



ST GROUP

ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED

Success through Synergy

ANNUAL REPORT 2024

An F&B group with diversified portfolio
of internationally popular brands



Table of Contents

CORPORATE PROFILE	01
COMPETITIVE STRENGTHS	02
OUR NETWORKS	03
KEY MILESTONES & AWARDS	06
FINANCIAL HIGHLIGHTS	07
MESSAGE FROM OUR CHAIRMAN & CEO	09
BOARD OF DIRECTORS	12
KEY MANAGEMENT	14
CORPORATE INFORMATION	16
REPORT ON CORPORATE GOVERNANCE	17
ADDITIONAL INFORMATION	49
Required Pursuant to Rule 720(5) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited on Directors Seeking for Re-Election	
DIRECTORS' STATEMENT	53
INDEPENDENT AUDITOR'S REPORT	57
FINANCIAL STATEMENTS	62
SHAREHOLDERS' INFORMATION	140
NOTICE OF ANNUAL GENERAL MEETING	143
PROXY FORM	

This annual report has been prepared by ST Group Food Industries Holdings Limited (the "Company" and together with its subsidiaries, the "Group") and its contents have been reviewed by the Company's Sponsor, Hong Leong Finance Limited. It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this 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. Vera Leong, Vice President, Hong Leong Finance Limited, at 16 Raffles Quay, #01-05 Hong Leong Building, Singapore 048581, telephone (+65) 6415 9881.

Corporate Profile

ST Group Food Industries Holdings Limited (the “**Company**”, and together with its subsidiaries, “**ST Group**” or the “**Group**”) was incorporated in the Republic of Singapore on 11 January 2018 and was listed on the Catalist Board of the SGX-ST (“**Catalist**”) on 3 July 2019. ST Group was formed pursuant to a restructuring exercise (the “**Restructuring Exercise**”) undertaken as part of its corporate re-organisation, which involved the rationalisation of its corporate and shareholding structure for the purposes of the Company’s listing on Catalist. Please refer to the Company’s Offer Document dated 26 June 2019 (the “**Offer Document**”) for further details on the Restructuring Exercise.

Founded in 2011, ST Group holds the exclusive franchise and licence rights to six internationally popular food and beverage (“**F&B**”) brands, namely, “PappaRich”, “NeNe Chicken”, “Gong Cha”, “Hokkaido Baked Cheese Tart”, “IPPUDO” and “iDarts”, in various territories. The Group has developed two of its own brand concepts, “PAFU” and “KURIMU”, which were launched in December 2017 and July 2019, respectively. In March 2022, the Group completed the acquisition of “PappaRich” trademark rights in Australia and New Zealand. In June 2023, the Group opened a joint-venture Asian supermarket under the brand “Maita”. ST Group also ventured into a new brand “Homm” in late November 2023.

ST Group operates in the key geographical markets of Australia, New Zealand and United Kingdom through four main business segments – (i) F&B retail sales under the various brands through outlets owned and operated by the Group (“**F&B Retails**”); (ii) the sub-franchising and sub-licensing of brands to sub-franchisees and sub-licensees (“**Franchise**”); (iii) the sale of F&B ingredients and other supplies to its franchise network through its Central Kitchen (“**Supply Chain**”); and (iv) receipt of machine income from electronic dart machines installed at sub-franchised “iDarts” outlets (“**Others**”).

Competitive Strengths

An Entrepreneurial and Dedicated Management Team with Established Track Record.

An Established Franchisee System and Good Working Relationships with Landlords.

Established Track Record and Strong Network of Sub-Franchisee.

Able to Identify New Trends and Adapt to Changing Consumer Preferences to Grow a Diversified Portfolio of Brands.

Our Central Kitchen Enables Us to Maintain High Standards of Food Consistency and Quality, Lower Operating and Labour Costs.

AT A GLANCE

AS AT 30 JUNE 2024

5

EXCLUSIVE FRANCHISE & LICENSED BRANDS

5

GROUP OWN BRAND CONCEPTS

1

HACCP & ISO CERTIFIED CENTRAL KITCHEN

3

COUNTRIES

178

TOTAL NETWORK OUTLETS

49

COMPANY OWNED OUTLETS

2

JOINT VENTURES

127

SUB-FRANCHISED & SUB-LICENSED OUTLETS



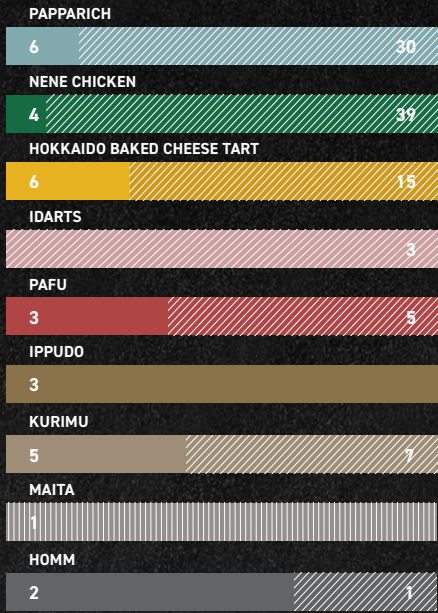
Our Network

AS AT 30 JUNE 2024

GLOBAL NETWORK

AUSTRALIA

130



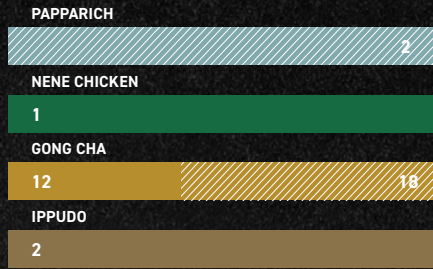
LEGEND

- Company Owned
- Sub-Franchised / Sub-Licensed
- Joint Venture

- PAPPARICH
- NENE CHICKEN
- GONG CHA
- HOKKAIDO BAKED CHEESE TART
- IDARTS
- PAFU
- IPPUDO
- KURIMU
- MAITA
- HOMM

NEW ZEALAND

35



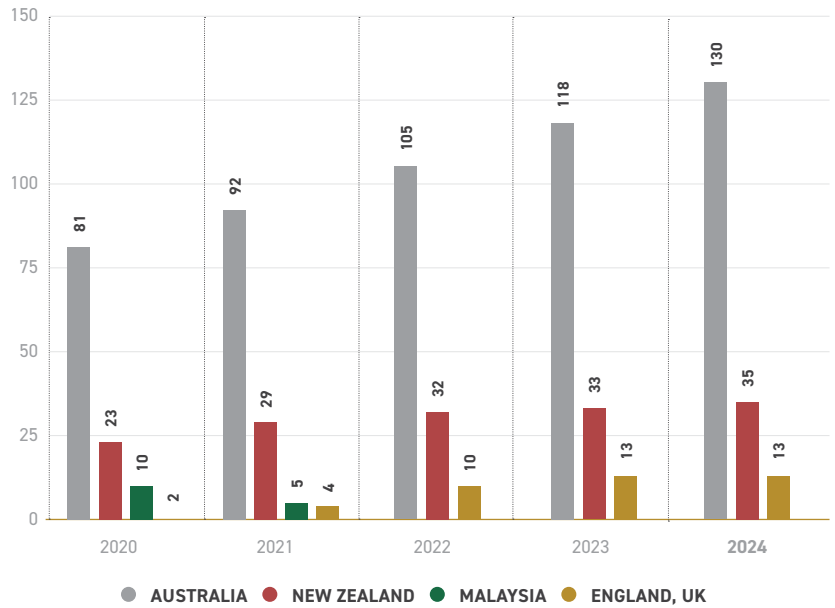
ENGLAND, UK

13

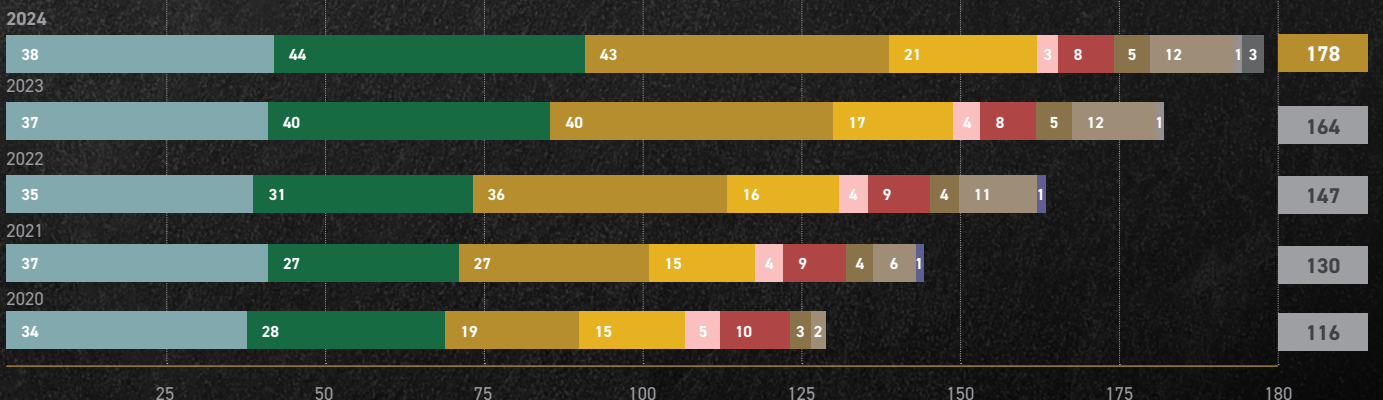


GROWTH BY GEOGRAPHICAL REACH

NUMBER OF OUTLETS



GROWTH IN NETWORK BY BRANDS



Our Brand Portfolio

OWN BRAND CONCEPTS



PREMIUM MALAYSIAN DELIGHTS.

"PappaRich" offers a wide range of Malaysian cuisine featuring a blend of herbs, spices and fresh produce prepared according to traditional recipes. Signature dishes include Nasi Lemak, Curry Laksa and Char Koay Teow.



ONLY THE FRESHEST!

"KURIMU" Japanese cream choux pastries are pastry sticks coated with almonds before baking to create a crispy texture and are filled with a smooth custard. The Group conceptualised the "KURIMU" brand in 2019 following the success of "PAFU".



SHARING HAPPINESS WITH EVERY BITE.

Heavily inspired by Japanese-styled pastries, "PAFU" is the Group's own homegrown brand which was created to satisfy the tastes and preferences of customers in Australia. "PAFU" pastry puffs are golden crisp pastries with a smooth custard and sweet diced fruit filling freshly baked with locally-sourced ingredients.



TO HAVE A PLEASANT SCENT OR AROMA.

Dedicated, passionate, and creative, Hommm takes pride in elevating Thai desserts by serving the best versions of Thai flavours. From the first bite of crumble to the last drop of whipped cheese, every bite at Hommm ensures an authentic and decadent experience of beloved Thai desserts.

ONE-STOP ASIAN SUPERMARKET.



MAITA, your one stop oriental grocer, providing customer satisfaction with competitive prices, quality, wide range of selections and customer service. MAITA delivers a great in-store grocery shopping experience that highlights and celebrates the endlessly diverse, unique and ever-evolving Asian Australian culture and cuisine.

Our Brand Portfolio

EXCLUSIVE FRANCHISE AND LICENSE RIGHTS



YOUR CHOICE. HAPPY CHOICE.

"NeNe Chicken" is a South-Korean-based international fried chicken restaurant franchise which serves wide range of distinctive Korean flavours. The signature fried chicken is made from long hours in marination and specially formulated batter mix which increases the juiciness of the meat and elevates its flavour and crispiness.

Gong cha 貢茶



TEAS AND JUICES EXPERIENCED IN AN IMPERIAL WAY.

Originating from Taiwan, "Gong Cha" offers an extensive menu of natural, healthy, freshly brewed tea and other beverages which are personalised to individual tastes and preferences. The house specialty is the "Gong Cha Milk Foam Series", which is a refreshing beverage of brewed tea topped with a layer of frothy fresh milk foam.

HOKKAIDO BAKED CHEESE TART



BEST LOVED CHEESE TARTS.

Founded in Malaysia, "Hokkaido Baked Cheese Tart" draws inspiration from the flavours of cheese made from Hokkaido dairy. The "Hokkaido Baked Cheese Tart" offering is a mini tart with a crisp, buttery short-crust pastry base and filled with a cheese mousse blend.

IPPUDO



RAMEN ROYALTY: SINCE 1985.

Founded in Hakata, Japan in the 1980s, "IPPUDO" is today an international brand. One of its specialties is its tonkotsu-based ramen, which is served in a tonkotsu broth made from pork bones and simmered for many hours.



i Darts INJECTED WITH THE LATEST TECHNOLOGY.

"i Darts" provides customers with electronic dart consoles in a fun-filled, friendly atmosphere. While the Group has exclusive rights to the "i Darts" brand, it does not own or operate any "i Darts" outlets.

Key Milestones & Awards

KEY MILESTONES

2024

Acquired Homm in Nov 2023
•
Opened first Nene Chicken in New Zealand in Sep 2023

2023

Created joint venture brand "MAITA", an Asian supermarket, first outlet in Melbourne, Australia.

2022

Acquired "PappaRich" Trademark rights in Australia and New Zealand.

2019

Created group-owned brand "KURIMU" Japanese cream choux pastries, first outlet in Melbourne, Australia.
•
Opened first "Gong Cha" outlet in England, United Kingdom

2018

Opened first "NeNe Chicken" restaurant in Genting Highlands, Malaysia
•
Opened first "IPPUDO" restaurant in Perth, Australia

2017

Opened first Group-owned brand "PAFU" outlet in Melbourne, Australia

2016

Opened first "Hokkaido Baked Cheese Tart" outlet in Melbourne, Australia

2015

Opened first "PappaRich" restaurant in New Zealand
•
Opened first "NeNe Chicken" restaurant in Melbourne, Australia
•
Opened first "Gong Cha" outlet in Auckland, New Zealand

2013

Expanded Central Kitchen to 3,000 sqm in Melbourne, Australia
•
Operated first "iDarts" bar in Melbourne, Australia

2012

Established 100 sqm Central Kitchen in Melbourne, Australia
•
Opened first "PappaRich" restaurant in Melbourne, Australia

ACCREDITATIONS

HACCP (Hazard Analysis & Critical Control Points) – Central Kitchen

Papparich Central (Melbourne) Pty Ltd

EXPIRY: 13 APRIL 2025
AWARDING ORGANISATION: HACCP AUSTRALIA PTY LTD

ISO 9001:2015 Quality Management

Papparich Central (Melbourne) Pty Ltd

GRANTED / EXPIRY: FEBRUARY 2021 / FEBRUARY 2027
AWARDING ORGANISATION: ICG COMPLIANCE PTY LTD

AWARDS

**Eat Drink Design Awards
Best Retail Design 2020**

Kurimu the Glen

YEAR: 2020
AWARDING ORGANISATION:
ARCHITECTURE MEDIA, AUSTRALIA

**Chadstone 2018 Annual Retail
Excellence Awards
- Winner in the Food Category**

PappaRich

ANUARY 2018 & JULY 2018 AWARDING
ORGANISATION: CHADSTONE SHOPPING
CENTRE MELBOURNE, AUSTRALIA

Lord Mayor's Choice Award

PappaRich

YEAR: 2018
AWARDING ORGANISATION: LORD MAYOR
ANDREW WILSON PARRAMATTA SYDNEY,
AUSTRALIA

Fast 50 Contender

Gong Cha

YEAR: 2018
AWARDING ORGANISATION: DELOITTE FAST
50 2018 REGIONAL AWARDS, NEW ZEALAND

Best Café of the Year 2018

Gong Cha Newmarket

YEAR: 2018
AWARDING ORGANISATION: NEWMARKET
BUSINESS AWARDS 2018, NEW ZEALAND

Best New Concept

**ST Group, Hokkaido
Baked Cheese Tart**

YEAR: 2017
AWARDING ORGANISATION: QSR MEDIA
DETPAK AWARDS 2017, AUSTRALIA

**5 Star Food Safety Awards
in Recognition of 5 Star
Food Safety Practices**

PappaRich Express

YEAR: 2017
AWARDING ORGANISATION: CITY OF
MANNINGHAM VICTORIA, AUSTRALIA

**City of Monash Golden Plate
Award for 5 Stars in the
Food Safety Assessment**

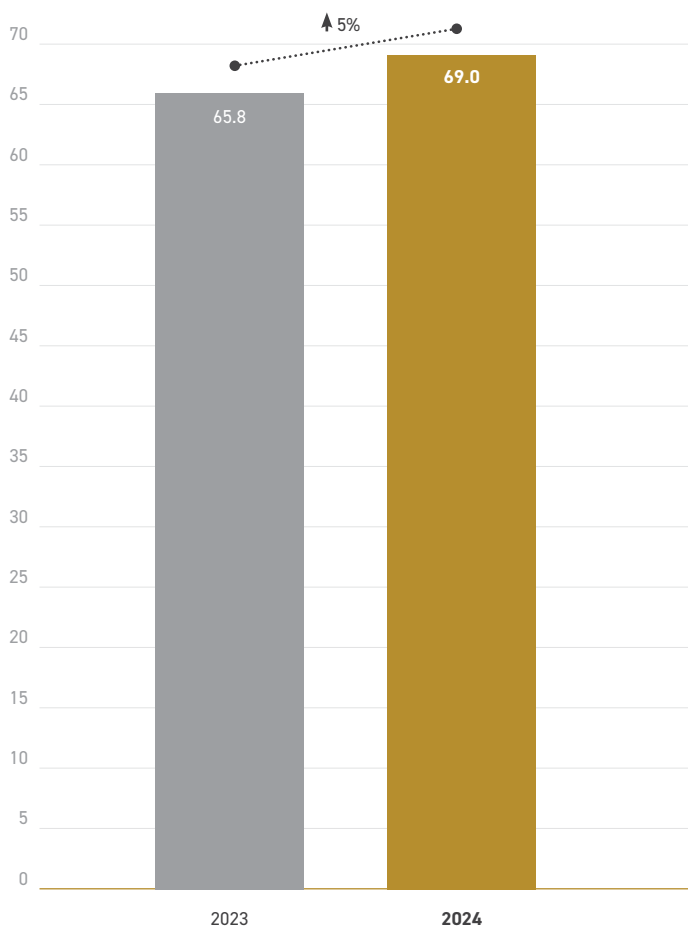
PPR Co Outlets Pty Ltd

YEAR: 2017
AWARDING ORGANISATION: CITY OF
MONASH PUBLIC HEALTH UNIT, AUSTRALIA

Financial Highlights

REVENUE

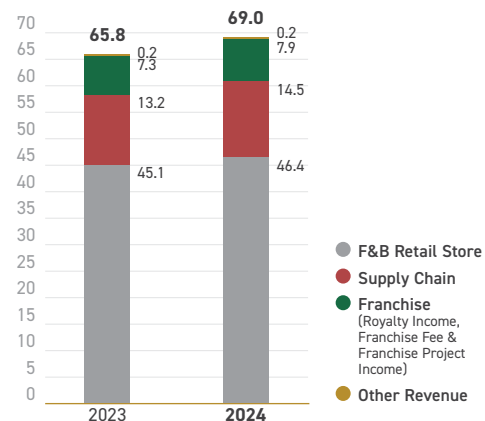
(A\$ MILLION)



