinery and equipment, refrigeration, lighting, cooling and office work.

Our Performance

Key statistics on our energy consumption and GHG emissions during the Reporting Period are as follows:

Performance Indicator	Unit of Measurement[19]	FY2024	FY2023
Energy Consumption			
LPG consumption	GJ	341	341
Diesel consumption	GJ	7,934	7,910
Purchased electricity consumption	GJ	9,375	8,984
Electricity generated by solar panels	GJ	991	148
Energy Consumption Intensity			
LPG consumption intensity	GJ/revenue S$'000	0.012	0.011
Diesel consumption intensity	GJ/revenue S$'000	0.269	0.261
Purchased electricity consumption intensity	GJ/revenue S$'000	0.318	0.297
GHG Emissions			
Scope 1[20] GHG emissions (Direct emissions)	tonnes CO_2e	613	610
Scope 2[21] GHG emissions (Indirect emissions)	tonnes CO_2e	1,093	1,029
Total GHG emissions	tonnes CO_2e	1,706	1,639
GHG emissions intensity	tonnes CO_2e/revenue S$'000	0.058	0.054

The increase in GHG emissions intensity is primarily due to a change in product mix with the launch of our new products, which involve more production processes and consume more energy per unit of production. We shall continue to track and monitor the energy consumption and relevant GHG emissions, observe fluctuation patterns and take corrective actions if required.

During the Reporting Period, we expanded our disclosure for Scope 3 GHG emissions arising from purchased goods and services (category 1) and included business travel (category 6) and employee commuting (category 7) for GB, our key operating subsidiary.

Category	Coverage	Unit of Measurement	FY2024	FY2023[22]
Category 1: Purchased goods and services	Aluminium packaging[23] and raw meat[24]	tonnes CO_2e	29,174	30,874[25]
Category 6: Business travel	Air travel	tonnes CO_2e	3.3	NA[26]
Category 7: Employee commuting	Transportation of employees between their homes and their worksites	tonnes CO_2e	97.7	NA[26]

During the Reporting Period, our Scope 3 GHG emissions decreased primarily due to a reduction in aluminium and tin packaging materials purchased.

19 The unit of measurement was updated to align with our reporting framework and market disclosures.
20 GHG emissions from consumption of LPG and diesel (Scope 1) are calculated based on the Greenhouse Gas (GHG) Emissions Measurement and Reporting Guidelines published by the NEA.
21 GHG emissions from electricity purchased by the Company (Scope 2) are calculated based on the emissions factors published by the Energy Market Authority for Singapore operations and Institute for Global Environmental Strategies for our Malaysia operations.
22 GHG emissions from indirect sources (Scope 3) are computed based on emission factors published by the relevant authorities, International Civil Aviation Organization Carbon Emissions Calculator, Carbon, Emissions Recording Tool and other recognised sources.
23 The total amount of aluminium and tin packaging purchased are derived on a calendar year basis and aligned with the packaging data submitted to NEA under the MPR scheme.
24 Raw meat includes pork, chicken, beef and lamb.
25 Figure has been restated due to a refinement in computation methodology in FY2024.
26 Not applicable as the figure was not tracked previously.

10.6 Safe Working Environment

Our Commitment

We are committed to create a safe working environment and high emphasis is placed on the health and safety of our employees. We believe that a safe working environment is the foundation of loyalty amongst our employees and support the sustainability of the Group.

Our Approach

As part of our commitment to provide a safe working environment for our employees, our Singapore-based production facilities are bizSAFE level 3 certified by the Workplace Safety and Health ("**WSH**") Council (or commonly known as 'WSH Council') which recognises our continuous efforts to embed safety in our operations.

Key measures adopted to manage health and safety in our workplace environment are as follows:

- A set of occupational health and safety procedures is in place;
- An emergency response plan is in place for fire safety;
- A safety committee is in place and meetings are conducted regularly to discuss about findings on workplace hazards and corrective actions;
- Monthly safety inspections are conducted against inspection checklists and follow-up actions are taken, where appropriate;
- Safety audits are performed regularly, to identify good practices and check compliance with applicable requirements;
- Workplace risk assessments are performed in line with our risk management procedures and reviewed at least once every three (3) years or in the event where work-related ill-health, near misses or an accident occurs. A dedicated risk assessment team is set up to identify, evaluate and monitor the occupational health and safety hazards associated with work activities and processes;
- An occupational health programme is established at the beginning of each year and disseminated to responsible departments for implementation. Our current ongoing WSH programmes include: (i) hearing conservation arising from noise; (ii) respiratory protection programme from exposure to chemicals; and (iii) health hazards from debris in cooling tower;
- New employees are briefed on safety procedures during orientation;
- Employees are provided with WSH training; and
- Workplace accidents are tracked and monitored regularly and related corrective procedures are followed through.

Our Performance

Key statistics on our work-related injuries and ill health cases are as follows:

Performance Indicator	FY2024	FY2023
Number of workplace fatalities	–	–
Number of high consequence work-related injuries[6]	–	–
Number of recordable work-related injuries	1	1
Number of work-related ill health cases[7]	–	–

During the Reporting Period, a recordable work-related injury occurred and it arose due to an incident involving an employee who slipped into a half-opened manhole resulting in a scratch on the left leg. Arising from this incident, we placed a metal plate to cover the manhole and reminded our employees to take precautions to prevent any further reoccurrence.

10.7 Employee Retention and Development

Our Commitment

We place a high priority on talent attraction and retention as well as competency development of our employees as we believe that well-trained employees are vital to the long-term success of our business.

Our Approach

Employee Benefits

We provide benefits, that we regularly review, for our employees. Such employee benefits include medical insurance coverage, medical reimbursement and pro-family benefits to eligible employees such as maternity, childcare and paternity leaves.

Training for our Employees

To upskill our employees, structured training programmes are developed for our employees to ensure that they are equipped with the relevant skillset. The trainings include Halal competency training such as foundation programmes and Halal Leader training, WSH training, food product safety and hygiene training as well as ad-hoc courses and seminars on regulatory requirements.

We also provide training and education sponsorships for employees who wish to pursue further education or additional work-related trainings.

Systematic Performance Appraisal System

Employee performance appraisal serves as an assessment of employee job performance and a channel to discuss on areas of improvement. It also motivates employees to undertake further training or education to improve their skillsets and further value-add to our operations. A structured performance appraisal is performed for new employees during the onboarding process and periodically thereafter.

Our Performance

Key statistics on new hires and turnover of our full-time employees are as follows:

New Hires[27]

Performance Indicator	FY2024		FY2023	
	Number of New Hires	New Hires Rate	Number of New Hires	New Hires Rate
Gender				
Male	32	26%	33	27%
Female	4	10%	7	14%
Age				
Below 30 years old	13	62%	11	42%
30 to 50 years old	22	22%	26	26%
Above 50 years old	1	2%	3	7%
Total new hires	36	22%	40	23%

[27] New hires rate is computed based on confirmed new hires over total employees by gender and age.

Turnover[28]

Performance Indicator	FY2024		FY2023	
	Number of Turnovers	Turnover Rate	Number of Turnovers	Turnover Rate
Gender				
Male	19	16%	23	19%
Female	7	17%	7	14%
Age				
Below 30 years old	7	33%	10	38%
30 to 50 years old	18	18%	16	16%
Above 50 years old	1	2%	4	9%
Total turnover	26	16%	30	17%

Our new hire and turnover rates remained relatively consistent between FY2024 and FY2023. We will continue to work towards improving our new hire and turnover rates by focusing on the needs of our employees.

Training for our Employees

Key statistics on training hours are as follows:

Performance Indicator	FY2024	FY2023
Overall		
Total training hours	3,387	2,745
Average training hours per employee	21	16
Gender (Male)		
Total training hours	2,745	2,144
Average training hours per employee	23	17
Gender (Female)		
Total training hours	642	601
Average training hours per employee	15	13
Management		
Total training hours	655	381
Average training hours per employee	21	11
Non-management		
Total training hours	2,732	2,364
Average training hours per employee	21	17

[28] Turnover is computed based on the turnover of confirmed employees over total employees by gender and age.

Some of our training curriculum is cyclical, with a frequency of once every five (5) or ten (10) years. During the Reporting Period, more employees were required to attend such training, resulting in the increase in average training hours per employee.

Systematic Performance Appraisal System

Key statistics on coverage of performance appraisal performed are as follows:

Performance Indicator	FY2024	FY2023
Gender		
Male	100%	100%
Female	100%	100%
Employee category		
Management	100%	100%
Non-management	100%	100%

10.8 Equality and Diversity in the Workplace

Our Commitment

As a responsible organisation, we are committed to respecting human rights across all our business operations. We aim to provide a work environment for employees that fosters fairness, equality and respect for social and cultural diversity, regardless of their gender, age and educational background.

Our Approach

We view diversity at the Board level as an essential element in supporting sustainable development. For this reason, the Group adopted a board diversity policy, which recognise and embraces the benefits of diversity on the Board.

To promote equal opportunity, a human resource policy is in place to ensure that employees are recruited based on merit and competency. We seek to create an inclusive environment for employees, and we do not discriminate against gender, age, race or education background. In line with our policy, our recruitment procedures do not request for information such as gender, race or disability whilst information on age is requested only for legality check purposes.

Our Performance

As at 30 June 2024, our workforce comprised 168 permanent full-time and part-time employees and we do not hire employees on a non-guaranteed hours basis (FY2023: 173 permanent full-time and part-time employees). The majority of our employees are based in Singapore with the following breakdown:

Type of Employment	Singapore	Malaysia	Total
Overall	158	10	168
Full-time	156	8	164
Part-time[29]	2	2	4

[29] The number of part-time employees constitute to approximately 2.38% of the Group's headcount, which is deemed immaterial as a proportion of the Group's total headcount and thus excluded from the tabulation of human resource related performance indicators.

Gender Diversity (%)

As at 30 June 2024, 2 (or 40%) of our Board are female (as at 30 June 2023: 2 (or 40%) female Board members). Key statistics on gender diversity of our full-time and part-time employees are as follows:

	FY2024		FY2023	
Performance Indicator	Male	Female	Male	Female
Overall	74%	26%	73%	27%
Management	56%	44%	57%	43%
Non-management	78%	22%	77%	23%

Due to the nature of our business and operating environment, our workforce consists of mostly male employees.

Age Diversity (%)

Key statistics on age diversity of our full-time and part-time employees are as follows:

	FY2024			FY2023		
Performance Indicator	Below 30	30 – 50	Above 50	Below 30	30 – 50	Above 50
Overall	13%	60%	27%	15%	58%	27%
Management	-%	47%	53%	3%	49%	48%
Non-management	16%	63%	21%	18%	60%	22%

Educational Background Diversity (%)

Key statistics on educational diversity of our full-time employees are as follows:

	FY2024		FY2023	
Performance Indicator	Tertiary	Non-tertiary	Tertiary	Non-tertiary
Percentage of employees by educational diversity	29%	71%	32%	68%

Due to the nature of our business, our workforce is predominantly non-tertiary educated.

During the Reporting Period, we maintained zero incidents of unlawful discrimination against employees (FY2023: zero).

10.9 Ongoing Community Engagement

Our Commitment

We firmly believe that the sustained prosperity of our Group is intricately associated to the well-being of the community. Accordingly, we are committed in contributing back to the communities we operate in.

Our Approach

We collaborated with the various organisations through the following initiatives:

Support the Singapore Association of Visually Handicapped

GB and EL employees were treated to massage services by the masseurs from Singapore Association of Visually Handicapped as an appreciation for their hard work and dedication for the year. We hope that this engagement will provide support to the masseurs with their integration into the society.



Feeding those in Need

We continue to collaborate with The Food Bank Singapore Ltd, a centralised coordinating organisation for food donations, to contribute our food products to needy individuals or families sheltered under 'The Helping Hand' initiative and strive to continually be part of this effort to support the community.



Heartstrings of Singapore

We participated in NTUC FairPrice's Heartstrings of Singapore initiative, a collaboration between FairPrice and Community Chest, to gather support from strategic partners and communities.

Donations raised from this initiative helped over 200 programmes of social service agencies supported by Community Chest, for the disabled, people with special needs, mentally challenged persons and vulnerable seniors.



El-Dina Curry Chicken, a product of the Group, was featured in NTUC FairPrice's Heartstring Buy advertisement.

To further encourage employees to give back to the community, we implemented CSR leave for eligible employees who participate in CSR related programmes.

Our Performance

Feeding those in Need

During the Reporting Period, we contributed food products that are worth S$14,000 to families and individuals under 'The Helping Hand' initiative (FY2023: NA[30]).

10.10 Commitment to Consistent Quality and Food Safety

Our Commitment

We are committed to deliver quality and safe products for our customers' consumption to ensure the long-term sustainability of our business.

[30] Not applicable as the figure was previously not tracked.

Our Approach

To fulfil our commitment, we adopt stringent food quality and safety management practices throughout our value chain as follows:

Quality and Safe Products

To uphold food safety standards in our value chain, quality assurance measures are in place as follows:

- Perform assessment for existing and new suppliers regularly to ensure that our ingredients are obtained from competent and reliable suppliers;
- A set of food safety management system procedures is in place to ensure compliance with food hygiene and safety standards and prevent contamination of food products caused by food safety hazards such as wooden, glass and plastic items;
- The quality control team ensures that the policies and procedures in place are adequate and effective. Regular checks on quality of raw materials and finished products are also conducted;
- Training programmes on food safety procedures and refresher, good manufacturing practices, allergen controls and Halal concepts are in place for our employees;
- Monitor temperature in cold rooms to ensure food products are stored at appropriate temperatures;
- Engage an accredited third-party laboratory to carry out independent tests to ensure that our food products are safe for consumption;
- Proper cleaning records of our operational areas, equipment and utensils are maintained; and
- Product traceability records with relevant batch information and recall procedures are maintained.

Clear Product Labelling and Communication

To ensure our customers make informed purchase decisions, procedures are in place to ensure that our product labels display complete and accurate information such as ingredients, allergen declaration, nutritional values and recommended storage conditions. Our product labels comply with relevant product labelling regulations and guidelines such as Food Regulations and Sale of Food Act, guidelines set by SFA and Food Regulations 1985 of Malaysia.

To ensure good product quality, we keep ourselves abreast with customers' demands, preferences and explore ways to enhance the quality or improve our product content.

Our Performance

Quality and Safe Products

During the Reporting Period, there were zero food safety incidents which resulted in a regulatory non-compliance and/or penalty (FY2023: zero).

Clear Product Labelling and Communication

During the Reporting Period, there were zero incidents of non-compliance with regulations concerning product labelling (FY2023: zero) and zero incidents of non-compliance concerning marketing communications (FY2023: zero).

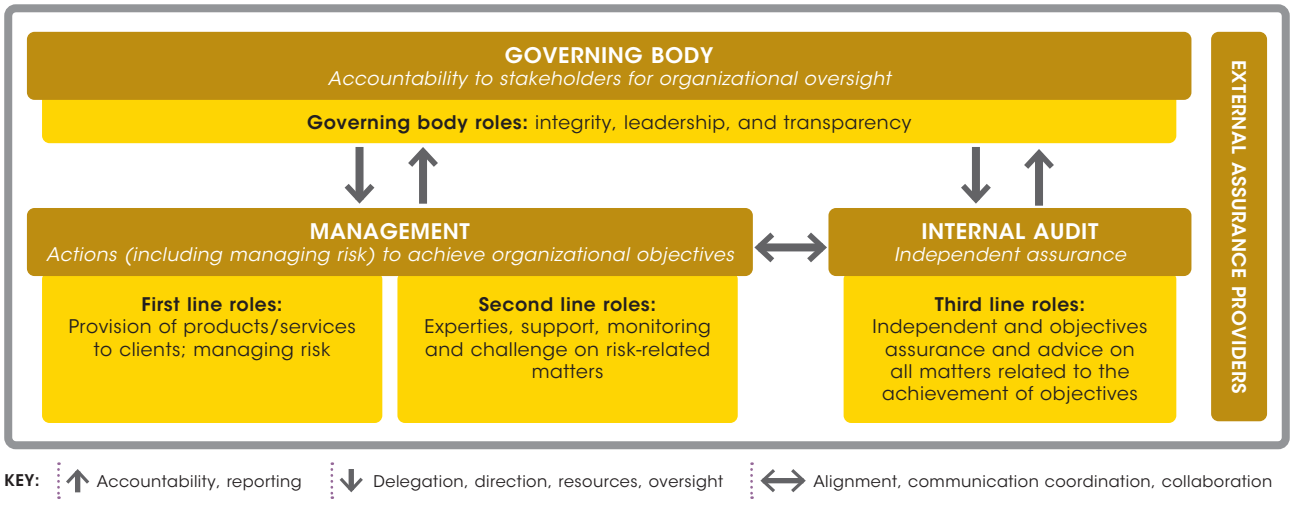
10.11 Robust Corporate Governance Framework

Our Commitment

We are committed to high standards of corporate governance as it is integral in ensuring sustainability of our business, safeguarding our shareholders' interest and maximising long-term shareholder value.

Our Approach

We aligned our corporate governance and risk management approach with the Three Lines Model issued by the Institute of Internal Auditors ("**IIA**"). The Three Lines Model serves to identify structures and processes that best assist the achievement of organisational objectives and facilitate strong governance and risk management. Under the Three Lines Model, the roles and responsibilities of governing body, management (first- and second-line roles), internal audit (third line roles) and the relationship among them are defined as follows:



Source: Three Lines Model issued by the IIA

An ERM framework is implemented to track and manage the risks in which we are exposed to. We regularly assess and review our businesses and operational environment to identify and manage emerging risks that may impact our sustainability. We believe that it is important to eliminate the risk of undesirable behaviour among employees in order to prevent reputational damage and establish stakeholder trust.

A whistleblowing policy is in place and provides an avenue for any party to raise concerns about misconduct or improprieties in the Group, and at the same time assure them that they will be protected from victimisation for whistleblowing in good faith. Details of the whistle-blowing policy are disseminated to the employees of the Group and available on our corporate website. We also require our employees to acknowledge on the Employee Handbook and adhere to the standard of conduct and integrity stipulated in the Employee Handbook.

Our Performance

During the Reporting Period, there were zero serious offences[10] reported (FY2023: zero) and zero incidents of non-compliance with laws and regulations for which fines and/or non-monetary sanctions were imposed (FY2023: zero).

You may refer to the 'Corporate Governance Report' of this Annual Report for details on our corporate governance practices.

11. TARGETS AND PERFORMANCE HIGHLIGHTS

To measure our ongoing sustainability performance and drive continuous improvement, we developed a set of targets related to our material Sustainability Factors. Our progress against these targets is reviewed and reported on an annual basis with details as follows:

Legend	Progress Tracking
○○○	New target
●●●	Target achieved
●●○	On track to meet target
●○○	Not on track, requires review

S/N	Material Sustainability Factor	Target[31]	Our Performance
Economic			
1	Total Customer Satisfaction	Short-term Adhere to market standards in operations	●●● We adhered to market standards and maintained relevant certifications.
		Ongoing and long-term • Maintain or increase number of brands in our portfolio	●●● We maintained the number of brands in our portfolio.
		• Maintain or increase number of countries our food products are distributed to	○○○ This is a new ongoing and long-term target for Total Customer Satisfaction.
2	Sustainable Business Performance	Short-term Maintain or improve our economic value generated subject to economic conditions	●●● Our economic value generated has improved.
		Ongoing and long-term Maintain our current economic distribution ratio[32] or improve our economic distribution ratio to 95%	○○○ This is a new ongoing and long-term target for Sustainable Business Performance.
Environment			
3	Water Conservation and Effluent Management	Ongoing and long-term Maintain or reduce water consumption intensity to 1.0 m^3/revenue S$'000	●○○ Our water consumption intensity increased due to a change in product mix with the launch of new products that consume more water in their production.
		Short-term Maintain or reduce effluent generated intensity	●●● We reduced our effluent generated intensity.

[31] Time horizons for target setting are: (1) short-term: before FY2026; (2) medium-term: FY2026 – FY2035; (3) longterm: after FY2035; and (4) ongoing: continuous time horizon.

[32] Economic distribution ratio is the total economic value distributed over the total economic value generated.

S/N	Material Sustainability Factor	Target[31]	Our Performance
4	Responsible Waste Management	Ongoing and long-term Maintain 100% of waste oil disposed through licensed waste oil collector	●●● We maintained 100% of waste oil disposed through a licensed waste oil collector.
5	Energy Conservation and GHG Emissions Reduction	Short-term Maintain or reduce GHG emissions intensity by FY2025, with FY2023 as our baseline Medium-term Reduce aggregated Scope 1 and 2 GHG emissions by 30% by FY2035, with FY2023 as our baseline	●○○ Our GHG emissions intensity increased due to the launch of our new product which consumes more energy per unit of production. ○○○ We developed a climate change transition plan and will refine and improve the plan as we progressively implement it, by considering changes in business operations, environment and market trends.
Social			
6	Safe Working Environment	Short-term[33] Reduce the number of recordable work-related injuries and maintain zero workplace fatalities, high consequence work-related injuries and ill health cases Ongoing and long-term Achieve and maintain zero incidents of work-related injury	●●○ The number of recordable work-related injuries remained unchanged. ○○○ This is a new ongoing and long-term target for Safe Working Environment.
7	Employee Retention and Development	Short-term Maintain or improve average training hours per employee Ongoing and long-term Maintain or improve turnover rate	●●● We improved our average training hours per employee. ○○○ This is a new ongoing and long-term target for Employee Retention and Development.
8	Equality and Diversity in the Workplace	Ongoing and long-term[33] Maintain zero reported incidents of unlawful discrimination against employees	●●● We maintained zero incidents of unlawful discrimination against employees.
9	Ongoing Community Engagement	Ongoing and long-term[33] Continue to engage in community projects and charities	●●● We continued to engage and initiate campaigns to help our community and charities.
10	Commitment to Consistent Quality and Food Safety	Ongoing and long-term • Maintain zero incidents of food safety incident which resulted in regulatory non-compliance and penalty • Maintain zero incidents of non-compliance with regulations concerning product labelling	●●● • We maintained zero food safety incidents which resulted in a regulatory non-compliance and/or penalty. • We maintained zero incidents of non-compliance with regulations concerning product labelling.

[33] We updated the target for this Sustainability Factor to align with industry practices and aims to provide a more accurate representation of our sustainability performance.

S/N	Material Sustainability Factor	Target[31]	Our Performance
Governance			
11	Robust Corporate Governance Framework	Ongoing and long-term[33] • Maintain zero incidents of serious offence • Maintain zero incidents of significant fines or non-monetary sanctions for non-compliance with applicable laws and regulations	●●● We maintained zero incidents of serious offence. ○○○ This is a new ongoing and long-term target for Robust Corporate Governance Framework. ●●● We maintained zero incidents of whistle-blowing incidents for last year's short-term target which has since been removed due to practicality consideration.

For the material Sustainability Factors identified this Report, the Board and SC have considered the relevance and usefulness of setting related targets in the short, medium and long term horizon. As the historical data trends for certain material Sustainability Factors have yet to stabilise, we have not set the related medium and long-term targets and will disclose such targets in our future sustainability reports when the data trends have stabilised and subject to market trends.

12. SUPPORTING THE SDGs

The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 SDGs, which form an urgent call for action by all countries – developed and developing – in a global partnership. We believe that everyone plays an important role in advancing sustainable development and in order to align our business objectives with the SDGs, we identified a number of SDGs which we can contribute to through our business practices, products and services. The SDGs that we focus on and the material Sustainability Factors are as follows:

SDG		Our Effort
	Ensure healthy lives and promote well-being for all at all ages	10.6 Safe Working Environment We implement measures such as safety checks, safety training and job safety guidelines and procedures to provide a hazard-free workplace for our employees while ensuring their well-being.
	Ensure availability and sustainable management of water and sanitation for all	10.3 Water Conservation and Effluent Management We implement checks and measures to reduce water wastage and manage the quality of effluent generated from our business operations, which in turn help us to work towards achieving sustainable management and efficient use of natural resources.
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	10.1 Total Customer Satisfaction We place heavy emphasis on customer satisfaction as we understand that a high level of customer satisfaction is essential to the continued success of our business. This also helps to contribute to economic growth as well as the creation of jobs.

SDG		Our Effort
		10.2 Sustainable Business Performance We contribute to economic growth through the creation of long-term value for our stakeholders. 10.7 Employee Retention and Development We offer our employees with extensive on-the-job training and opportunities to attend internal and external workshops, as well as provide various employee benefits. We hold the belief that establishing a gratifying work environment and providing employees with fulfilling, decent jobs contribute to employee satisfaction and sustainable business operation.
	Reduce inequality within and among countries	10.8 Equality and Diversity in the Workplace We ensure equal opportunity for all regardless of gender, age as well as educational background by establishing various human resource related policies to facilitate this goal.
	Make cities and human settlements inclusive, safe, resilient and sustainable	10.9 Ongoing Community Engagement We initiate and engage in various campaigns to give back to the community we operate in and promote sustainable communities.
	Ensure sustainable consumption and production patterns	10.4 Responsible Waste Management We implement measures and initiatives to help prevent and reduce waste that is generated from our business operations.
	Take urgent action to combat climate change and its impacts	10.5 Energy Conservation and GHG Emissions Reduction We constantly monitor and implement measures to improve our energy efficiency and reduce our GHG emissions accordingly.
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	10.10 Commitment to Consistent Quality and Food Safety We adopt stringent food quality and safety management practices throughout our entire business process to maintain the continued success of our business and promote effective and accountable institutions. 10.11 Robust Corporate Governance Framework We are committed to high standards of corporate governance as we believe that it is integral in ensuring sustainability of our businesses as well as safeguarding shareholders' interests and maximising long-term shareholder's value. We maintain zero tolerance towards any form of corruption including bribery through measures such as our whistle-blowing policy.

13. SUPPORTING THE TCFD

We are committed to supporting the recommendations by the TCFD and disclosed our climate-related financial disclosures in the following key areas as recommended by the TCFD:

Governance

a. Describe the board's oversight of climate-related risks and opportunities.

The Board oversees the climate-related risks and opportunities and considers climate-related issues in setting the Group's strategic direction, policies and target setting.

b. Describe management's role in assessing and managing climate-related risks and opportunities.

Our sustainability strategy is developed and directed by the executive level SC in consultation with the Board. The SC, which comprise senior management executives and key managers from key business units and corporate functions, is led by the MD, ED and DGM. The responsibilities of the SC cover the areas of developing sustainability strategy and policies, implementation of sustainability strategy, monitoring and reporting of performance data as well as the management of climate-related risks and opportunities.

Strategy

a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

We recognise that climate change poses different types of risks to our business. The Group's assessment on potential implication of the above climate-related risks was undertaken based on the Network of Central Banks and Supervisors for Greening the Financial System ("**NGFS**") range of climate scenarios:

Scenario	Description
NGFS – Orderly	This scenario assumes that climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued through cohesive stringent climate policies and innovation.
NGFS – Hot house world	This scenario assumes that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise. Only currently implemented policies are preserved, leading to high physical risks.

Strategy

We selected NGFS' orderly and hot house world scenarios for the purpose of our qualitative climate scenario analysis. The impact of the climate-related risks is analysed on Group-wide activities in the short term (before FY2026), medium term (FY2026 – FY2035) and long term (after FY2035). Based on the above-mentioned scenarios, the climate-related risks and opportunities identified by the Group during a climate-related risk assessment exercise includes the following:

Climate-related Risks

Climate-related Risk	Potential Impact	Mitigating Measures	Climate-related Opportunity
Transition Risk Identified			
Enhanced GHG emissions-reporting obligations	With rising concerns over the effects of climate change, key stakeholders such as the regulators and shareholders are requiring reporting of climate-related information. Failure to comply with enhanced GHG emissions reporting obligations may lead to adverse impacts on the Group's reputation and financial performance.	To meet the increasing GHG emissions reporting obligations, we redefined job responsibilities of existing employees and sent our employees for relevant sustainability related training. With the above, our employees are in a better position to use energy resources responsibly and meet the rising needs and expectations of stakeholders regarding environmental stewardship.	Our resources can be deployed more efficiently across our value chain by installing plant and machinery of higher energy efficiency to further lower our operating costs and increase production capacity.
Changes in customer preferences	With rising concerns over the effects of climate change, shifting consumer preferences for sustainable products that are less carbon intensive may arise, especially amongst younger consumers. A failure to adapt to shifting consumer preferences may adversely affect customer satisfaction, demand for our products and the Group's financial performance.	With changing customer preferences, we relooked into our products and services offered to our customer. Through R&D, we developed new plant-based products to cater to the ever-changing customer preferences. You may refer to section 10.1 'Total Customer Satisfaction' for further details.	We may further expand on our product and service offerings, by innovating and developing more food products with lower carbon footprint such as expanding the range of our plantbased solutions and using eco-friendly packaging materials to invigorate the interest of our customers.

Strategy			
Climate-related Risk	**Potential Impact**	**Mitigating Measures**	**Climate-related Opportunity**
Physical Risk			
Increased severity of extreme weather events	Weather disruption, rising temperature, global warming and water scarcity arising from climate change may lead to adverse impact on livestock farming and consequentially increase the costs of raw materials.	The increased severity of extreme weather events drove us in transiting to renewable energy sources and increasing our operational efficiency. Solar panels were installed on our buildings to provide us with clean energy. We also adopted motion sensors and LED lighting to lower energy usage in applicable areas. You may refer to section 10.5 'Energy Conservation and GHG Emissions Reduction' for further details.	We may capitalise on opportunities available in improving our operational efficiency, designing new production processes and developing new sustainable products.

Warming Scenario 1: Orderly

Risk	Significance of Financial Impact[34]		
	Short Term	Medium Term	Long Term
Key transition risks identified			
Enhanced GHG emissions-reporting obligations	■	■	■
Changes in customer preferences	■	■	■
Key physical risk identified			
Increased severity of extreme weather events	■	■	■

[34] Significance of financial impact is determined based on the risk appetite established in accordance with the Group's ERM framework.

Strategy

Warming Scenario 2: Hot house world

Risk	Significance of Financial Impact		
	Short Term	Medium Term	Long Term
Key transition risks identified			
Enhanced GHG emissions-reporting obligations	■	■	■
Changes in customer preferences	■	■	■
Key physical risk identified			
Increased severity of extreme weather events	■	■	■

Legend

■ Minor ■ Moderate ■ Major

In terms of our business strategy and financial planning based on the scenarios above, we will continue to formulate adaptation and mitigation plans and explore allocating resources towards transitioning to low-carbon practices. We strive to minimise the climate risks associated with our business and will seize opportunities in an effective manner such as expanding collaboration and partnership with key stakeholders to innovate and develop low carbon goods and services for the market.

c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

The resilience of an organisation's strategy is dependent on its ability to adapt and thrive in the face of changing circumstances and emerging risks. The climate scenario analysis is crucial in providing insights on the potential extent of the climate-related risk exposure to our businesses as well as the potential opportunities.

Through our climate scenario analysis, we concluded that unmitigated climate risks (under warming scenario 2: Hot house world) may result in a severe financial impact in the long term. Under the warming scenario 1: Orderly, the vast majority of the impact will be attributable to transition risks from the cost increase from enhanced GHG emissions-reporting obligations. To address the risks and capitalise on opportunities associated with climate change, we will continuously build on our strategy to remain resilient as we progress in our sustainability journey.

Risk Management

a. Describe the organisation's processes for identifying and assessing climate-related risks
b. Describe the organisation's processes for managing climate-related risks.
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

Climate-related risk management is covered under our ERM framework whereby potential climate-related risks are identified, assessed, monitored and managed. Under the framework, business units and corporate functions are responsible for identifying and documenting their relevant climate-related risk exposures that might hinder their progress towards contributing to the Group's business objectives. Climate-related risks and opportunities, along with their treatment plans, are reviewed and updated during the ERM assessment exercise and are subsequently presented to the ARMC along with the other key enterprise-wide risks. Climate-related risks are also monitored based on the trend of climate-related performance indicators.

Metrics and Targets

a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

We track, measure and report on our environmental performance, including energy, GHG emissions, water and waste management and disclose related metrics in our sustainability reports. Monitoring and reporting these metrics help us in identifying areas with key climate-related risks and enabling us to be more targeted in our efforts.

b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks.

To support the climate change agenda, we disclose our Scope 1 and Scope 2 GHG emissions in the Report and set climate-related targets such as those related to GHG emissions, water and waste management.

We recognise the importance of monitoring our indirect Scope 3 GHG emissions and expanded the coverage of disclosure of indirect Scope 3 GHG emissions from purchase products and services (category 1) to include business travel (category 6) and employee commuting (category 7) in FY2024. We aim to review our Scope 3 GHG emissions to better track and disclose our material Scope 3 GHG emissions and expand the reporting coverage of our Scope 3 GHG emissions on categories relevant to the Group wherever applicable and practicable.

c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

As a commitment towards mitigating climate change, we set climate-related targets related to water consumption, waste management and GHG emissions. For further details, please refer to Section 11 'Targets and Performance Highlights'.

14. GRI CONTENT INDEX

Statement of use	OTS Holdings Ltd. has reported in accordance with the GRI Standards for the period 1 July 2023 to 30 June 2024.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None

GRI Standard	Disclosure	Location and Omission
General Disclosures		
GRI 2: General Disclosures 2021	2-1 Organisational details	Corporate information, 18, 22, 104
	2-2 Entities included in the organisation's sustainability reporting	18, 22, 127-128
	2-3 Reporting period, frequency and contact point	7, 22
	2-4 Restatements of information	20, 22, 31, 36
	2-5 External assurance	22
	2-6 Activities, value chain and other business relationships	1-5, 18, 21
	2-7 Employees	38-41
	2-8 Workers who are not employees	We have a monthly average of approximately 8 workers who are not employees in FY2024. They include sub-contractors and cleaners who assist in our operations.
	2-9 Governance structure and composition	14-16, 25, 65-72
	2-10 Nomination and selection of the highest governance body	68-72
	2-11 Chair of the highest governance body	14, 25, 65-66
	2-12 Role of the highest governance body in overseeing the management of impacts	14-16, 25, 60-65
	2-13 Delegation of responsibility for managing impacts	14-17, 25, 60-65
	2-14 Role of the highest governance body in sustainability reporting	14-17, 25, 60-65
	2-15 Conflicts of interest	45, 60-61
	2-16 Communication of critical concerns	45, 79-82
	2-17 Collective knowledge of the highest governance body	25, 61-62
	2-18 Evaluation of the performance of the highest governance body	68-73
	2-19 Remuneration policies	73-77

GRI Standard	Disclosure	Location and Omission
	2-20 Process to determine remuneration	73-77
	2-21 Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22 Statement on sustainable development strategy	19
	2-23 Policy commitments	24-26, 31-37, 40-41, 45
	2-24 Embedding policy commitments	24-26, 31-37, 40-41, 45
	2-25 Processes to remediate negative impacts	45, 79-83
	2-26 Mechanisms for seeking advice and raising concerns	45, 79-83
	2-27 Compliance with laws and regulations	31-37, 43-45
	2-28 Membership associations	None
	2-29 Approach to stakeholder engagement	24-27, 87
	2-30 Collective bargaining agreements	None of our employees are covered by collective bargaining agreements
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	24-27
	3-2 List of material topics	26-27
	3-3 Management of material topics	27-45
Sustainable business performance		
GRI 3: Material Topics 2021	3-3 Management of material topics	31
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	31
	201-2 Financial implications and other risks and opportunities due to climate change	50–54
	201-3 Defined benefit plan obligations and other retirement plans	115
	201-4 Financial assistance received from government	120
Robust corporate governance framework		
GRI 3: Material Topics 2021	3-3 Management of material topics	46
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	46
	205-2 Communication and training about anti-corruption policies and procedures	46
	205-3 Confirmed incidents of corruption and actions taken	46

GRI Standard	Disclosure	Location and Omission
Energy conservation and emissions reduction		
GRI 3: Material Topics 2021	3-3 Management of material topics	34–37
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	34–37
	302-2 Energy consumption outside of the organization	34–37
	302-3 Energy intensity	34–37
	302-4 Reduction of energy consumption	34–37
	302-5 Reductions in energy requirements of products and services	34–37
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	34–37
	305-2 Energy indirect (Scope 2) GHG emissions	34–37
	305-3 Other indirect (Scope 3) GHG emissions	34–37
	305-4 GHG emissions intensity	34–37
	305-5 Reduction of GHG emissions	34-37
	305-6 Emissions of ozone-depleting substances (ODS)	Disclosure is not applicable as we do not emit a material amount of these emissions through our products, services and operations.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Disclosure is not applicable as we do not emit a material amount of these emissions through our products, services and operations.
Water conservation and effluent management		
GRI 3: Material Topics 2021	3-3 Management of material topics	32
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	32
	303-2 Management of water discharge-related impacts	Disclosure is not applicable as we do discharge a material amount of wastewater or effluents in our operations
	303-3 Water withdrawal	32
	303-4 Water discharge	32
	303-5 Water consumption	32

GRI Standard	Disclosure	Location and Omission
Responsible waste management		
GRI 3: Material Topics 2021	3-3 Management of material topics	33
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	33
	306-2 Management of significant waste-related impacts	33
	306-3 Waste generated	33
	306-4 Waste diverted from disposal	33
	306-5 Waste directed to disposal	Moving forward, we plan to develop a tracking mechanism and report on our waste directed to disposal wherever practicable.
Safe working environment		
GRI 3: Material Topics 2021	3-3 Management of material topics	38
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	38
	403-2 Hazard identification, risk assessment, and incident investigation	38
	403-3 Occupational health services	38
	403-4 Worker participation, consultation, and communication on occupational health and safety	38
	403-5 Worker training on occupational health and safety	38
	403-6 Promotion of worker health	38
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	38
	403-8 Workers covered by an occupational health and safety management system	38
	403-9 Work-related injuries	38
	403-10 Work-related ill health	38
Employee retention and development		
GRI 3: Material Topics 2021	3-3 Management of material topics	39–41
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	39–41
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	39–41
	401-3 Parental leave	39–41

GRI Standard	Disclosure	Location and Omission
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	39–41
	404-2 Programs for upgrading employee skills and transition assistance programs	39–41
	404-3 Percentage of employees receiving regular performance and career development reviews	39–41
Equality and diversity in the workplace		
GRI 3: Material Topics 2021	3-3 Management of material topics	41–42
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	41–42
	405-2 Ratio of basic salary and remuneration of women to men	Information is not provided due to confidentiality constraints
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	41–42
Ongoing community engagement		
GRI 3: Material Topics 2021	3-3 Management of material topics	43–44
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	43–44
	413-2 Operations with significant actual and potential negative impacts on local communities	43–44
Commitment to consistent quality and food safety		
3-3 Management of material topics	3-3 Management of material topics	44–45
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	44–45
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	44–45
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	44–45
	417-2 Incidents of non-compliance concerning product and service information and labelling	44–45
	417-3 Incidents of non-compliance concerning marketing communications	44–45

CORPORATE GOVERNANCE **REPORT**

The board of directors ("**Board**" or "**Directors**") of OTS Holdings Limited ("**Company**" and together with its subsidiaries, "**Group**") strongly support the principles of transparency, accountability and integrity as set out in the Code of Corporate Governance 2018 (the "**Code**"). This report describes the Company's corporate governance policies and practices which were in place during the financial year ended 30 June 2024 ("**FY2024**"), with specific reference to the principles and provisions of the Code and the accompanying practice guidance.

The Code aims to promote high levels of corporate governance by putting forth principles of good corporate governance and provisions with which companies are expected to comply. The practice guidance complements the Code by providing guidance on the application of the principles and provisions and setting out best practices for companies.

Pursuant to Rule 710 of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), this Report sets out the Group's corporate governance practices for FY2024 with specific reference made to the principles and the provisions of the Code issued on 6 August 2018.

The Company was listed on the Catalist board of the SGX-ST since 17 June 2021, and the Board confirms that the Company and Group, have for FY2024 complied with the principles as set out in the Code. The Board also confirms that where there are deviations from the provisions of the Code, explanations for the deviation and how the Group's practices are consistent with the intent of the relevant principle are provided in the sections below.

BOARD MATTERS

The Board's Conduct of Affairs

Principle 1
The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Provision 1.1
Directors are fiduciaries who act objectively in the best interests of the Company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

The Board is entrusted with the responsibility for the overall management of the Company.

The principal functions of the Board, in addition to carrying out its statutory responsibilities, *inter alia*, are as follows:

- overseeing and approving the formulation of the Group's overall long-term strategic objectives and directions, corporate strategy and objectives as well as business plans, taking into consideration sustainability issues;

- overseeing and reviewing the management of the Group's business affairs and financial controls, performance and resource allocation, including ensuring that the required financial and human resources are available for the Group to meet its objectives;

- establishing a framework of prudent and effective controls to assess and manage risks and safeguard shareholders' interests and the Group's assets;

- to review the management ("**Management**")'s performance;
- to set the Group's values and standards and ensure that obligations to shareholders and other stakeholders are understood and met;
- to approve the release of the Group's financial results, annual reports and announcements to shareholders;
- to review and approve related party transactions and interested party transactions to ensure compliance with relevant rules and terms stated in shareholders' mandate; and
- to assume the responsibilities for corporate governance.

All Directors recognise that they have to discharge their duties and responsibilities at all times as fiduciaries in the interests of the Company. The Board is a representation of the shareholders in the Company and is accountable to them through effective governance of the business. Although the Board has yet to adopt a Code of Conduct and Ethics, all Board members recognise the importance of conducting themselves and carrying out their duties in the best interest of the Company, setting the appropriate tone-from-the-top and desired organisational culture, ensure proper accountability within the Group and to avoid placing themselves in any situation where conflict of interest may arise.

Each Director is required to promptly disclose any actual, potential and perceived conflict of interest, in relation to a transaction or proposed transaction with the Group as soon as practicable after the relevant facts have come to his/her knowledge. On an annual basis, each Director is also required to submit details of his associates for the purpose of monitoring interested person transactions. Any Director facing a conflict of interest will recuse himself from the discussions and abstain from participating in any Board decisions and voting on resolutions regarding the matter and refrains from exercising any influence over other members of the Board, unless the Board is of the opinion that his/her presence and participation is necessary to enhance the efficacy of such discussion.

Provision 1.2

Directors understand the Company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense. The induction, training and development provided to new and existing directors are disclosed in the Company's annual report.

Newly appointed Directors will receive a formal letter explaining their duties and responsibilities, and will undergo orientation and be briefed on the business and governance practices of the Group as well as industry-specific knowledge. As stipulated under Rule 406(3)(a) of the Catalist Rules, Directors who are appointed and who have no prior experience as directors of a listed company in Singapore will have to attend the trainings as prescribed by the SGX-ST within one (1) year of his appointment. Briefings on the roles and responsibilities as directors of a listed company in Singapore will be conducted for the new appointees. They may also attend courses conducted by other training institutions in areas such as accounting, legal and industry specific knowledge, where appropriate, in connection with their duties. There were no new Directors appointed during FY2024.

The Independent Directors may also arrange meetings with the Management to obtain updates on the Group's business operations. The Directors are also encouraged to keep themselves abreast of the latest developments relevant to the Group and attendance of appropriate courses and seminars will be arranged and funded by the Company. The external auditors, during their presentation of the audit plan, will update the Directors on the new or revised financial reporting standards on an annual basis. Our Company's Catalist Sponsor, SAC Capital Private Limited, provides updates to the Board whenever there are changes to the listing rules or the Code of Corporate Governance.

The Board recognises the importance of ongoing training and development for the Directors so as to enable them to serve effectively and contribute to the Board. Every Director is provided with opportunities to attend additional training to further enhance their skills in performing their duties as a director, including attending appropriate courses and/or seminars at the Company's expense.

During FY2024, the external auditors briefed the Directors on developments in accounting standards and the Directors attended relevant courses and seminars held by the various agencies, including the Singapore Institute of Directors. All Directors have attended the sustainability training prescribed by the SGX-ST.

Provision 1.3
The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the Company's annual report.

Although the day-to-day management of the Company is delegated to the Executive Directors, the Board has put in place internal guidelines for matters reserved for the Board's approval. Specifically, matters and transactions that require the Board's approval include, among others, the following:

- release of the half year and full year results announcements;
- annual report and financial statements;
- annual budgets and financial plans of the Company;
- business, strategy and capital expenditure budgets;
- convening of shareholders' meetings, circulars to shareholders and related announcements to be submitted to the SGX-ST;
- overall corporate strategy and changes to the corporate structure;
- acquisitions, investments and disposals of assets exceeding a certain threshold;
- share issuances;
- recommendation/declaration of dividends;
- appointment of Directors and key executives, Company Secretary of the Company and terms of reference for the Board Committees;
- review of Directors and key executives' performance and remuneration packages;
- interested person transactions;
- material regulatory matters or litigation; and
- compliance matters associated with the Catalist Rules, Securities and Futures Act or other relevant laws and regulations.

The Board decides on matters requiring its approval and clearly communicates this to the Management in writing.

Provision 1.4

Board committees, including Executive Committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities, are disclosed in the Company's annual report.

To assist the Board in discharging its oversight functions and execution of its responsibilities, the Board has established three Board Committees, comprising an Audit and Risk Management Committee (the "**ARMC**"), a Nominating Committee (the "**NC**") and a Remuneration Committee (the "**RC**") (collectively the "**Board Committees**"). As the Board retains the ultimate responsibility on all decisions made, all matters discussed at the Board Committee meetings are presented and reported to the Board for approval prior to its implementation. These Board Committees function within clearly defined written terms of reference and operating procedures. The terms of reference of the respective Board Committees, which are reviewed by the Board on a regular basis to enhance the effectiveness of these Board Committees. The terms of reference of the respective Board Committees, as well as other relevant information on the Board Committees can be found in the subsequent sections of this Report.

The composition of the Board Committees as at the date of this Report are as follows:

Name	Audit and Risk Management Committee	Nominating Committee	Remuneration Committee
Dr. Yu Lai Boon	Chairman	Member	Member
Mr. Ong Bee Chip	–	–	–
Mdm. Ong Chew Yong	–	–	–
Ms. Tan Poh Hong	Member	Chairman	Member
Mr. Chan Hiang Tiak	Member	Member	Chairman

All the ARMC, NC, and RC comprise three (3) members, all of whom (including the Chairman) are independent.

Provision 1.5

Directors attend and actively participate in Board and board committee meetings. The number of such meetings and each individual director's attendances at such meetings are disclosed in the Company's annual report. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each Company.

The Board meets regularly on a bi-annual basis and ad-hoc Board Committee or Board meetings are convened when they are deemed necessary. In between Board meetings, other important matters will be tabled for the Board's approval by way of circulating resolutions in writing.

The Constitution of the Company provides for meetings of the Board to be held by way of telephonic or video conference.

The number of Board meetings, NC, RC and ARMC meetings held during FY2024 as well as the attendance of each Board member at those meetings are set out below:

	Board	Audit and Risk Management Committee	Nominating Committee	Remuneration Committee
Number of Meetings Held	2	2	1	1
Name of Director	**Number of Meetings Attended**			
Dr. Yu Lai Boon	2	2	1	1
Mr. Ong Bee Chip	2	2*	1*	1*
Mdm. Ong Chew Yong	2	2*	1*	1*
Ms. Tan Poh Hong	2	2	1	1
Mr. Chan Hiang Tiak	2	2	1	1

** By invitation*

When a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his duties as a Director of the Company. The NC is of the view that the matter relating to multiple board representations should be left to the judgement of each Director given that time requirements for different board representations vary. As such, the NC and the Board have decided that there is no necessity to determine the maximum number of listed company board representations which a Director may hold.

Provision 1.6
Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

The Company recognises that the flow of relevant, complete and accurate information on a timely basis is critical for the Board to discharge its duties effectively. The Management provides the Board with key information that is complete, adequate and in advance to enable the Directors to make timely decisions, effectively discharge their duties and make a balanced and informed assessment of the performance, position and prospects of the Company. Key information comprises, among others, properly organised board papers (with background or explanatory information relating to the matters brought before the Board, where necessary), updates to Group operations and the markets in which the Group operates, budgets and/or forecasts, management accounts, external auditors' reports and reports on on-going or planned corporate actions. Management provides Directors with information whenever necessary and board papers are sent to Directors prior to each Board and Board Committee meeting. Such board papers usually include half-yearly management accounts, budgets and forecasts. In respect of budgets, any material variances between the projections and actual results are disclosed and explained to the Board. Directors are also informed on a regular basis as and when there are any significant developments or events relating to the Group's business operations. Management will also provide any additional material information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects. All Directors are also furnished with updates on the financial position and any material developments of the Group as and when necessary.

Provision 1.7
Directors have separate and independent access to Management, the company secretary, and external advisers (where necessary) at the Company's expense. The appointment and removal of the company secretary is a decision of the Board as a whole.

The Board has separate and independent access to the Group Financial Controller ("**GFC**") and other key persons of the Management ("**Key Management Personnel**") as and when they are appointed, external advisers (where necessary) and the Company Secretary at all times. The Board will have independent access to professional advice when required at the Company's expense, subject to the approval of the Chairman.

The responsibilities of the Company Secretary include advising the Board on corporate and administrative matters, as well as facilitating orientation and assisting with professional development as required, facilitating the process of appointment of new Directors and upon discretion of the Chairman in ensuring information flow within the Board and its Board Committees and between the Management and Non-Executive Directors. The Company Secretary and/or her representative(s) attends all meetings of the Board and Board committees and ensures that all Board procedures are followed and applicable rules and regulations are complied with. The appointment and removal of the Company Secretary are subject to the approval of the Board as a whole.

Board Composition and Guidance

Principle 2
The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1
An "independent director" is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company.

Provision 2.2
Independent directors make up a majority of the Board where the Chairman is not independent.

Provision 2.3
Non-executive directors make up a majority of the Board.

The Board comprises five (5) Directors, of whom three (3) are Independent and Non-Executive Directors and the Chairman of the Board is an Independent Director. As such, as at the date of this Report, the Company is in compliance with the Provisions 2.2 and 2.3 of the Code.

The independence of each Director is reviewed annually by the NC and the Board. Each Independent Director is required to complete a checklist annually to confirm his independence based on the guidelines as set out in the Code and the Catalist Rules. The NC adopts the Code's definition of what constitutes an "independent" director in its review. The NC takes into account, among other things, whether a Director has business relationships with the Company, its related companies, its substantial shareholders or its officers, and if so, whether such relationships could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view to the best interests of the Company.

Based on the confirmation of independence submitted by the Independent Directors of the Company, the NC has reviewed the independence of the Independent Directors and is satisfied that Dr. Yu Lai Boon, Mr. Chan Hiang Tiak and Ms. Tan Poh Hong are independent in accordance with the Provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules having considered the following basis:

(a) The Independent Directors: (i) are not employed by the Company or any of its related corporations for the current or any of the past three financial years; and (ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the RC.

(b) None of the Independent Directors have served on the Board beyond nine years as at 30 June 2024 since their initial appointment as Directors of the Company.

(c) Save as disclosed below, none of the Independent Directors and their immediate family members had in the current or immediate past financial year (i) provided or received significant payments or material services aggregated over any financial year in excess of S$50,000 for services other than compensation for board service; or (ii) was a substantial shareholder, partner, executive officer or a director of any organisation which provided or received significant payments or material services aggregated over any financial year in excess of S$200,000 for services rendered.

(d) None of the Independent Directors are directly associated with a substantial shareholder of the Company.

Ms. Tan Poh Hong has been an independent director of Sheng Siong Group Ltd. ("**Sheng Siong**") since 5 January 2018. Sheng Siong purchases food products from the Group, and was a major customer of our Group for FY2024. Please refer to the section "General Information on our Group – Major Customers" of the Company's Offer Document dated 8 June 2021 for further information.

The Board and NC (in each case excluding Ms. Tan Poh Hong) having considered that (a) Ms. Tan Poh Hong is not involved in the management of the day-to-day operations of Sheng Siong; and (b) Ms. Tan Poh Hong does not personally receive any direct fees or payment or derive any other benefit arising from the transactions between Sheng Siong and our Group in the ordinary course of business, are satisfied that the relationship described above will not interfere, or be reasonably perceived to interfere, with the exercise of Ms. Tan Poh Hong's independent business judgement in the best interests of our Group.

Ms. Tan Poh Hong will abstain from participating in the review and approval process at our Board, and also at the board of directors of Sheng Siong, relating to any matters or transactions to be entered into between our Group and Sheng Siong and its subsidiaries.

Save as disclosed, there is no Director who is deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code and the Catalist Rules that would otherwise deem him not to be independent.

Provision 2.4

The Board and board committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the Company's annual report.

The Board has examined its size and is of the view that it is an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Group and the requirements of the Group's business. The NC is of the view that no individual or small group of individuals dominate the Board's decision-making.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making. The Board as a group provides an appropriate balance of diversity of skills, experience, gender and knowledge of the Company, with core competencies in accounting and finance, business and management experience, industry knowledge, strategic planning and customer-based experience and knowledge. This enables the Management to benefit from the external and expert perspectives of the Directors who collectively possess the core competencies relevant to the direction and growth of the Group. The Board is committed to ensuring diversity on the Board to avoid groupthink and foster constructive debate.

The key information of the Directors, including their appointment dates, academic and professional qualifications, Board Committees served on, principal commitment(s) and directorships in other listed company(ies) are set out on pages 14 to 16 of this Annual Report.

The Board has adopted a Board Diversity Policy to guide the NC and the Board in identifying prospective candidates for Directorship who meet the criteria as determined by the NC and to support the Board's diversity objectives. The Board Diversity Policy promotes diversity among the Directors in order to ensure all-rounded discussions, decision-making and governance of the Company and its business. This diversity includes the range of skills, business and industry experience, gender, age, ethnicity, geographic background, length of service, and other distinctive qualities of the Board members. The Company recognises that an effective Board requires Directors to possess not only integrity, commitment, relevant experiences, qualifications and skills in carrying out their duties effectively but also include diverse backgrounds towards promoting good corporate governance. Currently, there are two (2) female Directors on the Board. The Board did not set any specific Board diversity target but will work towards maintaining female representation and an appropriate mix of age groups on the Board.

Provision 2.5
Non-executive directors and/or independent directors, led by the independent chairman or other independent director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

Where necessary or appropriate, the Independent Directors and Non-Executive Directors will meet without the presence of the Management and the Executive Directors. The Independent Directors communicate regularly to discuss concerns or matters related to the Group, including the performance and effectiveness of the Management. Where appropriate, Independent Directors provide feedback to the Board after such meetings.

During FY2024, the Independent Directors met once in the absence of the Management.

Chairman and Chief Executive Officer

Principle 3
There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1
The Chairman and the Chief Executive Officer ("CEO") are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.

Provision 3.2
The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.

Provision 3.3
The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent.

The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

There is no Chief Executive Officer in the Company but the Chairman, Dr. Yu Lai Boon and the Managing Director, Mr. Ong Bee Chip are separate persons and have no familial relationship with each other. The roles of the Chairman and the Managing Director are separate and distinct, each having their own areas of responsibilities. No lead independent director has been appointed.

Mr. Ong Bee Chip is responsible for overseeing our Group's business and strategic planning, and overall management of our Group's facilities and maintenance. He is also responsible for our Group's overseas operations and executing expansion plans for growth and development, including sourcing for investment opportunities to promote the growth of our Group's business.

The Board is of the view that as all major decisions are made in consultation with the Board and with the establishment of the three (3) Board Committees, there are adequate safeguards in place to ensure accountability and unfettered decision-making, as well as to prevent an uneven concentration of power and authority in a single individual.

The Chairman, in consultation with the Management, ensures:

- that Board meetings are held as and when necessary to enable the Board to perform its duties responsibly, while not interfering with the flow of the Company's operations;
- that the agenda for Board meetings are prepared (with the assistance of the Company Secretary) and ensuring that adequate time is available for discussion of all agenda items;
- ensuring that all agenda items are adequately and openly debated at the Board meetings;
- the exercise of control over the quality, quantity and timeliness of information between the Management and the Board and the facilitation of effective contribution from the Independent Directors;
- effective communication with shareholders; and
- assisting in ensuring that the Group complies with the Code and maintains high standard of corporate governance.

Board Membership

Principle 4
The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1

The Board establishes a Nominating Committee ("NC") to make recommendations to the Board on relevant matters relating to: (a) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel; (b) the process and criteria for evaluation of the performance of the Board, its board committees and directors; (c) the review of training and professional development programmes for the Board and its directors; and (d) the appointment and re-appointment of directors (including alternate directors, if any).

Provision 4.2

The NC comprises at least three directors, all of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.

The NC is responsible for making recommendations on all Board appointments and re-nominations, having regard to the contribution and performance of the Director seeking re-election.

As at the date of this Report, all members of the NC, including the Chairman, are independent and the NC comprises the following members:

Ms. Tan Poh Hong	(Chairman)
Mr. Chan Hiang Tiak	(Member)
Dr. Yu Lai Boon	(Member)

The written terms of reference of the NC have been approved and adopted, and they include the following:

(a) developing and maintaining a formal and transparent process for director appointments and re-nominations and making recommendations to the Board on director appointment and re-appointment (including the appointment of alternate Directors, if any), and recommending to the Board re-nominations of existing Directors for re-election in accordance with the Company's Constitution, having regard to their competencies, commitment, contribution and performance and taking into consideration the composition and progressive renewal of the Board;

(b) making recommendations to the Board on relevant matters relating to the review of succession plans for the Directors, in particular, for the Chairman and Managing Director as well as for Key Management Personnel;

(c) reviewing and approving any employment of person related to the Directors, Managing Director or substantial shareholders and the proposed terms of their employment;

(d) determining on an annual basis, and as and when circumstances require, whether or not a Director is independent;

(e) in respect of a Director who has multiple board representations on various companies, to review and decide whether or not such Director is able to and has been adequately carrying out his duties as a Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards and discharging his duties towards other principal commitments;

(f) reviewing training and professional development programs for the Board;

(g) developing a process for evaluating the performance of the Board, its committees and the Directors and propose objective performance criteria, as approved by the Board, that allows comparison with its industry peers, and address how the Board has enhanced long-term shareholders' value; and

(h) assessing the effectiveness of the Board as a whole and its Board committees and the contribution by the Chairman and each individual Director to the effectiveness of the Board.

Provision 4.3

The Company discloses the process for the selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates in the Company's annual report.

The Company does not have a formal criterion of selection for the appointment of a new Director to the Board. When the need for a new Director arises, or where it is considered that the Board would benefit from the services of a new Director with particular skills or to replace a retiring Director, the NC, in consultation with the Board, will determine the selection criteria and will select candidates with the appropriate expertise and experience for the position. In its search and nomination process for a new Director, the NC may rely on search companies, personal contacts and recommendations for the right candidates. The NC ensures that the newly appointed Director is aware of their duties and obligations.

Board appointments are made by the Board after the NC has, upon reviewing the resume of the proposed Director and conducting appropriate interviews, recommended the appointment to the Board. The NC is also in charge of re- nominating the Directors, having regard to their contribution and performance. Pursuant to the Constitution of the Company, one-third (1/3) of the Directors shall retire from office at the Company's annual general meeting ("**AGM**") every year, provided that all Directors shall retire from office at least once every three (3) years (Regulation 96 of the Company' Constitution). A newly appointed Director by the Board is required to retire at the next AGM following his appointment (Regulation 95 of the Company's Constitution). Retiring Directors are eligible to offer themselves for re-election. Each member of the NC abstains from voting on any resolutions and making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of his own performance or re-nomination as Director.

Pursuant to Rule 720(4) of the Catalist Rules, all Directors must submit themselves for re-nomination and re- appointment at least once every three (3) years.

At the forthcoming AGM, Dr. Yu Lai Boon and Mr. Ong Bee Chip are to retire by rotation.

Re-election of Directors retiring at the forthcoming AGM:

Name	Designation	Pursuant to Constitution
Dr. Yu Lai Boon	Independent Director	96
Mr. Ong Bee Chip	Managing Director	96

The NC has recommended Dr. Yu Lai Boon and Mr.Ong Bee Chip for re-election and the Board has accepted the NC's recommendation. In recommending the re-election of these two (2) Directors, the NC has considered their overall contributions and performance. The details of the Directors seeking for re-election as required under Appendix 7F of the Catalist Rule are set out on pages 154 to 160 this Annual Report.