REVENUE BREAK DOWN

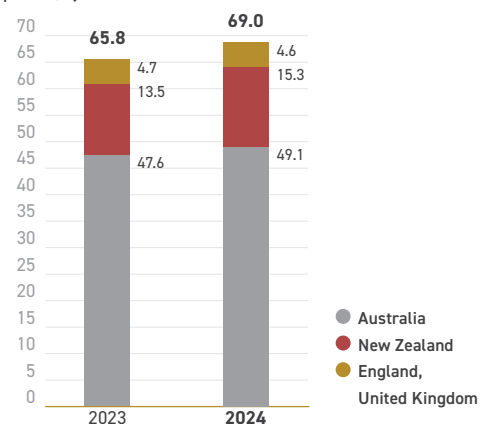
BY BUSINESS SEGMENTS

(A\$ MILLION)



BY GEOGRAPHICAL SEGMENTS

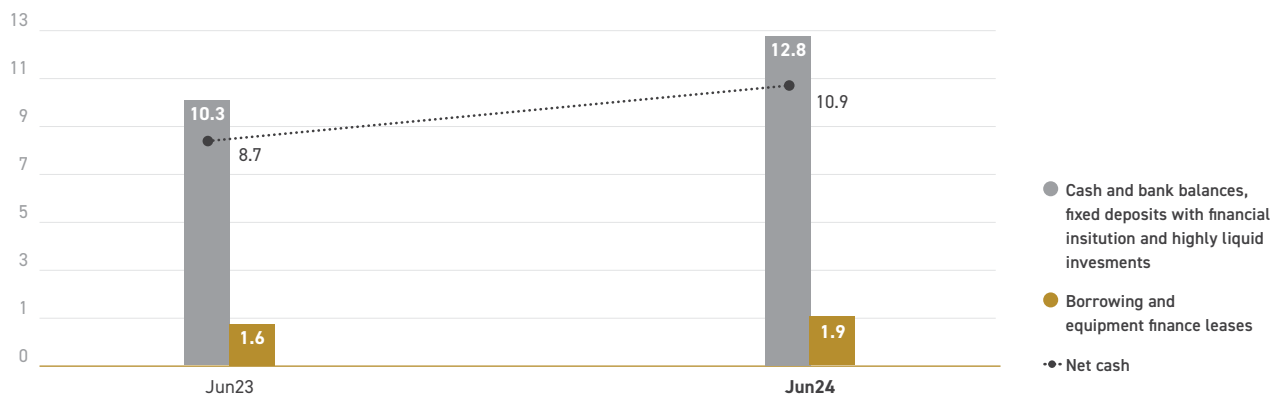
(A\$ MILLION)



FINANCIAL POSITION

NET CASH POSITION

(A\$ MILLION)



Financial Highlights

Income Statement	2024 A\$'000	2023 A\$'000
Revenue	69,047	65,811
Other income	1,970	2,569
Revenue by Business Segments		
Food & beverage retails	46,365	45,122
Supply Chain	14,530	13,200
Franchising revenue	7,874	7,253
Others	278	236
Total	69,047	65,811
Revenue by Geographical Segments		
Australia	49,085	47,595
New Zealand	15,336	13,489
United Kingdom	4,626	4,727
Total	69,047	65,811
Profits & Earnings per Share		
Profit for the year	516	1,864
Profit attributable to equity holders of the Company	859	1,964
Basic and diluted earnings per shares (cents)	0.35	0.80
Financial Position		
Total assets	58,135	57,206
Total liabilities	36,212	36,537
Equity attributable to the equity holders of the Company	22,370	21,020
Cash and fixed deposits with financial institution	12,754	10,264
Borrowings*	1,775	1,567

* Excludes finance lease liabilities

Message from Chairman & CEO



GROUP REVENUE (A\$) **69.0m**

↑ **4.9%** (FY2023: A\$65.8MILLION)



F&B REVENUE (A\$) **46.4m**

↑ **2.9%** (FY2023: A\$45.1MILLION)



FRANCHISE REVENUE (A\$) **7.9m**

↑ **8.2%** (FY2023: A\$7.3MILLION)

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present ST Group Food Industries Holdings Limited's (the "**Company**", and together with its subsidiaries, "**ST Group**" or the "**Group**") annual report for the financial year ended 30 June 2024 ("**FY2024**").

The Group's operating environment remained challenging in FY2024 across the markets which it operates in Australia, New Zealand and the United Kingdom ("**UK**"). The current market headwinds resulting from heightened geopolitical tensions, biting cost pressures and subdued consumer sentiment have weighed on the Group's performance. Nevertheless, the Group has stepped up its efforts to combat these challenges by improving its supply chain through sourcing from more competitive vendors and constantly innovating our products to adapt to evolving consumer preferences in order to maintain its cutting edge in the global food & beverage ("**F&B**") industry.

Financial Performance

The Group has sustained its growth momentum, supported by higher revenue and outlet expansion in FY2024.

The Group posted revenue of A\$69.0million in FY2024 compared to A\$65.8million in the financial year ended 30 June 2023 ("**FY2023**") mainly due to the overall improvement in the Group's performance and increase in sub-franchised outlets during the financial year.

The F&B retail sales segment continued to be the major contributor to the Group's total revenue with sales of A\$46.4million in FY2024 in line with the increase in Group-owned outlets during the financial year.

The Group's supply chain sales segment, comprising the sale of F&B ingredients and other supplies to sub-franchisees and sub-licensees, recorded revenue of A\$14.5million in FY2024. This was in line with the increase in the number of sub-franchised outlets, which increased from 115 outlets as at 30 June 2023 to 127 outlets as at 30 June 2024.

Franchise revenue, comprising franchise and royalty revenue as well as project revenue from new sub-franchisees, increased by A\$0.6million from A\$7.3million in FY2023 to A\$7.9million in FY2024. This was in line with the increase in the number of sub-franchised outlets.

Depreciation expense increased to A\$8.6million in FY2024, comprising A\$5.6million depreciation on right-of-use assets and A\$3.0million depreciation on property, plant and equipment. Staff costs increased from A\$24.6million in FY2023 to A\$25.7million in FY2024, mainly due to the general increase in wage rates and new corporate owned outlets.

Excluding losses attributable to non-controlling interests, net profit attributable to equity holders of the Company decreased from A\$2.0million in FY2023 to A\$0.9million in FY2024.

Message from Chairman & CEO

Financial Position

The Group continued to focus on improving its working capital to support its business operations during the year under review.

CURRENT ASSETS

The Group's current assets increased by A\$2.6million, from A\$17.1million as at 30 June 2023 to A\$19.7million as at 30 June 2024. This was mainly due to an increase in cash and bank balances by A\$2.6million and an increase in trade and other receivables of A\$0.3million comprising an increase in amount due from joint venture partners offset by decrease in trade and other receivables, partially offset by a decrease in inventories by A\$0.3million mainly due to the timing of purchases and the consumption of inventories.

NON-CURRENT ASSETS

The Group's non-current assets decreased by A\$1.7million, from A\$40.1million as at 30 June 2023 to A\$38.4million as at 30 June 2024. The decrease was mainly attributable to a decrease in property, plant and equipment of A\$1.6million, a decrease in intangible assets of A\$0.3million, mainly due to depreciation and amortisation expenses and impairment of assets and intangible assets in FY2024, decrease in deferred tax assets of A\$0.2million due to deferred tax expenses charged out during FY2024, decrease in trade and other receivable of A\$0.1million, and decrease in fixed deposit placed with licensed financial institution of A\$0.1million, partially offset by an increase in investment in joint venture by A\$0.4million and an increase in right-of-use assets of A\$0.2million.

CURRENT LIABILITIES

The Group's current liabilities decreased by A\$0.2million, from A\$16.6million as at 30 June 2023 to A\$16.4million as at 30 June 2024.

NON-CURRENT LIABILITIES

The Group's non-current liabilities decreased by A\$0.1million, from A\$19.9million as at 30 June 2023 to A\$19.8million as at 30 June 2024. The decrease was mainly due to a decrease in contract liabilities of A\$0.1million pertaining to deferred income from franchise fees received.

Review of Cash Flows

The Group generated net cash from operating activities before changes in working capital of A\$13.0million. Net cash generated from working capital amounted to A\$0.5million, mainly due to a decrease in receivables and contract assets of A\$0.5million and a decrease in inventories of A\$0.3million, partially offset by a decrease in payables and contract liabilities of A\$0.3million.

Net cash used in investing activities amounted to A\$3.5million, mainly due to additions to property, plant and equipment of A\$2.5million and additions to intangible assets of A\$0.2million as we expanded our supply chain operations and invested in new corporate outlets and increased our investment in and advances to joint venture of A\$1.1million, offset by proceeds from sale of Group-owned outlets of A\$0.2million and interest received from fixed deposits of A\$0.1million.

Net cash used in financing activities amounted to A\$6.5million, mainly due repayment of lease liabilities of A\$6.0million, interest paid on lease liabilities and bank borrowings of A\$1.5million, dividends paid to shareholders and non-controlling interests of A\$1.2million, purchase of treasury shares of A\$0.1million, offset by proceeds from issuance of ordinary shares of A\$1.8million, lease incentives received of A\$0.2million, net drawdown of bank borrowings of A\$0.2million and decrease in fixed deposits pledged of A\$0.1million.

The above led to an increase in net cash and cash equivalents by A\$2.6million in FY2024.

Message from Chairman & CEO

GROWING OUR FOOTPRINT

Notwithstanding the difficult business environment, the Group remained resolute in executing its strategic growth plans in FY2024.

The Group expanded its network of outlets from 164 outlets as at 30 June 2023 to 178 outlets as at 30 June 2024, with an additional 11 outlets slated to open by December 2024. We launched “Homm”, a dessert cafe which features an array of authentic Thai desserts and pastries, in Melbourne, Australia in November 2023 and plan to bring this exciting concept to Singapore and other upmarket locations in the major states in Australia by the end of 2024. The Group is also set to open the first TamJai SamGor Mixian outlet in Melbourne’s central business district by the fourth quarter of 2024. This will allow us to serve culinary delights from the well-known Hong Kong fast casual restaurant chain to throngs of international travellers and the office crowd working in the city hub.

Following our initial move into the Asian supermarket industry with the launch of “Maita”, the Group was encouraged by the positive responses from our customers which validated the demand for a one-stop Oriental grocer that blends its diverse offering of quality selections at affordable prices with top-notch customer service to deliver superior in-store grocery shopping experience. As such, we plan to open another outlet in Melbourne in early 2025.

POSITIONED FOR GROWTH

The Group intends to leverage our robust balance sheet and cash flows to capitalise on suitable opportunities to augment our diversified portfolio of internationally popular brands and venture into new markets. In addition, the Group will continue to focus on securing favourable leases to establish new outlets in prime locations and open hybrid brand stores which house multiple brands within the same outlet. We believe that these initiatives will strengthen our value proposition to the discerning consumers in the geographies where we operate.

Amidst the myriad of operational challenges posed by inflation and rising costs, the Group has been proactively managing its supply chain by working in tandem with our vendors to optimise costs. We will also continue to roll out new brands and products to delight our customers and maintain our edge as a leading F&B player in the face of intense competition from new market entrants in our key geographical markets.

The Group will continue to focus on building shareholder value through the expansion of our network of outlets as well as the introduction of new brands and products to augment our portfolio in Australia, New Zealand and the UK.

APPRECIATION

Finally, I would like to thank my fellow Directors for their invaluable insights and wise counsel. I would also like to appreciate our management team and staff for their dedication and hard work to drive the Group’s performance during the year. In addition, I also wish to convey my gratitude to our shareholders, business partners, suppliers and customers for their unflinching support.

I believe that we will stay the course to execute our strategy and capitalise on the opportunities ahead to deliver sustainable growth for our shareholders.

On behalf of the Board of Directors, we thank you and look forward to your continued trust and support.

Mr. Saw Tatt Ghee
EXECUTIVE CHAIRMAN AND CEO

Board of Directors



Mr. Saw Tatt Ghee
EXECUTIVE CHAIRMAN AND CEO

Mr. Saw Tatt Ghee is the founder, Executive Chairman and Chief Executive Officer (“CEO”) of ST Group, and was appointed to the Board on 11 January 2018 and was re-elected on 31 October 2022. He is responsible for overseeing the overall development and performance of the Group, setting and executing the strategic direction and expansion plans for the growth and development of the Group, including sourcing for new brands to add to the Group’s portfolio to promote business growth.

Mr. Saw has over 20 years of experience in the F&B industry. Prior to founding the Group, Mr. Saw was involved in the management and operation of various F&B outlets in Melbourne, Australia.

Mr. Saw obtained his Bachelor of Commerce from the University of Melbourne in 2001. Thereafter, Mr. Saw attained a Graduate Diploma in Business Systems from the Royal Melbourne Institute of Technology in 2003.



Ms. Saw Lee Ping
EXECUTIVE DIRECTOR AND CAO

Ms. Saw Lee Ping was appointed to the Board as Executive Director and Chief Administrative Officer (“CAO”) on 10 June 2019 and was re-elected on 25 October 2023. She is responsible for managing the Group’s administrative functions and supporting the CEO in executing the strategic direction and expansion plans for the growth and development of ST Group. She first joined ST Group in 2011 as the Group’s financial controller until 2014, where she subsequently became the Group’s CAO.

Ms. Saw has more than 10 years of experience in financial and transaction advisory services. Prior to joining ST Group, Ms. Saw held various positions from associate to senior manager in the Transaction Advisory Services Division in Ernst & Young, Malaysia from 1997 to 2007. From 2008 to 2012, she was an accountant for Oldtown (Aust) Pty Ltd, a former business venture of Mr. Saw Tatt Ghee.

Ms. Saw obtained her Bachelor in Economics from the University of Sydney, Australia in 1997. She became a certified practising accountant of CPA Australia in 2000.

Board of Directors



Mr. Chan Wee Kiang
LEAD INDEPENDENT DIRECTOR

Mr. Chan Wee Kiang was appointed to the Board as the Lead Independent Director on 10 June 2019 and was re-elected on 25 October 2023. Mr. Chan is currently the group managing director of PCCS Group Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad.

Prior to this, he has held various positions in the subsidiaries of PCCS Group Berhad. Mr. Chan started his career in Perusahaan Chan Choo Sing Sdn. Bhd. as a marketing executive in 2002 and was subsequently promoted to assistant marketing manager in 2003. From 2004 to 2006, he was the group marketing manager of PCCS (Hong Kong) Limited. He was general manager of PCCS Garments (Suzhou) Limited from 2007 to 2009, before he was appointed as deputy group general manager of PCCS Group Berhad in 2009.

Mr. Chan graduated with a Bachelor of Commerce (Accounting and Finance) from Monash University, Australia in 2006.



Mr. Peter Sim Swee Yam
INDEPENDENT DIRECTOR

Mr. Peter Sim Swee Yam was appointed to the Board as an Independent Director on 10 June 2019 and was re-elected on 31 October 2022.

A practising lawyer with over 40 years of experience and director of his own law firm, Sim Law Practice LLC, Mr. Sim is also an independent director of Singapore Land Group Limited, Lum Chang Holdings Limited and TalkMed Group Limited all of which are listed on the Singapore Stock Exchange. He was also formerly a non-executive director of Singapore Heart Foundation.

He graduated in 1980 with a Bachelor of Laws (Hon) degree from the University of Singapore (now known as the National University of Singapore) and was called to the Singapore Bar in 1981. He is also a member of The Law Society of England & Wales (UK) since 1997.

Mr. Sim was awarded two National Awards, the Public Service Medal (Pingat Bakti Masyarakat) in August 2000 and the Public Service Star (Bintang Bakti Masyarakat) in August 2008.



Mr. Yap Zhi Chau
INDEPENDENT DIRECTOR

Mr. Yap Zhi Chau was appointed to the Board as an Independent Director on 10 June 2019 and was re-elected on 30 November 2021. Mr. Yap is currently the group executive chairman of YYC Holdings Sdn Bhd, an accounting firm in Malaysia, a position he has held since 2015.

Prior to this, he was an executive director at YYC Holdings Sdn Bhd from 2010 to 2015. Between 2002 and 2010, Mr. Yap was with YYC & Co., where he started out as an audit associate and was promoted to senior business development manager.

Mr. Yap graduated with a Bachelor of Business (Accounting) from the Central Queensland University, Australia in 2002. He is a member of the Malaysian Institute of Accountants as well as a member of CPA Australia.

Key Management

Mr. Lee Huey Chyuan CHIEF FINANCIAL OFFICER

Mr. Lee Huey Chyuan was appointed as ST Group's Chief Financial Officer in September 2023. He is responsible for overseeing the financial, accounting and corporate secretarial matters of the Group, including leading and supervising the monthly accounts closing, consolidation of the Group accounts and yearly audits, supervising and ensuring the Group's compliance with taxation and financial reporting requirements, and providing overall supervisory control over the Group's finances, liabilities and cash flows.

Mr. Lee first joined ST Group in 2016 and held various accounting roles within the Group throughout the years including the role of Financial Controller in 2022. Mr. Lee graduated with a Bachelor of Business from Royal Melbourne Institute of Technology (RMIT), Melbourne, Australia and Master of Business (Marketing) from Monash University, Australia in 2016.