Provision 4.4

The NC determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the Company discloses the relationships and its reasons in its annual report.

As described under Principle 2 of this Report, the Company has put in place a process to ensure the continuous monitoring of the independence of the Directors. Each Independent Director is required annually to complete a checklist to confirm his independence. Further, the NC determines annually, and as and when circumstances require, whether a Director is independent, taking into consideration the disclosures by the Directors of any relationships with the Company, its related corporations, its substantial shareholders or its officers and the checklist completed by each Independent Director. Having made its review, the NC is of the view that all Independent Directors have satisfied the criteria for independence.

Provision 4.5

The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the Company. The Company discloses in its annual report the listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties.

The NC ensures that the new Directors are aware of their duties and obligations. For re-nomination and re-appointment of Directors, the NC takes into consideration the competing time commitments faced by Directors and their ability to devote sufficient time and attention to the Group. Each Director is required to declare changes in listed company directorships or other principal commitments during the year to enable the on-going monitoring of the commitment of the Directors to the Company. Aside from taking into account of the number of listed company directorships and other principal commitments of the Directors, the NC also considers the results of the annual evaluation of each Director's effectiveness and the respective Director's conduct at the Board and Board Committees meetings to determine whether the Director is able to discharge his duties diligently. As described under Principle 2 of this Report, the NC and the Board have decided that there is no necessity to determine the maximum number of listed company board representations which a Director may hold.

In respect of FY2024, the NC and Board were of the view that each Director has discharged his duties diligently.

As at the date of this Report, the listed company directorships and principal commitments of each Director are set out below:

Name of Director	Position	Present directorships in other listed companies	Present Principal commitments*
Dr. Yu Lai Boon	Non-Executive Independent Chairman	TSH Corporation Limited	Nil
Mr. Ong Bee Chip	Managing Director	Nil	OTS Holdings Limited and its subsidiaries
Mdm. Ong Chew Yong	Executive Director	Nil	OTS Holdings Limited and its subsidiaries
Ms. Tan Poh Hong	Independent Director	APAC Realty Limited VICOM Ltd Ann Aik Limited Centurion Corporation Limited Sheng Siong Group Ltd.	Nil
Mr. Chan Hiang Tiak	Independent Director	Nil	Nil

* *"**Principal Commitments**" as defined in the Code include all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.*

The Board provides for appointment of alternate Director only in exceptional cases such as when a Director has a medical emergency. There is currently no alternate Director on the Board.

Board Performance

Principle 5
The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

Provision 5.1
The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board.

Provision 5.2
The Company discloses in its annual report how the assessments of the Board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the Company or any of its directors.

The Board's performance is linked to the overall performance of the Group. The Board ensures that the Company is in compliance with the applicable laws, and members of the Board are required to act in good faith, with due diligence and care, and in the best interests of the Company and its shareholders.

The NC is responsible for assessing the effectiveness of the Board, the Board Committees and each individual Director.

The NC has established a review process and proposed objective performance criteria set out in assessment checklists which are approved by the Board. The NC assesses the overall effectiveness of the Board and its committees by having all members of the Board complete an assessment checklist, which takes into consideration factors such as its structure, conduct of meetings, risk management and internal controls, strategic leadership and relationship with the Management. The NC also assesses the Board's performance based on a set of quantitative criteria and financial performance indicators.

The NC assesses the individual Directors' performance by completing an individual Director assessment checklist, which takes into consideration factors such as commitment of time for meetings, level of participation and contribution at such meetings and the technical knowledge of the Directors. The evaluation of individual Directors aims to assess whether each Director continues to contribute effectively and demonstrate commitment to the role, including commitment of time for Board and Board Committee meetings, and any other duties. The Chairman will be briefed on the results of the performance evaluation, and where appropriate, propose new members to be appointed to the Board or seek the resignation of Directors, in consultation with the NC. Each member of the NC shall abstain from deliberating and voting on any resolutions in respect of the assessment of his performance or re-nomination as Director.

The performance criteria are not subject to changes from year to year. Nonetheless, where circumstances deem it necessary for any of the criteria to be changed, the Board will justify such changes.

The Board and the NC have endeavoured to ensure that Directors appointed to the Board possess the background, experience, business and finance knowledge and management skills critical to the Group's business. They have also ensured that each Director, with his contributions, brings to the Board an objective perspective to enable balanced and well-considered decisions to be made.

The NC has assessed the current Board and its Board Committees' performance to-date and individual Director's contributions, and is of the view that the performance of the Board as a whole was satisfactory, the Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board. Accordingly, the Board has met its performance objectives for FY2024.

No external facilitator was engaged for the evaluation process for FY2024.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6
The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1
The Board establishes a Remuneration Committee ("RC") to review and make recommendations to the Board on: (a) a framework of remuneration for the Board and key management personnel; and (b) the specific remuneration packages for each director as well as for the key management.

Provision 6.2
The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.

The RC makes recommendations to the Board on the framework of remuneration and the specific remuneration packages for each Director.

As at the date of this report, all members of the RC, including the Chairman, are independent and the RC comprises the following members:

Mr. Chan Hiang Tiak	(Chairman)
Ms. Tan Poh Hong	(Member)
Dr. Yu Lai Boon	(Member)

The RC holds at least one meeting in each financial year.

The written terms of reference of the RC have been approved and adopted, and they include the following:–

(a) reviewing and recommending to the Board a framework of remuneration for the Directors and Key Management Personnel and determining specific remuneration packages of each Director. The RC shall cover all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, awards to be granted under the Company's performance share scheme, and benefits in kind;

(b) reviewing annually the remuneration, bonuses, pay increase and/or promotions of employees who are related to the Directors or substantial shareholders of the Company to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;

(c) reviewing the Company's obligations arising in the event of termination of service contracts entered into between the Group and its Executive Directors or Key Management Personnel, as the case may be, to ensure that the service contracts contain fair and reasonable termination clauses which are not overly onerous to the Group;

(d) if necessary, seeking expert advice within and/or outside the Company on remuneration matters, ensuring that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants;

(e) reviewing annually the remuneration package in order to maintain their attractiveness to retain and motivate the Directors and Key Management Personnel and to align the interests of the Directors and Key Management Personnel with the long-term interests of the Company; and

(f) to carry out such other duties in the manner that it deems expedient, subject always to any regulations or restrictions as may be conferred by the Board to the RC.

Provision 6.3
The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.

The RC considers all aspects of remuneration (including Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind and termination payments) in the review of remuneration packages for the Directors and executive officers with an aim to be fair and to avoid rewarding poor performance, before making any recommendation to the Board.

The Independent Directors receive Directors' fees in accordance with their contributions, taking into account factors such as effort and time spent and their responsibilities. The Directors' fees are recommended by the RC and endorsed by the Board for approval by shareholders of the Company at the AGM. The Independent Directors did not receive any other remuneration from the Company in FY2024.

The Executive Directors have each entered into a service agreement with the Company ("**Service Agreements**"), under which the terms of their employment are stipulated, including a monthly base salary, annual wage supplement and benefits commensurate with the position. The Executive Directors also participate in a profit-sharing scheme that is pegged to the Group's profitability. The Executive Directors do not receive Directors' fees and there are no post retirement and severance benefits except the common practice of giving notice or salary in lieu of notice in the event of termination. The Service Agreements are valid for 3 years and automatically renewed annually.

Provision 6.4
The Company discloses the engagement of any remuneration consultants and their independence in the Company's annual report.

The members of the RC are familiar with executive compensation matters as they have prior experience in managing businesses and/or are holding other directorships. The RC has access to expert advice regarding executive compensation matters, if required. The Board did not engage any external remuneration consultant to advise on remuneration matters for FY2024.

Level and Mix of Remuneration

Principle 7
The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Provision 7.1
A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.

Provision 7.3
Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long-term.

In setting remuneration packages, the Company takes into account the pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors and Key Management Personnel. The remuneration package is designed to allow the Company to better align the interests of the Executive Directors and Key Management Personnel with those of shareholders, and link rewards to corporate and individual performance. The Company also ensures that the remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and Key Management Personnel to successfully manage the Company for the long-term.

Remuneration for the Executive Directors and Key Management Personnel comprises a basic salary component and a variable component that is pegged to the performance of the Group as a whole. Having reviewed the variable component in the remuneration packages of the Executive Directors and Key Management Personnel, the RC is of the view that it is not necessary to institute contractual provisions to reclaim incentive components of remuneration from Executive Directors and Key Management Personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The Company believes that there are alternative legal avenues to these specific contractual provisions that will enable the Company to recover financial losses arising from such exceptional events from the Executive Directors and Key Management Personnel.

The Company does not offer any employee share scheme. The RC may consider other forms of long-term incentive schemes for Key Management Personnel when necessary.

Provision 7.2
The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.

The Independent Directors receive Directors' fees for their effort and time spent, responsibilities and contribution to the Board, subject to shareholders' approval at the AGMs. The Independent Directors are not over-compensated to the extent that their independence may be compromised.

Disclosure on Remuneration

Principle 8
The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1
The Company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of: (a) each individual director and the CEO; and (b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.

Provision 8.3
The Company discloses in its annual report all forms of remuneration and other payments and benefits, paid by the Company and its subsidiaries to directors and key management personnel of the Company. It also discloses details of employee share schemes.

The Board is of the view that full disclosure of the specific remuneration of the Executive Directors and Key Management Personnel is not in the best interests of the Company, taking into account the sensitive nature of the subject, the competitive business environment the Group operates in and the potential negative impact such disclosure will have on the Group. The Company is cognisant of the new Catalist Rule 1204(10D), which was implemented with effect from 11 January 2023 and will disclose the exact amounts with breakdown of remuneration paid to each individual director, on a named basis, by the Company and its subsidiaries in its Annual Report in respect of the financial year ending 30 June 2025 onwards.

Remuneration of the Executive Directors are stipulated in their respective Service Agreements with the Company. Under the provisions of the Service Agreements, the Executive Directors shall be paid a monthly base salary and annual wage supplement and be provided with benefits commensurate with the position. The Executive Directors participate in a profit-sharing scheme that is pegged to the Group's profitability. The Executive Directors do not receive Directors' fees and there are no post retirement and severance benefits except the common practice of giving notice or salary in lieu of notice in the event of termination.

The level and mix of remuneration paid or payable to the Executive Directors for FY2024 are set out as follows:

		% Breakdown of Remuneration		
Name of Director	**Remuneration band**	**Base salary**	**Bonus/Profit Sharing**	**Total Benefits in kind**
Mr. Ong Bee Chip	S$250,001 to S$500,000	92.89	7.11	–
Mdm. Ong Chew Yong	S$250,001 to S$500,000	92.89	7.11	–

Independent Directors are paid only Directors' fees, subject to approval at the AGM. The fees paid to Independent Directors comprise a basic fee, a fee for chairing a committee and a fee for being a member of the committee. The fees paid to the Independent Directors for FY2024 are set out as follows:–

Name of Independent Director	**Directors' fees**
Dr. Yu Lai Boon	S$48,000
Ms. Tan Poh Hong	S$38,000
Mr. Chan Hiang Tiak	S$38,000

The Company only has 3 Key Management Personnel (who are not Directors) for FY2024 as set out below:–

		% Breakdown of Remuneration		
Name of Key Management Personnel	**Remuneration band**	**Base Salary**	**Bonus/Profit Sharing**	**Total Benefits in kind**
Mr. Teh Chong Piow	Below S$250,000	100.00	–	–
Mr. Ho Chor Yau#	Below S$250,000	100.00	–	–
Mr. Ang Wui Khoon**	Below S$250,000	100.00	–	–

 # Mr. Ho Chor Yau has resigned as the Group Financial Controller with effect from 31 October 2023.
*** Mr. Ang Wui Khoon was appointed as the Group Financial Controller effective 1 November 2023.*

The aggregate remuneration paid to the above Key Management Personnel of the Group (excluding the Directors) in FY2024 amounted to S$228,163.

The Company does not offer any employee share scheme.

Provision 8.2
The Company discloses the names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.

The Sales Director, Mr. Ong Bee Song, is a substantial shareholder of the Company in FY2024, and is the brother of Mr. Ong Bee Chip, the Managing Director and Mdm. Ong Chew Yong, the Executive Director. His remuneration for FY2024 exceeded S$100,000 and is set out as below:

		% Breakdown of Remuneration		
Name of employee	**Remuneration band**	**Base salary**	**Bonus**	**Total Benefits in kind**
Mr. Ong Bee Song	S$100,001 to S$200,000	93.85	6.15	–

Save as disclosed above, there is no other employee who is a substantial shareholder of the Company or an immediate family member of a Director, the Managing Director or a substantial shareholder of the Company and whose remuneration exceeded S$100,000 in FY2024.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9
The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Provision 9.1
The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Board sets up a Board Risk Committee to specifically address this, if appropriate.

The Board and Management acknowledge that it is responsible for the overall risk management and internal control framework, but recognise that no cost-effective control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss, human error, fraud and lapse in judgement.

The Group has implemented a system of internal controls designed to provide reasonable but not absolute assurance that assets are safeguarded, proper accounting records are maintained, operational controls are adequate and business risks are suitably managed. The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Company's risk management framework and internal control system covers financial, operational, compliance and information technology risks and internal controls. The ARMC oversees the Management in the design, implementation and monitoring of the risk management and internal control systems, and reviews the adequacy and effectiveness of such systems at least annually.

Provision 9.2
The Board requires and discloses in the Company's annual report that it has received assurance from: (a) the CEO and the Chief Financial Officer ("CFO'') that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

The Board has received assurance from (a) the Managing Director and the Group Financial Controller that the financial records have been properly maintained and the financial statements for FY2024 give a true and fair view of the Company's operations and finances; and (b) the Managing Director and Key Management Personnel regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

Based on the assurance from the Managing Director, the Group Financial Controller and Key Management Personnel referred to in the preceding paragraph, the various internal controls put in place by the Group, the work performed and reports submitted by the external and internal auditors of the Group and the reviews carried out by the Board and the ARMC, the Board, with the concurrence of the ARMC, is satisfied with the adequacy and effectiveness of the Group's risk management and internal control systems (including financial, operational, compliance and information technology controls and risk management systems) as at 30 June 2024.

Audit and Risk Management Committee

Principle 10
The Board has an Audit and Risk Management Committee ("ARMC") which discharges its duties objectively.

Provision 10.1
The duties of the ARMC include: (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance; (b) reviewing at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems; (c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements; (d) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors; (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function; and (f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

Provision 10.2
The ARMC comprises at least three directors, all of whom are non-executive and the majority of whom, including the ARMC Chairman, are independent. At least two members, including the ARMC Chairman, have recent and relevant accounting or related financial management expertise or experience.

Provision 10.3
The ARMC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

As at the date of this Report, all members of the ARMC, including the Chairman, are independent and the ARMC comprises the following members:

Dr. Yu Lai Boon	(Chairman)
Ms. Tan Poh Hong	(Member)
Mr. Chan Hiang Tiak	(Member)

No former partner or Director of the Company's existing audit firm or auditing corporation is a member of the ARMC. The members of the ARMC have sufficient accounting or financial management expertise, as interpreted by the Board in its business judgment, to discharge the ARMC's functions. The ARMC holds at least two (2) meetings in each financial year.

The written terms of reference of the ARMC have been approved and adopted, and they include the following:–

(a) reviewing the audit plans and scope of work of the external auditors and the internal auditors, including the results of the external and internal auditors' review and evaluation of the Group's system of internal controls, the management letters on the internal controls and the Management's response, and monitoring the implementation of the internal control recommendations made by the external and internal auditors;

(b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems, prior to the incorporation of such results in the Company's annual report;

(c) reviewing the interim financial results and annual consolidated financial statements and the external auditors' report on the annual consolidated financial statements, and discussing any significant adjustments, major risk areas, changes in accounting policies and practices, significant financial reporting issues and judgements, compliance with Singapore financial reporting standards as well as compliance with the Catalist Rules and other statutory or regulatory requirements, concerns and issues arising from their audits including any matters which the auditors may wish to discuss in the absence of Management to ensure the integrity of the financial statements of the Group and any announcements relating to the Company's financial performance, where necessary, before submission to the Board for approval;

(d) reviewing and discussing with the external and internal auditors, any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;

(e) reviewing and ensuring the co-ordination between internal auditors, external auditors and the Management, including the assistance given by the Management to the auditors;

(f) reviewing the audit plan of the external auditor and the result of the external auditor's review and evaluation of the Group's system of internal accounting controls that are relevant to the statutory audit;

(g) making recommendations to the Board on the proposals to the shareholders with regard to the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

(h) reviewing the audit plan of the internal auditor, including the results of the internal auditor's review and evaluation of the Group's system of internal controls;

(i) reviewing and ratifying where appropriate any interested person transactions;

(j) reviewing conflicts of interests (if any);

(k) reviewing the policy and arrangements by which employees of the Group and any other persons may, in confidence, report to the Chairman of the ARMC, concerns about possible improprieties in financial reporting or other matters and ensuring that there are arrangements in place for such concerns to be safely raised and independently investigated, and for appropriate follow-up action to be taken;

(l) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal auditors;

(m) reviewing the assurance from the Managing Director and the Group Financial Controller on the financial records and financial statements;

(n) reviewing the assurance from the Managing Director and Key Management Personnel regarding the adequacy and effectiveness of the Company's risk management and internal control systems; and

(o) undertaking such other reviews and projects as may be requested by the Board and reporting to the Board its findings from time to time on matters arising and requiring the attention of the ARMC.

The ARMC has full authority to investigate any matter within its terms of reference, full access to and cooperation from the Management, and full discretion to invite any Director, executive officer or other employee of the Group to attend its meetings, and is given reasonable resources to enable it to discharge its functions properly and effectively.

The Group has implemented a whistle-blowing policy which aims to provide an avenue for employees and external parties to raise concerns about misconduct or improprieties in the Group and at the same time assure them that their identity will be kept confidential and they will be protected from victimization for whistle-blowing in good faith. Cases that are significant will be reviewed by the ARMC for adequacy or investigation actions and resolutions. Details of the whistle-blowing policy are disseminated to the employees of the Group, and is available on the Company's website. All concerns about possible improprieties can be communicated directly to the ARMC.

As at the date of this Report, there were no complaints, concerns of issues and whistleblowing reports received through the whistle-blowing channel.

The external auditors update the ARMC on any changes in accounting standards impacting the financial statements of the Group before an audit commences. Significant matters that were discussed with the Management and the external auditors have been included as key audit matters in the Auditors' Report for FY2024 on pages 94 to 96 of this Annual Report.

Significant matters	**How does the Audit and Risk Management Committee address the matter**
Assessment of expected credit loss allowance on trade receivables	Trade receivables amounted to S$4.14 million as at 30 June 2024. The ARMC considered management's approach, methodology and judgement pertaining to revenue recognition and the estimate of trade receivables impairment allowance. The ARMC also considered the observations and findings presented by the external auditors with reference to the payment track records of trade debtors and adequacy of allowance for impairment of trade receivables. The above procedures provided the ARMC with the assurance and the ARMC concurred with the management's conclusion that allowance for impairment of trade receivables is adequately made as at 30 June 2024 and the related disclosures in the financial statements are appropriate.
Assessment of impairment allowance of inventories	Inventories amounted to S$6.34 million as at 30 June 2024. The ARMC considered management's approach, methodology and judgement applied to the estimate of impairment allowance for slow-moving and obsolete inventories. The ARMC also considered the observation and findings presented by the external auditors with reference to the adequacy of allowance for impairment of inventories. The above procedures provided the ARMC with the assurance and the ARMC concurred with the management's conclusion that allowance for impairment of inventories is adequately made as at 30 June 2024.

The ARMC undertook a review of the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees paid to them. The ARMC received an audit report from the external auditors setting out the non-audit services provided and the fees charged for FY2024. A breakdown of the audit and non-audit fees paid to the Company's auditors is disclosed on page 121 of this Annual Report.

Having undertaken a review of the non-audit services provided during FY2024, the ARMC is of the view that the objectivity and independence of the external auditors are not in any way impaired by reason of their provision of non-audit services to the Group.

The ARMC reviews the independence of the external auditor annually. In the selection of suitable auditing firms, the ARMC takes into consideration several factors such as the adequacy of the resources, experience of the auditing firm, the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the audit and its ability to provide audit service to our foreign subsidiaries and associated companies. The selected auditing firm based in Singapore is engaged as auditors for the Company as well as our Singapore-incorporated subsidiaries.

Ms. See Ling Ling, Helen, the engagement partner-in-charge has been the audit partner from RSM SG Assurance LLP responsible for the audit of the Company since FY2022. Accordingly, the Company is in compliance with Rules 712, 713 and 715 of the Catalist Rules.

The aggregate amount of fees paid/payable to the external auditors of the Company for audit services rendered for the audit of the financial statements of the Group for FY2024 is S$114,000. The non-audit fees paid/payable to the external auditors for the FY2024 is S$17,800, for tax compliance services.

The ARMC has reviewed the non-audit services provided by the external auditors for FY2024 and is satisfied that the nature and extent of such services would not prejudice the independence and objectivity of the external auditors.

Having reviewed, amongst other factors, the scope and quality of the audit and independence of the external auditor, the ARMC has recommended and the Board has approved the nomination for re-appointment of RSM SG Assurance LLP as the external auditors of the Company at the forthcoming AGM.

A different auditing firm is engaged as auditors for one of its subsidiary companies for FY2024. The ARMC has considered the appointment of different auditing firm for one of the Group's subsidiaries and is satisfied that such appointment would not compromise the standard and effectiveness of the audit of these subsidiaries. The Company is thus in compliance with Rule 712 and 715 set out in Catalist Rules.

Provision 10.4

The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including the AC, and has appropriate standing within the Company.

The Company outsources the internal audit function to Yang Lee & Associates ("**YLA**") to perform the review and test of controls of the Group's key processes. The internal auditors ("**IA**") reports directly to the Chairman of the ARMC, which also decides on the appointment, termination and remuneration of the IA. The IA has full access to the Company's documents, records, properties and personnel, including the ARMC, and has appropriate standing within the Company.

YLA is a professional service firm that specialises in the provision of Internal Audit, Enterprise Risk Management and Sustainability Reporting advisory services. The firm was set up in the year 2005 and currently maintains a diverse outsourced internal audit portfolio of SGX-ST listed companies across different industries including distribution, manufacturing, services, food & beverage, trading, retail and property development industries. YLA is a corporate member of the Institute of Internal Auditors Singapore and is staffed with professionals with relevant qualifications such as the Certified Internal Auditor qualification with the Institute of Internal Auditors. The Company's engagement with YLA stipulates that its work shall be guided by the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

The IA plans its internal audit schedules in consultation with, but independent of, the Management. The ARMC will review the activities of the IA, including overseeing and monitoring of the implementation of improvements required on internal control weaknesses identified.

On an annual basis, the IA prepares and executes a risk-based audit plan approved by the ARMC, so as to review the adequacy and effectiveness of the system of internal controls of the Group. Key audit findings are presented to the ARMC and the results of the findings are also shared with the external auditor.

YLA completed one review during FY2024. The ARMC approved the IA report and the Management has adopted/will be adopting key recommendations of the IA as set out in the IA's report.

The IA engagement team comprises two Directors, a Senior Manager, an Assistant Manager and supported by a Senior Associate. Each of the two Directors has more than 20 years of relevant experience, whilst the Senior Manager has more than 15 years of relevant experience. Both the Directors are Fellow Chartered Accountants of the Institute of Singapore Chartered Accountants and one of the Directors also holds the Certified Internal Auditor qualification from the Institute of Internal Auditors.

The ARMC has reviewed and is satisfied with the independence, adequacy and effectiveness of the Company's internal audit function.

Provision 10.5
The AC meets with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually.

The ARMC endeavors to meet at least once a year with the external auditors ("**EA**") and internal auditors ("**IA**") without the presence of the Management so that any concern and/or issue can be raised directly and privately. For FY2024, the ARMC has met with the IA and EA without the presence of the Management.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11
The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1
The Company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.

The Company supports the Code's principle to encourage communication with and participation by shareholders. Shareholders are informed of general meetings through notices published in the newspapers, through reports or circulars sent to all shareholders and via SGXNet. Shareholders are encouraged to attend the AGM to ensure a greater level of shareholder participation.

In line with our sustainability efforts, e-copies of the Annual Report and circulars pertaining to any general meetings of the Company are made available on the SGXNet and the Company's corporate website where Shareholders could easily access. The physical copies of the notice of AGM and notices pertaining to any extraordinary general meetings of the Company are sent to Shareholders by mail. Shareholders also have the option to receive a physical copy of the documents through request by mail or email.

Shareholders are encouraged to attend the general meetings of the Company in person. They are also allowed to vote by submitting proxy forms. Shareholders who are present during the general meetings are encouraged to ask questions. Alternatively, shareholders may submit their questions ahead of the meetings and these questions raised by the shareholders will be addressed prior to, or during the meetings and published on the Company's corporate website and on SGXNet.

Provision 11.2
The Company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting.

All resolutions are put to vote by poll and shareholders are entitled to vote in accordance with established voting rules and procedures. Each distinct issue is proposed as a separate resolution at general meetings. All resolutions proposed at general meetings shall be put to vote by way of a poll pursuant to Rule 730A(2) of the Catalist Rules. All votes cast, for or against or abstained, and the respective percentages, in respect of each resolution are tallied and disclosed at the meeting and an announcement of the detailed results showing the numbers of votes cast for and against for each resolution and the respective percentage will be released via SGXNet after the general meetings.

Provision 11.3
All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the Company's annual report.

All Directors, in particular the Chairman of the Board, the respective Chairman of ARMC, NC and RC will attend the general meetings of shareholders, and the EA will also be present to assist in addressing queries from shareholders relating to the conduct of audit and the preparation and content of the auditor's report. All Directors had attended the AGM of the Company for FY2023 held on 24 October 2023.

Provision 11.4
The Company's Constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders.

At general meetings, all shareholders are encouraged to attend, participate effectively and vote in person or by proxy. The Constitution allows a shareholder of the Company to appoint up to two (2) proxies to attend the AGM and vote in place of the shareholder, unless the shareholder is a relevant intermediary (as defined in Section 181 of the Companies Act 1967 of Singapore ("**Companies Act**")). Where the member is a Central Depository (Pte) Ltd (or its nominee as notified in writing to the Company), it can appoint more than two (2) proxies. Proxies need not be a shareholder of the Company. Shareholders are informed of such meetings through the notices sent to all shareholders and published in the newspapers and announcements released via SGXNet. Shareholders will be briefed on the rules governing such meetings and voting procedures of the general meetings. An independent polling agent is appointed by the Company for general meetings who will explain the voting procedures that govern the general meetings of shareholders. Results of voting are announced on a timely manner via SGXNet. A relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder.

The Company's Constitution allows a shareholder who is unable to vote in person at a general meeting to vote in absentia, such as via mail, electronic mail or facsimile. However, the Board currently does not implement absentia-voting methods by mail, electronic mail or facsimile, until issues on security and integrity are satisfactorily resolved.

The forthcoming AGM to be held in respect of FY2024 will be convened and held by physical meeting. Arrangements relating to submission of questions to the Chairman of the AGM in advance of the AGM and addressing of substantial and relevant questions at the AGM (if any), will be put in place and are set out in the Notice of AGM.

Provision 11.5
The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

The Company Secretary will prepare the minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the meeting and responses from the Board or the Management. These minutes are available to shareholders on SGXNet and/or at the Company's website as soon as practicable. The Company will publish the minutes of the AGM on SGXNet and/or the Company's website within one month after the AGM.

Provision 11.6
The Company has a dividend policy and communicates it to shareholders.

The Company does not have a formal dividend policy. Nonetheless, the Management will make appropriate recommendation to the Board for approval after reviewing the performance of the Company in the relevant financial year and the form, frequency and amount of dividends will depend on the Group's earnings, financial position, results of operations, capital needs, plans for expansion, and other factors as the Board may deem appropriate. Any dividend declaration will be communicated to the shareholders via announcement through SGXNet.

The Board had not recommended any dividend for FY2024 in view of the net loss position of the Group for FY2024 and to conserve its cash balances and ensure that the Group has adequate working capital and resources to sustain and grow.

Engagement with Shareholders

Principle 12
The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provision 12.1
The Company provides avenues for communication between the Board and all shareholders, and discloses in its annual report the steps taken to solicit and understand the views of shareholders.

The Company strives for timeliness and consistency in its disclosures to shareholders. It is the Company's policy to keep all shareholders informed of developments or changes that will have a material impact on the Company's share price, through announcements via SGXNet. Such announcements are communicated on an immediate basis, or as soon as possible where immediate disclosure is not practicable. Shareholders are provided with an update on the Group's performance, position and prospects through the Company's annual report.

The Company's half year and full year results announcements, corporate presentations, announcements and press releases are issued via SGXNet. Shareholders have access to information on the Group via the Company's website. The Company discloses all material information on a timely basis to all shareholders.

Shareholders are given the opportunity to pose questions to the Board or the Management at the general meetings. The members of the ARMC, NC and RC will be present at the general meetings to answer questions relating to matters overseen by the respective committees.

Provision 12.2
The Company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

Provision 12.3
The Company's investor relations policy sets out the mechanism through which shareholders may contact the Company with questions and through which the Company may respond to such questions.

The Company currently does not have an Investor Relations Policy but considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to the shareholders. The Company does not practice selective disclosure. In line with continuous obligations of the Company pursuant to the Catalist Rules and the Companies Act, the Board's policy is that all shareholders should be equally and timely informed of all major developments that will impact the Company or the Group. Disclosure of information is made through announcements released to the SGX-ST, the Company's annual reports, circulars, press releases, as well as on the corporate website www.ots-holdings.com which has a dedicated investor relations section.

Shareholders and investors can also contact the Company via email address: enquiry@ots-holdings.com that is designed to facilitate regular and effective communication. The Company endeavours to respond to shareholder queries promptly.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13
The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provision 13.1
The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.

Provision 13.2
The Company discloses in its annual report its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.

Provision 13.3
The Company maintains a current corporate website to communicate and engage with stakeholders.

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include employees, contractors and suppliers, government and regulators, community, and shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders.

The Company maintains its corporate website to communicate and engage with stakeholders. In addition, the Group issues sustainability reports annually to keep stakeholders informed on the commitment made by the Company in fostering the creation of long-term value for the stakeholders and sustainable development of the global economy. Please refer to the sustainability report for FY2024 for more information on the Group's strategy and key areas of focus in relation to the management of stakeholder relationships.

Stakeholders who wish to know more about the Group such as its business, industry, performance or sustainability practices can visit our website at https://ots-holdings.com.

DEALING IN SECURITIES

The Company has adopted an internal compliance code to provide guidance to the Directors, officers and all employees of the Group with regard to dealing in the Company's securities, pursuant to Rule 1204(19) of the Catalist Rules. The Directors, officers and employees of the Company are also expected to observe insider-trading laws at all times and shall not deal in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information.

The Company shall not deal in and prohibits dealings in its shares by its Directors, officers and employees during the period commencing one (1) month before the announcement of the Company's half-year and full-year financial results, and ending on the date of the announcement of the financial results.

The Board confirms that, as at the date of this Report, the Company has complied with Rule 1204(19) of the Catalist Rules.

INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the ARMC, and that the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

The aggregate value of interested person transactions entered during FY2024 were as follows:

Name of interested person	**Nature of relationship**	**Aggregate value of all interested person transactions during the financial year ended 30 June 2024 under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)**	**Aggregate value of all interested person transactions during the financial year ended 30 June 2024 conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)**
Swee Heng Bakery Pte Ltd ("**Swee Heng**")	Swee Heng is an associate of the Company's Directors, Ong Bee Chip and Ong Chew Yong, and the Group's Controlling Shareholder, Ong Bee Song, being a company in which Ong Chu Eng (the sister of Ong Bee Chip, Ong Bee Song and Ong Chew Yong) holds a 50.0% shareholding interest and Ng Chai Huat (the brother-in-law of Ong Bee Chip, Ong Bee Song and Ong Chew Yong) holds a 30.0% shareholding interest. Accordingly, Swee Heng is deemed as an Interested Person.	Nil	S$1,609,450

MATERIAL CONTRACTS

Save for the Service Agreements between the Executive Directors and the Company and transactions as disclosed in the "**Interested Person Transactions**" section above, there were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the Managing Director, any Director, or controlling shareholder.

NON-SPONSOR FEES

With reference to Rule 1204(21) of the Catalist Rules, there were no non-sponsorship fees payable or paid to its sponsor, SAC Capital Private Limited during FY2024.

USE OF IPO PROCEEDS

As at the date of this Report, the status on the use of the IPO net proceeds is as follows:

	Amount allocated as disclosed in Offer Document	Amount utilized prior to re-allocation	Balance prior to re-allocation	Amount re-allocated	Amount utilised as of date of this Report	Balance
	S$'000	**S$'000**	**S$'000**	**S$'000**	**S$'000**	**S$'000**
Improvement and/or expansion of production efficiency and capacities, including the acquisition of new machineries and equipment	2,000	(2,000)	–	1,867	(1,867)	–
Expansion of our overseas operations, including the initial investment and set up costs in Philippines	2,500	(568)	1,932	(1,632)	–	300
Developing new products and engaging in research and development	500	(165)	335	(235)	–	100
General working capital purposes	1,562	(1,562)[(a)]	–	–	–	–
	6,562	**(4,295)**	**2,267**	**–**	**(1,867)**	**400**

(a) Net proceeds used for general working capital purposes are in relation to payments to trade suppliers of approximately S$990,000 and staff salaries of approximately S$572,000.

The use of the IPO net proceeds is in accordance with the stated purpose and percentage in the reallocation announcement dated 26 December 2023.

STATEMENT BY **DIRECTORS**

The directors of OTS Holdings Limited ("the Company") are pleased to present the accompanying financial statements of the Company and of the Group for the reporting year ended 30 June 2024.

1. Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the Company and, of the financial position and performance of the Group for the reporting year covered by the financial statements or consolidated financial statements; and

(b) at the date of the statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. Directors

The directors of the Company in office at the date of this statement are:

Ong Bee Chip	(Managing Director)
Ong Chew Yong	(Executive Director)
Yu Lai Boon	(Non-Executive Chairman and Independent Director)
Chan Hiang Tiak	(Independent Director)
Tan Poh Hong	(Independent Director)

3. Directors' interests in shares and debentures

The directors of the Company holding office at the end of the reporting year were not interested in shares in or debentures of the Company as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Companies Act 1967 (the "Act") except as follows:

Name of directors and companies in which interests are held	**At beginning of the reporting year**	**At end of the reporting year**
Ultimate parent company	Number of shares of no par value	
BCS Development Pte. Ltd.		
Ong Bee Chip	7,298,807	7,298,807
Ong Chew Yong	2,437,319	2,437,319

3. Directors' interests in shares and debentures (cont'd)

Name of directors and companies in which interests are held	Direct interests		Deemed interests	
	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
The Company	Number of shares of no par value			
Ong Bee Chip	8,932,608	8,932,608	160,749,670	160,589,670
Ong Chew Yong	2,929,895	2,929,895	30,000	30,000

By virtue of section 7 of the Act, Ong Bee Chip is deemed to have an interest in all the related body corporates of the Company.

The directors' interest as at 21 July 2024 were the same as those at the end of the reporting year.

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

5. Options

During the reporting year, no option to take up unissued shares of the Company or any corporation in the Group was granted.

At the end of the reporting year, there were no unissued shares of the Company under option.

During the reporting year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

6. Report of Audit and Risk Management Committee

The members of the Audit and Risk Management Committee ("ARMC") at the date of this report are as follows:

Yu Lai Boon	(Non-Executive Chairman, Independent Director and ARMC Chairman)
Chan Hiang Tiak	(Independent Director)
Tan Poh Hong	(Independent Director)

All members of ARMC are independent directors.

6. Report of Audit and Risk Management Committee (cont'd)

The ARMC performs the functions specified by section 201B(5) of the Act. Among other functions, it performed the following:

- Reviewed with the independent external auditor their audit plan;
- Reviewed with the independent external auditor their evaluation of the Company's internal accounting controls relevant to their statutory audit, and their report on the financial statements and the assistance given by management to them;
- Reviewed with the internal auditor the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditor;
- Reviewed the financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the ARMC are described in the report on Corporate Governance included in the annual report of the Company. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditor provide non-audit services.

The ARMC has recommended to the board of directors that the independent auditor, RSM SG Assurance LLP (previously known as RSM Chio Lim LLP before 1 March 2024), be nominated for re-appointment as the independent auditor for the ensuing year at the forthcoming annual general meeting of the Company.

Further details regarding the ARMC are disclosed in the Corporate Governance Report.

7. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, and reviews performed by management, the ARMC and the board are of the opinion that the Company's internal controls, addressing financial, operational, compliance risks and information technology, are adequate and effective as at 30 June 2024.

8. Subsequent developments

There are no significant developments subsequent to the release of the Group's and the Company's preliminary financial statements, as announced on 26 August 2024, which would materially affect the Group's and the Company's operating and financial performance as of the date of this report.

On behalf of the directors

.....	.....
Ong Bee Chip	Ong Chew Yong
Director	Director

4 October 2024

INDEPENDENT **AUDITOR'S REPORT**

TO THE MEMBERS OF OTS HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of OTS Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2024, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group, and statement of changes in equity of the Company for the reporting year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and the Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 June 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the reporting year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters (cont'd)

(1) Assessment of expected credit loss allowance on trade receivables

Refer to Note 2 for the relevant accounting policy and Note 20 and Note 31D for the breakdown in trade receivables and credit risk of the Group respectively. Also refer to the Audit and Risk Management Committee ("ARMC") in the Corporate Governance Statement of the annual report for responses of the ARMC to the reported KAMs.

Key audit matter

As at 30 June 2024, the carrying amount of the Group's trade receivables amounted to $4,137,000 (2023: $4,595,000). This represents approximately 24% of total current assets on the consolidated financial statements and was significant to the Group. The Group applied the simplified approach in calculating expected credit loss ("ECL") and recognised loss allowance based on lifetime expected losses at each reporting date. Trade receivables that are credit impaired are assessed for impairment by making debtor-specific assessment. The Group provides for lifetime expected credit losses using a provision matrix. The provision rates are determined based on the Group's historical default rates analysed in accordance to days past due by grouping customers based on customer profiles, adjusted for current and forward-looking information. Given the magnitude and that impairment assessment of trade receivables requires significant management judgment, we determined that this is a key audit matter.

How we addressed the matter in our audit

Our audit procedures included (a) assessing the recoverability of the significant aged debts, by discussing with management, checking subsequent collections and corroborating to the historical payment records; and (b) assessing whether disclosures in respect of the credit risk of trade receivables is appropriate.

For ECL, our audit procedures included (a) reviewing management's assessment of ECL; and (b) assessing the measurement of the expected credit loss allowance. An impairment allowance is provided if necessary.

We also evaluated the qualitative adjustment to the allowance and challenged the reasonableness of the key assumptions in determining the allowance.

We assessed the adequacy of the disclosures in the financial statements.

Key audit matters (cont'd)

(2) Assessment of impairment allowance of inventories

Refer to Note 2 for the relevant accounting policy and Note 19 for the breakdown in inventories at the reporting year end. Also refer to the ARMC section in the Corporate Governance Statement of the annual report for responses of the ARMC to the reported KAMs.

Key audit matter

As at 30 June 2024, the carrying amount of the Group's inventories amounted to $6,343,000 (2023: $7,940,000). This represents approximately 37% of total current assets on the consolidated financial statements and was significant to the Group. The carrying amount of inventories may not be recoverable in full if those inventories become slow moving, or if their selling prices have declined below carrying amounts.

The estimate of allowance for slow moving inventories is based on the expiry of these inventories, prevailing market conditions in the industry and historical allowance experience which requires management's judgement. This methodology relies upon assumptions made in determining appropriate allowance of inventories.

How we addressed the matter in our audit

As part of the audit, on sampling basis, our audit procedures included (a) the checking of the net realisable value of the inventories by considering post year end sales to identify any further sales made at a loss; (b) reviewing the inventory turnover days and aging of the inventories to assess if there were any significant built up of aged inventories and assessing the reasonableness of the allowance for slow moving inventories; and (c) analysed the utilisation rate for those inventories which will be expiring in less than six months subsequent to year end.

We assessed the adequacy of the disclosures in the financial statements.

Other information

Management is responsible for the other information. The other information comprises the statement by directors but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and the financial reporting standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT **AUDITOR'S REPORT**

TO THE MEMBERS OF OTS HOLDINGS LIMITED

Auditor's responsibilities for the audit of the financial statements (cont'd)

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is See Ling Ling, Helen.

RSM SG Assurance LLP
Public Accountants and
Chartered Accountants
Singapore

4 October 2024

Engagement partner – effective from year ended 30 June 2022

CONSOLIDATED STATEMENT OF **PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

YEAR ENDED 30 JUNE 2024

	Notes	Group	
		2024	**2023**
		$'000	**$'000**
Revenue	5	**29,753**	30,664
Cost of sales		**(22,498)**	(22,922)
Gross profit		**7,255**	7,742
Other income and gains	6	**1,116**	520
Marketing and distribution costs	7	**(2,274)**	(2,509)
Administrative expenses	8	**(5,856)**	(5,872)
Finance costs	10	**(194)**	(211)
Other losses	6	**(75)**	(990)
Share of loss from joint venture	18	**–**	(524)
Loss before income tax		**(28)**	(1,844)
Income tax expense	11	**(199)**	(58)
Loss for the year		**(227)**	(1,902)
Other comprehensive loss:			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of income tax		**(6)**	(130)
Other comprehensive loss for the year, net of income tax		**(6)**	(130)
Total comprehensive loss for the year		**(233)**	(2,032)
		Cents	**Cents**
Basic and diluted losses per share (Note 13)		**(0.11)**	(0.89)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF **FINANCIAL POSITION**

AS AT 30 JUNE 2024

	Notes	Group		Company	
		2024	2023	2024	2023
ASSETS		$'000	$'000	$'000	$'000
Non-current assets					
Property, plant and equipment	14	**14,633**	11,138	**–**	–
Right-of-use assets	15	**2,374**	2,779	**–**	–
Intangible assets	16	**–***	–*	**–**	–
Investment in subsidiaries	17	**–**	–	**14,971**	14,971
Investment in joint venture	18	**–**	–	**–**	–
Other receivables	20	**–**	–	**2,000**	–
Other non-financial assets	21	**1,602**	–	**–**	–
Total non-current assets		**18,609**	13,917	**16,971**	14,971
Current assets					
Inventories	19	**6,343**	7,940	**–**	–
Trade and other receivables	20	**4,137**	4,595	**3,610**	3,846
Other non-financial assets	21	**1,002**	446	**26**	51
Cash and cash equivalents	22	**5,610**	8,949	**157**	2,314
Total current assets		**17,092**	21,930	**3,793**	6,211
Total assets		**35,701**	35,847	**20,764**	21,182
EQUITY AND LIABILITIES					
Equity					
Share capital	23	**22,469**	22,469	**22,469**	22,469
Retained earnings/(accumulated losses)		**4,403**	4,630	**(1,886)**	(1,459)
Foreign currency reserve		**(207)**	(201)	**–**	–
Equity, attributable to equity holders of the parent, total		**26,665**	26,898	**20,583**	21,010
Non-current liabilities					
Deferred tax liabilities	11	**399**	387	**–**	–
Provision	24	**650**	650	**–**	–
Loans and borrowings	25	**446**	590	**–**	–
Lease liabilities	26	**2,489**	2,678	**–**	–
Other non-financial liabilities	27	**757**	841	**–**	–
Total non-current liabilities		**4,741**	5,146	**–**	–
Current liabilities					
Income tax payable		**214**	112	**–**	–
Trade and other payables	28	**3,491**	3,060	**181**	172
Loans and borrowings	25	**146**	218	**–**	–
Lease liabilities	26	**129**	328	**–**	–
Other non-financial liabilities	27	**315**	85	**–**	–
Total current liabilities		**4,295**	3,803	**181**	172
Total liabilities		**9,036**	8,949	**181**	172
Total equity and liabilities		**35,701**	35,847	**20,764**	21,182

* Below $1,000

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF **CHANGES IN EQUITY**

YEAR ENDED 30 JUNE 2024

Group	Total equity $'000	Share capital $'000	Retained earnings (accumulated losses) $'000	Foreign currency reserve $'000
Current year				
Opening balance at 1 July 2023	26,898	22,469	4,630	(201)
Changes in equity				
Total comprehensive loss for the year	(233)	–	(227)	(6)
Closing balance at 30 June 2024	**26,665**	**22,469**	**4,403**	**(207)**
Previous year				
Opening balance at 1 July 2022	29,326	22,469	6,928	(71)
Changes in equity				
Total comprehensive loss for the year	(2,032)	–	(1,902)	(130)
Share-based payment expense (Note 9A)	75	–	75	–
Dividend paid (Note 12)	(471)	–	(471)	–
Closing balance at 30 June 2023	26,898	22,469	4,630	(201)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF **CHANGES IN EQUITY**

YEAR ENDED 30 JUNE 2024

Company	Total equity $'000	Share capital $'000	Retained earnings (accumulated losses) $'000
Current year			
Opening balance at 1 July 2023	21,010	22,469	(1,459)
Changes in equity			
Total comprehensive loss for the year	(427)	–	(427)
Closing balance at 30 June 2024	**20,583**	**22,469**	**(1,886)**
Previous year			
Opening balance at 1 July 2022	23,110	22,469	641
Changes in equity			
Total comprehensive loss for the year	(1,629)	–	(1,629)
Dividend paid (Note 12)	(471)	–	(471)
Closing balance at 30 June 2023	21,010	22,469	(1,459)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

YEAR ENDED 30 JUNE 2024

	Group	
	2024	**2023**
	$'000	**$'000**
Cash flows from operating activities		
Loss before income tax	**(28)**	(1,844)
Adjustments for:		
Amortisation of deferred capital grants	**(84)**	(151)
Depreciation of property, plant and equipment	**1,250**	1,287
Depreciation of right-of-use assets	**336**	360
Interest income	**(125)**	(73)
Interest expense	**194**	211
Share-based payment expense	**–**	75
Gain on disposal of plant and equipment	**–**	(8)
Plant and equipment written-off	**6**	3
Gain on early termination of right-of-use assets	**(6)**	(5)
Share of loss from equity-accounted joint venture	**–**	524
Net effect of exchange rate changes in consolidating subsidiaries	**2**	(95)
Operating cash flows before changes in working capital	**1,545**	284
Inventories	**1,597**	138
Trade and other receivables	**458**	838
Other non-financial assets	**(556)**	489
Trade and other payables	**431**	(564)
Other non-financial liabilities	**230**	972
Net cash flows from operations before interest and tax	**3,705**	2,157
Income taxes paid	**(90)**	(228)
Net cash flows from operating activities	**3,615**	1,929
Cash flows used in investing activities		
Purchase of plant and equipment (Note 22A)	**(4,755)**	(1,023)
Deposit (paid) utilized for acquisition of plant and equipment	**(1,602)**	205
Disposal of plant and equipment	**2**	8
Interest received	**125**	73
Net cash flows used in investing activities	**(6,230)**	(737)
Cash flows used in financing activities		
Dividend paid to equity shareholders	**–**	(471)
Repayment of loans and borrowings	**(216)**	(458)
Lease payments – principal and interest portion paid	**(470)**	(504)
Net movements in amount due to related parties	**–**	(300)
Interest paid	**(38)**	(28)
Net cash flows used in financing activities	**(724)**	(1,761)
Net decrease in cash and cash equivalents	**(3,339)**	(569)
Cash and cash equivalents, statement of cash flows, beginning balance	**8,949**	9,518
Cash and cash equivalents, statement of cash flows, ending balance (Note 22)	**5,610**	8,949

The accompanying notes form an integral part of these financial statements.

1. GENERAL INFORMATION

OTS Holdings Pte. Ltd. (the "Company") (Registration No. 201505559W) was incorporated on 3 March 2015 under the Companies Act as a private limited company. It is domiciled in Singapore. On 1 June 2021, the Company was converted to a public company limited by shares and changed its name to OTS Holdings Limited. On 17 June 2021, the Company was listed on the Catalist Board (the "Catalist") of Singapore Exchange Securities Trading Limited.

The financial statements are presented in Singapore dollar and they cover the Company (referred to as "parent") and its subsidiaries. All financial information have been rounded to the nearest thousand ("000"), except when otherwise stated.

The board of directors approved and authorized these financial statements for issue on the date of the statement by directors.

The principal activity of the Company is those of an investment holding company. The principal activities of the subsidiaries are described in Note 17 to the financial statements.

The registered office and principal place of business of the Company is located at 30 Senoko South Road, Singapore 758088. The Company is situated in Singapore.

Macroeconomic conditions related disclosures

Management has considered the uncertain and challenging macroeconomic and geopolitical environment that have caused widespread increase in interest rates and a significant rise in inflation, affecting the cost of many of the goods and services for customers and suppliers. Management reviewed the probable impact and plausible downside scenarios. No material uncertainties were identified in connection with the reporting entity's ability to continue in operational existence for the near future.

Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") and the related interpretations to SFRS(I) ("SFRS(I) INT") as issued by the Accounting Standards Committee. They are in compliance with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

1. GENERAL INFORMATION (CONT'D)

Basis of presentation and principles of consolidated financial statements

The consolidated financial statements include the financial statements made up to the end of the reporting year of the Company and all of its subsidiaries. The consolidated financial statements are the financial statements of the Group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee and cease when the reporting entity loses control of the investee.

Changes in the Group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the Group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost and is subsequently accounted as equity instruments financial assets in accordance with the financial reporting standards on financial instruments.

The Company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act 1967, the Company's separate statement of profit or loss and other comprehensive income is not presented.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION

2A. Material accounting policy information

Revenue recognition

General – Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, and modifications), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sale of goods – Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Miscellaneous income – Revenue from miscellaneous income is recognised when the Company satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs or for services that are not significant transactions revenue is recognised as the services are provided.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Material accounting policy information (cont'd)

Revenue recognition (cont'd)

Interest income is recognised on an accrual basis using the effective interest method.

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. The grant related to assets is presented in the statement of financial position by recognising the grant as deferred income that is recognised in profit or loss on a systematic basis over the useful life of the asset and in the proportions in which depreciation expense on those assets is recognised.

Employee benefits

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowings and are recognised as an expense in the period in which they are incurred. Interest expense is calculated using the effective interest rate method.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the financial year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the financial year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Material accounting policy information (cont'd)

Translation of financial statements of other entities

Each company in the Group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant company operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the financial year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the financial year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant entity.

Income tax

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the statements of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries, branches and associates, and joint arrangements except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

The estimated useful lives of property, plant and equipment are as follow:

Leasehold property	–	30 to 50 years
Cold room	–	20 years
Leasehold improvements	–	12 to 36 years
Plant and equipment	–	3 to 12 years
Restoration cost	–	36 years

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Material accounting policy information (cont'd)

Property, plant and equipment (cont'd)

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 24 on non-current provisions.

The residual values of assets, useful lives of assets and recognised impairment losses are reviewed, and adjusted if appropriate, whenever events or circumstances indicate that a revision is warranted.

Right-of-use assets

The right-of-use assets are accounted and presented as if they were owned such as property plant and equipment.

The estimate useful lives of right-of-use assets are as follow:

Leasehold land and office premise	–	5 to 34 years
Motor vehicles	–	5 years
Equipment	–	5 years

Leases of leasee

A lease conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Where a lease arrangement is identified, a liability to the lessor is recognised as a lease obligation calculated at the present value of minimum unavoidable lease payments. A corresponding right-of-use asset is recorded. Lease payments are apportioned between finance costs and reduction of the lease liability so as to reflect the interest on the remaining balance of the liability. Finance charges are recorded as a finance cost. Leases with a term of 12 months or less and leases for low value are not recorded as a liability and lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Leases of lessor

For a lessor a lease is classified as either an operating lease or a finance lease. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. Operating leases are for rental income. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset and it is presented in its statement of financial position as a receivable at an amount equal to the net investment in the lease. For a finance lease the finance income is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Material accounting policy information (cont'd)

Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use.

The useful lives are as follow:

Trademarks	–	3 to 5 years
Research and development costs	–	5 years

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the Company and the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the Company has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the Company controls another entity. In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

Joint arrangements – joint venture

A joint arrangement (that is, either a joint operation or a joint venture, depending on the rights and obligations of the jointly controlling parties to the arrangement), is one in which the Company is party to an arrangement of which two or more parties have joint control, which is the contractually agreed sharing of control of the arrangement; it exists only when decisions about the relevant activities (that is, activities that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. In a joint venture, the parties with joint control have rights to the net assets of the arrangement. The reporting interests in joint ventures are recognised using the equity method in accordance with the financial reporting standard on investments in associates and joint ventures.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Material accounting policy information (cont'd)

Joint arrangements – joint venture (cont'd)

Under the equity method the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The carrying value and the net book value of an investment in the joint venture are not necessarily indicative of the amounts that would be realised in a current market exchange. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income.

Losses of a joint venture in excess of the Company's interest in the relevant joint venture are not recognised except to the extent that the Company has an obligation. Profits and losses resulting from transactions between the Company and a joint venture are recognised in the consolidated financial statements only to the extent of unrelated company's interests in the joint venture. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of joint venture are changed where necessary to ensure consistency with the policies adopted by the Company. The Company discontinues the use of the equity method from the date that when its investment ceases to be a joint venture and accounts for the investment in accordance with the financial reporting standard on financial instruments from that date. Any gain or loss is recognised in profit or loss. Any investment retained in the former joint venture is measured at fair value at the date that it ceases to be a joint venture.

Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Raw materials are calculated using the first-in, first-out ("FIFO") method. Work-in-progress and finished goods are measured at standard cost that approximate actual cost. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Carrying amounts of non-financial assets

The carrying amount of non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is expensed.

When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, in assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Material accounting policy information (cont'd)

Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Categories of financial assets and financial liabilities:

The financial reporting standard on financial instruments has four categories of financial assets and two categories for liabilities. At the end of the reporting year, the reporting entity had the following categories financial assets and financial liabilities:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

- Financial liabilities are categorised as at fair value through profit or loss (FVTPL) in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

Cash and cash equivalents

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

2A. Material accounting policy information (cont'd)

Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

Other explanatory information

These are disclosed at the relevant notes to the financial statements.

2B. Critical judgements, assumptions and estimation uncertainties

Disclosures on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below or in the in the corresponding notes to these financial statements. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

2. MATERIAL ACCOUNTING POLICY INFORMATION AND OTHER EXPLANATORY INFORMATION (CONT'D)

2B. Critical judgements, assumptions and estimation uncertainties (cont'd)

Assessing expected credit loss allowance on trade receivables:

The assessment of the expected credit losses ("ECL") requires a degree of estimation and judgement. In measuring the expected credit losses. Management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of future economic conditions. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the note on trade and other receivables.

Net realisable value of inventories:

A review is made on inventory for excess inventory and declines in net realisable value below cost and an allowance is recorded against the inventory balance for any such declines. The review requires management to consider the future demand for the products. In any case the realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the financial year and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of allowance or write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the end of the financial year. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the financial period is disclosed in the note on inventories.

Useful lives of property, plant and equipment:

The estimates for the useful lives and related depreciation charges for property, plant and equipment are based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset or class of assets at the end of the financial year affected by the assumption are disclosed in note on property, plant and equipment.

Impairment of right-of-use assets:

Significant judgement is applied by management when determining impairment of the right-of-use asset. Impairment is assessed for separable parts of leased buildings that have been or will be vacated in the near future. The impairment is sensitive to changes in estimated future expected sub-lease period. Judgement is also involved when determining whether sub-lease contracts are financial or operational, as well as when determining lease term for contracts that have extension or termination options. The carrying amount of the specific asset or class of assets at the end of the financial year affected by the assumption are disclosed in note of right-of-use assets.

3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

The controlling shareholders are Mr. Ong Bee Chip and Mr. Ong Bee Song.

3A. Members of a group

Name	Relationship	Country of incorporation
BCS Development Pte. Ltd.	Ultimate parent company	Singapore

Related companies in these consolidated financial statements include the members of the Company's group of companies.

3B. Related party transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

In addition to the information disclosed elsewhere in the notes to the financial statements, other related party transactions include the following:

Material related party transactions:

	Group	
	2024	**2023**
	$'000	**$'000**
Related party		
Sales of goods[(a)]	**–**	13
Miscellaneous income[(b)]	**–**	54
Other related parties – entity with no significant influence over the entity		
Purchase of forklifts and forklift maintenance and repair services[(c)]	**11**	8
Sales of goods[(d)]	**1,609**	1,521

(a) Sale of goods to a related party, PT Delta Bridge Foods, a subsidiary of the joint venture.

(b) Miscellaneous charges to a related party, PT Delta Bridge Foods, a subsidiary of the joint venture.

(c) The purchase of forklifts and forklift maintenance and repair services from a related party, Hock Eek Seng Machinery Pte Ltd ("Hock Eek Seng"), a company owned by the sibling of the directors, Mr. Ong Bee Chip and Mdm. Ong Chew Yong. Both directors have no significant controlling interest over Hock Eek Seng.

(d) Sale of goods to Swee Heng Bakery Pte Ltd ("Swee Heng"), a company owned by the sibling of the directors, Mr. Ong Bee Chip and Mdm. Ong Chew Yong. Both directors have no significant controlling interest over Swee Heng.

3. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (CONT'D)

3C. Key management compensation

	Group	
	2024 $'000	2023 $'000
Remuneration of key management personnel		
Salaries and other short-term employee benefits	**1,004**	1,048

Further information about the remuneration of individual directors is provided in the report on corporate governance.

Key management personnel are directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The above amounts for key management compensation are for all directors of the Group. The above remuneration of the key management personnel are included under employee benefits expenses.

3D. Other receivables from related parties

The trade transactions and the related receivables and payables balances arising from sales and purchases of goods and services are disclosed elsewhere in the notes to the financial statements.

The movements in other receivables from related parties are as follows:

	Company	
Subsidiaries	2024 $'000	2023 $'000
Other receivables		
Balance at beginning of the year	**3,832**	2,753
Amounts paid out and settlement of liabilities on behalf of the subsidiaries	**1,768**	1,079
Balance at end of the year (Note 20)	**5,600**	3,832

	Group		Company	
Related party	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Other receivables				
Balance at beginning of the year	**300**	–	**300**	–
Amounts paid out and settlement of liabilities on behalf of the related party	**–**	300	**–**	300
Balance at end of the year (Note 20)	**300**	300	**300**	300

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS

The group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker to allocate resources and in assessing performance. Generally, financial information on segments is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments. Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

4A. Primary analysis by business segment

For management purposes, the Group is organised into four (4) major strategic operating segments: Modern Trade, General Trade and Food Services and Others. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The Group distribute and sell their products via following market segments:

(1) Modern Trade ("MT") refers to sales generated from major supermarkets.

(2) General Trade ("GT") refers to sales generated from convenience stores, provision shops and wholesalers.

(3) Food Services ("FS") refers to sales generated from hotels, restaurants, hawker centres, food courts, food and beverages stores, and caterers.

(4) Others ("OT") refers to sales that are mainly generated from e-commerce platforms and the export markets. The OT segment also includes other income such as vehicle rental income and miscellaneous income.

Inter-segment sales are measured on the basis that the Group actually uses to price the transfers. Internal transfer pricing policies of the Group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment assets consist primarily of property, plant and equipment, right-of-use assets, inventories, trade and other receivables, other assets and cash and cash equivalents. Segment liabilities comprise trade and other payables, loans and borrowings, lease liabilities, other financial liabilities, provisions and other liabilities.

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results comprises two major financial indicators: (1) earnings from operations before interest expenses, income taxes, depreciation and amortisation (called "Recurring EBITDA") and (2) operating result before income taxes and other unallocated items (called "PBT").