Mr. Lee is a certified practising accountant of CPA Australia.

Mr. Leong Weng Yu CENTRAL KITCHEN PRODUCTION MANAGER

Mr. Leong Weng Yu was appointed as the Central Kitchen Production Manager in 2014. He is responsible for the overall management and oversight of the Group's Central Kitchen, including overseeing the central procurement process, food processing and preparation process and quality control. He is also responsible for developing new food concepts and products made in the Central Kitchen.

Mr. Leong first joined ST Group in 2012 as an executive chef in the restaurants under the "PappaRich" brand. Prior to joining the Group, he has worked in various F&B establishments between 2004 to 2012, holding positions ranging from cook to executive chef and head chef. From 2008 to 2012, he worked as an executive chef for Oldtown (Aust) Pty Ltd, a former business venture of Mr. Saw Tatt Ghee.

Mr. Leong graduated with a Bachelor of Business (Marketing) from Swinburne University of Technology, Australia in 2006 and attained a Certificate III in Hospitality for Commercial Cookery from the Sydney International College of Business in 2007.

Mr. Pang Kher Chink OPERATIONS MANAGER

Mr. Pang Kher Chink is an Operations Manager and is responsible for the overall management and oversight of the operations of the Group's outlets.

Mr. Pang has been involved in ST Group's business since it was founded in 2011. He has held various positions within the Group's subsidiaries, as Operations Manager of Oldtown QV (Aust) Pty Ltd, IPR (WA) Pty Ltd in Western Australia, IPR NZ Ltd in New Zealand and was responsible for the establishment of its outlets under the "IPPUDO" brand in Perth and New Zealand. Prior to joining the Group, Mr. Pang was a supervisor at SGN Aust Pty Ltd from 2005 to 2012.

Mr. Pang graduated with a degree in Business Information Systems from the Swinburne University of Technology, Australia in 2004.

Key Management

Mr. Tan Tee Ooi OPERATIONS MANAGER

Mr. Tan Tee Ooi is an Operations Manager and is responsible for the overall management and oversight of the operations of the Group's outlets.

Mr. Tan has been involved in ST Group's business since it was founded in 2011. He has held various positions within the Group's subsidiaries, including director of Oldtown QV (Aust) Pty Ltd and JCT (Doncaster) Pty Ltd, and has been involved in managing and supervising outlet operations under the "PappaRich" and "PAFU" brands. Prior to joining ST Group, Mr. Tan was a manager of an F&B establishment in Australia from 2008 to 2009.

He was appointed as director of Oldtown QV (Aust) Pty Ltd in 2009, which was trading as Old Town Kopitiam Mamak, where he was responsible for the management of Old Town Kopitiam Mamak, a Malaysian food restaurant opened by Mr. Saw Tatt Ghee in QV Melbourne. Subsequently, when Old Town Kopitiam Mamak ceased operations and the first "PappaRich" restaurant was opened at the same premises in 2012, he assumed his role as a manager of the "PappaRich" restaurant. Before this, he was a software engineer with Advanced Air Traffic Systems (M) Sdn Bhd from 1998 to 2007.

Mr. Tan graduated with a Bachelor of Science with Honours in Computing Science from Staffordshire University in 1999. Mr. Tan is the spouse of our Executive Director and CAO, Ms. Saw Lee Ping.

Mr. Ng Yee Siang OPERATIONS MANAGER

Mr. Ng Yee Siang is an Operations Manager and is responsible for the overall management and oversight of the operations of the Group's "Gong Cha" outlets.

Mr. Ng has been involved in ST Group's business since it was founded in 2011. He has held various positions within the Group's subsidiaries, including a director of Oldtown QV (Aust) Pty Ltd, STG Beverage (NZ) Pty Ltd and GCHA (NZ) Pty Ltd. He was responsible for the establishment and expansion of the franchise network under the "Gong Cha" brand in New Zealand. Prior to this, Mr. Ng was a manager and director of SGN Aust Pty Ltd, a master franchisee for an international F&B brand, from 2005 to 2013.

Mr. Ng graduated with a Bachelor of Engineering from the University of Melbourne, Australia in 2002.

Mr. Lee Jian Hui OPERATIONS MANAGER

Mr. Lee Jian Hui is responsible for the overall management and oversight of the operations of the Group's PappaRich brand in Australia and New Zealand. Mr Lee is also involved in the establishment and development of corporate governance, franchise system and supply chain for the Group.

Mr. Lee graduated in 2009 with a Bachelor of Business (Professional Accountancy) from Royal Melbourne Institute of Technology (RMIT), Melbourne, Australia and joined Oldtown QV (Aust) Pty Ltd as a Brand Development Manager in 2010. He then joined the Group as General Manager of PappaRich Australia Pty Ltd in November 2011.

Ms. Daphne Chin Ying Mun OPERATIONS MANAGER

Ms. Daphne Chin Ying Mun was appointed as an Operations Manager in February 2020. She is responsible for managing and overseeing the operations of Nene Chicken brand. She also leads the establishment and expansion of Nene Chicken sub-franchise and sub-licence network.

She first joined ST Group in 2014 as a Business Development Manager of Nene Chicken Australia Pty Ltd where she was responsible for business development and overall management of Nene Chicken team.

Ms. Chin graduated with a Bachelor of Business (Economics and Finance) in 2011 and Master of Professional Accounting in 2013 from Royal Melbourne Institute of Technology.

Corporate Information

COMPANY REGISTRATION NUMBER: 201801590R

Board of Directors

EXECUTIVE:

Saw Tatt Ghee

(Executive Chairman and Chief Executive Officer)

Saw Lee Ping

(Executive Director and Chief Administrative Officer)

NON-EXECUTIVE:

Chan Wee Kiang

(Lead Independent Director)

Peter Sim Swee Yam

(Independent Director)

Yap Zhi Chau

(Independent Director)

Audit Committee

Yap Zhi Chau (Chairman)

Peter Sim Swee Yam

Chan Wee Kiang

Nominating Committee

Yap Zhi Chau (Chairman)

Saw Tatt Ghee

Chan Wee Kiang

Remuneration Committee

Chan Wee Kiang (Chairman)

Peter Sim Swee Yam

Yap Zhi Chau

Company Secretary

Lim Kok Meng

Registered Office

16 Raffles Quay

#17-03 Hong Leong Building

Singapore 048581

Tel: +65 6228 3488

Email address: ir@stgroup.net.au

Business Office

120-130 Turner Street

Port Melbourne Victoria 3207

Australia

Share Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue

#14-07 Keppel Bay Tower

Singapore 098632

Sponsor

Hong Leong Finance Limited

16 Raffles Quay

#01-05 Hong Leong Building

Singapore 048581

Auditors

Baker Tilly TFW LLP

600 North Bridge Road

#05-01 Parkview Square

Singapore 188778

Partner-in-charge: **Ms Sek See Mun**

Appointed since
financial year ended 30 June 2023

Report on Corporate Governance

The board of directors ("**Board**" or "**Directors**") of ST Group Food Industries Holdings Limited ("**Company**") and, together with its subsidiaries, "**ST Group**" or "**Group**") is committed to maintaining high standards of corporate governance within the Group. The Board recognises that good corporate governance establishes and maintains a governance structure which is essential for preserving and enhancing the interests of all stakeholders of the Group. This report describes the Group's corporate governance framework and practices that were in place throughout the financial year ended 30 June 2024 ("**FY2024**"). The Board confirms that the Group adheres to the principles and provisions of the Code of Corporate Governance 2018 (last amended on 11 January 2023) ("**Code**") where applicable, relevant and practicable to the Group, the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**Catalist Rules**") and the Companies Act 1967 of Singapore ("**Companies Act**"). Where there is any deviation from any provisions of the Code, an explanation has been provided in this report and how the practices adopted by the Group are consistent with the intent of the relevant principle. This report should be read in its entirety.

Board Matters

PRINCIPLE 1: THE BOARD'S CONDUCT OF ITS AFFAIRS

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

The Board, in addition to its statutory responsibilities, is primarily responsible for overseeing and supervising the Company's management ("**Management**") in the business affairs and the overall performance of the Group. It sets the overall strategy, values and standards (including ethical standards) of the Group and has the duty to protect and enhance long-term shareholder value of the Company. Board members are expected to act in good faith and exercise independent judgement in the best interests of the Group. To fulfil this role, the Board's responsibilities include:

- (i) setting the code of conduct, values and standards (including ethical standards) of the Group, an appropriate tone-from-the-top and desired organisational culture, ensuring that the Group's policies and practices are consistent with the culture, and that there is proper accountability within the Group;
- (ii) providing effective entrepreneurial leadership, guiding and setting strategic objectives and directions to ensure that the necessary financial, human and other resources are in place for the Group to achieve its objectives;
- (iii) reviewing the processes relating to risk management systems, adequacy and effectiveness of internal controls, addressing financial, operational, compliance and information technology controls identified by the Audit Committee ("**AC**") that are required to be strengthened for assessment and recommendations on actions to be taken to address and monitor any areas of concern;
- (iv) advising Management on major policy initiatives and significant issues, and approving Board policies, strategies and financial objectives of the Group;
- (v) constructively challenging Management and reviewing the Group's performance on a regular basis, including but not limited to approving announcements relating to the financial results and the audited financial statements of the Group, and timely announcements of material developments concerning the Group;
- (vi) identifying key stakeholder groups and recognising that their perceptions affect the Group's reputation;
- (vii) approving annual budgets, key operational matters, major funding proposals, investments and divestments, corporate or financial restructuring, material acquisitions and disposal of assets and interested person transactions of a material nature, dividend payments (if any) and convening of meetings of shareholders of the Company ("**Shareholders**"), approving share buybacks, if any, and making decisions of all material transactions in the interests of the Group;

Report on Corporate Governance

- (viii) approving all Board appointments or re-elections/re-appointments and appointments and promotion of Key Management Personnel (as defined in the Code) and employees who are related to any of the Directors, substantial shareholders of the Company or the Chief Executive Officer (“CEO”) of the Company;
- (ix) establishing and maintaining a framework of good corporate governance within the Group, including risk management systems and prudent, adequate and effective internal controls to safeguard Shareholders' interests and the Group's assets;
- (x) evaluating the performance and compensation of Directors, Key Management Personnel and employees who are related to the Directors or substantial shareholders; and
- (xi) overseeing the proper conduct of the Group's business and assuming responsibility for its corporate governance processes.

The Board also considers sustainability issues such as environmental and social factors as part of its strategic formulation in line with the provisions of the Code.

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.

All Directors conduct the appropriate due diligence and independent judgement in discharging their duties and responsibilities at all times as fiduciaries and act objectively in the best interests of the Company and hold Management accountable for performance.

All Directors are required to exercise due care and maintain the confidentiality of information entrusted to them by the Company and carry out their responsibilities in compliance with applicable laws, rules and regulations.

The Company has in place an internal code of compliance on securities transactions by the Company and its officers (“Code of Compliance”) that the Company's Directors and its officers must not trade in its securities within the “closed” window period or deal with its securities on short-term considerations as well while they are in possession of non-public materially price-sensitive or trade-sensitive information.

Directors facing conflicts of interest are required to recuse themselves from discussions and decisions involving the issues of conflict and abstain from voting on any resolution and making any recommendation and/or participating in respect of such decisions. They are also required to avoid situations in which their own personal or business interests, directly or indirectly, conflict, or appear to conflict, with the interests of the Group. Where a Director has a conflict of interest, or it appears that he might have a potential conflict of interest, in relation to any matter, he is required to declare such interest at a meeting of the Directors (or in written resolutions to be passed), and recuse himself from participating in any discussion and abstain from voting on the matter. Where relevant, the Directors have complied with such requirement, and such compliance is duly recorded in the minutes of meeting and/or Directors' resolutions in writing.

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 appropriate training and orientation programmes to familiarise themselves with the operations of the Group and its businesses. The Company will also make the necessary arrangements for the newly appointed Directors, if any, to attend the First-Time Director Mandatory Training so as to familiarise themselves with the roles and responsibilities as a Director of a listed company in Singapore, if required.

The Company did not appoint any new Directors and/or first-time Directors during FY2024.

Report on Corporate Governance

The Directors may join institutes and group associations of specific interests, and attend relevant training seminars or informative talks at the Company's expense from time to time to apprise themselves of the legal, financial and other regulatory developments and to effectively discharge their duties as a Director.

As an ongoing exercise, the Directors will also be briefed by professionals during Board meetings or at separate seminars on amendments and updates to the requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST") and other statutory and regulatory changes which may have an important bearing on the Group and the Directors' obligations to the Company, from time to time. Directors also have the opportunity to visit the Group's operational facilities and to meet with Management so as to gain a better understanding of the Group's business operations.

Pursuant to Rule 720(6) of the Catalist Rules with effect from 1 January 2022, all Directors of the Company must undergo training on sustainability matters as prescribed by the SGX-ST. If the Nominating Committee ("NC") is of the view that training is not required because the Director has expertise in sustainability matters, the basis of its assessment must be disclosed. The Company is required to confirm in its sustainability report for FY2024 that all its Directors have attended the mandatory training on sustainability. As at the date of this report, all Directors have completed the mandatory training on sustainability training.

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.

The approval of the Board is required for any matters which is likely to have a material impact on the Group's business and/or financial position as well as matters other than those in the ordinary course of business. The matters reserved for the Board's decision and the types of material transactions that are likely to have a material impact on the Group's business and/or financial position as well as matters other than those in the ordinary course of business, are, *inter alia*, as follows:

- financial results and audited financial statements;
- the Group's broad policies, objectives and strategic plans including long-term strategic plans;
- annual operating plan and budget;
- major funding proposals and corporate or financial restructuring, if any;
- joint ventures, mergers, acquisitions, investments, divestments or other material changes in the Group's assets;
- Management changes or changes in effective control of the Company;
- firm evidence of significant improvement or deterioration in near term earnings prospects;
- subdivision of shares or stock dividends;
- acquisition or loss of significant contracts;
- significant new product or discovery;
- public or private sale of significant amount of additional securities of the Company;
- share buybacks;
- share option or share schemes;
- scrip dividend schemes;
- interested person transactions;
- provision or receipt of a significant amount of financial assistance;
- occurrence of an event of default under debt or other securities or financing or sale agreements;
- significant litigation;
- significant dispute(s) with customers or suppliers, or with any parties;
- significant change in capital investment plans;
- material financial loss/damage caused by disaster and/or loss of credibility arising from corporate scandals and other fraudulent activities pursuant to any reports received under the Whistle Blowing Policy adopted by the Company;
- appointment and removal of Auditor and Company Secretary;
- tender offer for another company's securities;
- valuation of the Group's assets that has a significant impact on the Group's financial position and/or performance;

Report on Corporate Governance

- involuntary striking-off of the Company's subsidiaries;
- investigation on any Director or executive officer of the Company;
- loss of a major customer or a significant reduction of business with a major customer; and
- major disruption to supply of critical goods or services, if any.

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.

The Board has delegated authority to three Board Committees, namely, the AC, the NC and the Remuneration Committee ("RC"), to enable them to oversee certain responsibilities based on their terms of reference. The terms of reference of each Board Committee set out the responsibilities of the Board Committee, conduct of meetings including quorum, voting requirements and qualifications for Board Committee membership. All Board Committees are chaired by an Independent Director and a majority or all of the members are Independent Directors. Any change to the terms of reference for any Board Committee requires the Board's approval. The minutes of Board Committee meetings, which record the key deliberations and decisions taken during these meetings, are circulated to all Board members for their information. The effectiveness of each Board Committee is also constantly monitored.

The Board accepts that while these Board Committees are delegated with the power to make decisions, execute actions or make recommendations in their specific areas, respectively, and will report to the Board with their decisions and/or recommendations, the ultimate responsibility for the decisions and actions rests with the Board.

The current composition of the Directors in the Board and its Board Committees is as follows:

NAME OF DIRECTOR		AC	RC	NC
Mr. Saw Tatt Ghee	(Executive Chairman and CEO)	–	–	M
Ms. Saw Lee Ping	(Executive Director and Chief Administrative Officer)	–	–	–
Mr. Chan Wee Kiang	(Lead Independent Director)	M	C	M
Mr. Peter Sim Swee Yam	(Independent Director)	M	M	–
Mr. Yap Zhi Chau	(Independent Director)	C	M	C

C - Chairman

M - Member

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 at least on a semi-annual basis to review, *inter alia*, the financial results, accounting policies, and audit plans and findings of the Group, and the Directors attend and actively participate in the Board and Board Committee meetings. These meetings are scheduled in advance to facilitate the individual Director's planning in view of their ongoing commitments. Ad hoc meetings of the Board and/or the Board Committees will be held as and when required to attend to any significant developments that may arise. Directors with multiple board representations on other companies ensure that sufficient time and attention are given to the affairs of the Company.

Where physical Board or Board Committees' meetings are not possible, timely communication with members of the Board or Board Committees can be achieved through electronic means and circulation of written resolutions for approval by the relevant Board or Board Committees' members. The Company's Constitution provides for meetings to be held via telephone or video conference or other methods of simultaneous communication by electronic, audio, audio-visual or other similar means.

Report on Corporate Governance

Details of Board and Board Committees' meetings and general meetings, i.e. annual general meeting ("AGM"), held from 1 July 2023 to 30 June 2024 are summarised in the table below:

NAME OF DIRECTORS	GENERAL MEETING				BOARD COMMITTEES' MEETINGS					
	AGM		BOARD		AC		RC		NC	
	NO. OF MEETINGS HELD	ATTENDED	NO. OF MEETINGS HELD	ATTENDED	NO. OF MEETINGS HELD	ATTENDED	NO. OF MEETINGS HELD	ATTENDED	NO. OF MEETINGS HELD	ATTENDED
Saw Tatt Ghee	1	1	2	2	2*	2*	1*	1*	1	1
Saw Lee Ping	1	1	2	2	2*	2*	1*	1*	1*	1*
Chan Wee Kiang	1	1	2	2	2	2	1	1	1	1
Peter Sim Swee Yam	1	1	2	2	2	2	1	1	1*	1*
Yap Zhi Chau	1	1	2	2	2	2	1	1	1	1

* By invitation

There was no extraordinary general meeting held during the period from 1 July 2023 to 30 June 2024.