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4A. Primary analysis by business segment (cont'd)

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

The information on each business segment is as follows:

	2024 $'000	2023 $'000
Revenue by segment:		
Modern Trade ("MT")	**7,334**	8,108
General Trade ("GT")	**9,678**	11,683
Food Services ("FS")	**7,772**	7,422
Others ("OT")	**4,969**	3,451
Total	**29,753**	30,664

4B. Profit or loss from continuing operations and reconciliations

	MT $'000	GT $'000	FS $'000	OT $'000	Total $'000
2024:					
Revenue by segment					
Total revenue by segment	**7,334**	**9,678**	**7,772**	**31,631**	**56,415**
Inter-segment sales	**–**	**–**	**–**	**(26,662)**	**(26,662)**
Total revenue	**7,334**	**9,678**	**7,772**	**4,969**	**29,753**
Recurring EBITDA	**(278)**	**570**	**585**	**791**	**1,668**
Depreciation expenses	**(326)**	**(431)**	**(346)**	**(483)**	**(1,586)**
Amortisation of deferred capital grants	**21**	**27**	**22**	**14**	**84**
Finance costs	**(48)**	**(63)**	**(51)**	**(32)**	**(194)**
PBT	**(631)**	**103**	**210**	**290**	**(28)**
Income tax expense					**(199)**
Loss, net of income tax					**(227)**

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4B. Profit or loss from continuing operations and reconciliations (cont'd)

	MT $'000	GT $'000	FS $'000	OT $'000	Total $'000
2023:					
Revenue by segment					
Total revenue by segment	8,108	11,683	7,422	27,992	55,205
Inter-segment sales	–	–	–	(24,541)	(24,541)
Total revenue	8,108	11,683	7,422	3,451	30,664
Recurring EBITDA	(435)	178	(21)	665	387
Depreciation expenses	(360)	(519)	(329)	(439)	(1,647)
Amortisation of deferred capital grants	40	57	37	17	151
Finance costs	(56)	(80)	(51)	(24)	(211)
Share of loss from joint venture	–	–	–	(524)	(524)
PBT	(811)	(364)	(364)	(305)	(1,844)
Income tax expense					(58)
Loss, net of income tax					(1,902)

4C. Assets, liabilities and reconciliations

	MT $'000	GT $'000	FS $'000	OT $'000	Total $'000
2024:					
Segment assets	**8,794**	**11,604**	**9,318**	**5,985**	**35,701**
Investment in joint venture	**–**	**–**	**–**	**–**	**–**
Total assets	**8,794**	**11,604**	**9,318**	**5,985**	**35,701**
Segment liabilities	**2,042**	**2,694**	**2,164**	**1,523**	**8,423**
Deferred tax liabilities					**399**
Income tax payables					**214**
Total liabilities					**9,036**
2023:					
Segment assets	9,420	13,573	8,623	4,231	35,847
Investment in joint venture	–	–	–	–	–
Total assets	9,420	13,573	8,623	4,231	35,847
Segment liabilities	2,169	3,126	1,986	1,169	8,450
Deferred tax liabilities					387
Income tax payables					112
Total liabilities					8,949

4. FINANCIAL INFORMATION BY OPERATING SEGMENTS (CONT'D)

4D. Other material items and reconciliations

	MT $'000	GT $'000	FS $'000	OT $'000	Total $'000
Expenditure for non-current assets					
As at 30 June 2024	**1,172**	**1,547**	**1,242**	**794**	**4,755**
As at 30 June 2023	287	413	263	122	1,085

4E. Geographical information

	2024 $'000	2023 $'000
Revenue		
Singapore	**22,395**	22,996
Malaysia	**3,750**	5,519
Others	**3,608**	2,149
Total	**29,753**	30,664
Non-current assets		
Singapore	**12,793**	13,438
Malaysia	**5,816**	479
Total	**18,609**	13,917

The Group operates in three (3) geographical regions namely, Singapore, Malaysia and other countries. Other countries mainly comprise Australia, Philippines, Brunei, Thailand, Myanmar and Hong Kong.

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude any financial instruments.

4F. Information on major customers

Customers who individually account for 5% or more of the Group's revenue is detailed below:

	2024 $'000	2023 $'000
Customer A	**4,092**	4,410
Customer B	**1,396**	1,557
Total	**5,488**	5,967

5. REVENUE

	Group	
	2024	**2023**
	$'000	**$'000**
Sale of goods	**29,525**	30,388
Rental of vehicles (Note 29)	**222**	222
Miscellaneous income	**6**	54
	29,753	30,664

The revenue from sales of goods and miscellaneous income are recognised based on point in time. The customers are distributors and retailers, local and foreign.

The revenue from rental of vehicles is from operating leases and recognised on straight-line basis over the term of the relevant leases.

6. OTHER INCOME AND GAINS AND (OTHER LOSSES)

	Group	
	2024	**2023**
	$'000	**$'000**
Amortisation of deferred capital grants (Note 27A)	**84**	151
Reversal of/(allowance) for inventory obsolescence (Note 19)	**48**	(48)
Reversal of/(allowance) for impairment of trade receivables (Note 20)	**38**	(487)
Bad debt written-off of trade receivables	**(2)**	(21)
Gain on disposal of plant and equipment	**–**	8
Gain on early termination of right-of-use assets	**6**	5
Other government grants and rebates	**136**	191
Interest income	**125**	73
Foreign exchange adjustments	**(67)**	(431)
Freight income	**3**	11
Miscellaneous income	**676**	81
Plant and equipment written-off	**(6)**	(3)
Net	**1,041**	(470)
Presented in profit or loss as:		
Other income and gains	**1,116**	520
Other losses	**(75)**	(990)
Net	**1,041**	(470)

7. MARKETING AND DISTRIBUTION COSTS

The material components and other selected components include the following:

	Group	
	2024	**2023**
	$'000	**$'000**
Advertising and promotion	**889**	913
Delivery and transportation expenses – sales of goods	**1,323**	1,429

8. ADMINISTRATIVE EXPENSES

The material components and other selected components include the following:

	Group	
	2024	**2023**
	$'000	**$'000**
Audit fees		
– independent auditors of the Company	**114**	109
– other independent auditors	**20**	20
Non-audit related services fees		
– independent auditors of the Company	**18**	12
Employee benefit expenses (Note 9)	**4,226**	4,188
Depreciation expenses		
– property, plant and equipment (Note 14)	**158**	200
– right-of-use assets (Note 15)	**262**	286
Fixed rental expense on short-term leases (Note 26)	**9**	8

9. EMPLOYEE BENEFITS EXPENSE

	Group	
	2024	**2023**
	$'000	**$'000**
Salaries, bonuses and other short-term employee benefits	**7,349**	7,192
Contributions to defined contribution plan	**553**	588
Share-based payment expense (Note 9A)	**–**	75
Others	**116**	46
Total employee benefits expense	**8,018**	7,901
The employee benefits expense is charged under:		
Cost of sales	**3,792**	3,713
Administrative expenses (Note 8)	**4,226**	4,188
Total	**8,018**	7,901

9A. Share-based payment expense

This relates to a non-recurring non-cash expense recognised in accordance with SFRS(I) 2 for the transfer of the Company's shares by the ultimate parent company (BCS Development Pte. Ltd.) to 35 employees to recognise and award them for their past contributions and services, and to align their interests with the Group to encourage greater dedication and loyalty to the Group.

These shares will have a vesting period of 2 years from 17 July 2021 (date of listing).

The resulting value of these shares are to be expensed over vesting period. Management has based on the fair value of the Company's shares as at 17 July 2021 and recorded an expense of Nil (2023: $75,000) as share-based payment expense with a corresponding increase in retained earnings for the reporting year ended 30 June 2023. As at reporting year ended 30 June 2023, the share-based payment expense has been fully expensed off.

10. FINANCE COSTS

	Group	
	2024	**2023**
	$'000	**$'000**
Interest expenses		
– loan and borrowings	**38**	28
– lease liabilities (Note 26)	**156**	183
Total	**194**	211

11. INCOME TAX

11A. Components of tax expense recognised in profit or loss

	Group	
	2024	**2023**
	$'000	**$'000**
Income tax expense		
Current year tax expense	**158**	233
Under adjustments to tax in respect of prior years	**29**	34
Subtotal	**187**	267
Deferred tax expense (income)		
Deferred tax income	**(101)**	(286)
Under adjustments to tax in respect of prior years	**113**	77
Subtotal	**12**	(209)
Total	**199**	58

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate where the parent is incorporated. The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2023: 17%) to profit before income tax as a result of the following differences:

	Group	
	2024	**2023**
	$'000	**$'000**
Loss before income tax	**(28)**	(1,844)
Share of loss from joint venture	**–**	524
	(28)	(1,320)
Income tax income at the above rate	**(5)**	(224)
Effect of different tax rates in different countries	**(42)**	(69)
Under adjustments to tax in respect of prior years	**142**	111
Expenses not deductible for tax purpose	**225**	283
Tax exemptions and rebates	**(127)**	(40)
Others	**6**	(3)
Total income tax expense	**199**	58

There are no income tax consequences of dividends to owners of the Group.

11. INCOME TAX (CONT'D)

11B. Deferred tax expense (income) recognised in profit or loss

	Group	
	2024	**2023**
	$'000	**$'000**
Excess of net book value of plant and equipment over tax value	**9**	(203)
Provision	**3**	(6)
Total deferred tax expense (income)	**12**	(209)

11C. Deferred tax balance in the statement of financial position

	Group	
	2024	**2023**
	$'000	**$'000**
Excess of net book value of plant and equipment over tax values	**(414)**	(405)
Provision	**15**	18
Deferred tax liabilities	**(399)**	(387)

It is impracticable to estimate the amount expected to be settled or used within one year.

12. DIVIDENDS ON EQUITY SHARES

	Group and Company	
	2024	**2023**
Final tax exempt (1-tier) dividend		
Rate per share (in cents)	**–**	0.22
Total dividend ($'000)	**–**	471

There are no income tax consequences of the dividends to shareholders. No dividend was declared for the current financial year.

13. LOSSES PER SHARE

The losses per share is computed by dividing the loss after tax attributable to owners of the Company against the weighted average number of shares, taken into account of share split for the respective reporting years.

The basic and diluted earnings per share for all respective financial periods are the same as there were no other outstanding convertibles or other dilutive equity instruments.

13. LOSSES PER SHARE (CONT'D)

The following illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

	Group	
	2024 $'000	**2023 $'000**
Numerator		
Loss attributable to owners of the Company, net of income tax	**(227)**	(1,902)
	'000	**'000**
Denominator		
Weighted average number of equity share	**214,000**	214,000

14. PROPERTY, PLANT AND EQUIPMENT

Group	Freehold land $'000	Freehold building $'000	Leasehold property $'000	Cold room $'000	Restoration cost $'000	Leasehold improvements $'000	Plant and equipment $'000	Total $'000
Cost								
At 1 July 2022	–	–	8,494	1,047	588	2,632	13,202	25,963
Additions	–	–	–	–	62	23	1,000	1,085
Disposals/written-off	–	–	–	–	–	–	(267)	(267)
Foreign exchange adjustments	–	–	–	–	–	(6)	(33)	(39)
At 30 June 2023	–	–	8,494	1,047	650	2,649	13,902	26,742
Additions	804	3,549	–	–	–	–	402	4,755
Disposals/written-off	–	–	–	–	–	(2)	(37)	(39)
Foreign exchange adjustments	–	–	–	–	–	(1)	(4)	(5)
At 30 June 2024	**804**	**3,549**	**8,494**	**1,047**	**650**	**2,646**	**14,263**	**31,453**
Accumulated depreciation								
At 1 July 2022	–	–	3,215	514	81	2,043	8,745	14,598
Depreciation for the year	–	–	220	51	16	94	906	1,287
Disposals/written-off	–	–	–	–	–	–	(264)	(264)
Foreign exchange adjustments	–	–	–	–	–	(2)	(15)	(17)
At 30 June 2023	–	–	3,435	565	97	2,135	9,372	15,604
Depreciation for the year	–	–	220	51	18	93	868	1,250
Disposals/written-off	–	–	–	–	–	(1)	(30)	(31)
Foreign exchange adjustments	–	–	–	–	–	–	(3)	(3)
At 30 June 2024	**–**	**–**	**3,655**	**616**	**115**	**2,227**	**10,207**	**16,820**
Net carrying value								
At 1 July 2022	–	–	5,279	533	507	589	4,457	11,365
At 30 June 2023	–	–	5,059	482	553	514	4,530	11,138
At 30 June 2024	**804**	**3,549**	**4,839**	**431**	**535**	**419**	**4,056**	**14,633**

14. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Allocation of the depreciation expense as follows:

	Group	
	2024	**2023**
	$'000	**$'000**
Cost of sales	**1,092**	1,087
Administrative expenses (Note 8)	**158**	200
	1,250	1,287

15. RIGHT-OF-USE ASSETS

Group	Leasehold land and office premise $'000	Motor vehicles $'000	Equipment $'000	Total $'000
Cost				
At 1 July 2022	3,038	982	70	4,090
Additions	–	–	45	45
Disposal	–	–	(70)	(70)
Foreign exchange adjustments	(37)	–	–	(37)
At 30 June 2023	3,001	982	45	4,028
Additions	–	–	–	–
Disposal	(122)	–	–	(122)
Foreign exchange adjustments	(5)	–	–	(5)
At 30 June 2024	**2,874**	**982**	**45**	**3,901**
Accumulated depreciation				
At 1 July 2022	351	563	46	960
Depreciation for the year	148	196	16	360
Disposal	–	–	(61)	(61)
Foreign exchange adjustments	(10)	–	–	(10)
At 30 June 2023	489	759	1	1,249
Depreciation for the year	131	196	9	336
Disposal	(56)	–	–	(56)
Foreign exchange adjustments	(2)	–	–	(2)
At 30 June 2024	**562**	**955**	**10**	**1,527**
Net carrying value				
At 1 July 2022	2,687	419	24	3,130
At 30 June 2023	2,512	223	44	2,779
At 30 June 2024	**2,312**	**27**	**35**	**2,374**

The leasehold land is from the Jurong Town Corporation ("JTC") for thirty (30) years lease term from September 1993 and expiring in September 2023. The Group has complied with the required investment criteria and has been granted an additional term of thirty (30) years commencing from September 2023.

Rentals are subject to an escalation clause but the amount of the rent increase is not to exceed the contractual rental revision scheme of increment at 7.6% per annum of the annual rent of the immediate preceding year.

15. RIGHT-OF-USE ASSETS (CONT'D)

Allocation of the depreciation expense as follows:

	Group	
	2024	**2023**
	$'000	**$'000**
Cost of sales	**74**	74
Administrative expenses (Note 8)	**262**	286
	336	360

Other information about the leasing activities relating to the right-of-use assets are summarised as follows:

	Leasehold land and office premise	**Motor vehicles**	**Equipment**
2024:			
Number of right-of-use assets	**3**	**8**	**1**
Remaining term – range (years)	**1 – 29**	**1**	**4**
2023:			
Number of right-of-use assets	4	8	1
Remaining term – range (years)	1 – 30	2	5

Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term. For leases over properties the leases require those properties in a good state of repair and return the properties in their original condition at the end of the lease. Insurance and maintenance fees on right-of-use assets are usually required under the lease contracts.

The net carrying value of right-of-use assets are under lease liabilities agreements (Note 26).

16. INTANGIBLE ASSETS

Group	**Research and development costs $'000**	**Trademark $'000**	**Total $'000**
Cost			
At 1 July 2022, 30 June 2023 and 30 June 2024	94	15	109
Accumulated amortisation			
At 1 July 2022, 30 June 2023 and 30 June 2024	94	15	109
Net carrying value			
At 1 July 2022, 30 June 2023 and 30 June 2024	–*	–*	–*

* Below $1,000

17. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 $'000	2023 $'000
Unquoted shares, at cost		
At beginning and end of the year	**14,971**	14,971
Carrying value in the books of the Company, comprising:		
Unquoted equity shares, at cost	**14,971**	14,971
Total, at cost	**14,971**	14,971
Movements during the year, at cost		
At beginning and end of the year	**14,971**	14,971

The wholly owned subsidiaries held by the Company are listed below:

Name of subsidiaries, country of incorporation, place of operations and principal activities	Cost of investment		Percentage of effective equity held by the Company and the Group	
	2024 $'000	2023 $'000	2024 %	2023 %
Subsidiaries				
Golden Bridge Foods Manufacturing Pte Ltd ("GB")[a]				
Singapore				
Manufacturing and sale of non-halal meat products	**13,971**	13,971	**100**	100
Ellaziq Private Limited ("Ellaziq")[a]				
Singapore				
Manufacturing and sale of halal meat products	**800**	800	**100**	100
OTS International Pte. Ltd. ("OTSI")[a]				
Singapore				
Wholesale of food products and groceries including retail sales via internet	**200**	200	**100**	100
	14,971	14,971		

17. INVESTMENT IN SUBSIDIARIES (CONT'D)

	Percentage of equity interest held	
	2024	2023
	%	%
Held through subsidiaries of the Company		
GB Global (Malaysia) Sdn. Bhd.[b]		
Malaysia		
Sale of non-halal and halal meat products	**100**	100
Ellaziq (Malaysia) Sdn. Bhd.[b]		
Malaysia		
Sale of halal meat products	**100**	100
GB Global Philippines Corporation[c]		
Philippines		
Sale of non-halal and halal meat products	**100**	100

(a) Audited by RSM SG Assurance LLP.

(b) Audited by RSM Malaysia, a member firm of RSM International of which RSM SG Assurance LLP in Singapore is a member.

(c) The unaudited management financials as at 30 June 2024 of GB Global Philippines Corporation ("GBGP") have been used for consolidation as GBGP is not material.

18. INVESTMENT IN JOINT VENTURE

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Carrying value in the books of the Company, comprising:				
Unquoted equity shares, at cost	**950**	950	**950**	950
Share of loss	**(941)**	(941)	**–**	–
Foreign exchange differences	**(9)**	(9)	**–**	–
Impairment	**–**	–	**(950)**	(950)
Total, at cost	**–**	–	**–**	–
Movements during the year, at cost				
At beginning of the year	**–**	532	**–**	950
Share of loss	**–**	(524)	**–**	–
Allowance for impairment of investment[a]	**–**	–	**–**	(950)
Foreign exchange differences	**–**	(8)	**–**	–
At end of the year	**–**	–	**–**	–
Share of net book value of joint venture	**–**	–		

18. INVESTMENT IN JOINT VENTURE (CONT'D)

The continuous losses of the joint venture was considered sufficient evidence to trigger the impairment test. The impairment test has resulted in the recognition of a loss. Accordingly, the cost of investment in the joint venture concerned has been fully impaired in reporting year ended 30 June 2023.

The listing and information on the joint venture is given below:

Name of joint venture, country of incorporation, place of operations and principal activities	Cost of investment		Percentage of effective equity interest held by Group	
	2024 $'000	2023 $'000	2024 %	2023 %
Delta Bridge Pte. Ltd.[a] Singapore Holding company	**950**	950	**50**	50
Subsidiary of the joint venture				
PT Delta Bridge Foods[b] Indonesia Manufacturing and sale of non-halal meat products	**219**	219	**90**	90

(a) Audited by RSM SG Assurance LLP.

(b) The joint venture's unaudited management financial statement as at 30 June 2024 have been used for consolidation as the joint venture is not material.

The Group jointly controls the joint venture with other partners under the contractual agreements that require unanimous consent or more than half of board of directors' consent for all major decisions over the relevant activities.

The summarised financial information of the joint venture and the amounts (and not the Group's share of those amounts) based on the financial statements are as follows:

	Group	
	2024 $'000	2023 $'000
Revenues	**–**	–
Total comprehensive loss	**(178)**	(1,311)
Non-current assets	**–**	8
Current assets	**242**	571
Non-current liabilities	**(97)**	(167)
Current liabilities	**(600)**	(689)
Non-controlling interests	**132**	120
Reconciliation:		
Net assets of the joint venture	**(323)**	(157)
Proportion of the reporting entity's interest in the joint venture	**50%**	50%
Proportion of the Group's interest in the joint venture	**–**	–

18. INVESTMENT IN JOINT VENTURE (CONT'D)

On 12 March 2019, the Company and Hogsworld Pte Ltd agreed to combine their asset management and services activities by establishing a separate vehicle – Delta Bridge Pte. Ltd. ("Delta Bridge"). The parties expect the arrangement to benefit them in processing and manufacturing of Chinese sausages and other meat products (the "Products") and marketing and distribution of the Products. Delta Bridge's legal form is that it causes the separate vehicle to be considered in its own right. Each of the Company and the other party holds 50% shareholding interests in Delta Bridge Pte. Ltd. The shareholders' agreement establishes joint control of the activities of Delta Bridge. The joint arrangement is carried out through a separate vehicle whose legal form confers separation between the parties and the separate vehicle and the parties have rights to the net assets of Delta Bridge. The parties recognise their rights to the net assets of Delta Bridge as investments and account for them using the equity method.

19. INVENTORIES

	Group	
	2024	**2023**
	$'000	**$'000**
Finished goods	**3,164**	4,583
Raw materials	**3,082**	3,399
Work in progress	**132**	41
Less allowance for impairment	**(35)**	(83)
	6,343	7,940
Movements in above allowance on inventory obsolescence:		
Balance at beginning of the year	**83**	35
(Reversed) charged to profit or loss included in other losses (Note 6)	**(48)**	48
Balance at end of the year	**35**	83
Changes in inventories of finished goods and work-in-progress	**(1,328)**	(451)
Raw materials and consumable used	**16,692**	16,595

There are no inventories pledged as security for liabilities.

20. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 $'000	**2023 $'000**	**2024 $'000**	**2023 $'000**
Trade receivables				
Outside parties	**4,062**	4,702	**10**	14
Related party (Note 3)	**230**	87	**–**	–
Subsidiaries (Note 3)	**–**	–	**–**	–
Less allowance for impairment	**(155)**	(194)	**–**	–
Subtotal	**4,137**	4,595	**10**	14
Other receivables				
Subsidiaries (Note 3)	**–**	–	**5,600**	3,832
Related party (Note 3)	**300**	300	**300**	300
Less allowance for impairment	**(300)**	(300)	**(300)**	(300)
Subtotal	**–**	–	**5,600**	3,832
Total trade and other receivables	**4,137**	4,595	**5,610**	3,846
Presented in the statement of financial position				
Non-current[(a)]	**–**	–	**2,000**	–
Current	**4,137**	4,595	**3,610**	3,846
	4,137	4,595	**5,610**	3,846
Movements in above allowance on trade and other receivables:				
Balance at beginning of the year	**494**	11	**300**	–
(Reversed) charged for trade receivables to profit or loss included in other gains and losses (Note 6)	**(38)**	487	**–**	300
Foreign exchange differences	**(1)**	(4)	**–**	–
Balance at end of the year	**455**	494	**300**	300

(a) During the reporting year ended 30 June 2024, the receivable from subsidiary amounting to $2,000,000 is unsecured, interest-free, and shall be repaid within five years from 1 April 2024. The carrying value of the loan is assumed to be a reasonable approximation of fair value (Level 2).

The expected credit losses ("ECL") on the trade receivables are based on the simplified approach to measuring ECL which uses a lifetime ECL allowance approach for all trade receivables recognised from initial recognition of these assets.

The receivables have common risk characteristics as compared to previous period. There were no significant bad debts noticed in the previous period. The Group assesses the credit risk of its customers individually. The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

The Group's customers can be credit risk graded individually and these are recorded at inception net of expected lifetime ECL. These receivables are grouped based on shared credit risk characteristics and the days past due for measuring the expected credit losses. At every reporting year end, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. There are no collateral held as security and other credit enhancements for the trade receivables.

20. TRADE AND OTHER RECEIVABLES (CONT'D)

As part of the process of setting customer credit limits, different credit terms are used. The Group's normal trade credit term ranges from cash to 90 days (2023: cash to 90 days). But some customers take a longer period to settle the amounts.

At each subsequent financial date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the financial date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

Ageing analysis of the age of trade receivable amounts as at the end of financial year but not impaired:

	Group		Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Trade receivables				
Within due date	**3,670**	4,064	**10**	14
61 – 90 days	**125**	279	**–**	–
91 – 120 days	**33**	130	**–**	–
Over 120 days	**309**	122	**–**	–
Total	**4,137**	4,595	**10**	14

Majority of the Group's trade receivable amounts that were past due at the end of the financial years 2024 and 2023 have been settled after the end of the respective financial years.

Concentration of trade receivable customers as at the end of reporting year:

	Group	
	2024	**2023**
	$'000	**$'000**
Top 1 customer	**671**	870
Top 2 customers	**998**	1,120
Top 3 customers	**1,227**	1,274

The other receivables at amortised cost shown above are subject to the expected credit loss model under the financial reporting standard on financial instruments. Other receivables are regarded as of low credit risk if they have a low risk of default and the debtor has a strong capacity to meet its contractual cash flow obligations in the near term. The methodology applied for impairment loss depends on whether there has been a significant increase in credit risk.

21. OTHER NON-FINANCIAL ASSETS

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Advance payment to suppliers	**52**	62	**–**	–
Prepayments	**731**	174	**26**	51
Deposit for purchase of plant and equipment	**1,602**	–	**–**	–
Deposits to secure services	**219**	210	**–**	–
Total	**2,604**	446	**26**	51
Presented in the statement of financial position				
Non-current	**1,602**	–	**–**	–
Current	**1,002**	446	**26**	51
	2,604	446	**26**	51

22. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Not restricted in use	**5,610**	8,949	**157**	2,314

The interest earning balances are not material.

22A. Reconciliation of purchase of plant and equipment arising from investing activities

	Group	
	2024 $'000	2023 $'000
Acquisitions of plant and equipment (Note 14)	**4,755**	1,085
Provision for reinstatement cost (Note 24)	**–**	(62)
Net purchase of plant and equipment	**4,755**	1,023

22B. Reconciliation of liabilities arising from financing activities

Group	At beginning of the year $'000	Cash flows $'000	Non-cash changes $'000	At end of the year $'000
2024:				
Loan and borrowings	**808**	**(216)**	**–**	**592**
Lease liabilities	**3,006**	**(470)**	**82**[(a)]	**2,618**
Total liabilities from financing activities	**3,814**	**(686)**	**82**	**3,210**
2023:				
Loan and borrowings	1,266	(458)	–	808
Lease liabilities	3,324	(504)	186[(b)]	3,006
Total liabilities from financing activities	4,590	(962)	186	3,814

(a) Interest expense and modification of lease liabilities.

(b) Interest expense, recognition and modification of lease liabilities.

23. SHARE CAPITAL

	Number of shares issued '000	Share capital $'000
Ordinary shares of no par value:		
Balance at 1 July 2022, 30 June 2023 and 30 June 2024	**214,000**	**22,469**

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and retained earnings).

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents.

	Group	
	2024 $'000	2023 $'000
Net debt		
All current and non-current borrowings including lease liabilities	**3,210**	3,814
Less cash and cash equivalents	**(5,610)**	(8,949)
Net cash	**(2,400)**	(5,135)
Adjusted capital		
Total equity	**26,665**	26,898
Debt-to-adjusted capital ratio	**N.M**	N.M

The debt-to-adjusted capital ratio does not provide a meaningful indicator of the risk from borrowings as the Group is in net cash position.

24. PROVISION

	Group	
	2024 $'000	2023 $'000
Provision for restoration cost		
At beginning of the year	**650**	588
Additions	**–**	62
At end of the year	**650**	650
Movements during the year		
At beginning of the year	**650**	588
Additions (Note 22A)	**–**	62
At end of the year	**650**	650

Provision for restoration costs is recognised when the reporting entity enters into a lease agreement for the leasehold land. It includes the estimated cost of demolishing and removing all the leasehold improvements made by the reporting entity to the leasehold land, where reinstatement is required. The leasehold land shall be reinstated to the condition set up in the lease agreement upon the expiration of the lease agreement.

25. LOANS AND BORROWINGS

	Group	
	2024 $'000	2023 $'000
Non-current		
Bank loans (Note 25A)	**446**	590
Current		
Bank loans (Note 25A)	**146**	218
Total	**592**	808
The non-current portion is repayable as follows:		
Due within 2 to 5 years	**446**	590

25A. Bank loans

The bank loans consist of the following:

	Group	
	2024 $'000	2023 $'000
Non-current		
Bank loan 2 (secured)	**446**	590
Subtotal	**446**	590
Current		
Bank loan 1 (secured)	**–**	79
Bank loan 2 (secured)	**146**	139
Subtotal	**146**	218
Total	**592**	808

25. LOANS AND BORROWINGS (CONT'D)

25A. Bank loans (cont'd)

The number of monthly repayments and commencing dates are as follows:

Group	Number of monthly equal instalments	Commencement date
Bank loan 1 (secured)	120	January 2012
Bank loan 2 (secured)	120	April 2018

The floating interest rates range between 5.16% to 7.92% (2023: 2.10% to 5.16%) per annum. Bank loan 1 has been fully repaid during the current financial year. All borrowings are interest bearing. The carrying amount of the bank loans is a reasonable approximation of fair values (Level 2).

Bank loans 1 and 2 (secured)

The loans are secured by legal mortgage over the property at 30 Senoko South Road Singapore 758088 and corporate guarantee from the Company.

26. LEASE LIABILITIES

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liabilities.

The movements of the carrying amount of lease liabilities during the reporting year are as follows:

	2024 $'000	2023 $'000
Group		
At beginning of the year	**3,006**	3,324
Additions	**–**	45
Early termination of right-of-use assets	**(72)**	(14)
Accretion of interest (Note 10)	**156**	183
Lease payments – principal and interest portion paid	**(470)**	(504)
Foreign exchange difference	**(2)**	(28)
At end of the year	**2,618**	3,006
Presented in the statement of financial position		
Non-current	**2,489**	2,678
Current	**129**	328
	2,618	3,006

A summary of the maturity analysis of lease liabilities that shows the remaining contractual maturities is disclosed in Note 31E. The right-of-use assets are disclosed in Note 15.

The weighted average incremental borrowing rates applied to lease liabilities recognised ranged from 3.50% to 5.09% (2023: 3.50% to 5.09%) per annum.

26. LEASE LIABILITIES (CONT'D)

The lease liabilities above do not include the short-term leases of less than 12 months and leases of low-value underlying assets. Variable lease payments which do not depend on an index or a rate or based on a percentage of revenue are not included from the initial measurement of the lease liabilities and the right-of-use assets.