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.

Management has an obligation to supply the Board with complete and adequate information in a timely manner on Board affairs and issues that require the Board's decision prior to meetings and on an ongoing basis to enable them to make informed decisions and discharge their duties and responsibilities.

The Executive Directors and Management keep the Board informed of the Group's business and performance through regular updates and reports as well as through informal discussions. Prior to any meetings of the Board or Board Committees, Directors are provided, where appropriate, with management information for their review and to enable them to participate actively at the meetings. The Executive Directors and Management are present at Board and Board Committee meetings to address any queries that the Board may have. Directors are also entitled to request from Management and be provided with additional timely information as needed in order for them to make informed decisions.

Management endeavours to send Board and Board Committees' papers to Directors at least three working days before such meetings so that the Directors may have a better understanding of the matters prior to the meeting and discussions may be focused on questions that the Directors may have on these matters.

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.

Board members have separate and independent access to Management and the Company Secretary. The Company Secretary and/or his/her representative(s) attend all Board and Board Committees' meetings and provide secretarial support to the Board, ensuring that Board procedures and all other rules and regulations applicable to the Company are adhered to.

The appointment and/or change of the Company Secretary is subject to approval by the Board as a whole.

Where decisions to be taken require expert opinion or specialised knowledge, the Directors, whether as a group or individually, may seek independent professional advice as and when necessary in furtherance of their duties at the Company's expense. The appointment of such independent professional advisor is subject to approval by the Board.

Report on Corporate Governance

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

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.

An “independent” director 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.

The Board, with the concurrence of the NC, has adopted a declaration of independence pursuant to provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules (“**Confirmation of Independence Form**”). Refer to provision 4.4 for further details.

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 current Board comprises two Executive Directors, namely, the Executive Chairman and CEO, and the Executive Director and Chief Administrative Officer (“**CAO**”), and three Independent and Non-Executive Directors. There is a strong and independent element on the Board, with Independent Directors making up a majority of the Board and the Company complies with provisions 2.2 and 2.3 of the Code.

No alternate director has been appointed by any Director.

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 Company is committed to build a diverse, inclusive and collaborative culture in the Group. It recognises that a diverse Board of an appropriate size is an important element to achieve the Group’s strategic objectives for sustainable development, avoid groupthink and foster constructive debates. A diverse Board also enhances the decision-making process through perspectives derived from differentiating skillsets, business experience, industry discipline, gender, age and culture, background and nationalities, tenure of service and other distinguishing qualities of the Directors.

The size and composition of the Board is reviewed annually by the NC to ensure that the size of the Board is appropriate so as to facilitate effective decision making. The review ensures that there is an appropriate mix of skills, knowledge, expertise, experience and diversity which the Group may tap on for assistance in furthering its business objectives and shaping its business strategies. The Board, with the concurrence of the NC, is of the opinion that its current board size of five members is appropriate, taking into account the nature and scope of the Group’s operations and the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees.

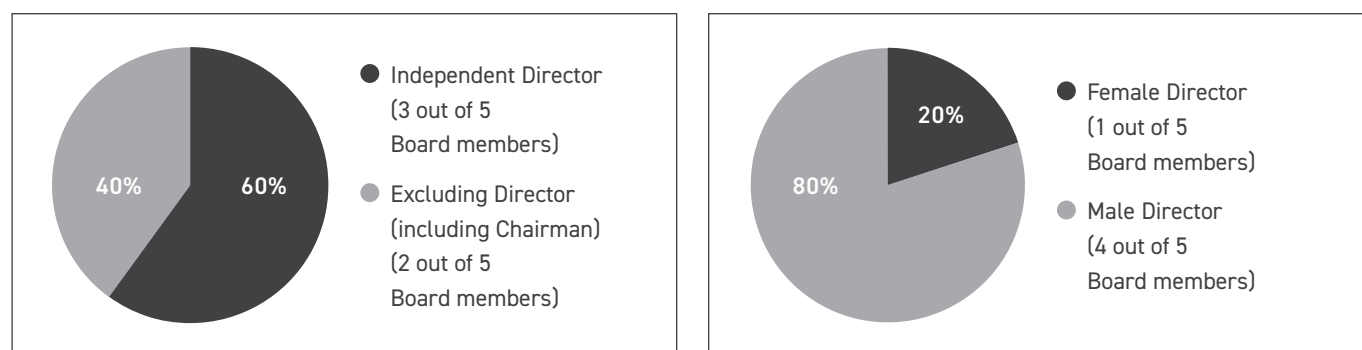
Pursuant to provision 2.4 of the Code, the Board has adopted a Board Diversity Policy. Having regard to the guidelines in the Board Diversity Policy, the NC will, in reviewing the Board’s composition, rotation and retirement of Directors and succession planning, take into account factors including, but not limited to, gender, age, nationality, cultural background, educational and professional background, experience, skills, knowledge, independence and length of service. These differentiating factors will be considered in determining the optimum composition of the Board and when possible will be balanced appropriately.

Report on Corporate Governance

Any external search consultants, if required, engaged to assist the Board or the NC to search for candidates for appointment to the Board will be specifically directed to include candidates from diverse backgrounds. The decision on the selection of Director(s) to be appointed on the Board will ultimately be based on merit, and candidates will be considered against objective criteria, having due regard for the benefits of diversity balanced with the needs of the Board.

Together, the Board and Board Committees comprise Directors who as a group provide a broad range and an appropriate balance and diversity of age and gender, and expertise in areas such as accounting, finance, legal, knowledge of the Company's business, management and operations experience and strategic planning experience, knowledge, geographical background and nationality, as well as familiarity with regulatory requirements. The diversity of the Directors' experience allows for useful exchange of ideas and views.

No individual or select group of individuals dominates the Board's decision-making process as a majority of the Board (60%) is made up of Independent Directors.



The NC will review the Board Diversity Policy from time to time as appropriate to ensure its effectiveness. The NC will also discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

Key information regarding the Directors is set out in the "Board of Directors" section of the Annual Report.

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.

Independent Directors contribute to the Board process by monitoring and reviewing Management's performance against goals and objectives. Their views and opinions provide alternative perspectives to the Group's business. They constructively challenge and help develop proposals on the Group's strategy and review the performance of Management in meeting agreed goals and objectives and monitor the reporting of the Group's business and financial performance. When challenging Management's proposals or decisions, they bring independent judgement to bear on business activities and transactions involving conflicts of interest and/or other complexities.

All Independent Directors, led by the Lead Independent Director, will meet and hold regular discussions during the year without the presence of the Management and the Executive Directors. The Lead Independent Director will provide feedback to the Board and/or Chairman of the Board after such meetings, if any, to facilitate effective discussion between the Chairman of the Board and the Board on strategic issues and any other issues that may arise.

The Independent Directors are also in frequent contact with one another outside the Board and Board Committees' meetings and hold regular informal discussions amongst themselves. Any feedback would be provided to the Board and/or Chairman of the Board as appropriate.

Report on Corporate Governance

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER (“CEO”)

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.

Mr. Saw Tatt Ghee (“**Mr. Saw**”), the founder of the Group, is the Executive Chairman and also the CEO of the Group.

As the Executive Chairman, his principal duties and responsibilities include:

- leading the Board to ensure its effectiveness on all aspects of its roles;
- scheduling meetings for the Board and Board Committees to discharge their duties with the assistance of the Chief Financial Officer (“**CFO**”) or such equivalent and the Company Secretary, including setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
- promoting a culture of openness and debate on the Board;
- coordinating activities of the Non-Executive Directors and facilitating the effective contribution of Non-Executive Directors;
- exercising control over quality, quantity and timeliness of the flow of information between Management and the Board to ensure that the Directors receive complete, adequate and timely information;
- maintaining regular dialogue with Management on all operational matters;
- encouraging constructive relations within the Board and between the Board and Management;
- ensuring effective communication with Shareholders; and
- assisting in ensuring the Company’s compliance with relevant laws, rules and regulations, corporate governance provisions and promote high standards of corporate governance.

As the CEO, Mr. Saw is responsible for overseeing the overall development and performance of the Group, setting and executing the strategic directions and expansion plans for the growth and development of the Group, including sourcing for new brands to add to the Group’s portfolio to promote the growth of its business. He plays a key role in developing the business of the Group and provides the Group with strong leadership and vision.

The Board believes that vesting the roles of both the Executive Chairman and CEO in Mr. Saw, who is most knowledgeable of the businesses of the Group, provides the Group with strong and consistent leadership and allows for more effective planning and execution of long-term business strategies. Nonetheless, any major decisions made by Mr. Saw are required to be reviewed and approved by the Board. Should Mr. Saw face any conflict of interest in a proposed transaction, he is required to recuse himself from discussions and decisions involving the issue of conflict. He is also required to avoid situations in which his own personal or business interests, directly or indirectly, conflict, or appear to create a potential conflict of interest, with the interests of the Group.

Report on Corporate Governance

The Board believes that the following factors sufficiently ensure that power is not concentrated in the hands of one individual and that accountability and independent decision-making by the Board is maintained:

- (i) Independent Directors make up a majority of the Board;
- (ii) there is active participation by Independent Directors during Board meetings who challenge the assumptions and proposals of the Management on all relevant issues affecting the affairs and the business of the Group, review the performance of Management and monitor the reporting of performance; and
- (iii) the Lead Independent Director has been appointed and is available to Shareholders who have concerns for which contact through the normal channels of communication with the Chairman of the Board and CEO, the Executive Director and CAO or the CFO has failed to resolve such concerns or for which such contact is inappropriate or inadequate. In particular, the Lead Independent Director acts as the principal liaison between the Shareholders, Independent Directors, the Chairman of the Board and Management regarding sensitive issues.

The Executive Chairman and CEO's performance and appointment to the Board is reviewed annually by the NC and his remuneration package is reviewed by the RC when his Service Agreement is due for renewal. All Board Committees are chaired by Independent Directors and Mr. Saw abstains from voting on any matter in respect of his own re-election and remuneration.

Further, in line with the provisions of the Code, Mr. Chan Wee Kiang was appointed as Lead Independent Director of the Company to coordinate and lead the Independent Directors to provide a non-executive perspective and to contribute to a balanced viewpoint on the Board. The Lead Independent Director will lead and coordinate the activities of the Independent Directors and serve as a principal liaison on Board issues between the Independent Directors and the Board to (i) assist the Independent Directors on constructive discussion with Management; (ii) assist Management in developing goals and objectives; (iii) review and monitor Management performance (iv); and provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The Lead Independent Director also avails himself to address shareholders' concerns and acts as a counterbalance in the decision-making process. Shareholders with concerns may contact him directly at id@stgroup.net.au, in the event that contact through the normal channels via the Chairman and the Management has not provided the shareholders with satisfactory resolution, or when such normal channels of communication are not appropriate.

Accordingly, there is a balance of power and authority and, therefore, no one individual has unfettered powers and no one individual can control/dominate the decision-making process of the Company. The Board is not considering separating the roles of the Executive Chairman and the CEO at this moment. The NC will review the need to separate the roles from time to time and make its recommendation when necessary.

As such, consistent with the intent of principle 3 of the Code, the Board is of the opinion that there are adequate safeguards and checks in place to ensure that the process of decision-making by the Board is independent and based on the collective decision of the Board without any individual exercising any considerable concentration of power or influence.

Report on Corporate Governance

PRINCIPLE 4: BOARD MEMBERSHIP

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, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.

The NC is regulated by a set of written terms of reference which are in line with the Code. The NC comprises three members, a majority of whom, including the NC Chairman, are Independent Directors. The composition of the NC is as follows:

Mr. Yap Zhi Chau (Chairman)
Mr. Chan Wee Kiang (Lead Independent Director)
Mr. Saw Tatt Ghee

The NC's responsibilities include, but are not limited to, the following key terms of reference:

- (i) making recommendations to the Board on relevant matters relating to (i) the review of Board succession plans for Directors, in particular, the Chairman, the CEO and Key Management Personnel, and (ii) the review of training and professional development programmes for the Board;
- (ii) reviewing and recommending the appointment of new Directors and the appointment and promotion of executive officers as well as the re-appointment of the Directors, having regard to each Director's contribution, performance and ability to commit sufficient time, resources and attention to the affairs of the Group, and each Director's respective commitments outside the Group including his/her principal occupation and board representations on other companies (if any);
- (iii) reviewing and determining annually, and as and when circumstances require, if a Director is independent, in accordance with the Code and any other salient factors;
- (iv) reviewing the composition of the Board annually to ensure that the Board and the Board Committees comprise Directors who as a group provide an appropriate balance and diversity of skills, knowledge, experience and other aspects of diversity such as gender and age, and provide core competencies such as accounting, finance, legal, knowledge of the Company's business, management and operations experience and strategic planning experience, knowledge as well as familiarity with regulatory requirements;
- (v) determining whether the Director is able to and has been adequately carrying out his/her duties as a Director, taking into consideration, *inter alia*, the Director's number of listed company board representations and other principal commitments;
- (vi) making recommendations to the Board on the development of a process and criteria for evaluation of the performance of the Board, its Board Committees and Directors. In this regard, the NC will decide how the Board's performance is to be evaluated and propose objective performance criteria which address how the Board has enhanced long-term shareholder value of the Company;

Report on Corporate Governance

- (vii) implementing a process for assessing the effectiveness of the Board as a whole and the Board Committees and for assessing the contribution of the Chairman of the Board and each individual Director to the effectiveness of the Board and each Board Committee on which he/she sits;
- (viii) reviewing and approving any employment and promotion of managerial staff and employees who are related to any of the Directors, substantial shareholders or the CEO of the Company and the proposed terms of their employment;
- (ix) re-nominating Directors who are retiring by rotation for re-election by Shareholders having regard to the Director's contribution and performance (e.g. his/her attendance, preparedness, participation and candour) including, if applicable, as an independent Director;
- (x) setting up internal guidelines to address the competing time commitments that is faced when Directors serve on multiple boards (if necessary); and
- (xi) reviewing the statements made in the Annual Report relating to the Company's policies on selection, nomination and evaluation of Board members with a view to achieving clear disclosure of the same.

The principal activities of the NC during FY2024 are summarised below:

- a. reviewed the findings of the evaluations of the AC, NC, RC, Board and peer assessment of the individual Directors and evaluation of the Chairman;
- b. reviewed and recommended to the Board the nomination of Directors for re-election at the AGM;
- c. reviewed other directorships and principal commitments held by each Director and decided whether a Director is able to carry out, and has been adequately carrying out, his/her duties as a Director;
- d. reviewed the size and composition of the Board and each Board Committee and succession plans;
- e. received the report on the training and professional development programmes for the Board (if any); and
- f. reviewed and assessed the independence of each Independent Director.

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.

New Directors, if any, will continue to be selected based on objective criteria and the NC will, in consultation with the Board, evaluate and determine the selection criteria with due consideration to the mix of skills, knowledge and experience of the existing Board. The NC will evaluate potential candidates by undertaking background checks, assessing individual competency, knowledge, management skills, financial literacy, experience and qualifications, thereby ensuring the fulfilment of the requirement which the Board as a whole requires to be effective. The NC will seek candidates from a wide pool of individuals not limited to persons known to the Directors directly and is empowered to engage professional search firms to aid in this process.

Executive Directors are provided with a Service Agreement setting out the terms and conditions of his/her appointment. The Service Agreement is reviewed and subject to the RC's recommendation, and unless terminated by either party, is renewed upon expiry. Non-Executive Directors are given formal appointment letters setting out the terms of their appointment as well as their duties and obligations.

Report on Corporate Governance

Process for re-election/re-appointment of Directors

The NC has the responsibility of establishing a formal and transparent search and nomination process for the selection and re-election of Directors.

When an existing Director chooses to retire or is required to retire from office by rotation, or the need for a new Director arises, the NC reviews the range of expertise, skills and attributes of the Board and the composition of the Board.

In accordance with the Company's Constitution, Regulation 114 of the Company's Constitution provides that a new Director appointed in between the AGMs must also submit himself for re-election at the next AGM following his appointment. Regulation 110 of the Company's Constitution provides that one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) excluding newly appointed Directors to be re-elected under Regulation 114, who are eligible for re-election must retire by rotation at every AGM. The Directors of the Company submit themselves for re-nomination and re-election at regular intervals and at least once every 3 years. Retiring Directors are eligible to offer themselves for re-election.

Mr Peter Sim Swee Yam has indicated to the NC and Board that he will not be seeking re-election at the forthcoming AGM and will retire at the conclusion of the AGM. Mr. Peter Sim Swee Yam will retire as an Independent Director and concurrently relinquish his role as a member of the Audit and Remuneration Committee. The Company and the NC have commenced searching for a suitable candidate and will be making appropriate announcement(s) to update the shareholders in due course.

The NC, having considered the attendance and participation of Mr. Yap Zhi Chau at Board and Board Committees' meetings, in particular, his contributions to the business and operations of the Group as well as Board processes, had recommended to the Board the re-election of Mr. Yap Zhi Chau, who will be retiring by rotation pursuant to Regulation 110 of the Company's Constitution at the forthcoming AGM.

Mr. Yap Zhi Chau will, upon re-election as a Director of the Company, remain as an Independent Director, Chairman of the Audit Committee and of the Nominating Committee, and a member of the Remuneration Committee, and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules. He has consented to continue in office and the Board has accepted the recommendation of the NC and accordingly, Mr. Yap Zhi Chau will be offering himself for re-election at the forthcoming AGM.

Each member of the NC has abstained from voting on any resolution and making any recommendation and/or participated in respect of his own re-election, if any, as Director of the Company.

The information on each Director's academic and professional qualifications and other principal commitments is presented in the "Board of Directors" section of this Annual Report and their shareholdings in the Company and its related corporations and relationships (if any) are presented in the "Directors' Statement" section of 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.

The NC, which is responsible for reviewing the independence of each Director on an annual basis, and as and when circumstances require, has adopted a Confirmation of Independence Form to confirm the independence of each Director. In addition, the NC requires each Independent Director to assess his own independence by completing a Confirmation of Independence Form which is drawn up in accordance with the provisions of the Code and Rule 406(3)(d) of the Catalist Rules, and state whether he considers himself independent despite having any of the relationships identified in the Code which would deem him not to be independent, if any. For FY2024, each Independent Director confirmed that he does not have any of the abovementioned relationships as identified in the Code and Rule 406(3)(d) of the Catalist Rules.