The following are the amounts recognised in profit or loss:

	2024 $'000	2023 $'000
Fixed rental expense on short-term leases – administrative expenses (Note 8)	**9**	8

27. OTHER NON-FINANCIAL LIABILITIES

	Group	
	2024 $'000	2023 $'000
Deferred capital grant (Note 27A)	**1,072**	926
Presented in the statement of financial position:		
Non-current	**757**	841
Current	**315**	85
	1,072	926

Included in the current balance of other non-financial liabilities are deferred revenue of $230,000 (2023: Nil).

27A. Deferred capital grant

Deferred capital grants related to government grants received from the acquisition of equipment for operating activities undertaken by the Group. There are no unfulfilled conditions or conditions affected to these grants.

A summary of deferred capital grants movement is as follows:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Balance at beginning of the year	**926**	105	**–**	6
Capital grants received	**–**	972	**–**	–
Amortised to profit or loss included in other gains (Note 6)	**(84)**	(151)	**–**	(6)
Balance at end of the year	**842**	926	**–**	–

28. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 $'000	**2023 $'000**	**2024 $'000**	**2023 $'000**
Trade payables				
Outside parties and accrued liabilities	**3,472**	3,041	**104**	63
Subsidiaries (Note 3)	**–**	–	**77**	109
Subtotal	**3,472**	3,041	**181**	172
Other payables				
Deposits received	**19**	19	**–**	–
Subtotal	**19**	19	**–**	–
Total	**3,491**	3,060	**181**	172

29. OPERATING LEASE INCOME COMMITMENTS – AS LESSOR

At the end of the reporting year, the total of undiscounted lease amounts to be received on an annual basis on the operating lease let out is not significant.

	Group	
	2024 $'000	**2023 $'000**
Rental income for the year	**222**	222

Operating lease income is for the rental of vehicles. The lease to the outside party tenant is on yearly basis with no commitment terms.

30. CAPITAL COMMITMENTS

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the consolidated financial statements are as follows:

	Group	
	2024 $'000	**2023 $'000**
Capital commitments in respect of:		
– commitments to purchase plant and equipment	**3,655**	16

31. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION

31A. Categories of financial assets and financial liabilities

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Financial assets				
Financial assets at amortised cost	**9,747**	13,544	**5,767**	6,160
Financial liabilities				
Financial liabilities at amortised cost	**6,682**	6,855	**181**	172

Further quantitative disclosures are included throughout these financial statements.

31B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures Management has certain practices for the management of financial risks. However, these are not formally documented in written form.

The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.

2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.

3. All financial risk management activities are carried out and monitored by senior staff.

4. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

31C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the consolidated financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

31. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONT'D)

31D. Credit risk on financial assets

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses ("ECL") allowance on financial assets. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 22 discloses the cash balances. There was no identified impairment loss.

31E. Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2023: 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

31. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONT'D)

31E. Liquidity risk – financial liabilities maturity analysis (cont'd)

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than 1 year $'000	2 – 5 years $'000	After 5 years $'000	Total $'000
Group				
Non-derivatives financial liabilities				
2024:				
Gross borrowings commitments	**176**	**483**	**–**	**659**
Gross lease liabilities	**255**	**769**	**3,789**	**4,813**
Trade and other payables	**3,472**	**–**	**–**	**3,472**
At end of the year	**3,903**	**1,252**	**3,789**	**8,944**
2023:				
Gross borrowings commitments	252	648	–	900
Gross lease liabilities	467	919	3,958	5,344
Trade and other payables	3,041	–	–	3,041
At end of the year	3,760	1,567	3,958	9,285
Company				
Non-derivatives financial liabilities				
2024:				
Trade and other payables	**181**	**–**	**–**	**181**
2023:				
Trade and other payables	172	–	–	172

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

Bank facilities:

	Group	
	2024 $'000	2023 $'000
Undrawn borrowing facilities	**9,250**	11,750

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations.

31. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONT'D)

31F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. Interest rate risk arises on interest-bearing financial instruments. The following table analyses the breakdown of the material financial instruments by type of interest rate:

	Group	
	2024	**2023**
	$'000	**$'000**
Financial liabilities with interest		
Fixed rates	**2,618**	3,006
Floating rates	**592**	808
	3,210	3,814

The floating rate debt instruments are with interest rates that are re-set regular intervals. The interest rates are disclosed in the respective notes.

Sensitivity analysis:

	Group	
	2024	**2023**
	$'000	**$'000**
A hypothetical variation in floating interest rates at the end of reporting year by 100 basis points with all other variables held constant, would have an increase/decrease in pre-tax profit for the year by the following amounts:		
Financial liabilities	**6**	8

The analysis has been performed for floating interest rate over a year for financial instruments. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data.

31G. Foreign currency risks

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency that is a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency as defined in the financial reporting standard on financial instruments.

31. FINANCIAL INSTRUMENTS: INFORMATION ON FINANCIAL RISKS AND OTHER EXPLANATORY INFORMATION (CONT'D)

31G. Foreign currency risks (cont'd)

Analysis of amounts denominated in non-functional currency:

Group	United States dollar	Euro	Total
2024:	$'000	$'000	$'000
Financial assets			
Cash and cash equivalents	**171**	**26**	**197**
Net financial assets at end of the year	**171**	**26**	**197**
2023:			
Financial assets			
Cash and cash equivalents	145	41	186
Net financial assets at end of the year	145	41	186

This is exposure foreign currency risk as part of its normal business.

Sensitivity analysis:

	2024 $'000	2023 $'000
A hypothetical 10% strengthening in the exchange rate of the functional currency $ against all non-functional currencies with all other variables held constant would have an adverse effect on pre-tax profit of the following amounts:		
Against United States dollar	**(17)**	(15)
Against Euro	**(3)**	(4)

The table shows sensitivity to the hypothetical percentage variations in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

The hypothetical changes in exchange rates are not based on observable market data (unobservable inputs). The sensitivity analysis is disclosed for each non-functional currency to which the entity has significant exposure at end of the reporting year. The analysis above has been carried out on the basis that there are no hedged transactions.

32. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 23 August 2024, Ellaziq (Malaysia) Sdn. Bhd. ("Ellaziq Malaysia"), received a bank loan of RM10 million (approximately $2.9 million) out of RM13.1 million (approximately $3.8 million) as per the banking facilities. The banking facilities are secured by a corporate guarantee by the Company and a fixed deposit by Ellaziq Malaysia.

33. CHANGES AND ADOPTION OF FINANCIAL REPORTING STANDARDS

For the current reporting year the ASC issued amendment to FRS 1 and Practice Statement 2 on disclosures of material information and other explanatory information. Immaterial information need not be disclosed. Disclosures should not obscure material accounting policy information (such as material information being obscured, or information regarding a material item, transaction or other event is scattered throughout the financial statements, etc). In addition, the ASC issued certain new or revised financial reporting standards. Those applicable to the group are listed below. None had a material impact on the reporting entity.

SFRS(I) No.	Title
SFRS(I) 1-8	Definition of Accounting Estimates – Amendments
SFRS(I) 1-12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

34. NEW OR AMENDED STANDARDS IN ISSUE BUT NOT YET EFFECTIVE

For the future reporting years the ASC issued certain new or revised financial reporting standards. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any material modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application. Those applicable to the group for the future reporting years are listed below.

SFRS(I) No.	Title	Effective date for periods beginning on or after
SFRS(I) 1-1	Presentation of Financial Statements – Amendment relating to Classification of Liabilities as Current or Non-current	1 January 2024
SFRS(I) 1-1	Presentation of Financial Statements – Amendment relating to Non-current Liabilities with Covenants	1 January 2024

STATISTICS OF **SHAREHOLDINGS**

AS AT 16 SEPTEMBER 2024

Issued and fully paid-up capital	:	S$22,901,188
Class of Shares	:	Ordinary shares
Voting Rights	:	One vote per ordinary share
Number of issued shares	:	214,000,000
Number of treasury shares	:	NIL
Number of subsidiary holdings	:	NIL

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS

AS AT 16 SEPTEMBER 2024

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	–	0.00	–	0.00
100 – 1,000	88	11.95	75,200	0.04
1,001 – 10,000	298	40.49	1,483,900	0.69
10,001 – 1,000,000	342	46.47	24,756,027	11.57
1,000,001 AND ABOVE	8	1.09	187,684,873	87.70
TOTAL	**736**	**100.00**	**214,000,000**	**100.00**

TWENTY LARGEST SHAREHOLDERS

AS AT 16 SEPTEMBER 2024

NO.	SHAREHOLDER'S NAME	NUMBER OF SHARES HELD	%
1	BCS DEVELOPMENT PTE. LTD.	160,049,670	74.79
2	ONG BEE CHIP	8,932,608	4.17
3	LIM GUAN PHENG	6,233,800	2.91
4	UNITED OVERSEAS BANK NOMINEES PTE LTD	4,371,000	2.04
5	ONG CHEW YONG	2,929,895	1.37
6	DBS NOMINEES PTE LTD	2,600,200	1.22
7	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	1,300,700	0.61
8	KOH AH NGO	1,267,000	0.59
9	GOH GUAN SIONG (WU YUANXIANG)	996,500	0.47
10	UOB KAY HIAN PTE LTD	992,227	0.46
11	LIM KIM HUAT	977,300	0.46
12	NG BOON ANN	860,000	0.40
13	LIM KAR HWEE	684,800	0.32
14	IFAST FINANCIAL PTE LTD	646,700	0.30
15	TAN HANG HUA	580,000	0.27
16	OCBC SECURITIES PRIVATE LTD	566,000	0.26
17	TAN LAY HOON	530,000	0.25
18	PHILLIP SECURITIES PTE LTD	490,700	0.23
19	CHEW THYE CHUAN OR TAN SEW MAI	449,900	0.21
20	RAFFLES NOMINEES (PTE) LIMITED	445,900	0.21
	TOTAL	**195,904,900**	**91.54**

STATISTICS OF **SHAREHOLDINGS**

AS AT 16 SEPTEMBER 2024

SUBSTANTIAL SHAREHOLDERS

		Direct Interest		Deemed Interests	
No.	**Name**	**No. of shares held**	**%**	**No. of shares held**	**%**
1.	BCS Development Pte. Ltd.[(1)(2)(3)]	160,549,670	75.02	40,000	0.02
2.	Ong Bee Song[(1)]	–	–	160,589,670	75.04
3.	Ong Bee Chip[(1)]	8,932,608	4.17	160,589,670	75.04

Notes:

(1) BCS Development Pte. Ltd. ("**BCS**") is an investment holding company incorporated in Singapore on 11 April 2021. BCS is owned by Ong Bee Chip (50.0%), Ong Bee Song (33.3%), and Ong Chew Yong (16.7%). Accordingly, each of Ong Bee Chip and Ong Bee Song is deemed to have an interest in the shares in which BCS has an interest, by virtue of section 7 of the Companies Act 1967 of Singapore (the "**Companies Act**").

(2) BCS is deemed to have an interest in the remaining 40,000 Employee Shares held by 1 employee, to whom the Employee Shares were transferred in the course of the BCS Restructuring by virtue of section 4 of the Securities and Futures Act 2001.

(3) 500,000 ordinary shares held by BCS through the nominee account maintained with UOB Kay Hian Private Limited.

COMPLIANCE WITH RULE 723 OF THE SGX-ST LISTING MANUAL SECTION B: RULES OF CATALIST ("CATALIST RULES")

Based on information available and to the best knowledge of the Directors, as at 16 September 2024, approximately 19.25% of the ordinary shares of the Company are held by the public. The Company is therefore in compliance with Rule 723 of the Catalist Rules.

NOTICE OF
ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of OTS Holdings Limited (the "**Company**") will be held at 30 Senoko South Road, Singapore 758088 on Tuesday, 29 October 2024 at 9.30 a.m. (the "**AGM**" or the "**Meeting**") for the purpose of transacting the following businesses:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 30 June 2024 together with the Auditors' Report thereon. **(Resolution 1)**

2. To approve the payment of Directors' fee of S$124,000 for the financial year ending 30 June 2025, to be paid quarterly in arrears. **(Resolution 2)**

3. To re-elect Dr Yu Lai Boon who is retiring by rotation pursuant to Regulation 96 of the Constitution of the Company, and who, being eligible, offers himself for re-election. *(See Explanatory Note 1)* **(Resolution 3)**

4. To re-elect Mr Ong Bee Chip who is retiring by rotation pursuant to Regulation 96 of the Constitution of the Company, and who, being eligible, offers himself for re-election. *(See Explanatory Note 2)* **(Resolution 4)**

5. To re-appoint Messrs RSM SG Assurance LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

6. To transact any other ordinary business which may properly be transacted at an AGM.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolutions, with or without modifications:

7. **Authority to allot and issue shares** **(Resolution 6)**

That, pursuant to Section 161 of the Companies Act 1967 of Singapore (the "**Companies Act**") and Rule 806 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:

(a) (i) allot and issue shares in the capital of the Company ("**Shares**") (whether by way of rights, bonus or otherwise); and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force), issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:

(1) the aggregate number of Shares and convertible securities to be allotted and issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and convertible securities to be allotted and issued other than on a *pro rata* basis to the existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted) shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new Shares arising from exercising share options or vesting of share awards, provided that the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or subdivision of Shares,

provided further that adjustments in accordance with (i) and (ii) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution approving the mandate;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), and all applicable legal requirements under the Companies Act, and otherwise, the Company's Constitution for the time being; and

(4) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the Company's next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

(See Explanatory Note 3)

8. **Proposed Renewal of the Share Purchase Mandate** **(Resolution 7)**

That:

(a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchases (each a "**Market Purchase**") on the SGX-ST's trading system, transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST, in accordance with any equal access scheme or schemes as may be determined or formulated by the Directors of the Company as they consider fit, such scheme(s) shall satisfy the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

(b) the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next annual general meeting of the Company is held or required by law to be held;

(ii) the date on which the purchase or acquisition of Shares have been carried out to the full extent of the Share Purchase Mandate; or

(iii) the date on which the authority contained in the Share Purchase Mandate is varied or revoked by an ordinary resolution of shareholders of the Company in a general meeting;

(c) in this Resolution:

"**Prescribed Limit**" means the number of Shares representing 7% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of this Resolution, unless the Company has reduced its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period (as defined hereinafter), in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares as altered (excluding treasury shares and subsidiary holdings);

"**Relevant Period**" means the period commencing from the date of the passing of this Resolution and expiring on the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier; and

"**Maximum Price**" in relation to a Share to be purchased or acquired, means a purchase price (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Purchase: 105% of the Average Closing Price; and

(ii) in the case of an Off-Market Purchase: 120% of the Average Closing Price,

where:

"**Average Closing Price**" is the average of the closing market prices of a Share over the last five Market Days, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during such five-Market Day period and the day on which the Market Purchase is made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"**Market Day**" means a day on which the SGX-ST is open for trading in securities; and

(d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

(See Explanatory Note 4)

9. **Proposed Renewal of the General Mandate for Interested Person Transactions** **(Resolution 8)**

That:

(a) approval be and is hereby given, for the purposes of Chapter 9 of the Catalist Rules, for the Company, its subsidiaries and associated companies (if any) which fall within the definition of "entities at risk" under Chapter 9 of the Catalist Rules, or any of them, to enter into any of the transactions falling within the categories of interested person transactions described in the "Letter to Shareholders in relation to Proposed Renewal of the General Mandate for Interested Person Transactions" enclosed in the Company's Annual Report 2024 with Swee Heng Bakery Pte Ltd, provided that such transactions are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders, and are entered into in accordance with the review procedures for such interested person transactions (the "**IPT General Mandate**");

(b) the IPT General Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier;

(c) the Audit and Risk Management Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of the review procedures and/or modify or implement such review procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Catalist Rules, which may be prescribed by the SGX-ST from time to time; and

(d) each of the Directors be and is hereby authorised and empowered to complete and do and execute all such things and acts as he/she may consider necessary or appropriate to give effect to this resolution and IPT General Mandate, with such modifications thereto (if any) as he/she may think fit in the interests of the Company.

(See Explanatory Note 5)

BY ORDER OF THE BOARD

Chan Lai Yin
Company Secretary

Singapore, 14 October 2024

NOTICE OF **ANNUAL GENERAL MEETING**

Explanatory Notes:

1. Dr Yu Lai Boon, upon re-election as a Director of the Company, will remain as Non-Executive Chairman and Independent Director, the Chairman of Audit and Risk Management Committee and member of Nominating Committee and Remuneration Committee. The Board considers Dr Yu Lai Boon to be independent for the purpose of Rule 704(7) of the Catalist Rules. Pursuant to Rule 720(5) of the Catalist Rules, further information on Dr Yu Lai Boon is set out in the section entitled Additional Information on Re-election of Directors of the Company's Annual Report 2024.

2. Mr Ong Bee Chip, upon re-election as a Director of the Company, will remain as Managing Director of the Company. Pursuant to Rule 720(5) of the Catalist Rules, further information on Mr Ong Bee Chip is set out in the section entitled Additional Information on Re-election of Directors of the Company's Annual Report 2024.

3. Resolution 6 in item 7 above, if passed, will empower the Directors of the Company, effective from the date of the AGM until conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to allot and issue Shares, make or grant Instruments and to issue Shares pursuant to such Instruments, without seeking any further approval from shareholders in a general meeting but within the limitation imposed by this resolution, for such purposes as the Directors of the Company may consider would be in the best interest of the Company. The aggregate number of Shares (including Shares to be made pursuant to Instruments made or granted pursuant to this Resolution) to be allotted and issued would not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of passing of this Resolution. For issues of Shares (including Shares to be made in pursuance to Instruments made or granted pursuant to this Resolution) other than a *pro rata* basis to all shareholders shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution.

4. Resolution 7 in item 8 above, if passed, will empower the Directors of the Company to purchase or otherwise acquire the Company's issued Shares on the terms and subject to the conditions of the Share Purchase Mandate as set out in "Letter to Shareholders in relation to the Proposed Renewal of the Share Purchase Mandate". The authority will expire at the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier, unless previously revoked or waived at a general meeting.

5. Resolution 8 in item 9 above, if passed, will renew the IPT Mandate initially approved by shareholders on 31 May 2021 to allow the EAR Group (as defined in "Letter to Shareholders in relation to Proposed Renewal of the General Mandate for Interested Person Transactions" enclosed in the Company's Annual Report 2024 (the "**Letter**")), or any of them, to enter into transactions with the Mandated Interested Person (as defined in the Letter). Please refer to the Letter for details relating to the said IPT General Mandate.

OTHER NOTES:

(i) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

(ii) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. A proxy need not to be a member of the Company. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

(iii) The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form shall be treated as invalid.

(iv) The instrument appointing a proxy or proxies must be submitted either:

   (a) by post and deposited at the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01, Republic Plaza 1, Singapore 048619; or

   (b) electronically, via email to sg.is.proxy@vistra.com,

   in either case, to be received no later than 9.30 a.m. on 26 October 2024, being not less than seventy-two (72) hours before the time appointed for holding of the AGM.

(v) An investor who buys shares using SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his/her vote(s) at the AGM in person. SRS Investors who are unable to attend the AGM but would like to vote, may inform their SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the SRS Investors shall be precluded from attending the AGM. SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective agent banks or SRS operators to submit their votes by 9.30 a.m. on 18 October 2024.

(vi) Members may also submit questions relating to the resolutions to be tabled for approval at the AGM in advance no later than 9.30 a.m. on 21 October 2024 via any of the following means:

(a) by email to enquiry@ots-holdings.com; or

(b) in hard copy by sending personally or by post to the Company's principal place of business at 30 Senoko South Road, Singapore 758088.

Members submitting questions are required to provide their particulars as follows:

(a) Full name (for individuals)/company name (for corporates) as per CDP/SRS account records;

(b) National Registration Identity Card Number or Passport Number (for individuals)/Company Registration Number (for corporates);

(c) Number of shares in the capital of the Company held;

(d) Contact Number; and

(e) Email Address.

(vii) Members are strongly encouraged to submit questions and Proxy Forms electronically via email.

(viii) The Management and Board of Directors of the Company will endeavour to address all substantial and relevant questions received from members by 9.30 a.m. on 24 October 2024, with the responses published on SGXNet at https://www.sgx.com/securities/company-announcements and the Company's website at https://www.ots-holdings.com/investor-relation. The Company endeavours to address (i) subsequent clarifications sought (ii) follow-up questions or (iii) subsequent substantial and relevant questions which are received after its responses referred to above, at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

(ix) The Company will, within one (1) month after the date of the AGM, publish the minutes of the AGM on SGXNet, and the minutes will include the responses to the questions which are addressed during the AGM, if any.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the annual general meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the annual general meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the annual general meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines and (ii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This notice has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.*

The contact person for the Sponsor is Ms. Audrey Mok (Tel: +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

ADDITIONAL INFORMATION ON **RE-ELECTION OF DIRECTORS**

Name of Director	**Yu Lai Boon ("Dr. Yu")**	**Ong Bee Chip ("Mr. Ong")**
Date of Appointment	19 May 2021	3 March 2015
Date of last re-appointment (if applicable)	29 October 2021	28 October 2022
Age	60	60
Country of principal residence	Singapore	Singapore
The Board's Comments on the appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Dr. Yu as the Non-Executive and Independent Director was recommended by the Nominating Committee ("**NC**") and the Board has accepted the recommendation, after taking into consideration his qualifications, past experience and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr. Ong as the Managing Director was recommended by the NC and the Board has accepted the recommendation, after taking into consideration his qualifications, past experience and overall contribution since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Executive. Mr. Ong is responsible for overseeing the Group's business and strategic planning, including the Group's overseas operations, executing expansion plans and sourcing for investment opportunities to promote the growth and development of the Group's business. Mr. Ong is also responsible for the overall management of the Group's facilities and maintenance.
Job title (e.g. Lead ID, AC Chairman, AC Member etc)	Non-Executive Chairman and Independent Director, Chairman of Audit and Risk Management Committee ("**ARMC**"), member of NC and Remuneration Committee.	Managing Director

ADDITIONAL INFORMATION ON **RE-ELECTION OF DIRECTORS**

Name of Director	**Yu Lai Boon ("Dr. Yu")**	**Ong Bee Chip ("Mr. Ong")**
Professional Qualifications	– Doctor of Philosophy, University of Aberdeen in Scotland, United Kingdom – Master of Science (Estate Management), National University of Singapore – Bachelor of Science (Estate Management) (Honours), National University of Singapore – A member of the Singapore Institute of Surveyors and Valuers	– Singapore-Cambridge General Certificate of Education Ordinary Level – Nanyang International Chinese Advanced Management Program certified by Nanyang Business School, Nanyang Technology University – Advanced Management Program certified by Haas School of Business, University of California Berkeley – Scale-up SG Stanford Executive Program certified by Graduate School of Business, Stanford University
Working experience and occupation(s) during the past 10 years	(a) March 2014 to December 2015: Adjunct Associate Professor of the Department of Real Estate, School of Design and Environment at the National University of Singapore (b) July 2014 to July 2016: Member of the Advisory Panel within the Singapore Land Authority	(a) May 2006 to current: Managing Director of Golden Bridge Foods Manufacturing Pte Ltd ("**Golden Bridge**") (b) August 2018 to current: Managing Director of Ellaziq Private Limited ("**Ellaziq Singapore**")
Shareholding interest in the listed issuer and its subsidiaries	Nil	Direct interest: 8,932,608 shares in the Company (4.17%). Deemed interest: 160,589,670 shares in the Company (75.04%) Mr. Ong is deemed to be interested in the Company through the shares held by BCS Development Pte. Ltd., a controlling shareholder of the Company, by virtue of section 7 of the Companies Act 1967 of Singapore

ADDITIONAL INFORMATION ON **RE-ELECTION OF DIRECTORS**

Name of Director	**Yu Lai Boon ("Dr. Yu")**	**Ong Bee Chip ("Mr. Ong")**
Any relationship (including immediate family relationship) with any existing director, existing executive officer the issuer and/ or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	– Brother of Mdm. Ong Chew Yong and Mr. Ong Bee Song, the Executive Director and controlling shareholder of the Company respectively – Father of Mr. Ong Yekai and Ms. Ong Shiya, the Business Development Manager and Brand Marketing Manager of the Company
Conflict of interest (including any competing business)	None	None
Other principal commitment (including any competing Directorship)	Principal Commitment: Nil Present Directorships: 1) TSH Corporation Limited Past Directorships (for last 5 years): 1) Koufu Group Limited 2) Storck Bicycle (Asia Pacific) Pte. Ltd. (struck off on 6 February 2023)	Principal Commitment: OTS Holdings Limited and its subsidiaries Present Directorships: 1) Golden Bridge Foods Manufacturing Pte. Ltd 2) Ellaziq Private Limited 3) Ellaziq (Malaysia) Sdn Bhd 4) GB Global (Malaysia) Sdn Bhd 5) Delta Bridge Pte. Ltd. 6) Ong Tuan Seng Development Pte. Ltd. 7) BCS Development Pte. Ltd. 8) OTS International Pte. Ltd. Past Directorships (for last 5 years): Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720 (1) has been submitted to the listed issuer	Yes	Yes

ADDITIONAL INFORMATION ON **RE-ELECTION OF DIRECTORS**

Name of Director	Yu Lai Boon ("Dr. Yu")	Ong Bee Chip ("Mr. Ong")
Information required pursuant to Catalist Rules 704(6) and/or 704(7)		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No

ADDITIONAL INFORMATION ON **RE-ELECTION OF DIRECTORS**

Name of Director	Yu Lai Boon ("Dr. Yu")	Ong Bee Chip ("Mr. Ong")
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No

Name of Director	Yu Lai Boon ("Dr. Yu")	Ong Bee Chip ("Mr. Ong")
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No

ADDITIONAL INFORMATION ON **RE-ELECTION OF DIRECTORS**

Name of Director	Yu Lai Boon ("Dr. Yu")	Ong Bee Chip ("Mr. Ong")
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

LETTER TO SHAREHOLDERS DATED 14 OCTOBER 2024

THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter to Shareholders ("**Letter**") is circulated to the Shareholders (as defined herein) of OTS Holdings Limited (the "**Company**"), together with the Company's annual report for the financial year ended 30 June 2024 (the "**Annual Report**"). The purpose of this Letter is to provide information to the Shareholders in relation to, and seek Shareholders' approval for the Proposed Renewal of the General Mandate for Interested Person Transactions to be tabled at the Annual General Meeting ("**AGM**") to be held on 29 October 2024 at 9.30 a.m. at 30 Senoko South Road, Singapore 758088.

If you are in any doubt as to the contents herein or as to any action you should take, you should consult your broker, bank manager, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward this Letter, the Annual Report and enclosed documents to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or the transferee.

This Letter has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this Letter, including the correctness of any of the statements or opinions made or reports contained in this Letter.

The contact person for the Sponsor is Ms Audrey Mok (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

OTS HOLDINGS LIMITED
(Company Registration No. 201505559W)
(Incorporated in Singapore on 3 March 2015)

LETTER TO SHAREHOLDERS

IN RELATION TO

PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

LETTER TO **SHAREHOLDERS**

CONTENTS

		PAGE
DEFINITIONS		163
LETTER TO SHAREHOLDERS		166
1.	INTRODUCTION	166
2.	PROPOSED RENEWAL OF THE IPT GENERAL MANDATE	167
3.	AUDIT AND RISK MANAGEMENT COMMITTEE'S STATEMENT	171
4.	DIRECTORS' RECOMMENDATION	171
5.	INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	172
6.	ABSTENTION FROM VOTING	172
7.	DIRECTORS' RESPONSIBILITY STATEMENT	173
8.	DISCLAIMER	173

DEFINITIONS

In this Letter, the following definitions apply throughout unless otherwise stated:

"AGM"	:	Annual general meeting of the Company
"ARMC"	:	The Audit and Risk Management Committee of the Company
"Associate"	:	(a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:– (i) his immediate family (being his spouse, child, adopted child, step-child, sibling and parent); (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 a 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
"Catalist Rules"	:	The SGX-ST Listing Manual Section B: Rules of Catalist, as amended, modified or supplemented from time to time
"CDP"	:	The Central Depository (Pte) Limited
"Companies Act"	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
"Company"	:	OTS Holdings Limited
"Controlling Shareholder"	:	A person who:– (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the Company (unless otherwise determined by the SGX-ST); or (b) in fact exercises control over the Company
"Directors"	:	The directors of the Company

"EAR Group"	:	For the purposes of the IPT General Mandate, collectively: (a) the Company; (b) the subsidiaries of the Company (excluding subsidiaries listed on the SGX-ST or an approved exchange); and (c) the associated companies of the Company (other than an associated company that is listed on the SGX-ST or an approved exchange) over which the Group, or the Group and its interested person(s), has or have control, and each of them, an "Entity at Risk"
"Group"	:	The Company and its subsidiaries
"Group Financial Controller"	:	Group Financial Controller of the Company
"Interested person"	:	Has the meaning ascribed to it in Chapter 9 of the Catalist Rules
"IPT General Mandate"	:	The general mandate approved by Shareholders for the EAR Group to enter into Mandated Transactions with the Mandated Interested Person in compliance with Chapter 9 of the Catalist Rules, as further described in this Letter
"IPT Mandate File"	:	Has the meaning ascribed to it in Section 2.7 of this Letter
"IPT Mandate Register"	:	Has the meaning ascribed to it in Section 2.7 of this Letter
"Latest Practicable Date"	:	16 September 2024, being the latest practicable date prior to the issue of this Letter
"Letter"	:	This letter to Shareholders relating to the proposed renewal of the IPT General Mandate
"Mandated Transactions"	:	Has the meaning ascribed to it in Section 2.2 of this Letter
"NTA"	:	Net tangible assets
"Price List"	:	Has the meaning ascribed to it in Section 2.5 of this Letter
"Securities Account"	:	The securities account maintained by a Depositor with CDP, but does not include a securities sub-account
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	Registered holders of Shares, except where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares mean the Depositors whose Securities Accounts are credited with Shares
"Shares"	:	Ordinary shares in the capital of the Company

"Sponsor"	:	SAC Capital Private Limited
"Substantial Shareholder"	:	A person who has an interest in not less than 5% of the total votes attached to all voting shares in the Company
"Swee Heng" or **"Mandated Interested Person"**	:	Swee Heng Bakery Pte Ltd
"$" and **"cents"**	:	Singapore dollars and cents, respectively

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore (as amended, modified or supplemented from time to time).