Report on Corporate Governance

For FY2024, the NC had also reviewed the independence of the Board members with reference to the provisions set out in the Code and Rule 406(3)(d) of the Catalist Rules.

The Board concurred with the NC's view that none of the Independent Directors are related and do not have any relationships with the Company, its related corporations, its substantial shareholders or its executive officers with a shareholding of 5% or more in the Company, or its officers or are in any circumstances that could interfere or be reasonably perceived to interfere with the exercise of their independent business judgement with a view to the best interests of the Company.

In the determination of independence of the Independent Directors, each of them has recused themselves when it comes to the deliberation and determination of their own independence.

No Director has served on the Board for more than nine years.

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.

Newly appointed Directors will be provided with background information about the history, structure, business operations, vision and values, strategic direction, policies and governance practices of the Group. They will also be briefed and given an orientation by the Management to familiarise themselves with the businesses and operations of the Group. Directors who do not have prior experience or are not familiar with the duties and obligations required of a director of a listed company in Singapore will undergo the necessary training and briefing.

Pursuant to the NC's terms of reference, the NC is required to determine if a Director has been adequately carrying out his/her duties as a Director of the Company, particularly, if he/she has multiple board representations in listed companies and other principal commitments. In view of this, the NC, having considered the confirmations received from Directors, is of the view that such multiple board representations (where applicable) do not hinder each Director from carrying out his/her duties as a Director of the Company. The NC is satisfied that sufficient time and attention have been accorded by these Directors to the affairs of the Group. The Board concurred with the NC's views.

In determining whether each Director is able to devote sufficient time to discharge his/her duty, the NC has taken cognisance of the Code's requirement and is of the view that its assessment should not be restricted to the number of board representations of each Director and his/her respective principal commitments per se. The contributions by Directors to and during meetings of the Board and Board Committees as well as their attendance at such meetings, in addition to each of their principal commitments, should also be taken into account. The Board is of the view that setting a maximum number of listed company board representations which a Director may concurrently hold would not be meaningful as the contributions of the Directors would depend on many other factors such as whether they were in full-time employment and their personal commitments or responsibilities. Nevertheless, the NC and the Board will review the number of listed company board representations of the Directors on an annual basis or from time to time when the need arises.

Report on Corporate Governance

The information on Directors' position, date of initial appointment, date of last re-election and directorships/ chairmanships held by the Directors in other listed companies are as follows:

NAME OF DIRECTOR	POSITION	DATE OF INITIAL APPOINTMENT	DATE OF LAST RE-ELECTION	DIRECTORSHIPS IN OTHER LISTED COMPANIES	
				CURRENT	PAST 3 YEARS
Mr. Saw Tatt Ghee	Executive Chairman and CEO	11 January 2018	31 October 2022	Nil	Nil
Ms. Saw Lee Ping	Executive Director and CAO	10 June 2019	25 October 2023	Nil	Nil
Mr. Chan Wee Kiang	Lead Independent Director	10 June 2019	25 October 2023	PCCS Group Berhad ⁽¹⁾	Nil
Mr. Peter Sim Swee Yam	Independent Director	10 June 2019	31 October 2022	(a) Lum Chang Holdings Limited (b) Singapore Land Group Limited (c) TalkMed Group Limited	Singapore Reinsurance Corporation Limited ⁽²⁾
Mr. Yap Zhi Chau	Independent Director	10 June 2019	30 November 2021	Nil	Nil

(1) Listed on Bursa Malaysia Berhad.

(2) Delisted from the official list of the SGX-ST with effect from 9:00 a.m. on 5 August 2021.

The principal commitments of the Directors, if any, and other key information regarding the Directors are set out in the "Board of Directors" section in this Annual Report.

PRINCIPLE 5: BOARD PERFORMANCE

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

Provisions 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.

Provisions 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 has implemented a process for assessing its effectiveness as a whole as well as the contribution by each Director to the Board, and of each of its Board Committees separately on an annual basis.

The NC reviews the criteria for evaluating the Board's performance and recommends to the Board a set of objective performance criteria focusing on enhancing long-term shareholder value of the Company. Based on the recommendations of the NC, the Board has established processes for evaluating the effectiveness of the Board as a whole and peer-assessment of each Director, the Chairman and its Board Committees.

Report on Corporate Governance

An evaluation of Board performance is conducted annually by the NC and each Director is required to complete a questionnaire approved by the Board, the performance criteria of which is as follows:

- Size and composition of the Board;
- Information provided to the Board;
- Board procedures;
- Board accountability;
- Matters concerning the CEO/Management; and
- Standard of conduct.

For FY2024, the NC has conducted assessment on the effectiveness of the Board as a whole, peer-assessment of each Director and assessment of the Chairman. The Chairman of the respective Board Committees are also required to complete a questionnaire on the effectiveness of these Board Committees, which would be tabled at the NC for further discussion.

The peer assessment of individual Directors and assessment of the Chairman will be conducted annually and each of the Director is required to complete a questionnaire approved by the Board to assess the Directors (other than the Director concerned) and the Chairman, the performance criteria of which is as follows:

- Director's Duties;
- Leadership;
- Communication Skills and Behaviour;
- Strategy and Risk Management;
- Board Contribution;
- Knowledge;
- Interaction; and
- Overall Assessment of Performance as a Director

Accordingly, the results of the (i) Board performance evaluation; (ii) peer assessment of the individual Directors and assessment of the Chairman; and (iii) respective Board Committees were collated by the Management and the findings analysed with comparatives from the previous year's results and discussed at the NC meeting, with a view to implementing certain recommendations to further enhance the effectiveness of the Board and the Board Committees.

The NC is generally satisfied with the performance of the Board, individual Directors and the Board Committees for FY2024 which indicated areas of strengths and those that could be improved further. No significant problems were identified. The NC had discussed the results with Board and/or Board Committees' members who agreed to work on those areas that could be improved further. The NC will continue to evaluate its process for such review and its effectiveness from time to time.

To-date, no external facilitator has been engaged.

Report on Corporate Governance

Remuneration Matters

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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 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 personnel.

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 is regulated by a set of written terms of reference which are in line with the Code. The RC comprises three Independent Directors all of whom, including the Chairman, are Independent Directors. The composition of the RC is as follows:

Mr. Chan Wee Kiang (Chairman)
Mr. Peter Sim Swee Yam
Mr. Yap Zhi Chau

The RC's responsibilities include but are not limited to, the following key terms of reference:

- (i) reviewing and recommending to the Board, in consultation with the Chairman of the Board, for the endorsement by the entire Board, a comprehensive remuneration policy framework and guidelines for remuneration of the Directors and Key Management Personnel;
- (ii) reviewing and recommending to the Board, for the endorsement by the entire Board, specific remuneration packages for each Director and Key Management Personnel;
- (iii) approving performance targets for assessing the performance of each Key Management Personnel and recommending such targets as well as employee specific remuneration packages for each such Key Management Personnel, for endorsement by the Board;
- (iv) considering and reviewing remuneration packages in order to maintain attractiveness, to retain and motivate Directors to provide good stewardship of the Group and Key Management Personnel to successfully manage the Group, and to align the level and structure of remuneration with the long-term interests and risk policies of the Group;
- (v) conducting an annual review of the specific remuneration packages of all managerial staff and employees who are related to any of the Directors, substantial shareholders or CEO to ensure that their remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities and to review and approve any bonuses, pay increases and/or promotions for these related managerial staff and employees;
- (vi) covering all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind (including the review and approval of the design of all share option plans, performance share plans and/or other equity based plans and benefits in kind); and
- (vii) reviewing the Company's obligations arising in the event of termination of the Executive Directors' or Key Management Personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with a view to being fair and avoiding the reward of poor performance.

Report on Corporate Governance

The principal activities of the RC during FY2024 are summarised below:

- a. reviewed and recommended to the Board the remuneration of Executive Directors, Key Management Personnel and employees who are related to the Group CEO (if any), including reviewing the terms of contracts of service that were due for renewal;
- b. reviewed and recommended to the Board the Independent Directors' fees, to be paid quarterly in arrears; and
- c. received updates on the ST Group Performance Share Plan, if any.

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

The RC's recommendations were made in consultation with the Executive Chairman and none of the members of the RC or any Director is involved in deliberations in respect of any remuneration, compensation, share-based incentives or any form of benefits to be granted to him/her.

The Company has in place a service agreement for each Executive Director which sets out his/her remuneration framework. Such service agreements are for an initial period of five years for the Executive Chairman and CEO and three years for the Executive Director and CAO. The Company may, at its discretion, extend the initial term by a further period of three years, by providing notice of not less than six months to the Executive Chairman and CEO and the Executive Director and CAO prior to the expiry of the initial five-year period and three-year period as set out in their respective service agreements.

Under the terms of the service agreements entered into with the Executive Directors, the Company is entitled to reclaim, in full or in part, incentive components of remuneration paid, whether in the current or previous financial years, to the Executive Directors, under circumstances of (i) misstatement of financial results, or (ii) misconduct resulting, directly or indirectly, in financial loss to the Group, as may be determined by the Board in its absolute discretion.

The RC will review the Company's obligations arising in the event of termination of the Executive Directors' and Key Management Personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC also aims to be fair and avoid rewarding poor performance.

For FY2024, there were no termination, retirement and post-employment benefits granted to Directors and the Key Management Personnel (who are not Directors or the CEO).

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

No remuneration consultant was engaged in FY2024. If required, the RC will seek internal and/or external expert's advice on remuneration of all Directors and Key Management Personnel.

Report on Corporate Governance

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

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

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.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

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 8.3 – 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 remuneration packages are established such that the Directors are adequately but not excessively remunerated compared to other comparable companies in the industry in view of present market conditions and which takes into account the individual's and the Group's performance.

Framework for remuneration of Executive Directors and other Key Management Personnel

The remuneration structure for the Executive Chairman and CEO, Executive Director and CAO and the Key Management Personnel consists of a fixed component, variable component, benefits and the ST Group Performance Share Plan.

The fixed component comprises basic salary and annual wage supplement while the variable component comprises variable bonus and contractual payments that are paid based on the Group's and individual's performance. Benefits provided are consistent with market practice. To be eligible for these benefits, it will depend on the individual's job grade and scheme of service.

Report on Corporate Governance

To ensure that the level and structure of remuneration is proportionate to the sustained performance and value creation of the Group, the Company has put in place a framework of remuneration for its Executive Directors and Key Management Personnel. The key areas of focus of the remuneration framework and details of the implementation within the Group are set out below:

KEY AREAS OF FOCUS	DETAILS
Pay for performance	<ul style="list-style-type: none">• Instil and drive a pay-for-performance culture• Ensure that remuneration is closely linked to annual and long-term business objectives, key performance targets and indicators• Adjust the proportion of fixed and variable remuneration to emphasise sustainable performance that is aligned with the Group's strategic objectives, considering qualitative and quantitative factors
Competitive remuneration	<ul style="list-style-type: none">• Benchmark total remuneration against other organisations of similar size, profitability and standing in the Group's industry
Accountability and risk-taking	<ul style="list-style-type: none">• Focus on achieving risk-adjusted returns that are consistent with prudent risk taking and capital management as well as emphasis on long-term sustainable outcomes

The performance-related elements of remuneration are designed to align the interests of the Executive Director(s) and the key management personnel with those of the Company's shareholders and other stakeholders, and link rewards to corporate and individual performance.

The RC has established remuneration policies that are in line with the Group's business strategies and risk policies as well as long-term interests of the Group and its shareholders, with a view to ensuring remuneration packages are sufficiently competitive to attract, retain and motivate Directors and the key management personnel with the appropriate experience and expertise.

ST Group Performance Share Plan (the "Plan")

The Company adopted the Plan on 10 June 2019 to retain talent whose contributions are essential to the well-being and prosperity of the Group and to give recognition to outstanding participants who have contributed to the growth of the Group. The Plan will give participants an opportunity to have a personal equity interest in the Company.

Participants of the Plan ("Participants")

- Group employees who, as of the date on which a contingent award of Shares under the Plan is granted ("Award Date"), have attained the age of 21 years and hold such rank as may be designated by the RC from time to time taking into consideration, among other things, role, seniority, length of service, performance history and potential contribution to the Group, and who have, as of the Award Date, been in full time employment of the Group for a period of at least 12 months (or in the case of any Executive Director or executive director of a Group subsidiary, such shorter period as the RC may determine), provided that none shall be an undischarged bankrupt as at the Award Date.
- Controlling Shareholders and their associates who satisfy the criteria set out above shall be eligible to participate in the Plan.
- Subject to the Companies Act and any requirements of the SGX-ST, the terms of eligibility for participation in the Plan may be amended from time to time at the absolute discretion of the RC.

The aggregate number of shares which may be issued or transferred pursuant to awards granted under the Plan on any date, when aggregated with the total number of shares over which options or awards are granted under any share option schemes or share schemes of our Company (including the Plan), shall not exceed 15.0% of the total number of issued shares (excluding shares held by our Company as treasury shares) on the day preceding that date.

Report on Corporate Governance

The Plan shall continue to be in force at the discretion of the RC, subject to a maximum period of 10 years commencing on the adoption date of the Plan, provided always that the Plan may continue beyond the above stipulated period with the approval of the Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

The expiry or termination of the Plan shall not affect awards which have been granted prior to such expiry or termination, whether such awards have been released (whether fully or partially) or not.

For more information, please refer to rules of the Plan set out in the section entitled "Appendix G – Rules of the ST Group Performance Share Plan" of the Company's offer document dated 26 June 2019.

As at 30 June 2024, there were no awards granted under the Plan.

Remuneration framework of Independent Directors

The Independent Directors receive fees which are reviewed by the RC to ensure commensuration with the contributions, responsibilities, effort and time spent by such individuals. Such fees are paid subject to Shareholders' approval being obtained at the Company's AGM. The Independent Directors are not over-compensated to the extent that their independence is compromised. The RC had recommended to the Board an amount of S\$108,432 as Directors' fees for the financial year ending 30 June 2025, payable quarterly in arrears. These recommendations have been endorsed by the Board and will be tabled at the forthcoming AGM for Shareholders' approval.

The RC, with the concurrence of the Board, is of the view that the current remuneration of the Independent Directors is appropriate to the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Independent Directors. Other than Directors' fees, which have to be approved by Shareholders at every AGM, the Independent Directors do not receive any other forms of remuneration from the Company.

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 8.2 – 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.

An annual review of the remuneration packages of all Directors and Key Management Personnel was carried out by the RC to ensure that the remuneration of the Directors and Key Management Personnel commensurate with their performance, giving due consideration to the financial and commercial health and business needs of the Group. For FY2024, the RC is satisfied with the Directors and Key Management Personnel's remuneration packages and recommended the same for Board approval. The Board had approved the recommendations accordingly.

No Director is involved in deciding his or her own remuneration.

Report on Corporate Governance

Directors and CEO

A breakdown of the level and mix of the remuneration of the Directors and the CEO for FY2024 is as follows:

NAME OF DIRECTOR	FEES S\$	(a) FIXED	(b) VARIABLE	BENEFITS IN KIND	ST GROUP	TOTAL
		COMPONENT	COMPONENT		PERFORMANCE	
		%	%	%	PLAN	%
Between S\$250,000/- to S\$500,000/-						
Mr. Saw Tatt Ghee	-	100	-	-	-	100
Below S\$250,000/-						
Ms. Saw Lee Ping	-	97.6	2.4	-	-	100
Mr. Chan Wee Kiang	36,288	-	-	-	-	100
Mr. Peter Sim Swee Yam	34,992	-	-	-	-	100
Mr. Yap Zhi Chau	36,288	-	-	-	-	100

(a) Fixed component refers to base salary and annual wage supplement, if applicable, and includes superannuation for FY2024.

(b) Variable component refers to variable or performance related bonus paid in FY2024.

Key Management Personnel

A breakdown of the level and mix of the remuneration of each of the top five Key Management Personnel (who are not Directors or the CEO) for FY2024 is as follows:

NAME OF KEY MANAGEMENT PERSONNEL	(a) FIXED	(b) VARIABLE	BENEFITS IN KIND	ST GROUP	TOTAL
	COMPONENT	COMPONENT		PERFORMANCE	
	%	%	%	PLAN	%
Above S\$100,000 and below S\$200,000/-					
Mr. Lee Jian Hui	95.7	4.3	-	-	100
Mr. Leong Weng Yu	95.1	4.9	-	-	100
Mr. Pang Kher Chink	100	-	-	-	100
Ms. Daphne Chin Ying Mun	91.1	8.9	-	-	100
Mr. Lee Huey Chyuan ^(c)	94.1	5.9	-	-	100

(a) Fixed component refers to base salary and annual wage supplement, if applicable, and includes superannuation for FY2024.

(b) Variable component refers to variable or performance related bonus paid in FY2024.

(c) Mr Lee Huey Chyuan was promoted from Financial Controller to Chief Financial Officer on 28 September 2023.

The aggregate remuneration paid to the top five Key Management Personnel for FY2024 was approximately A\$950,354 (equivalent to S\$840,018).

Report on Corporate Governance

Due to the confidentiality and commercial sensitivity relating to remuneration matters, in particular, those of our Key Management Personnel, given the highly competitive environment the Group operates in, the Company does not fully disclose the remuneration of each individual Director and the Key Management Personnel. However, the disclosures have been provided in applicable bands of S\$250,000 and S\$100,000 for the Directors and Key Management Personnel respectively as above, with a breakdown in percentage of the remuneration earned through fees, fixed component, variable component, benefits in kind, and/or other long-term incentives. Despite having varied from Provision 8.1(a) of the Code, the Board believes that consistent with the intent of Principle 8 of the Code, sufficient information has been disclosed for Shareholders' appreciation with respect to the Group's level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Notwithstanding, the Company is cognizant of the requirements to disclose, amongst others, the names, amounts and breakdown of remuneration paid by the Group to each individual Director and CEO of the Company in the annual reports for its financial years ending on or after 31 December 2024 in accordance with Rule 1204(10D) of the Catalist Rules. The Company will be making the necessary disclosures in its annual report for the financial year ending 30 June 2025.

The remuneration of Mr. Tan Tee Ooi, a Key Management Personnel who is also a substantial shareholder of the Company (but not within top five Key Management Personnel), was above S\$100,000 and below S\$200,000 during FY2024. Mr. Tan Tee Ooi is the spouse of Ms. Saw Lee Ping, the Chief Administrative Officer and Executive Director of the Company.

Save as aforementioned, no employee of the Group was a substantial shareholder of the Company, or was an immediate family member of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 for FY2024.

Accountability and Audit

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

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 acknowledges that it is responsible for the overall internal control framework and maintaining a sound system of risk management and internal controls to safeguard the interests of the Company and its Shareholders, achieve its strategic objectives and value creation.

The Group's control environment provides the foundation upon which all other components of internal controls are built upon. It provides discipline and structure, setting the tone of the organisation and influencing the controls consciousness of its staff. A weak control environment foundation hampers the effectiveness of even the best designed internal control procedures.

The Group's risk management and internal controls oversight are subsumed under the AC. Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. Management reviews all significant control policies and procedures and highlights all significant matters to the Directors and the AC.

The AC, with the assistance of the Internal Auditors ("IA"), reviews the adequacy and effectiveness of the Group's internal controls, addressing financial, operational, compliance and information technology controls, and risk management policies and systems established by the Management on an annual basis.

Report on Corporate Governance

The IA and the External Auditors (“EA”) have, during the course of their audit, carried out a review of the adequacy and effectiveness of key internal controls within the scope of their audit. Material non-compliance and internal control weaknesses noted, if any, during their respective audits and their recommendations are reported to the AC. In the review work performed by both the IA and EA for FY2024, no material weaknesses were noted. The AC will review the IA’s and the EA’s comments and findings and ensure that adequate and effective internal controls in the Group are implemented and any follow up actions promptly rectified.

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 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 obtained a written confirmation from the Executive Chairman and CEO and the Chief Financial Officer that, to the best of their knowledge:

- (a) the financial records of the Company and its subsidiaries have been properly maintained and the financial statements for FY2024 give a true and fair view of the Group’s operations and finances; and
- (b) based on the risk management and internal control systems established by the Group, work performed by the IA and the EA, and reviews performed by Management for FY2024, the Group’s risk management and internal control systems addressing financial, operational, compliance and information technology risks, were adequate and effective.

The Key Management Personnel have also provided their written confirmation that based on the risk management and internal control systems established by the Group, work performed by the IA and EA, and reviews performed by the Management for FY2024, the Group’s risk management and internal control systems addressing financial, operational, compliance and information technology risks, were adequate and effective.

The Board recognises that no internal 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 only provide reasonable and not absolute assurance against material misstatement or loss.

No known significant deficiencies or lapses in risk management and internal controls systems were noted for FY2024.

Rule 1204(10) of the Catalist Rules

Based on the risk management and internal controls established and maintained by the Group, work done by the Internal Auditors and the External Auditors, and the assurance from Management, the Board, with the concurrence of the Audit Committee, is of the opinion that the system of risk management and internal controls of the Group are adequate and effective in addressing financial, operational, compliance and information technology controls, and risk management systems for FY2024.

The Board notes that the internal control and risk management systems currently in place provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledges that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision making, human errors, losses, fraud or other irregularities. The review of the Group’s internal control systems is a concerted and continuing process.

Report on Corporate Governance

PRINCIPLE 10: AUDIT COMMITTEE

The Board has an Audit Committee which discharges its duties objectively.

Provision 10.1 – The duties of the AC 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 10.5 – The AC meets with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually.

The AC meets at least twice a year and as and when deemed appropriate to carry out its function. It has the following key terms of reference:

- (i) assisting the Board in discharging its statutory responsibilities on finance and accounting matters;
- (ii) reviewing significant financial reporting issues and judgments to ensure the integrity of the financial statements and any announcements relating to financial performance;
- (iii) reviewing the external auditor's audit plan, scope of work and audit report, and the external auditor's evaluation of the system of internal accounting controls;
- (iv) reviewing the key financial risk areas, the risk management structure and any oversight of the risk management process and activities to mitigate and manage risk at acceptable levels determined by our Board;
- (v) reviewing the statements to be included in the Annual Report concerning the adequacy and effectiveness of our internal controls (addressing financial, operational, compliance, and information technology controls) and risk management systems;
- (vi) reviewing any interested person transactions and monitoring the procedures established to regulate interested person transactions, including ensuring compliance with the Company's internal control system and the relevant provisions of the Catalist Rules, as well as all conflicts of interests to ensure that proper measures to mitigate such conflicts of interests have been put in place;
- (vii) reviewing the scope and results of the internal audit procedures, and at least annually, the adequacy and effectiveness of the internal audit function and risk management systems;
- (viii) approving the hiring, removal, evaluation and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;
- (ix) appraising and reporting to the Board on the audits undertaken by the external auditor and internal auditor and the adequacy of disclosure of information;

Report on Corporate Governance

- (x) reviewing the co-operation extended by management to the internal and external auditors;
- (xi) reviewing at regular intervals with the Management the implementation by the Group of the internal control recommendations made by the internal and external auditors;
- (xii) reviewing the adequacy, effectiveness, independence and objectivity of the internal and external auditors;
- (xiii) reviewing the assurance from the CEO and the CFO on the financial records and financial statements;
- (xiv) making recommendations to the Board on the proposals to Shareholders on the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor;
- (xv) reviewing and approving all hedging policies and instruments (if any) to be implemented by the Company;
- (xvi) monitoring the procedures implemented by the Group to ensure compliance with the Fair Work Act 2009 (Cth) of Australia;
- (xvii) monitoring the implementation by the Group of an enterprise planning software which will allow for automation of consolidation, and a perpetual inventory system;
- (xviii) undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- (xix) commissioning and reviewing the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any law, rule or regulation which has or is likely to have a material impact on the Company's operating results and/or financial position and ensure that appropriate follow-up actions are taken; and
- (xx) undertake generally such other functions and duties as may be required by law or the Catalist Rules, and by amendments made thereto from time to time.

In the event of any suspected fraud or irregularity, or suspected infringement of any Singapore laws or regulations or rules of the Exchange or any other regulatory authority in Singapore, which has or is likely to have a material impact on the issuer's operating results or financial position, the AC must discuss such matter with the EA and, at appropriate times, report the matter to the Board and to the sponsor.

The AC has explicit authority to investigate any matter within its terms of reference, and has full cooperation and access to Management. It has direct access to the IA and the EA, and full discretion to invite any Director or Key Management Personnel to attend its meetings, and reasonable resources to enable it to discharge its functions. It also has the authority to review its terms of reference and its own effectiveness annually and recommend necessary changes to the Board.

Whistle Blowing

The Company has put in place a whistle-blowing policy which is in line with the Code and Rule 1204(18A) and (18B) of the Catalist Rules, and also updated in accordance with the requirements of Pt 9.4AAA of the Corporations Act 2001 (Cth) of the Commonwealth of Australia.

The whistle-blowing policy provides well-defined and accessible channels in the Group through which staff and any other persons may in confidence, raise their concerns of possible improprieties, fraudulent activities or malpractices within the Group in a responsible and effective manner in matters of financial reporting or other matters.

Report on Corporate Governance

To ensure that the identity of any whistle blower is kept confidential, the Company will treat all information received with utmost confidentiality. Anonymous disclosures will be accepted and anonymity honoured.

In addition, the Company is committed to ensure protection of the whistleblower against detrimental or unfair treatment. While the policy is meant to protect the whistleblower from any detrimental or unfair treatment as a result of their report or disclosure, it strictly prohibits frivolous and untrue reports or disclosures. No adverse action will be taken against any director, officer, employee or other individual for making a report or disclosing information in good faith under this policy. The Company will not tolerate the harassment or victimisation of anyone reporting a genuine concern. Where a report or disclosure has been made, the Company will take all reasonable steps to ensure that no other person harasses or victimises the whistleblower.

The Company has designated an independent function to investigate whistleblowing reports made in good faith. The whistle blower shall report to the Group's Whistleblower Protection Officer and/or AC orally or in writing, any conduct or activity that he/she reasonably believes in good faith to be a reportable conduct. All reports received will be duly investigated by an investigator (external or internal) appointed by the Company ("**Investigator**"), on a case-by-case basis, to ensure that all investigations are conducted in a fair, impartial and independent manner. The Investigator reports to the Chairman of AC, and the AC is responsible for oversight and monitoring of the whistle blowing.

The objective of the whistle-blowing policy is to ensure that arrangements and processes are in place to facilitate independent investigation of such concerns and for appropriate follow-up action. There were no reports of whistle blowing received in FY2024.

Summary of the AC's activities in FY2024

The AC meets with the Group's IA, EA and Management to review accounting, auditing and financial reporting matters so as to ensure that an effective system of control is maintained in the Group. In performing its functions for FY2024, the AC had:

- (i) held two meetings with Management, the IA and the EA, and met once with the IA and the EA without the presence of Management.
- (ii) conducted a review of the non-audit services provided by the EA to satisfy itself that the nature and extent of such services will not prejudice the independence and objectivity of the external auditor as well as the cost effectiveness of the audit before confirming their re-nomination. The aggregate amount of fees paid or payable by the Group to the EA of the Company and the Company's subsidiaries for FY2024 amounted to A\$412,470 for audit services and A\$52,999 for non-audit services. A breakdown of the audit and non-audit fees paid or payable to the EA of the Company and the Company's subsidiaries is disclosed on page 85 of this Annual Report.

The EA had also confirmed their independence in this respect.

- (iii) confirmed that the Company had complied with Rule 712 of the Catalist Rules in relation to the appointment of a suitable auditing firm to meet its audit obligations. Baker Tilly TFW LLP, the appointed auditors of the Group, is registered with the Accounting and Corporate Regulatory Authority of Singapore.

Together with the audit engagement partner and his team assigned to the audit of the Group, the AC was satisfied that the resources and experience of Baker Tilly TFW LLP, the audit engagement partner and his team assigned to the audit were adequate to meet their audit obligations, given the size, nature, operations and complexity of the Group.

- (iv) satisfied that the external auditors of the Company, Baker Tilly TFW LLP, an auditing firm registered with the Accounting and Corporate Regulatory Authority, and the external auditors of the Company's significant subsidiaries, Pitcher Partners, an auditing firm registered with the Australian Securities & Investments Commission are independent and that they had also provided a confirmation of their independence to the AC. The AC had assessed the external auditors of the Company based on factors such as performance, adequacy of resources and experience of their audit engagement partners and audit teams assigned to the Group's audit as well as the size and complexity of the Group. Accordingly, the AC is satisfied that Rules 712 and 715 of the Catalist Rules have been complied with.

Report on Corporate Governance

The AC agreed that the Key Audit matters (“KAM”) highlighted by the EA were appropriate areas to focus on. The AC examined the findings on these and other areas together with the EA and Management. The AC reviewed and accepted the judgmental assumptions made, models used, and accounting treatments adopted by the Management in the KAM. The AC concurred with the EA regarding the KAM.

The AC, with the concurrence of the Board, had recommended the re-appointment of Messrs. Baker Tilly TFW LLP as EA of the Company for FY2025 at the forthcoming AGM, based on their performance and the quality of their audit.

The EA and the Chief Financial Officer also kept the AC abreast of changes to accounting standards and issues, if any, which have a direct impact on financial statements through updates and/or reports from time to time, where applicable and relevant. In addition, the AC is entitled to seek clarification from Management, the EA and/or independent professional advice, or attend relevant seminars and/or informative talks at the Company's expense from time to time to apprise themselves of accounting standards/financial updates.

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

Provision 10.3 – The AC 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.

The AC is regulated by a set of written terms of reference which are in line with the Code. The AC comprises all Independent Directors and its composition is as follows:

Mr. Yap Zhi Chau (Chairman)
Mr. Chan Wee Kiang
Mr. Peter Sim Swee Yam

The Board is of the view that all AC members are appropriately qualified, having the necessary recent and relevant accounting and/or related financial management expertise or experience to discharge their responsibilities. None of the AC members nor the AC Chairman are former partners or Directors of the Group's existing auditing firm or auditing corporation nor do any of them have any financial interests in the auditing firm or accounting corporation.

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 Group has also outsourced its internal audit function to CLA Global TS Holdings Pte. Ltd. as its IA. The IA is a member of the independent network of CLA Global, a global association of independent accounting and advising businesses. The engagement partner who leads the IA team is a Chartered Accountant (Singapore), and a Certified Internal Auditor, with more than 15 years of experience in internal controls advisory. The IA team, comprising members with relevant qualifications and experience, carry out the internal audit function taking guidance from the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors, and report directly to the AC on internal audit matters.

The role of the IA is to support the AC in ensuring that the Group maintains a sound system of risk management and internal controls by monitoring and assessing the adequacy and effectiveness of key controls and procedures, conducting in-depth audits of high risk areas and undertaking investigations as directed by the AC.

Report on Corporate Governance

The hiring, removal, evaluation and compensation of the IA was approved by the AC. The IA has unfettered access to all the Group's documents, records, properties and personnel, including access to the AC.

The AC will also review the adequacy and effectiveness of the internal audit function annually to ensure that the internal audit function is sufficiently resourced and is able to perform its function effectively and objectively. For FY2024, the AC had reviewed and is satisfied that the internal audit function is independent, effective and adequately resourced and accordingly the internal audit function has the appropriate standing within the Group and is able to perform its functions effectively and objectively as required under Rule 1204(10C) of the Catalist Rules.

Shareholders Rights and Engagement

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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.

General meetings are the principal forum for dialogue with Shareholders. Shareholders are encouraged to attend the general meetings to ensure high level of accountability and to stay informed of the Group's strategy and goals. At the general meetings, Shareholders are informed of the rules, including voting procedures, that govern general meetings and are also given the opportunity to share and communicate their views and seek clarification with the Board on issues relating to the Group's performance, either informally or formally, at or after the general meetings.

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.

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 with the reasons and material implications of the interdependency provided for in the notice of meeting.

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.

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.

All the Directors and the EA will be available at the forthcoming AGM to attend to queries raised by Shareholders, including the conduct of audit and the preparation and content of the auditors' report. The Company Secretary prepare minutes of all general meetings, which record substantial and relevant comments or queries from Shareholders relating to the agenda of such meetings, and responses from the Board and Management which would be published on SGXNET and the Company's corporate website within one month after the general meeting.

Report on Corporate Governance

All Directors attended the FY2023 AGM, together with the EA, and Chief Financial Officer. The Directors' attendance at the FY2023 AGM are disclosed under Provision 1.5 above.

The Company had published its minutes of the FY2023 AGM on SGXNET and its corporate website within one month after the meeting.

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

Regulation 99 of the Constitution of the Company provides that subject to the Constitution and any applicable legislation, the Board may, at their sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Shareholders who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to, voting by electronic mail or facsimile. However, the Board has not implemented any voting methods to allow Shareholders to vote by way of electronic mail or facsimile as such voting methods would need to be cautiously evaluated to ensure that the authenticity of the vote and the Shareholder's identity is not compromised.

Nonetheless, a member, who is not a relevant intermediary (as defined in Section 181 of the Companies Act), is entitled to appoint one or two proxies to attend and vote at the general meeting. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at the general meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. The duly completed and signed proxy forms are required to be submitted to the Company's share registrar's registered office address not less than 72 hours before the general meeting.

The Company conducts voting in general meetings by poll where Shareholders are accorded rights proportionate to their shareholding and all votes are counted. Where physical meetings are held, all resolutions are usually put to vote by paper poll as it is more cost-effective and practical compared to electronic polling. The detailed results showing the number of votes cast for and against each resolution and the respective percentages are announced by the chairman of the AGM before the conclusion of the AGM. The independent scrutineer briefs Shareholders on the polling voting process and verify and tabulate votes of each resolution. An announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages will be released via the SGXNET on the same day after the meeting.

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

The Company does not have a policy on payments of dividends. The form, frequency and amount of dividends declared each year will take into consideration the Group's profit growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. The Company endeavours to pay dividends and where dividends are not paid, the Company will disclose its reason(s) accordingly.

The Company had paid an interim dividend of A\$0.004 per ordinary share on 26 February 2024. For FY2024, the Board has also proposed a final dividend of A\$0.0016 per ordinary share for shareholders' approval at the forthcoming AGM.

Report on Corporate Governance

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

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.

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 Group is committed to deliver high standards of corporate disclosure and transparency in our communications with Shareholders, analysts and other stakeholders in the investment community. The Group provides timely, regular and relevant information regarding the Group's strategy, performance and prospects to aid Shareholders and investors in their investment decisions.

The Company does not have an Investor Relations Policy in place and there is no investor relations team in place as the Board is of the view that the current communication channels are sufficient and cost-effective. Information is communicated to Shareholders on a timely basis. Communication is made through Annual Reports or circulars that are prepared and issued to all Shareholders as well as half yearly and full year results announcements containing a summary of the financial information and affairs of the Group for the period, notices and explanatory notes of general meetings, other announcements and press releases that are issued via SGXNET. Shareholders can also access the Group's website at <http://stgroup.net.au/> for the aforementioned information.

The Company does not practice selective disclosure, and in the event any inadvertent disclosure is made to a select group, the Company will make the same disclosure publicly to all others as promptly as possible.

The Group values dialogue sessions with the Shareholders. During general meetings of the Company, the Board devotes time and attention to address questions from and concerns raised by Shareholders and the Directors are generally present for the entire duration of the meetings. The chairman of the meeting will also endeavour to facilitate constructive dialogue between Shareholders and the Board. In addition, members of the Board and Key Management Personnel make themselves available to interact with Shareholders both before and after general meetings. The Group believes in regular, effective and fair communication with Shareholders and is committed to hearing Shareholders' views and addressing their concerns.

Other than communicating with members of the Board and key management personnel at general meetings, the Shareholders may contact the Company through ir@stgroup.net.au on any investor relations matters pertaining to the Group.

Report on Corporate Governance

Managing Stakeholders Relationships

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

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.

The Board recognises the importance in maintaining positive stakeholder relationships, and adopts an inclusive approach in the management and engagement of the Group's stakeholders including employees, customers, suppliers, community, government and regulators, and shareholders.