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 and vice versa. References to persons shall include corporations.

LETTER TO **SHAREHOLDERS**

OTS HOLDINGS LIMITED
(Company Registration No. 201505559W)
(Incorporated in Singapore on 3 March 2015)

Board of Directors
Dr Yu Lai Boon (Non-Executive Chairman and Independent Director)
Mr Ong Bee Chip (Managing Director)
Mdm Ong Chew Yong (Executive Director)
Mr Chan Hiang Tiak (Independent Director)
Ms Tan Poh Hong (Independent Director)

Registered Office
30 Senoko South Road
Singapore 758088

14 October 2024

To: The Shareholders of OTS Holdings Limited

Dear Sir/Madam

PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

We refer to the Notice of the Annual General Meeting of OTS Holdings Limited dated 14 October 2024 in respect of the AGM to be held at 30 Senoko South Road, Singapore 758088 on Tuesday, 29 October 2024 at 9.30 a.m. and Resolution 8 set out under "Special Business" in the Notice of AGM.

1. INTRODUCTION

1.1 The Company anticipates that the Group would, in the ordinary course of business, enter into transactions with an "interested person" (as defined in Chapter 9 of the Catalist Rules). In view of the time-sensitive and recurrent nature of such transactions, it would be advantageous for the Company to obtain a general mandate from Shareholders pursuant to Chapter 9 of the Catalist Rules to enable the Group to enter into such transactions with the interested person which are necessary for the Group's day-to-day operations, provided that such transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

1.2 Shareholders had by way of written resolutions dated 31 May 2021 approved the IPT General Mandate, the details of which are set out below. The IPT General Mandate, which was last renewed at the AGM held on 24 October 2023, will expire at the forthcoming AGM to be held on 29 October 2024.

1.3 Accordingly, the Directors propose to seek the approval of Shareholders for the renewal of the IPT General Mandate. The purpose of this Letter is to provide Shareholders with information relating to the proposed renewal of the IPT General Mandate.

2. PROPOSED RENEWAL OF THE IPT GENERAL MANDATE

2.1 Name of the Mandated Interested Person

The IPT General Mandate applies to the Mandated Transactions that are carried out between any Entity at Risk and Swee Heng.

Swee Heng is principally engaged in the business of manufacturing bakery products and operating retail stores for such bakery products.

Swee Heng is an Associate of the Directors, Ong Bee Chip and Ong Chew Yong, and the Company's Controlling Shareholder, Ong Bee Song, being a company in which Ong Chu Eng (the sister of Ong Bee Chip, Ong Bee Song and Ong Chew Yong) holds a 50.0% shareholding interest and Ng Chai Huat (the brother-in-law of Ong Bee Chip, Ong Bee Song and Ong Chew Yong) holds a 30.0% shareholding interest. Accordingly, Swee Heng is deemed as an interested person under Chapter 9 of the Catalist Rules.

2.2 Categories of Mandated Transactions

From time to time, the EAR Group sells food products, including but not limited to raw materials and ready-to-eat and ready-to-cook meat products, such as ham, sausages and floss products that may be customised, to the Mandated Interested Person (the "**Mandated Transactions**").

Transactions between the Mandated Interested Person and the EAR Group which do not fall within the ambit of the Mandated Transactions shall be subject to the relevant provisions of Chapter 9 of the Catalist Rules and such guidelines as set out in the section "Interested Person Transactions – Guidelines and Review Procedures for On-going and Future Interested Person Transactions other than those covered under the IPT General Mandate" of the Company's Offer Document dated 8 June 2021.

2.3 Rationale for and benefits of the IPT General Mandate

The sale of the food products to the Mandated Interested Person occurs almost on a daily basis. The Company envisages that the Mandated Transactions are likely to continue to occur frequently, in the ordinary course of the Group's business. In view of the time-sensitive and recurrent nature of the Mandated Transactions, it would be advantageous for the Company to renew the IPT General Mandate to enable the EAR Group to enter into the Mandated Transactions, provided that the Mandated Transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders. In addition, transactions with the Mandated Interested Person also represent an additional source of revenue for the EAR Group.

The IPT General Mandate and its subsequent renewal on an annual basis would eliminate the need to announce, or to announce and convene separate general meetings from time to time to seek Shareholders' prior approval as and when potential Mandated Transactions with the Mandated Interested Person arise, thereby saving substantial administrative time and costs expended in convening such meetings, without compromising the corporate objectives of the EAR Group and adversely affecting the business opportunities available to the EAR Group.

The IPT General Mandate is intended to facilitate the Mandated Transactions in the normal course of business of the EAR Group from time to time with the Mandated Interested Person, provided that they are carried out at arm's length and on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders.

2.4 Requirements of Chapter 9 of the Catalist Rules

Rule 920 of the Catalist Rules allows a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not for, *inter alia*, the purchase or sale of assets, undertakings or businesses) which may be carried out with the listed company's interested persons. A general mandate is subject to annual renewal.

In accordance with the requirements of Chapter 9 of the Catalist Rules, the Company will (a) disclose in the Company's annual report the aggregate value of transactions conducted with the Mandated Interested Person pursuant to the IPT General Mandate during the financial year (as well as in the annual reports for subsequent financial years that the IPT General Mandate continues to be in force); and (b) announce the aggregate value of transactions conducted with the Mandated Interested Person pursuant to the IPT General Mandate for the financial periods that the Company is required to report on pursuant to Rule 705 of the Catalist Rules within the time required for the announcement of such report.

For the avoidance of doubt, the IPT General Mandate will cover any and all Mandated Transactions, including transactions which have a value below S$100,000, notwithstanding that the threshold and aggregation requirements under Chapter 9 of the Catalist Rules may not apply to such transactions. While transactions below S$100,000 are not normally aggregated under Rule 905(3) and 906(2) of the Catalist Rules, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction in accordance with Rule 902 (that is, if regard has not been given to the objective of Chapter 9 of the Catalist Rules, or the economic and commercial substance of the interested person transaction, instead of legal form and technicality).

Transactions which do not fall within the ambit of the IPT General Mandate shall be subject to the relevant provisions of Chapter 9 and/or other applicable provisions of the Catalist Rules and/or any applicable law. In particular, for any transaction outside the scope of the IPT General Mandate where the value of the transaction alone or in aggregation with other transactions conducted with the same interested person during the financial year is equal to or exceeds (i) 3.0% of the Group's latest audited NTA, an immediate announcement will be required, or (ii) 5.0% of the Group's latest audited NTA, independent Shareholders' approval will be required. Transactions conducted under the IPT General Mandate are not separately subject to Rules 905 and 906 of the Catalist Rules pertaining to threshold and aggregation requirements.

The IPT General Mandate, if approved for renewal at the forthcoming AGM to be held on 29 October 2024, will be effective until the earlier of the conclusion of the next AGM of the Company or the date by which such AGM is required by law to be held. Thereafter, the Company will seek the approval of Shareholders for renewal of the IPT General Mandate at each subsequent AGM, subject to satisfactory review by the ARMC of its continued application to the Mandated Transactions with the Mandated Interested Person.

2.5 Guidelines and Review Procedures for Mandated Transactions with the Mandated Interested Person

To ensure that the Mandated Transactions are carried out on an arm's length basis and on normal commercial terms, and will not be prejudicial to the interests of the Company and its minority Shareholders, the EAR Group has put in place the following guidelines and review procedures for the review and approval of the Mandated Transactions under the IPT General Mandate:

(a) The guiding principle is that all Mandated Transactions shall be conducted in accordance with the EAR Group's usual business practices and pricing policies, consistent with the usual profit margins or prices extended by the EAR Group to unrelated third parties for the sale of the same or substantially similar type of products, and the terms are not more favourable to the Mandated Interested Person compared to those extended to unrelated third parties and/or are in accordance the prevailing Price List (as defined below), terms or applicable industry norms.

(b) The prices for the sale of ready-to-eat and ready-to-cook meat products to the Mandated Interested Person (the "**Price List**") shall be determined in advance with the Mandated Interested Person and approved by the Group Financial Controller or such other senior executive (who must have no interest, direct or indirect, in the Mandated Transaction) to be appointed by the ARMC. All the sale of ready-to-eat and ready-to-cook meat products to the Mandated Interested Person shall be conducted in accordance with the Price List. The price of the ready-to-eat and ready-to-cook meat products shall generally not be more favourable to the Mandated Interested Person as compared to at least two (2) other recently completed transactions with unrelated third parties, taking into account all pertinent factors, including but not limited to minimum quantity per order, delivery notice and schedule, credit terms, payment track records as well as preferential rates/discounts offered for bulk purchases.

When determining the Price List for the sale of customised ready-to-eat and ready-to-cook meat products to the Mandated Interested Person which generally do not have similar completed transactions with unrelated third parties as comparison, the Group Financial Controller shall calculate the cost of manufacturing of the customised ready-to-eat and ready-to-cook meat products to ensure that the EAR Group will always generate a positive gross margin from such sale. The gross margin from the sale shall be comparable to the gross margins generated by the EAR Group from at least two (2) recently completed transactions with unrelated third parties of similar nature, taking into account all pertinent factors, including but not limited to minimum quantity per order, delivery notice and schedule, credit terms, payment track records, availability of production capacity as well as preferential rates/discounts offered for bulk purchases.

The Price List (and its supporting documents) shall be approved by the Group Financial Controller or such other senior executive (who must have no interest, direct or indirect, in the Mandated Transaction) to be appointed by the ARMC, and shall be reviewed and endorsed by the ARMC prior to its effective date. The Price List shall also be reviewed at least once every six (6) months or any other period deemed appropriate by the ARMC to ensure the prices in the Price List are updated taking into consideration changes to the EAR Group's cost of sales.

(c) The prices for the sale of raw materials to the Mandated Interested Person shall be determined with reference to prices of at least two (2) other recently completed comparable transactions with unrelated third parties, the terms of which shall not be more favourable to the Mandated Interested Person as compared to unrelated third parties after taking into account all pertinent factors, including but not limited to the cost of such raw materials, the availability of such raw materials, delivery notice and schedule, credit terms and payment track records.

(d) In the event that it is not practicable or possible to compare such sale against the unrelated third party transactions, the Group Financial Controller or such other senior executive (who must have no interest, direct or indirect, in the Mandated Transaction) to be appointed by the ARMC, will determine whether the prices and terms offered to the Mandated Interested Person are fair and reasonable and in accordance with the EAR Group's usual business practices and pricing policies or industry norms, taking into account the historical prices charged by the EAR Group for such products and gross margin to be generated by the EAR Group from such sale.

2.6 Approval threshold for Mandated Transactions with the Mandated Interested Person

Given the low value of each Mandated Transaction (typically less than S$20,000) and the regular frequency of the Mandated Transactions, all Mandated Transactions will be tabled to the ARMC for review and endorsement as and when the cumulative value of the Mandated Transactions during the same financial year (excluding those which have already been reviewed and endorsed or approved by the ARMC) exceeds 3.0% of the latest audited NTA of the Group.

The above approval thresholds are adopted after taking into account, among other things, the nature, volume, frequency and size of the transactions as well as the EAR Group's day-to-day operations, administration and businesses. The approval thresholds act as an additional safeguard to supplement the guidelines and review procedures implemented for the Mandated Transactions.

The ARMC may, as it deems fit, request for additional information pertaining to the transaction from independent sources or advisers. If a member of the ARMC has an interest, whether direct or indirect, in relation to that particular Mandated Transaction, he will, and will undertake to ensure that his Associates will, abstain from any decision-making in respect of that particular Mandated Transaction.

2.7 Additional review procedures for Mandated Transactions with the Mandated Interested Person

The Company will also implement the following procedures for the record keeping of all Mandated Transactions with the Mandated Interested Person:

(a) The Company will maintain a register of the Mandated Transactions (the "**IPT Mandate Register**"). All documents related to the Mandated Transactions will be filed in a separate file (the "**IPT Mandate File**") for ease of tracking and monitoring. The IPT Mandate File will contain all forms and checklists in relation to the Mandated Transactions (including the bases on which the Mandated Transactions are entered into). The IPT Mandate File will also contain invoices and payment vouchers in relation to the Mandated Transactions. The Group Financial Controller or such other senior executive (who must have no interest, direct or indirect, in the Mandated Transaction) to be appointed by the ARMC, will review the IPT Mandate File on a monthly basis.

(b) The ARMC shall review the IPT Mandate Register and the IPT Mandate File on a semi-annual basis (or at such frequency as the ARMC may deem necessary) to ascertain that the established review procedures to monitor the Mandated Transactions have been complied with, and carried out on normal commercial terms. Such reviews include the review of the transactions and their supporting documents or such other data deemed necessary by the ARMC. The ARMC may request for additional information pertaining to the transactions under review from independent sources, advisers or valuers as it deems fit.

(c) The internal auditors of the Company will, on an annual basis, review the IPT Mandate File to ascertain that the guidelines and review procedures established for the Mandated Transactions have been adhered to. Any discrepancies or significant variances from the EAR Group's usual business practices and pricing policies will be highlighted to the ARMC.

(d) If pursuant to the relevant reviews, the ARMC is of the view that the established guidelines and review procedures as stated above have become inappropriate or insufficient to ensure that the Mandated Transactions will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, in view of changes to the nature of, or the manner in which, the business activities of the EAR Group are conducted, it will take such actions as it deems appropriate and/or modify or implement additional methods and procedures as necessary, and where relevant, seek a fresh Shareholders' general mandate based on new guidelines and review procedures for the Mandated Transactions. The interested persons who have an interest in the Mandated Transactions and their Associates will abstain from voting on such resolutions. The interested persons and their Associates shall also not act as proxies in relation to such resolutions unless specific instructions as to voting have been given by the Shareholders. During the period prior to obtaining a fresh general mandate from Shareholders, all transactions with the Mandated Interested Person will be subject to prior review and approval by the ARMC.

(e) The ARMC and the Board of Directors of the Company will also ensure that all disclosure, approval and other requirements on the Mandated Transactions, including those required by prevailing laws, rules and regulations, the Catalist Rules (in particular, Chapter 9 thereof) and relevant accounting standards are complied with. Pursuant to the Catalist Rules, the Company will make the required disclosure in relation to the Mandated Transactions in its annual report during the relevant financial year under review.

3. AUDIT AND RISK MANAGEMENT COMMITTEE'S STATEMENT

The ARMC (currently comprising Dr Yu Lai Boon, Mr Chan Hiang Tiak and Ms Tan Poh Hong) has reviewed the terms of the IPT General Mandate and confirms that the method and procedures for determining the transaction prices of the Mandated Transactions under the IPT General Mandate (as disclosed in the Company's offer document dated 8 June 2021) have not changed since the last Shareholders' approval on 24 October 2023 and that such methods and procedures, if adhered to, are sufficient to ensure that the Mandated Transactions with the Mandated Interested Person will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

4. DIRECTORS' RECOMMENDATION

Having fully considered the rationale set out in this Letter, the Directors who are considered independent for the purposes of the proposed renewal of the IPT General Mandate, namely Dr Yu Lai Boon, Mr Chan Hiang Tiak and Ms Tan Poh Hong, are of the opinion that the IPT General Mandate will enhance the efficiency of the Company and the Group and is in the best interests of the Company and the Group, and therefore recommend that Shareholders vote in favour of the resolution to approve the renewal of the IPT General Mandate as set out in the Notice of AGM.

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Shares as at Latest Practicable Date, as recorded in the Register of Director's Shareholdings and the Register of Substantial Shareholders kept by the Company, are set out below:–

	Direct Interest		Deemed Interest	
	Number of Shares	%[1]	Number of Shares	%[1]
Directors				
Yu Lai Boon	–	–	–	–
Ong Bee Chip[2]	8,932,608	4.17	160,589,670	75.04
Ong Chew Yong[3]	2,929,895	1.37	30,000	0.01
Chan Hiang Tiak	–	–	–	–
Tan Poh Hong	–	–	–	–
Substantial Shareholders (other than Directors)				
BCS Development Pte. Ltd.[2],[4],[5]	160,549,670	75.02	40,000	0.02
Ong Bee Song[2]	–	–	160,589,670	75.04

Notes:

(1) Percentage computed based on the total number of issued Shares excluding treasury shares and subsidiary holdings of the Company, being 214,000,000 Shares, as at the Latest Practicable Date.
(2) BCS Development Pte. Ltd. ("**BCS**") is an investment holding company incorporated in Singapore on 11 April 2021. As at the Latest Practicable Date, BCS is owned by Ong Bee Chip (50.0%), Ong Bee Song (33.3%), and Ong Chew Yong (16.7%). Accordingly, each of Ong Bee Chip and Ong Bee Song is deemed to have an interest in the Shares in which BCS has an interest, by virtue of section 7 of the Companies Act.
(3) Ong Chew Yong is deemed to have an interest in 30,000 Shares held by her spouse, Lee Tee Chin, by virtue of section 164 of the Companies Act.
(4) BCS is deemed to have an interest in the 40,000 Shares held by the 1 employee of the Group, by virtue of section 4 of the SFA.
(5) 500,000 ordinary shares held by BCS through the nominee account maintained with UOB Kay Hian Private Limited.

6. ABSTENTION FROM VOTING

In accordance with Rule 920(1)(b)(viii) of the Catalist Rules, interested persons who have an interest in the Mandated Transactions and their Associates shall abstain from voting on the resolution approving the renewal of the IPT General Mandate. Furthermore, such interested persons shall not act as proxies in relation to such resolution unless voting instructions have been given by the appointing Shareholder.

In view of the above, the Directors, Mr Ong Bee Chip and Mdm Ong Chew Yong, and the Company's Controlling Shareholder, Mr Ong Bee Song, will abstain, and have undertaken to ensure that their respective Associates will abstain, from voting on the resolution approving the renewal of the IPT General Mandate, and the Company will disregard any votes cast on the resolution by such persons. They shall also not act as proxies in relation to such resolution unless specific voting instructions have been given by the appointing Shareholder.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after having made all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the renewal of the IPT General Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter 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 Letter in its proper form and context.

8. DISCLAIMER

The SGX-ST takes no responsibility for the accuracy of any of the statements or opinions made or reports contained in this Letter.

Yours faithfully

For and on behalf of the Board of Directors of
OTS HOLDINGS LIMITED

Yu Lai Boon
Non-Executive Chairman and Independent Director

LETTER TO **SHAREHOLDERS**

LETTER TO SHAREHOLDERS DATED 14 OCTOBER 2024

THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter to Shareholders ("**Letter**") is circulated to the Shareholders (as defined herein) of OTS Holdings Limited (the "**Company**"), together with the Company's annual report for the financial year ended 30 June 2024 (the "**Annual Report**"). The purpose of this Letter is to provide information to the Shareholders in relation to, and seek Shareholders' approval for the Proposed Renewal of the Share Purchase Mandate (as defined herein) to be tabled at the Annual General Meeting ("**AGM**") to be held on 29 October 2024 at 9.30 a.m. at 30 Senoko South Road, Singapore 758088.

If you are in any doubt as to the contents herein or as to any action you should take, you should consult your broker, bank manager, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward this Letter, the Annual Report and enclosed documents to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or the transferee.

This Letter has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this Letter, including the correctness of any of the statements or opinions made or reports contained in this Letter.

The contact person for the Sponsor is Ms Audrey Mok (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

OTS HOLDINGS LIMITED
(Company Registration No. 201505559W)
(Incorporated in Singapore on 3 March 2015)

LETTER TO SHAREHOLDERS

IN RELATION TO

PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

CONTENTS

		PAGE
DEFINITIONS		176
LETTER TO SHAREHOLDERS		
1.	INTRODUCTION	179
2.	THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE	180
3.	DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	194
4.	DIRECTORS' RECOMMENDATIONS	194
5.	DIRECTORS' RESPONSIBILITY STATEMENT	195
6.	DOCUMENTS AVAILABLE FOR INSPECTION	195
7.	DISCLAIMER	195

DEFINITIONS

In this Letter, the following definitions apply throughout unless otherwise stated:

"**AGM**"	:	The annual general meeting of the Company
"**Approval Date**"	:	Has the meaning ascribed thereto in Section 2.2(a) of this Letter
"**Average Closing Price**"	:	Has the meaning ascribed thereto in Section 2.2(d) of this Letter
"**Board**"	:	The board of Directors of the Company for the time being
"**Catalist**"	:	The sponsor-supervised listing platform of the SGX-ST
"**Catalist Rules**"	:	Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
"**CDP**"	:	The Central Depository (Pte) Limited
"**Companies Act**"	:	The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
"**Company**"	:	OTS Holdings Limited
"**Constitution**"	:	The constitution of the Company, as amended or modified from time to time
"**day of the making of the offer**"	:	Has the meaning ascribed thereto in Section 2.2(d) of this Letter
"**Director**"	:	A director of the Company for the time being
"**EGM**"	:	The extraordinary general meeting of the Company
"**FY**"	:	Financial year ended, or as the case may be, ending 30 June
"**Group**"	:	The Company and its subsidiaries
"**Latest Practicable Date**"	:	16 September 2024, being the latest practicable date prior to the issue of this letter
"**Market Day**"	:	A day on which the SGX-ST is open for trading in securities
"**Market Purchases**"	:	Has the meaning ascribed thereto in Section 2.2(c) of this Letter
"**Maximum Price**"	:	Has the meaning ascribed thereto in Section 2.2(d) of this Letter
"**Off-Market Purchases**"	:	Has the meaning ascribed thereto in Section 2.2(c) of this Letter

"**Registrar**"	:	Registrar of Companies
"**Relevant Period**"	:	The period commencing from the date on which the Share Purchase Mandate is approved and expiring on the date on which the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Share Purchase Mandate**"	:	The general mandate given by Shareholders to authorise the Directors to purchase or otherwise acquire Shares on behalf of the Company in accordance with the terms set out in this Letter and the rules and regulations set forth in the Companies Act and the Catalist Rules
"**Shareholders**"	:	Registered holders of Shares except that where the registered holder is CDP, the term "**Shareholders**" shall, in relation to such Shares, mean the Depositors to whose securities accounts maintained with CDP are credited with the Shares
"**Shares**"	:	Ordinary shares in the capital of the Company
"**SIC**"	:	The Securities Industry Council of Singapore
"**Sponsor**"	:	SAC Capital Private Limited
"**subsidiary holdings**"	:	Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
"**Take-over Code**"	:	The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time
"**TOC Appendix 2**"	:	Has the meaning ascribed thereto in Section 2.9.1 of this Letter
"**treasury shares**"	:	Issued Shares of the Company which were (or are treated as having been) purchased by the Company in circumstances which Section 76H of the Companies Act applies and have since purchase been continuously held by the Company
"**S$**" and "**cents**"	:	Singapore dollars and cents, respectively
"**%**" or "**percent**"	:	Percentage or per centum

The terms "**Depositor**", "**Depository Agent**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore (as amended, modified or supplemented from time to time).

The term "**subsidiary**" shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa.

References to persons shall, where applicable, include corporations.

The headings in this Letter are inserted for convenience only and shall be ignored in construing this Letter.

Any reference in this Letter 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 or any statutory modification thereof and not otherwise defined in this Letter shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be. Summaries of the provisions of any laws or regulations contained in this Letter are of such laws or regulations as at the Latest Practicable Date.

Any reference to a time of day in this Letter is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Letter between the listed amounts and the totals thereof shown are due to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

OTS HOLDINGS LIMITED

(Company Registration No. 201505559W)
(Incorporated in Singapore on 3 March 2015)

Board of Directors
Dr Yu Lai Boon (Non-Executive Chairman and Independent Director)
Mr Ong Bee Chip (Managing Director)
Mdm Ong Chew Yong (Executive Director)
Mr Chan Hiang Tiak (Independent Director)
Ms Tan Poh Hong (Independent Director)

Registered Office
30 Senoko South Road
Singapore 758088

14 October 2024

To: The Shareholders of OTS Holdings Limited

Dear Sir/Madam

PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

We refer to the Notice of the Annual General Meeting of OTS Holdings Limited dated 14 October 2024 in respect of the AGM to be held at 30 Senoko South Road, Singapore 758088 on Tuesday, 29 October 2024 at 9.30 a.m. and Resolution 7 set out under "Special Business" in the Notice of AGM.

The purpose of this Letter is to provide Shareholders with the relevant information pertaining to the proposed renewal of the Share Purchase Mandate and to seek Shareholders' approval for the resolution in respect thereof to be tabled at the forthcoming AGM.

1. INTRODUCTION

1.1 The Companies Act allows a Singapore-incorporated company to purchase or otherwise acquire its issued ordinary shares, stocks and preference shares if the purchase or acquisition is permitted under the company's constitution. Any purchase or acquisition of Shares by the Company must be made in accordance with, and in the manner prescribed by the Companies Act, the Constitution and such other laws and regulations as may, for the time being, be applicable. As the Company is listed on Catalist, it is also required to comply with Part XI of Chapter 8 of the Catalist Rules, which relates to the purchase or acquisition by an issuer of its own shares. Regulation 16(B) of the Constitution expressly permits the Company to purchase or otherwise acquire its issued Shares.

1.2 It is a requirement under the Companies Act and the Catalist Rules that a company which wishes to purchase or otherwise acquire its own shares should obtain approval of its shareholders to do so at a general meeting. At the EGM of the Company convened on 24 October 2023, the Shareholders had approved, *inter alia*, the adoption of the Share Purchase Mandate. The authority contained in the Share Purchase Mandate adopted at the EGM convened on 24 October 2023 was expressed to continue in force until the date on which the next AGM of the Company is held or is required by law to be held, or the date on which the Share Purchase is carried out to the full extent mandated, or the date on which the authority contained therein is varied or revoked, whichever is the earlier. Accordingly, the Share Purchase Mandate would be expiring at the forthcoming AGM to be held on 29 October 2024.

1.3 If approved at the AGM, the renewed Share Purchase Mandate will take effect from the date thereof and continue in force until the date of the next AGM of the Company or otherwise as set out in Section 2.2 below. The proposed renewal of the Share Purchase Mandate may be tabled at each subsequent AGM of the Company for Shareholders' approval.

1.4 Accordingly, the Directors propose to seek the approval of Shareholders for the renewal of the Share Purchase Mandate at the forthcoming AGM. The purpose of this Letter is to provide Shareholders with information relating to the proposed renewal of the Share Purchase Mandate.

2. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

2.1 Rationale for the Share Purchase Mandate

The approval of the renewal of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake share purchases or acquisitions up to the limit described in Section 2.2 below at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

The rationale for the Share Purchase Mandate includes the following:

(a) The Share Purchase Mandate would provide the Company with a mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements and investment needs to its Shareholders in an expedient and cost-efficient manner.

(b) The purchase or acquisition of Shares under the Share Purchase Mandate is one of the ways in which the return on equity of the Company may be enhanced, thereby increasing Shareholders' value.

(c) The Share Purchase Mandate will allow the Directors to exercise greater control over the Company's share capital structure, dividend policy and cash reserves, with a view to enhancing the net tangible assets and/or earnings per Share.

(d) The purchase or acquisition of Shares under the Share Purchase Mandate will help to mitigate short-term share price volatility by stabilising the supply and demand of issued Shares and offset the effects of short-term share price speculation, thereby supporting the fundamental value of the issued Shares and bolstering Shareholders' confidence.

(e) The Share Purchase Mandate will allow the Directors to effectively manage and minimise any dilution impact associated with any share-based incentive scheme of the Company.

The purchase or acquisition of Shares will only be undertaken if the Directors believe that it can benefit the Company and Shareholders. Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full limit as authorised. No purchase or acquisition of Shares will be made in circumstances which would have or may have a material adverse effect on the public float, orderly trading of Shares, liquidity of Shares or the financial position of the Company and the Group or result in the Company being delisted. The Directors will use their best efforts to ensure that after a purchase or acquisition of Shares pursuant to the Share Purchase Mandate, the number of Shares remaining in the hands of the public will not fall to such a level as to cause market illiquidity or adversely affect the orderly trading and listing status of the Shares on the SGX-ST.

2.2 Authority and Limits of the Share Purchase Mandate

The authority and limitations placed on purchases or acquisitions of Shares by the Company under the proposed renewal of the Share Purchase Mandate, if approved at the AGM, are summarised below:

(a) Maximum Number of Shares

The Company may purchase only Shares which are issued and fully paid-up. The total number of Shares that may be purchased or acquired by the Company is limited to that number of Shares representing not more than 7% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the AGM at which the resolution authorising the Share Purchase Mandate is passed (the "**Approval Date**"), unless the Company has thereafter, at any time during the Relevant Period, reduced its share capital in accordance with the applicable provisions of the Companies Act, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares as altered (excluding treasury shares and subsidiary holdings).

In view that the percentage of issued Shares in the hands of the public as at the Latest Practicable Date is 19.25%, the Company is of the view that the limit of 7% (as opposed to the full limit of 10% allowed by the Catalist Rules) under the Share Purchase Mandate, for which the proposed renewal is sought, would ensure sufficient public float and market liquidity, and will not adversely affect orderly trading or the Company's listing status.

For illustrative purposes only, based on the issued share capital of the Company as at the Latest Practicable Date of 214,000,000 Shares (with no treasury shares or subsidiary holdings), and assuming that no new Shares are issued on or prior to the date of the AGM, not more than 14,980,000 Shares, representing 7% of the issued Shares as at that date, may be purchased or acquired by the Company pursuant to the Share Purchase Mandate.

While the Share Purchase Mandate would authorise the purchase or acquisition of Shares up to the 7% limit, Shareholders should note that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out up to the full 7% limit as authorised, or at all. In particular, no purchase or acquisition of Shares would be made in circumstances which would have or may have a material adverse effect on the public float, liquidity or orderly trading of the Shares and/or financial position of the Group, or result in the Company being delisted.

(b) Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, from the Approval Date up to the earliest of:

(i) the date on which the next AGM of the Company is held or is required by law to be held;

(ii) the date on which the purchase or acquisition of Shares have been carried out to the full extent of the Share Purchase Mandate; or

(iii) the date on which the authority conferred by the Share Purchase Mandate is varied or revoked by an ordinary resolution of Shareholders in a general meeting.