To understand stakeholders' expectations, the Group engages and fosters trusted relationships through listening to their views and responding to their concerns. The Group has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationship with such groups. The Group identifies stakeholders as groups that have an impact, or have the potential to be impacted by the Group's business, as well as external organisations that have expertise in aspects that the Group considers material. Stakeholders of the Company include, but are not limited to, customers, employees, suppliers, regulators, community, shareholders and investors. The frequency of ongoing engagement with various stakeholders depends on mutual needs and expectations. More details will be disclosed in the stand-alone Sustainability Report for FY2024 which will be issued by 31 October 2024.

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

The Group maintains and regularly updates its corporate website.

All materials on the Group's financial results, as well as the latest Annual Report of the Company, are available on the Company's website at <http://stgroup.net.au/>. The website also contains various other investor-related information about the Group which serves as an important resource for the Shareholders and all other stakeholders.

Dealing in Securities

In line with Rule 1204(19) of the Catalist Rules, the Company has adopted a Code of Compliance to issue a notification to all Directors, key executives and officers of the Group that they are not allowed to deal in the Company's securities if they are in possession of unpublished price-sensitive information of the Group, including share buybacks, or during the "black-out" period, being one month before the announcement of the Group's half-yearly and full-year results.

In addition, Directors, key executives and officers of the Group are expected to observe insider trading laws at all times even when dealing in the Company's securities within the permitted trading period. They should not deal in the Company's securities on short-term considerations.

The Board confirms that for FY2024, the Company has complied with Rule 1204(19) of the Catalist Rules.

Report on Corporate Governance

Interested Person Transactions (“IPT”)

The Group has adopted an internal policy governing procedures for the identification, approval and monitoring of IPTs. All IPTs are subject to review by the AC at its meetings.

The Company has not obtained any general mandate pursuant to Rule 920 of the Catalist Rules. There were no interested person transactions entered into during the financial year under review (excluding transactions less than S\$100,000).

Material Contracts

Pursuant to Rule 1204(8) of the Catalist Rules, save for the following, there were no material contracts still subsisting at the end of FY2024, or if not subsisting, entered into since the end of the previous financial year, by the Company and its subsidiaries and involving the interests of the CEO, Directors or controlling Shareholders of the Company:

- (i) agreement in relation to investment by the Company for the subscription of shares comprising 1.21% of the share capital of 4D Lottery Australia Pty Ltd (“**4D Australia**”) in which Mr. Saw Tatt Ghee, the Executive Chairman and CEO, and Ms. Saw Lee Ping, the Executive Director and CAO, and their immediate family, hold an interest of more than 60% in 4D Australia. Please refer to the Company’s announcement on 3 July 2024 for further details;
- (ii) Service Agreement entered with Mr. Saw Tatt Ghee, the Executive Chairman and CEO; and
- (iii) Service Agreement entered with Ms. Saw Lee Ping, the Executive Director and CAO.

Non-Sponsor Fees

The Company has appointed Hong Leong Finance to act as Sponsor, with effect from 3 July 2023. In compliance with Rule 1204(21) of the Catalist Rules, there was no non-Sponsor related fees paid to the Sponsor for FY2024.

Use of Proceeds

Pursuant to the Company’s placement completed on 28 March 2024, the Company received net proceeds of approximately S\$1.6 million (the “**Net Proceeds**”). The Net Proceeds have been utilized as follows:

	AMOUNT ALLOCATED (S\$’000)	AMOUNT UTILIZED AS AT 15 OCTOBER 2024 (S\$’000)	BALANCE (S\$’000)
PROPOSED USE OF NET PROCEEDS			
Expansion of business operations, including franchise network and introduction of new brands and concepts	941	–	941
Investment purposes, including into new and prospective portfolio companies	628	628	–
Total	1,569	628	941

Information on Director Seeking Re-Election

The following additional information on Mr Yap Zhi Chau (“**Mr Yap**”), who is seeking re-election at the forthcoming Annual General Meeting, is to be read in conjunction with his biography under the section of “Board of Directors” of this Annual Report.

YAP ZHI CHAU	
Date of appointment	10 June 2019
Date of last re-appointment (if applicable)	30 November 2021
Age	44
Country of principal residence	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Nominating Committee (“NC”), having considered the attendance and participation of the Director at Board and Board Committees' meetings, in particular, Mr Yap's contributions to the Company as well as Board processes, had recommended to the Board the re-election of Mr Yap who will be retiring pursuant to Regulation 110 of the Company's Constitution at the forthcoming AGM.</p> <p>The Board supported the NC's recommendations.</p> <p>Mr Yap had abstained from voting on any resolution and making any recommendation and/or participating in respect of his own re-election.</p>
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Director, Chairman of Audit Committee (“ AC ”) and NC, member of Remuneration Committee (“ RC ”)
Professional qualifications	Please refer to the Director's biography under the section of “Board of Directors” of this Annual Report.
Working experience and occupation(s) during the past 10 years	Please refer to the Director's biography under the section of “Board of Directors” of this Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	Direct interest of 760,000 shares in the Company.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments*	Group executive chairman of YYC Holdings Sdn. Bhd., an accounting firm in Malaysia.

Information on Director Seeking Re-Election

YAP ZHI CHAU

Other Directorships for the past 5 years

Astaka Mesra Sdn. Bhd.
 YYC Ventures Sdn. Bhd.
 GNH Uptown Sdn. Bhd.
 Go Food Supply Sdn. Bhd.
 Go Partners Sdn. Bhd.
 ILP Realty Sdn. Bhd.
 Cloudbooks Consultancy Pte. Ltd.

Other Present Directorships

YYC Global Pte. Ltd.
 YYC Holdings Sdn. Bhd.
 YYC GST Consultants Sdn. Bhd.
 YYC Tax Consultants Sdn. Bhd.
 YYC Advisors Sdn. Bhd.
 K K Chow Training Sdn. Bhd.
 YYC (Ampang) Sdn. Bhd.
 YYC (Bandar Botanic) Sdn. Bhd.
 YYC (Kota Damansara) Sdn. Bhd.
 YYC (Puchong) Sdn. Bhd.
 YYC (Pudu) Sdn. Bhd.
 YYC (USJ Taipan) Sdn. Bhd.
 YYC Academy Sdn. Bhd.
 YYC Advisors (Ipoh) Sdn. Bhd.
 YYC Business Solutions Sdn. Bhd.
 YYC Corporate Advisory Sdn. Bhd.
 YYC Corporate Services Pte. Ltd.
 YYC Digital Sdn. Bhd.
 YYC Ideal Sdn. Bhd.
 YYC KK Chow Tax Sdn. Bhd.
 YYC Management Consultants Sdn. Bhd.
 YYC Management Sdn. Bhd.
 YYC Outsourcing Sdn. Bhd.
 YYC Wechat Sdn. Bhd.
 Agensi Pekerjaan Hirelo Consultancy Sdn. Bhd.
 Chun Chang Corporation Sdn. Bhd.
 Fabulous 4 PE Sdn. Bhd.
 YYC Klang Advisors Sdn. Bhd.
 Intanair Jaya Sdn. Bhd.
 K.J. Tan Sdn. Bhd.
 Liktak Management Sdn. Bhd.
 Newswav Sdn. Bhd.
 C & T Tax and Corporate Services Sdn. Bhd.
 M E Kong & Associates Sdn. Bhd.
 YYC (Klang) Sdn. Bhd.
 YYC (Uptown) Sdn. Bhd.
 YYC Management Services Sdn. Bhd.
 YYC Centre of Excellence Sdn. Bhd.
 YYC Capital Sdn. Bhd.

Information on Director Seeking Re-Election

YAP ZHI CHAU

Other Present Directorships (cont'd)

Cloudbooks Sdn. Bhd.
 YYC Inspiresme Sdn Bhd
 YYC (Serdang) Sdn Bhd
 10X VC Sdn. Bhd.
 Inspiresme Expo Sdn. Bhd.
 Boss Boleh Sdn. Bhd.
 Boss OK Sdn. Bhd.
 YN Advisory Sdn. Bhd.
 Elegant Management Sdn Bhd
 Mywave Sdn. Bhd.
 Earns Management Sdn. Bhd.
 YYC Mekong Tax Services Sdn. Bhd.

* The term "principal commitments" shall 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 board of non-active related corporations, those appointments should not normally be considered principal commitments.

YAP ZHI CHAU

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

- | | | |
|-----|---|----|
| (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 |
| (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 |
| (c) | Whether there is any unsatisfied judgment against him | No |
| (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 |
| (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 |

Information on Director Seeking Re-Election

YAP ZHI CHAU

(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

(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

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is “yes”, full details must be given.

(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

(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

(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 No

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

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 No

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, No

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

Disclosure applicable to appointment of Director only

Any prior experience as a director of an issuer listed on the Exchange? If yes, please provide details of prior experience. Not applicable
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).

Directors' Statement

The directors hereby present their statement to the members together with the audited consolidated financial statements of ST Group Food Industries Holdings Limited (the "**Company**") and its subsidiaries (the "**Group**") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 June 2024.

In the opinion of the directors:

- (i) the consolidated financial statements of Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 62 to 139 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2024 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International); and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Saw Tatt Ghee
Saw Lee Ping
Chan Wee Kiang
Yap Zhi Chau
Peter Sim Swee Yam

Arrangement to Enable Directors to Acquire Benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the 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.

Directors' Statement

Directors' Interest in Shares or Debentures

The directors of the Company holding office at the end of the financial year had no interests in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act except as follows:

NAME OF DIRECTORS AND COMPANY IN WHICH INTERESTS ARE HELD	NUMBER OF ORDINARY SHARES					
	SHAREHOLDINGS REGISTERED IN THEIR OWN NAMES			SHAREHOLDINGS IN WHICH A DIRECTOR IS DEEMED TO HAVE AN INTEREST		
	AT 1.7.2023	AT 30.6.2024	AT 21.7.2024	AT 1.7.2023	AT 30.6.2024	AT 21.7.2024
Company						
Saw Tatt Ghee	3,253,300	3,253,300	3,253,300	61,768,400	61,768,400	61,768,400
Saw Lee Ping	7,175,200	7,175,200	7,175,200	19,941,800	19,941,800	19,941,800
Yap Zhi Chau	760,000	760,000	760,000	-	-	-

The deemed interests of Mr Saw Tatt Ghee and Ms Saw Lee Ping in the shares of the Company are by virtue of their shareholdings in STG Investments Pty Ltd, Centurion Equity Pty Limited and Tan & Saw Investments Pty Ltd which in turn hold shares in the Company.

By virtue of Section 7 of the Act, Mr Saw Tatt Ghee and Ms Saw Lee Ping are deemed to have interests in the shares held by the Company in its subsidiary corporations.

Material Contracts

Save for the service agreement, there are no material contracts of the Group and of the Company involving the interests of the Executive Chairman and Chief Executive Officer, each other director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

Share Options

The ST Group Performance Share Plan ("PSP") was approved by the shareholders of the Company on 10 June 2019.

The PSP is administered by the Remuneration Committee of the Company, comprising Yap Zhi Chau, Chan Wee Kiang and Peter Sim Swee Yam. A member of the Remuneration Committee who is also a participant of the PSP must not be involved in its deliberation or decision in respect of the awards granted or to be granted to him.

- a) Options to take up unissued shares

During the financial year, no options to take up unissued shares of the Company or any other corporation in the Group were granted.

Directors' Statement

Share Options (Cont'd)

b) Options exercised

During the financial year, there were no shares of the Company or any other corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

c) Unissued shares under option

At the end of the financial year, there were no unissued shares of the Company or any other corporation in the Group under option.

Audit Committee

The members of the Audit Committee during the year and at the date of this statement are:

Yap Zhi Chau	(Chairman, Independent Director)
Chan Wee Kiang	(Lead Independent Director)
Peter Sim Swee Yam	(Independent Director)

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Act. Their functions are detailed in the Corporate Governance Report section of the 2024 Annual Report.

In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

- (a) The audit plans, scope of work, evaluation of the adequacy of the internal controls, audit reports, management letters on internal controls and management response;
- (b) The adequacy and effectiveness of the Group's internal controls addressing financial, operational and compliance risks prior to the incorporation of such results in the annual report;
- (c) The financial statements of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditors' report on those financial statements;
- (d) The half-year (where relevant) and annual announcement as well as the related press releases on the results and financial position of the Company and the Group;
- (e) The co-operation and assistance given by the management to the Group's external auditor;

Directors' Statement

Audit Committee (Cont'd)

- (f) Interested person transactions falling within the scope of Chapter 9 of the Listing Manual, Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited and other relevant statutory requirements and any potential conflicts of interests; and
- (g) The re-appointment of the external and internal auditors of the Group.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the board of directors that Baker Tilly TFW LLP be nominated for re-appointment as external auditor of the Company at the forthcoming Annual General Meeting.

Independent Auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Saw Tatt Ghee
Director

Saw Lee Ping
Director

10 October 2024

Independent Auditor's Report

TO THE MEMBERS OF ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying financial statements of ST Group Food Industries Holdings Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 62 to 139, which comprise the statements of financial position of the Group and of the Company as at 30 June 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the 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 Singapore Financial Reporting Standards (International) ("SFRS(I)") 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 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 Group 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 are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. 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.

Impairment assessment of property, plant and equipment and right-of-use assets

Refer to Notes 2(i), 10 and 11 to the financial statements.

Description of key audit matter:

As at 30 June 2024, the Group has property, plant and equipment and right-of-use assets of A\$9,797,310 and A\$19,518,717 (2023: A\$11,361,647 and A\$19,273,587) respectively. As disclosed in Note 10 to the financial statements, in consideration of the operating performance of the Group's cash generating units ("CGUs"), management identified that there are indicators of impairment for certain CGUs' property, plant and equipment and right-of-use assets. The carrying amounts of these CGUs' property, plant and equipment and right-of-use assets subjected to impairment assessment amounted to A\$2,547,546 and A\$4,117,545 (2023: A\$2,246,740 and A\$3,751,336) respectively. The respective recoverable amounts of these CGUs are computed based on their values in use derived from management's cash flow projections. Consequently, the Group recognised impairment losses of A\$840,014 and A\$Nil (2023: A\$89,334 and A\$Nil) on the property, plant and equipment and right-of-use assets respectively.

Independent Auditor's Report

TO THE MEMBERS OF ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED

Report on the Audit of the Financial Statements (Cont'd)

KEY AUDIT MATTERS (CONT'D)

Impairment assessment of property, plant and equipment and right-of-use assets (Cont'd)

Description of key audit matter: (cont'd)

Management's identification of impairment indicators and assessment of the recoverable amounts for the aforementioned CGUs are significant to our audit due to the magnitude of the carrying amounts of the assets being tested for impairment, the significant management judgment involved and estimation uncertainty in the key assumptions used in determination of the CGUs' recoverable amounts. In determining the value-in-use, management is required to apply judgements and make assumptions on estimates supporting underlying cash flow forecasts, taking into account the operating and current market conditions. Accordingly, we have identified this as a key audit matter.

Our procedures to address key audit matter:

Our audit procedures included, amongst others, reviewing management's assessment of impairment indicators for the Group's property, plant and equipment and right-of-use assets. We made inquiries with management on their assessment for the CGUs, obtained an understanding of the Group's budgeting process upon which the forecasts are based, assessed the reasonableness of management's key assumptions used such as discount rate, revenue growth rate and gross profit margin against historical and expected future financial performances. We compared current year actual results to prior year forecast where relevant, to assess the reliability of the Group's estimates. We performed sensitivity analyses on key assumptions. Our internal valuation specialist assisted us in evaluating the reasonableness of management's discount rates. We reviewed management's allocation of impairment loss to the underlying assets of the CGUs. We also reviewed the adequacy and appropriateness of the disclosures concerning those key assumptions in the financial statements.

Impairment assessment of investments in subsidiaries in the Company's financial statements

Refer to Notes 2(i) and 13 to the financial statements.

Description of key audit matter:

The Company's investments in subsidiaries totalled A\$20,880,053 (2023: A\$20,841,811) as at 30 June 2024. Management assessed that there are indicators that the costs of investments in subsidiaries are impaired as the costs of investments exceeds the Company's share of the net assets of the subsidiaries as at 30 June 2024. In addition to assessing indicators of possible impairment, management also assessed whether there is any indication a previously recognised impairment loss for the costs of investments in subsidiaries no longer exist or the assessed impairment amount may have decreased. As such, management estimated the recoverable amount of the investments in subsidiaries to determine if any impairment loss or reversal of impairment loss should be recognised.

Management determined the recoverable amount of the subsidiaries based on their values in use ("VIU"), considering their respective appropriate revenue growth rates, gross profit margins, terminal values and discount rates. Consequently, management recorded impairment losses of A\$1,298,463 (2023: A\$99,561) and reversals of impairment losses of A\$1,336,705 (2023: A\$Nil) during the financial year.

We consider this to be a key audit matter because the estimation of the recoverable amount is highly subjective and involves significant estimation uncertainty in the key assumptions used in the projection of future cash flows.

Independent Auditor's Report

TO THE MEMBERS OF ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED

Report on the Audit of the Financial Statements (Cont'd)

KEY AUDIT MATTERS (CONT'D)

Impairment assessment of investments in subsidiaries in the Company's financial statements (cont'd)

Our procedures to address key audit matter:

We obtained an understanding of the Group's budgeting process upon which the forecasts are based, and assessed the reasonableness of the key assumptions applied by management on the projected revenue growth rates, projected gross profit margins and the appropriateness of the terminal growth rates and discount rates. We involved our valuation specialists in assessing the reasonableness of the terminal growth rates and discount rates used. We compared current year actual results to prior year forecast where relevant, to assess the reliability of the Group's estimates. We considered management's analysis on the sensitivity of the recoverable amounts to reasonable changes in the key assumptions. We also reviewed the adequacy and appropriateness of the disclosures concerning those key assumptions in the financial statements.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the information included in the Annual Report, 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 SFRS(I), 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.