The authority conferred on the Directors by the Share Purchase Mandate to purchase or acquire Shares may be renewed at the next AGM or at an EGM of the Company to be convened immediately after the conclusion or adjournment of the next AGM. When seeking the approval of the Shareholders for the renewal of the Share Purchase Mandate, the Company is required to disclose details pertaining to purchases or acquisitions of Shares made pursuant to the Share Purchase Mandate during the previous 12 months, including the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases of Shares, where relevant, and the total consideration paid for such purchases or acquisitions.

(c) Manner of Purchase or Acquisition of Shares

Purchases or acquisitions of Shares may be made on the SGX-ST ("**Market Purchases**") and/or otherwise than on the SGX-ST, in accordance with an equal access scheme (as defined in Section 76C(6) of the Companies Act) ("**Off-Market Purchases**").

Market Purchases refer to purchases or acquisitions of Shares by the Company effected through the SGX-ST's trading system, through one or more duly licensed stockbrokers appointed by the Company for the purpose.

Off-Market Purchases refer to purchases or acquisitions of Shares by the Company made under an equal access scheme or schemes for the purchase or acquisitions of Shares from Shareholders. The Directors may impose such terms and conditions, which are not inconsistent with the Share Purchase 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 an equal access scheme or schemes. Under the Companies Act, an equal access scheme must satisfy all the following conditions:

(i) offers for the purchase or acquisition of issued shares shall be made to every person who holds issued shares to purchase or acquire the same percentage of their issued shares;

(ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and

(iii) the terms of all the offers are the same, except that there shall be disregarded:

  (aa) differences in consideration attributable to the fact that offers may relate to shares with different accrued dividend entitlements;

  (bb) (if applicable) differences in consideration attributable to the fact that 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 in accordance with an equal access scheme, the Company must issue an offer document to all Shareholders, which must contain at least the following information:

(i) the terms and conditions of the offer;

(ii) the period and procedures for acceptances;

(iii) the reasons for the proposed share purchase or acquisition;

(iv) the consequences, if any, of share purchases or acquisitions by the Company that will arise under the Take-over Code or other applicable take-over rules;

(v) whether the share purchase or acquisition, if made, could affect the listing of the Shares on the SGX-ST;

(vi) details of any share purchases or acquisitions made by the Company in the previous 12 months (whether Market Purchases or Off-Market Purchases), giving the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases, where relevant, and the total consideration paid for the purchases or acquisitions; and

(vii) whether the Shares purchased or acquired by the Company will be cancelled or kept as treasury shares.

(d) Maximum Purchase Price

The purchase price (excluding brokerage, stamp duties, commissions, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

However, the purchase price to be paid for the Shares must not exceed:

(i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below); and

(ii) 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.

For the above purposes:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five Market Days on which transactions in Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during such five-Market Day period and the day on which the Market Purchase is made or, as the case may be, the day of the making of the offer pursuant to the Off-Market Purchase; and

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.3 Status of Purchased or Acquired Shares

Any Share which is purchased or acquired by the Company is deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to that Share will expire on such cancellation), unless such Share is held by the Company as a treasury share. At the time of each purchase or acquisition of Shares by the Company, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as treasury shares, or partly cancelled and partly kept as treasury shares, as the Directors deem fit in the interests of the Company at that time.

(a) Cancelled Shares

Where Shares purchased or acquired by the Company are cancelled, the Company shall:

(i) reduce the amount of its share capital where the Shares were purchased or acquired out of the capital of the Company;

(ii) reduce the amount of its profits where the Shares were purchased or acquired out of the profits of the Company; or

(iii) reduce the amount of its share capital and profits proportionately where the Shares were purchased or acquired out of both the capital and the profits of the Company,

by the total amount of the purchase price paid by the Company for the Shares cancelled.

Shares which are cancelled following settlement of their purchase or acquisition will be automatically delisted by the SGX-ST, and certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following such cancellation. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are cancelled and not held as treasury shares.

(b) 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 key provisions on treasury shares under the Companies Act are summarised below:

(i) Maximum Holdings

The aggregate number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with the applicable provisions of the Companies Act before the end of the period of six months beginning with the day on which that contravention occurs, or such further period as the Registrar may allow.

(ii) Voting and Other Rights

The Company shall not exercise any right in respect of the treasury shares and any purported exercise of such a right is void. In particular, the Company will not have the right to attend or vote at 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 (whether in cash or otherwise) of the Company's assets may be made, to the Company in respect of the treasury shares. However, the allotment of shares as fully paid bonus shares in respect of the treasury shares is allowed and any Shares allotted as fully paid bonus shares in respect of treasury shares shall be treated for the purposes of the Companies Act as if they were purchased by the Company at the time they were allotted, in circumstances in which Section 76H of the Companies Act applied. Also, a subdivision or consolidation of any treasury share into treasury shares of a greater or smaller number is 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 (but subject always to the Take-over Code):

(aa) sell the treasury shares for cash;

(bb) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;

(cc) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(dd) cancel the treasury shares; or

(ee) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(31) of 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 details such as the date of the usage, the purpose of the 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 (of the same class as the treasury shares) which are listed on the Catalist before and after the usage, and the value of the treasury shares if they are used for a sale or transfer or cancelled.

2.4 Source of Funds

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

The Companies Act permits the Company to purchase or acquire its Shares out of capital or distributable profits so long as the Company is solvent. For this purpose, the Company is solvent if at the date of payment for the Shares purchased or acquired, the following conditions are satisfied:

(a) there is no ground on which the Company could be found to be unable to pay its debts;

(b) if:

  (i) it is intended to commence winding up of the Company within the period of 12 months immediately after the date of the payment, the Company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or

  (ii) it is not intended so to commence winding up, the Company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and

(c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the purchase or acquisition of Shares, become less than the value of its liabilities (including contingent liabilities).

The Company intends to use internal sources of funds or external borrowings, or a combination of internal resources and external borrowings, to finance the purchase or acquisition of Shares pursuant to the Share Purchase Mandate. However, in considering the option of external borrowing, the Directors will consider particularly the prevailing gearing level of the Company and the costs of such financing. The Directors will only make purchases or acquisitions of Shares in circumstances which they believe will not result in any material adverse effect on the financial position, working capital requirements or investment ability of the Company or the Group. The purchase or acquisition of Shares will only be effected after considering relevant factors such as the working capital requirements, availability of financial resources, the expansion and investment plans of the Group and the prevailing market conditions.

2.5 Financial Effects

It is not possible for the Company to realistically calculate or quantify the impact of purchases that may be made pursuant to the Share Purchase Mandate on the net tangible asset value or earnings per Share as the resultant effect would depend on factors such as the aggregate number of Shares purchased, the purchase prices paid at the relevant times, whether the Shares purchased or acquired are held in treasury or immediately cancelled on purchase or acquisition, whether the purchase or acquisition is made out of profits or capital, how the Shares held in treasury are subsequently dealt with by the Company in accordance with Section 76K of the Companies Act, and the amounts (if any) borrowed by the Company to fund the purchases.

Where the purchase of Shares is made out of distributable profits, such purchase (including costs incidental to the purchase) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the purchase of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

Where the purchase of Shares is financed through internal resources, it will reduce the cash reserves of the Group and the Company, and thus the current assets and shareholders' funds of the Group and the Company. This will result in an increase in the gearing ratios of the Group and the Company and a decline in the current ratios of the Group and the Company. The actual impact on the gearing and current ratios will depend on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

Where the purchase or acquisition of Shares is financed through external borrowings or financing, there would be an increase in the gearing ratios of the Group and the Company, and a decline in the current ratios and shareholders' funds of the Group and the Company, with the actual impact dependent on the number of Shares purchased or acquired and the prices at which the Shares are purchased or acquired.

The Company does not envisage the purchase or acquisition of Shares by way of purchases made out of profits pursuant to the Share Purchase Mandate. Therefore, only the financial effects of the purchase or acquisition of Shares by way of purchases made out of capital pursuant to the Share Purchase Mandate are set out in this letter.

For illustrative purposes only and on the basis of the following assumptions:

(a) that the purchase or acquisition by the Company of Shares was made on the Latest Practicable Date;

(b) that (i) in the case of the purchase or acquisition of Shares made entirely out of capital, the Company purchased or acquired 14,980,000 Shares, representing 7% of its issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date, and (ii) in the case of the purchase or acquisition of Shares made entirely out of profits, the Company purchased or acquired 14,980,000 Shares, representing 7% of its issued Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date;

(c) that (i) in the case of Market Purchases, the Company purchased or acquired Shares at the Maximum Price of S$0.1220 for each Share (being 105% of the Average Closing Price of the Shares for the five Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date), and (ii) in the case of Off-Market Purchases, the Company purchased or acquired Shares at the Maximum Price of S$0.1394 for each Share (being 120% of the Average Closing Price of the Shares for the five Market Days on which transactions in the Shares were recorded immediately preceding the Latest Practicable Date);

(d) that the purchase or acquisition of Shares by the Company was financed entirely using its internal sources of funds and required funds amounting to:

(i) in the case of Market Purchases made entirely out of capital, S$1,827,560; and

(ii) in the case of Off-Market Purchases made entirely out of capital, S$2,088,212; and

(e) the transaction costs incurred for the purchase or acquisition of Shares pursuant to the Share Purchase Mandate are insignificant and have not been taken into account in computing the financial effects,

the financial effects of Share purchases by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial statements of the Group for FY2024, are set out below.

Scenario 1

Purchase or acquisition of 14,980,000 Shares by the Company pursuant to the Share Purchase Mandate made entirely out of capital and held as treasury shares

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Market Purchase	Off-Market Purchase		Market Purchase	Off-Market Purchase
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
As at 30 June 2024						
Share capital	22,469	22,469	22,469	22,469	22,469	22,469
Foreign currency reserves	(207)	(207)	(207)	–	–	–
Retained earnings	4,403	4,403	4,403	(1,886)	(1,886)	(1,886)
Treasury shares	–	(1,828)	(2,088)	–	(1,828)	(2,088)
Total shareholders' equity	26,665	24,837	24,577	20,583	18,755	18,495
Net loss attributable to Shareholders of the Company	(227)	(227)	(227)	(427)	(427)	(427)
Net tangible assets	26,665	24,837	24,577	20,583	18,755	18,495
Current assets	17,092	15,264	15,004	3,793	1,965	1,705
Current liabilities	4,295	4,295	4,295	181	181	181
Cash and cash equivalents	5,610	3,782	3,522	157	(1,671)	(1,931)
Total borrowings	592	592	592	–	–	–
Number of Shares[1] ('000)	214,000	199,020	199,020	214,000	199,020	199,020
Treasury Shares ('000)	–	14,980	14,980	–	14,980	14,980
Financial Ratios						
Net tangible assets per Share[2] (cents)	12.46	12.48	12.35	9.62	9.42	9.29
Losses per Share (cents)	(0.11)	(0.11)	(0.11)	(0.20)	(0.21)	(0.21)
Gearing ratio[3] (times)	0.02	0.02	0.02	–	–	–
Current ratio[4] (times)	3.98	3.55	3.49	20.96	10.86	9.42

Notes:

(1) Excluding treasury shares.

(2) Net tangible assets per Share is computed based on total net assets less deferred expenditure, other intangible assets and non-controlling interests, divided by the number of issued Shares (excluding treasury shares).

(3) Gearing ratio equals total borrowings divided by shareholders' funds (excluding non-controlling interest).

(4) Current ratio equals current assets divided by current liabilities.

Scenario 2

Purchase or acquisition of 14,980,000 Shares by the Company pursuant to the Share Purchase Mandate made entirely out of capital and cancelled

	Group			Company		
	Before Share Purchase	After Share Purchase		Before Share Purchase	After Share Purchase	
		Market Purchase	Off-Market Purchase		Market Purchase	Off-Market Purchase
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
As at 30 June 2024						
Share capital	22,469	20,641	20,381	22,469	20,641	20,381
Foreign currency reserves	(207)	(207)	(207)	–	–	–
Retained earnings	4,403	4,403	4,403	(1,886)	(1,886)	(1,886)
Treasury shares	–	–	–	–	–	–
Total shareholders' equity	26,665	24,837	24,577	20,583	18,755	18,495
Net loss attributable to Shareholders of the Company	(227)	(227)	(227)	(427)	(427)	(427)
Net tangible assets	26,665	24,837	24,577	20,583	18,755	18,495
Current assets	17,092	15,264	15,004	3,793	1,965	1,705
Current liabilities	4,295	4,295	4,295	181	181	181
Cash and cash equivalents	5,610	3,782	3,522	157	(1,671)	(1,931)
Total borrowings	592	592	592	–	–	–
Number of Shares(1) ('000)	214,000	199,020	199,020	214,000	199,020	199,020
Financial Ratios						
Net tangible assets per Share(2) (cents)	12.46	12.48	12.35	9.62	9.42	9.29
Losses per Share (cents)	(0.11)	(0.11)	(0.11)	(0.20)	(0.21)	(0.21)
Gearing ratio(3) (times)	0.02	0.02	0.02	–	–	–
Current ratio(4) (times)	3.98	3.55	3.49	20.96	10.86	9.42

Notes:

(1) Excluding treasury shares.

(2) Net tangible assets per Share is computed based on total net assets less deferred expenditure, other intangible assets and non-controlling interests, divided by the number of issued Shares (excluding treasury shares).

(3) Gearing ratio equals total borrowings divided by shareholders' funds (excluding non-controlling interest).

(4) Current ratio equals current assets divided by current liabilities.

Shareholders should note that the financial effects set out above are purely for illustrative purposes only. In particular, it is important to note that the above analysis is based on historical FY2024 audited numbers and is not necessarily reflective of the future financial performance of the Company and the Group. Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 7% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not purchase or acquire or be able to purchase or acquire 7% of the issued Shares in full. In addition, the Company may cancel all or part of the Shares purchased, or hold all or part of the Shares purchased in treasury.

The Company will take into account both financial and non-financial factors (for example, market conditions and the performance of the Shares) in assessing the relative impact of a Share purchase before execution.

2.6 Catalist Rules

Under the Catalist Rules, a listed company may purchase shares by way of Market Purchases at a price per share which is not more than 5% above 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 the purchases were made and deemed to be adjusted for any corporate action that occurs during the relevant five-day period and the day on which the purchases were made. The Maximum Price for a Share in relation to Market Purchases by the Company, referred to in Section 2.2(d) of this Letter, conforms to this restriction.

The Catalist Rules specify that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its shares 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 must include details of the date of the purchases of the shares, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the cumulative number of shares purchased, the number of issued shares excluding treasury shares and subsidiary holdings, and the number of treasury shares held after the purchase. Such announcement will be made in the form prescribed by the Catalist Rules.

While the Catalist Rules do not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, in compliance with Rule 1204(19)(c) of the Catalist Rules on securities dealings, the Company will not purchase or acquire any Shares during the period of one month before the announcement of the Company's half-year and full-year financial statements, as the case may be, and ending on the date of announcement of the relevant financial statements.

The Company does not have any individual shareholding limit or foreign shareholding limit.

2.7 Listing Status on the SGX-ST

The Company is required under Rule 723 of the Catalist Rules to ensure that at least 10% of its issued Shares (excluding preference shares, convertible equity securities and treasury shares) are in the hands of the public. The "**public**", as defined in the Catalist Rules, are persons other than the Directors, Chief Executive Officer, substantial shareholders and controlling shareholders of the Company and its subsidiaries, as well as the associates (as defined in the Catalist Rules) of such persons.

As at the Latest Practicable Date, there were approximately 41,204,327 issued Shares in the hands of the public (as defined above), representing approximately 19.25% of the total number of issued Shares of the Company. Assuming that the Company purchases its Shares through Market Purchases up to the full 7% limit pursuant to the Share Purchase Mandate and holds the purchased Shares as treasury shares, the number of issued Shares in the hands of the public would be reduced to 26,224,327 Shares, representing approximately 13.18% of the total number of issued Shares (excluding treasury shares) of the Company. As at the Latest Practicable Date, the Company did not hold any treasury shares and did not have any preference shares or convertible equity securities.

In view of the foregoing, the Company is of the view that there is, at present, a sufficient number of Shares in public hands that would permit the Company to potentially undertake purchases of its Shares through Market Purchases up to the full 7% limit pursuant to the Share Purchase Mandate without:

(a) affecting adversely the listing status of the Shares on the SGX-ST;

(b) causing market illiquidity; or

(c) affecting adversely the orderly trading of Shares.

2.8 Tax Implications

When a company purchases its own shares using its distributed profits or contributed capital, it will be regarded as any other disposal of shares by the shareholders from whom the shares are acquired.

For income tax purposes, whether or not the proceeds received by the Shareholders are taxable in the hands of the Shareholders who sell their Shares to the Company for which the purchases were made out of distributed profits or contributed capital will depend on whether such proceeds are receipts of an income or capital nature.

Shareholders should note that the foregoing is not to be regarded as advice on the tax position of any Shareholder. Shareholders who are in doubt as to their respective tax positions or the tax implications of Share purchases by the Company, or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

2.9 Implications of Take-over Code

2.9.1 Obligation to Make a Take-over Offer

If as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If such increase results in a change in control, or as a result of such increase a Shareholder or group of Shareholders acting in concert obtain or consolidate effective control, it may in certain circumstances give rise to an obligation on the part of such Shareholder or Shareholders to make a take-over offer under Rule 14 of the Take-over Code.

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

In relation to Directors and persons acting in concert with them, Rule 14 provides that unless exempted (or if exempted, such exemption is subsequently revoked), Directors and persons acting in concert with them will incur an obligation to make a take-over offer if, as a result of a purchase of Shares by the Company:

(a) the percentage of voting rights held by such Directors and their concert parties in the Company increases to 30% or more; or

(b) if they together hold between 30% and 50% of the Company's voting rights, their voting rights increase by more than 1% in any period of six months.

Under TOC Appendix 2, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing 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 resolution authorising the Share Purchase Mandate.

2.9.2 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 following persons will, inter alia, be presumed to be acting in concert: (i) 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; and (ii) a company, its parent company, subsidiaries and fellow subsidiaries, and their associated companies, and companies of which such companies are associated companies, all with each other. 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.

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

As at the Latest Practicable Date, Mr Ong Bee Chip (Managing Director of the Company), Mdm Ong Chew Yong (Executive Director of the Company, and sister of Mr Ong Bee Chip), Mr Ong Bee Song (brother of Mr Ong Bee Chip and Mdm Ong Chew Yong), BCS Development Pte. Ltd. (a company which is owned by Mr Ong Bee Chip (50.0%), Mr Ong Bee Song (33.3%) and Mdm Ong Chew Yong (16.7%)) and their close relatives, who are deemed to be acting in concert with each other, collectively held 80.75% of the issued Shares. "**Close relatives**" is defined under the Take-over Code to include immediate family (i.e. parents, siblings, spouse and children), siblings of parents (i.e. uncles and aunts) as well as their children (i.e. cousins), and children of siblings (i.e. nephews and nieces). They would not be obliged to make a take-over offer under Rule 14 of the Take-over Code as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate.

Close relatives of Directors	**No. of Shares held**	**Percentage of total issued Shares**
Ong Shiya	40,000	0.019
Li Huanmin	42,000	0.020
Ong Yekai	40,000	0.019
Lee Tee Chin	30,000	0.014
Li Huanwen	191,500	0.089
Total	**343,500**	**0.161**

The Directors are not aware of any other Substantial Shareholder or Director who would become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase by the Company of the limit of 7% of its total number of issued Shares (excluding treasury shares) as at the Latest Practicable Date.

The statements herein do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders who are in any doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase of Shares by the Company pursuant to the Share Purchase Mandate are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity before they acquire any Shares during the period when the Share Purchase Mandate is in force.

2.10 Reporting Requirements

Within 30 days of the passing of the Shareholders' resolution to approve the proposed renewal of the Share Purchase Mandate, the Directors shall lodge a copy of such resolution with the Registrar.

The Directors shall lodge with the Registrar a notice of Share purchase within 30 days of a Share purchase. Such notification shall include the date of the purchase, the number of Shares purchased by the Company, the number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued share capital before and after the purchase, the amount of consideration paid by the Company for the purchase, whether the Shares were purchased out of the profit or the capital of the Company, and such other particulars as may be required in the prescribed form.

Within 30 days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Directors shall lodge with the Registrar the notice of cancellation or disposal of treasury shares in the prescribed form.

2.11 No Share Purchases in the Previous 12 Months

No purchases or acquisitions of Shares have been made by the Company in the 12 months preceding the Latest Practicable Date.

3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and substantial Shareholders in the share capital of the Company as at the Latest Practicable Date, as recorded in the Register of Directors' Shareholdings and Register of Substantial Shareholders, are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	%[1]	Number of Shares	%[1]
Directors				
Yu Lai Boon	–	–	–	–
Ong Bee Chip[2]	8,932,608	4.17	160,589,670	75.04
Ong Chew Yong[3]	2,929,895	1.37	30,000	0.01
Chan Hiang Tiak	–	–	–	–
Tan Poh Hong	–	–	–	–
Substantial Shareholders (other than Directors)				
BCS Development Pte. Ltd.[2],[4],[5]	160,549,670	75.02	40,000	0.02
Ong Bee Song[2]	–	–	160,589,670	75.04

Notes:

(1) Shareholding percentage is based on a total of 214,000,000 issued Shares (excluding treasury shares) as at the Latest Practicable Date. The Company does not have any treasury shares as at the Latest Practicable Date.

(2) BCS Development Pte. Ltd. ("**BCS**") is an investment holding company incorporated in Singapore on 11 April 2021. As at the Latest Practicable Date, BCS is owned by Ong Bee Chip (50.0%), Ong Bee Song (33.3%), and Ong Chew Yong (16.7%). Accordingly, each of Ong Bee Chip and Ong Bee Song is deemed to have an interest in the shares in which BCS has an interest, by virtue of section 7 of the Companies Act.

(3) Ong Chew Yong is deemed to have an interest in 30,000 Shares held by her spouse, Lee Tee Chin, by virtue of section 164(15) of the Companies Act.

(4) BCS is deemed to have an interest in 40,000 Shares held by one employee of the Group by virtue of section 7 of the Companies Act. The said Shares were transferred to the employees as reward for their past contributions to the Group and they are required to transfer the Shares back to BCS in the event that they cease to be employed by the Group (other than as a result of retirement) within two years from the Company's listing date.

(5) 500,000 ordinary shares are held by BCS through the nominee account maintained with UOB Kay Hian Private Limited.

4. DIRECTORS' RECOMMENDATIONS

Having fully considered the rationale and information relating to the proposed renewal of the Share Purchase Mandate as set out in this Letter, the Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interest of the Company, and accordingly recommend that Shareholders vote in favour of the ordinary resolution to approve the renewal of the Share Purchase Mandate at the AGM.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Mandate and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Mandate constitutes full and true disclosure of all material facts about the Share Purchase Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter 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 Letter in its proper form and context.

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 30 Senoko South Road Singapore 758088, during normal business hours from the date of this mandate up to and including the date of the AGM:

(a) the Constitution of the Company; and

(b) the Annual Report of the Company for FY2024.

7. DISCLAIMER

The SGX-ST takes no responsibility for the accuracy of any of the statements or opinions made or reports contained in this Letter.

Yours faithfully

For and on behalf of the Board of Directors of
OTS HOLDINGS LIMITED

Ong Bee Chip
Managing Director

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OTS HOLDINGS LIMITED

(Company Registration Number: 201505559W)
(Incorporated in the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this Proxy Form)

Important:

1. An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investor**") who wishes to vote at the Annual General Meeting ("**AGM**" or the "**Meeting**") should approach their respective agent banks to submit their votes at least seven (7) working days before the date of the AGM (i.e. by 9.30 a.m. on 18 October 2024). SRS Investors are requested to contact their respective agent banks for any queries they may have with regard to the appointment of the Chairman of the AGM as a member's proxy to vote on his/her/its behalf at the AGM.
2. This Proxy Form is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. Please read the notes to this Proxy Form.

PERSONAL DATA PRIVACY

By submitting this proxy form, the member of the Company accepts and agrees to the personal data privacy terms as set out in the Company's Notice of AGM dated 14 October 2024.

*I/We _____ (Name) *(NRIC/Passport/Co. Registration No.) _____

of _____ (Address)
being a *member/members of OTS Holdings Limited (the "**Company**") hereby appoint:

Name	Address	NRIC/Passport No	Proportion of shareholdings to be represented by proxy (%)	
			No. of Shares	%

and/or (delete as appropriate),

Name	Address	NRIC/Passport No	Proportion of shareholdings to be represented by proxy (%)	
			No. of Shares	%

or failing *him/her/them, the Chairman of the Meeting as *my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting ("**AGM**") of the Company to be held at 30 Senoko South Road, Singapore 758088 on Tuesday, 29 October 2024 at 9.30 a.m. and at any adjournment thereof.

All resolutions put to vote at the AGM shall be decided by way of poll.

*I/We direct *my/our proxy/proxies to vote for, against and/or abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder.

No.	Resolutions	For**	Against**	Abstain**
	Ordinary Business			
1	To receive and adopt the Directors' Statement and the Audited Financial Statements for the financial year ended 30 June 2024 together with the Auditors' Report thereon.			
2	To approve the payment of Directors' fees of S$124,000 for the financial year ending 30 June 2025, to be paid quarterly in arrears.			
3	To re-elect Dr Yu Lai Boon as a Director.			
4	To re-elect Mr Ong Bee Chip as a Director.			
5	To re-appoint Messrs RSM SG Assurance LLP as Auditors of the Company and authorise the Directors to fix their remuneration.			
	Special Business			
6	To authorise Directors to allot and issue Shares.			
7	To approve the renewal of Share Purchase Mandate.			
8	To approve the renewal of the General Mandate for Interested Person Transactions.			

Dated this _____ day of _____ 2024

Total No. of Shares in	No. of Shares
CDP Register	
Register of Members	

_____
Signature of Shareholder(s)
Or, Common Seal of Corporate Shareholder

* Delete accordingly.
** If you wish to exercise all your votes "For", "Against" and/or "Abstain", please indicate with an "X" within the box provided. Alternatively, please indicate the number of votes as appropriate.

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by CDP), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing proxy(ies) and/or representative(s) shall be deemed to relate to all the Shares held by you (in both the Depository Register and the Register of Members).

2. Unless otherwise permitted under the Companies Act 1967 of Singapore (the "**Companies Act**"), a member of the Company (other than a Relevant Intermediary*) entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote on his behalf. A proxy need not be a member of the Company.

3. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, he/she should specify the proportion of his/her shareholding (expressed as a percentage of the whole) to be presented by each proxy in the instrument appointing a proxy or proxies. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

4. A member (whether individual or corporate including a Relevant Intermediary*) appointing proxy(ies) through the instrument appointing a proxy(ies) (the "**Proxy Form**") must give specific instructions as to his/her/its manner of voting, or abstentions from voting, failing which the appointment will be treated as invalid. This Proxy Form may be accessed via (i) SGXNet at http://www.sgx.com/securities/company-announcements; and (ii) the Company's website at https://www.ots-holdings.com/investor-relation. Where a member appoints more than one proxy, the appointment shall be invalid unless the member specifies the proportion of his/her shareholding to be represented by each proxy in this Proxy Form.

5. SRS Investors who wish to vote at the AGM should approach their respective agent banks to submit their votes at least seven (7) working days before the date of the AGM (i.e. by 9.30 a.m. on 18 October 2024). SRS Investors should not directly appoint the Chairman as proxy to direct the vote.

6. A member who is a Relevant Intermediary* is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

   *A Relevant Intermediary is:

   (a) a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001, and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under the Central Provident Fund Act 1953 of Singapore providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative to attend the AGM, in accordance with Section 179 of the Companies Act.

8. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) and/or representative(s) is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing a proxy(ies) and/or representative(s) is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with this Proxy Form at the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 9 Raffles Place, #26-01, Republic Plaza 1, Singapore 048619, failing which this Proxy Form shall be treated as invalid.

9. The Proxy Form must be submitted to the Company in the following manner:

   (a) if submitted by post, be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 9 Raffles Place, #26-01, Republic Plaza 1, Singapore 048619; or

   (b) if submitted electronically, be submitted via email to the Company at sg.is.proxy@vistra.com,

   in any case, not later than 9.30 a.m. on 26 October 2024 (being 72 hours before the time fixed for the AGM) and in default the Proxy Form for the AGM shall not be treated as valid.

   Members are strongly encouraged to submit completed Proxy Forms via email to the email address provided above.

General:

The Company shall be entitled to reject the instrument appointing a proxy(ies) and/or representative(s) if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) and/or representative(s). In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) and/or representative(s) lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by CDP to the Company.

Personal Data Privacy:

By submitting a Proxy Form appointing proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 14 October 2024.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Yu Lai Boon
Non-Executive Chairman and Independent Director

Ong Bee Chip
Managing Director

Ong Chew Yong
Executive Director

Chan Hiang Tiak
Independent Director

Tan Poh Hong
Independent Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Yu Lai Boon
Chairman

Chan Hiang Tiak
Member

Tan Poh Hong
Member

NOMINATING COMMITTEE

Tan Poh Hong
Chairman

Yu Lai Boon
Member

Chan Hiang Tiak
Member

REMUNERATION COMMITTEE

Chan Hiang Tiak
Chairman

Yu Lai Boon
Member

Tan Poh Hong
Member

COMPANY SECRETARY

Chan Lai Yin

REGISTERED OFFICE

30 Senoko South Road
Singapore 758088
Tel: +65 6572 9200
Fax: +65 6758 8580
enquiry@ots-holdings.com
www.ots-holdings.com

COMPANY REGISTRATION NUMBER

201505559W

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Tricor Barbinder Share Registration Services
9 Raffles Place, #26-01
Republic Plaza 1
Singapore 048619

INDEPENDENT AUDITOR

RSM SG Assurance LLP
8 Wilkie Road
#04-08 Wilkie Edge
Singapore 228095

Partner-in-charge: See Ling Ling, Helen
Appointed since financial year ended 30 June 2022

INTERNAL AUDITOR

Yang Lee & Associates
10 Anson Road
#31-01 International Plaza
Singapore 079903

PRINCIPAL BANKER

DBS Bank Ltd.
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982

SPONSOR

SAC Capital Private Limited
1 Robinson Road
#21-00 AIA Tower
Singapore 048542



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