Independent Auditor's Report

TO THE MEMBERS OF ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED

Report on the Audit of the Financial Statements (Cont'd)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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

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

Independent Auditor's Report

TO THE MEMBERS OF ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED

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 Sek See Mun.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

10 October 2024

Consolidated Statement of Comprehensive Income

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	NOTE	GROUP	
		2024 A\$	2023 A\$
Revenue	3	69,046,647	65,811,128
Other income	4	1,970,359	2,568,681
Expenses			
Changes in inventories		(320,275)	383,228
Purchases of inventories		(20,619,164)	(20,696,835)
Franchise restaurants and stores related establishment costs		(534,406)	(846,794)
Rental expense	11(a)	(1,542,614)	(1,175,939)
Staff costs	5	(25,739,808)	(24,556,392)
Depreciation of property, plant and equipment	10	(2,973,704)	(2,985,667)
Depreciation of right-of-use assets	11(a)	(5,603,124)	(5,095,294)
Amortisation of intangible assets	12(b)	(408,664)	(412,054)
Finance costs	6	(1,422,508)	(1,418,148)
(Impairment losses)/reversal of impairment losses on trade and other receivables		(76,758)	31,558
Impairment losses on property, plant and equipment	10	(840,014)	(89,334)
Impairment losses on intangible assets	12(a)	(350,000)	-
Other expenses		(8,936,329)	(8,559,841)
Share of results of associated company		(3,699)	(439)
Share of results of joint venture		23,237	(7,820)
Profit before tax	7	1,669,176	2,950,038
Tax expense	8	(1,153,363)	(1,086,358)
Profit for the year		515,813	1,863,680
Other comprehensive income/(loss):			
<i>Item that is or may be reclassified subsequently to profit or loss:</i>			
Currency translation differences on consolidation		8,405	(100,467)
Other comprehensive income/(loss) for the year, net of tax		8,405	(100,467)
Total comprehensive income for the year		524,218	1,763,213
Profit/(loss) attributable to:			
Equity holders of the Company		858,979	1,963,746
Non-controlling interests		(343,166)	(100,066)
Profit for the year		515,813	1,863,680

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

Consolidated Statement of Comprehensive Income (Cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	NOTE	GROUP	
		2024 A\$	2023 A\$
<u>Total comprehensive income/(loss) attributable to:</u>			
Equity holders of the Company		867,384	1,863,279
Non-controlling interests		(343,166)	(100,066)
		524,218	1,763,213
<u>Earnings per share for profit attributable to equity holders of the Company</u>			
<u>(cents per share)</u>			
-Basic and diluted	9	0.35	0.80

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

Statements of Financial Position

AT 30 JUNE 2024

	NOTE	GROUP		COMPANY	
		2024	2023	2024	2023
		A\$	A\$	A\$	A\$
ASSETS					
Non-current assets					
Property, plant and equipment	10	9,797,310	11,361,647	-	-
Right-of-use assets	11	19,518,717	19,273,587	-	-
Intangible assets	12	2,277,563	2,589,749	-	-
Investments in subsidiaries	13	-	-	20,880,053	20,841,811
Investment in associated company	14	-	29,970	-	-
Investments in joint ventures	15	648,322	275,086	-	-
Deferred tax asset	16	2,329,720	2,512,536	102,000	280,000
Fixed deposits	17	2,814,058	2,937,790	-	-
Trade and other receivables	20	1,042,418	1,140,490	-	-
Total non-current assets		38,428,108	40,120,855	20,982,053	21,121,811
Current assets					
Contract assets	18	414,131	424,376	-	-
Inventories	19	3,253,295	3,573,570	-	-
Trade and other receivables	20	5,999,173	5,660,609	12,956,470	11,959,510
Financial assets at fair value through profit or loss	21	100,000	100,000	100,000	100,000
Cash and bank balances		9,940,356	7,326,436	2,485,743	829,718
Total current assets		19,706,955	17,084,991	15,542,213	12,889,228
Total assets		58,135,063	57,205,846	36,524,266	34,011,039
EQUITY AND LIABILITIES					
Equity					
Share capital	22	59,008,315	57,200,620	59,008,315	57,200,620
Treasury shares	22	(144,545)	(48,253)	(144,545)	(48,253)
Other reserves	23	(40,733,145)	(40,741,550)	(479,202)	(479,202)
Retained earnings		4,239,857	4,608,892	(22,394,075)	(23,020,615)
Equity attributable to equity holders of the Company, total		22,370,482	21,019,709	35,990,493	33,652,550
Non-controlling interests		(447,093)	(350,574)	-	-
Total equity		21,923,389	20,669,135	35,990,493	33,652,550
Non-current liabilities					
Lease liabilities	11	18,525,183	18,537,919	-	-
Contract liabilities	18	1,247,961	1,388,436	-	-
Total non-current liabilities		19,773,144	19,926,355	-	-

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

Statements of Financial Position (Cont'd)

AT 30 JUNE 2024

	NOTE	GROUP		COMPANY	
		2024	2023	2024	2023
		A\$	A\$	A\$	A\$
Current liabilities					
Trade and other payables	25	7,800,512	7,974,849	533,773	358,461
Contract liabilities	18	877,365	847,717	-	-
Borrowings	24	1,774,561	1,566,710	-	-
Lease liabilities	11	5,356,934	5,711,188	-	-
Tax payable		629,158	509,892	-	28
Total current liabilities		16,438,530	16,610,356	533,773	358,489
Total liabilities		36,211,674	36,536,711	533,773	358,489
Total equity and liabilities		58,135,063	57,205,846	36,524,266	34,011,039

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

Consolidated Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	NOTE	EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY						TOTAL EQUITY
		SHARE CAPITAL (NOTE 22)	TREASURY SHARES (NOTE 22)	OTHER RESERVES (NOTE 23)	RETAINED EARNINGS	NON-CONTROLLING INTERESTS		
		A\$	A\$	A\$	A\$	A\$	A\$	
Group								
Balance at 1 July 2023		57,200,620	(48,253)	(40,741,550)	4,608,892	21,019,709	(350,574)	20,669,135
Profit/(loss) for the year		-	-	-	858,979	858,979	(343,166)	515,813
Other comprehensive income								
Currency translation differences on consolidation		-	-	8,405	-	8,405	-	8,405
Other comprehensive income for the financial year, net of tax		-	-	8,405	-	8,405	-	8,405
Total comprehensive income/(loss) for the year		-	-	8,405	858,979	867,384	(343,166)	524,218
<i>Transactions with owners recognised directly in equity</i>								
Issuance of ordinary shares	22	1,807,695	-	-	-	1,807,695	-	1,807,695
Purchases of treasury shares	22	-	(96,292)	-	-	(96,292)	-	(96,292)
Additions of subsidiaries (Note 13)		-	-	-	-	-	252,497	252,497
Dividends	26	-	-	-	(1,228,014)	(1,228,014)	(5,850)	(1,233,864)
Balance at 30 June 2024		59,008,315	(144,545)	(40,733,145)	4,239,857	22,370,482	(447,093)	21,923,389

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

Consolidated Statement of Changes in Equity (Cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	NOTE	SHARE CAPITAL (NOTE 22) A\$	TREASURY SHARES (NOTE 22) A\$	OTHER RESERVES (NOTE 23) A\$	RETAINED EARNINGS A\$	EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY A\$	NON- CONTROLLING INTERESTS A\$	TOTAL EQUITY A\$
Group								
Balance at 1 July 2022		57,200,620	(48,253)	(40,641,083)	3,454,129	19,965,413	(340,508)	19,624,905
Profit/(loss) for the year		-	-	-	1,963,746	1,963,746	(100,066)	1,863,680
Other comprehensive loss								
Currency translation differences on consolidation		-	-	(100,467)	-	(100,467)	-	(100,467)
Other comprehensive loss for the financial year, net of tax		-	-	(100,467)	-	(100,467)	-	(100,467)
Total comprehensive income/(loss) for the year		-	-	(100,467)	1,963,746	1,863,279	(100,066)	1,763,213
<i>Transactions with owners recognised directly in equity</i>								
Dividends	26	-	-	-	(808,983)	(808,983)	-	(808,983)
<i>Changes in ownership interest in subsidiaries</i>								
Capital contributions from non-controlling interests in a subsidiary		-	-	-	-	-	90,000	90,000
Balance at 30 June 2023		57,200,620	(48,253)	(40,741,550)	4,608,892	21,019,709	(350,574)	20,669,135

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

Statement of Changes in Equity

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	NOTE	SHARE CAPITAL (NOTE 22) A\$	TREASURY SHARES (NOTE 22) A\$	OTHER RESERVES (NOTE 23) A\$	RETAINED EARNINGS A\$	TOTAL EQUITY A\$
Company						
Balance at 1 July 2023		57,200,620	(48,253)	(479,202)	(23,020,615)	33,652,550
Profit and total comprehensive income for the financial year		-	-	-	1,854,554	1,854,554
Issuance of ordinary shares		1,807,695	-	-	-	1,807,695
Purchases of treasury shares		-	(96,292)	-	-	(96,292)
Dividends	26	-	-	-	(1,228,014)	(1,228,014)
Balance at 30 June 2024		59,008,315	(144,545)	(479,202)	(22,394,075)	35,990,493
Balance at 1 July 2022		57,200,620	(48,253)	(479,202)	(23,738,248)	32,934,917
Profit and total comprehensive income for the financial year		-	-	-	1,526,616	1,526,616
Dividends	26	-	-	-	(808,983)	(808,983)
Balance at 30 June 2023		57,200,620	(48,253)	(479,202)	(23,020,615)	33,652,550

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

Consolidated Statement of Cash Flows

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	NOTE	GROUP	
		2024 A\$	2023 A\$
Cash flows from operating activities			
Profit before tax		1,669,176	2,950,038
Adjustments for:			
Depreciation of property, plant and equipment		2,973,704	2,985,667
Depreciation of right-of-use assets		5,603,124	5,095,294
Amortisation of intangible assets		408,664	412,054
Impairment losses/(reversal of impairment losses) on trade and other receivables		76,758	(31,558)
Impairment losses on property, plant and equipment		840,014	89,334
Impairment losses on intangible assets		350,000	-
Interest income		(115,349)	(74,083)
Interest expenses		1,422,508	1,418,148
Property, plant and equipment written off		14,390	102,125
Gain on sale of Group-owned stores		(126,770)	(704,089)
Gain on termination of leases		(57,201)	-
Gain on disposal of investment in associated company		(6,368)	-
Loss/(gain) on disposal of property, plant and equipment		26,984	(7,032)
Rent concessions from lessors		(100,161)	(494,642)
Share of results from associated company		3,699	439
Share of results from joint venture		(23,237)	7,820
Unrealised exchange loss/(gain)		51,430	(320,740)
Operating cash flow before working capital changes		13,011,365	11,428,775
Inventories		320,275	(383,228)
Receivables and contract assets		459,947	(631,811)
Payables and contract liabilities		(325,472)	1,947,470
Currency translation adjustments		44,838	(219,534)
Cash generated from operations		13,510,953	12,141,672
Income tax paid		(852,638)	(626,678)
Net cash generated from operating activities		12,658,315	11,514,994
Cash flows from investing activities			
Purchases of property, plant and equipment	10	(2,505,913)	(3,358,737)
Purchases of intangible assets	12(b)	(198,824)	(148,206)
Proceeds from sale of Group-owned stores		160,000	919,800
Proceeds from disposal of property, plant and equipment		21,336	10,091
Proceed from disposal of associated company		6,400	-
Interest received		90,553	43,522
Redemption of financial assets at fair value through profit or loss		-	100,000
Incorporation of joint venture		-	(95)
Capital reduction in investment in associated company		-	15,968
Net cash inflows arising from the acquisition of subsidiaries		4,949	-
Subscription money paid for investment in joint venture	15	(350,000)	(200,000)
Advances to joint ventures		(742,156)	(443,163)
Dividends received from associated company		26,240	-
Net cash used in investing activities		(3,487,415)	(3,060,820)

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

Consolidated Statement of Cash Flows (Cont'd)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	NOTE	GROUP	
		2024	2023
		A\$	A\$
Cash flows from financing activities			
Upfront payment for right-of-use assets		(7,220)	(13,220)
Proceeds from borrowings		379,000	1,154,539
Repayment of borrowings		(170,690)	(1,900,447)
Repayment of lease liabilities		(6,040,232)	(5,753,060)
Advances from non-controlling interests		130,923	237,715
Repayment to related parties/non-controlling interests		(142,042)	(78,285)
Capital contributions from non-controlling interests in a subsidiary		-	90,000
Dividends paid to shareholders		(1,228,014)	(808,983)
Dividends paid to non-controlling interests		(5,850)	-
Interest paid		(1,459,327)	(1,469,832)
Decrease/(increase) in fixed deposits pledged		123,732	(449,628)
Proceeds from issuance of ordinary shares from shareholders	22	1,807,695	-
Purchases of treasury shares	22	(96,292)	-
Lease incentives received		179,774	124,984
Net cash used in financing activities		(6,528,543)	(8,866,217)
Net increase/(decrease) in cash and cash equivalents		2,642,357	(412,043)
Cash and cash equivalents at beginning of the financial year		7,326,436	7,761,188
Effects of exchange rate changes on cash and cash equivalents		(28,437)	(22,709)
Cash and cash equivalents at end of the financial year		9,940,356	7,326,436

For the purpose of presenting the consolidated statement of cash flows, the consolidated cash and cash equivalents comprise the following:

Cash and bank balances		9,940,356	7,326,436
Fixed deposits	17	2,814,058	2,937,790
		12,754,414	10,264,226
Less: Fixed deposits (pledged)	17	(2,814,058)	(2,937,790)
Cash and cash equivalents per consolidated statement of cash flows		9,940,356	7,326,436

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

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate Information

ST Group Food Industries Holdings Pte. Ltd. (the “Company”) (Co. Reg. No. 201801590R) is listed on Catalist of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and incorporated in Singapore.

The registered office is at 16 Raffles Quay, #17-03 Hong Leong Building, Singapore 048581.

The principal activity of the Company is that of an investment holding company. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements.

2. Material Accounting Policies

a) Basis of preparation

The financial statements of the Group are presented in Australian dollar (“A\$”) except when otherwise indicated. The financial statements of the Group have been prepared in accordance with the provisions of the Companies Act and Singapore Financial Reporting Standards (International) (“SFRS(I)”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management’s best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgment in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within next financial year are disclosed in Note 2(i) to the financial statements.

The carrying amounts of fixed deposits, cash and bank balances, trade and other current receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

a) Basis of preparation (Cont'd)

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations (“**SFRS(I) INT**”) that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company except as disclosed below:

Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies

The amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments require entities to disclose their material accounting policies rather than their significant accounting policies, and provide guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The Group has adopted the amendments to SFRS(I) 1-1 on disclosures of accounting policies. The amendments have no impact on the measurement, recognition and presentation of any items in the Group's and the Company's financial statements.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 30 June 2024 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

b) Revenue recognition

Food and beverage retails

Food and beverage retails revenues comprised of retail sales of food and beverages through the Group-owned restaurants and stores. Revenue is recognised at the point of sale when the food and beverage have been served or delivered to customers, based on the food and beverage listed prices, net of discounts and goods and services tax. Payment of the transaction price is due immediately at the point the customer purchases the food and beverage or on credit terms where upon initial recognition of revenue, a receivable is recognised as the consideration is unconditional and only the passage of time is required before payment is due.

Supply chain

Supply chain revenues are primarily comprised of sales of food and supplies to franchised restaurants and stores directly by the Group or through distributors. Revenue is recognised upon transfer of control over ordered items, generally upon delivery to the customer, which is when the customer obtains physical possession of the goods, legal title is transferred, the customer has all risks and rewards of ownership and an obligation to pay for the goods is created. No element of financing is deemed present as payments are generally due within 30 to 120 days. Upon initial recognition of revenue, a receivable is recognised as the consideration is unconditional and only the passage of time is required before payment is due.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

b) Revenue recognition (Cont'd)

Franchise fees and royalty income

Franchise fees and royalty income consist primarily of royalties, initial and renewal franchise fees paid by franchisees.

Franchise fees are payable by the franchisee upon opening of a new restaurant or renewal of an existing franchise agreement, and are billed upon signing of the franchise agreement. Renewal franchisee fees are billed before the renewal date. Franchise fees received are recognised over the term of the related franchise agreement. The services the Group provides in exchange for these franchise fees, which primarily relate to granting of franchise right, providing information and advice to franchisees and carrying out inspections, are highly interrelated with the franchise right and are not individually distinct from the ongoing services the Group provides to the franchisees. They do not contain separate and distinct performance obligations from the franchise right; thus, the fees collected will be amortised on a straight-line basis beginning at the store opening date through the term of the franchise agreement, which is consistent with the franchisee's right to use and benefit from the franchise right.

Franchise royalties are based on a percentage of gross sales at franchise restaurants and stores and are recognised as sales occur. Franchise royalties are billed on a monthly basis.

Project income

Project income are derived from establishment of a restaurant or store and in connection with a restaurant or store renewal or renovation and other franchise related fees. Revenue from these sales is recognised based on the price specified in the contract.

Revenue from establishment and renovation services is recognised as performance obligations satisfied over time using input method, based on the stage of completion. The stage of completion is measured by reference to the contract costs incurred up to the reporting date as a percentage of total estimated costs for each contract. Revenue is recognised over time as the Group's performance creates a customer-controlled asset and it has an enforceable right to payment for performance completed to date. The Group bills the customers in accordance with the terms of the contract. Customers are required to pay within 7 to 30 days from the invoice date. No element of financing is deemed present. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. A contract liability is recognised when the Group has not yet performed under the contract but receives advanced payments from the customer.

Dartslive machine revenue

Dartslive machine revenue represents net takings from game play. Revenue is reported after deduction of goods and services tax.

Rental income

Rental income from operating leases are recognised on a straight-line basis over the lease term.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

Dividend income

Dividend income is recognised when the right to receive payment is established.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

c) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied for like transactions and events in similar circumstances.

Intragroup balances and transactions, including income, expenses and dividends, are eliminated in full. Profits and losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full.

Business combinations involving entities under common control

Business combinations involving entities under common control are accounted for by applying the pooling of interest method.

Under this method, the Company has been treated as the holding company of the subsidiaries for the financial years presented rather than from the completion of the restructuring exercise. Accordingly, the results of the Group included the results of the subsidiaries for the entire periods under review. Such manner of presentation reflects the economic substance of the companies, which were under common control throughout the relevant period, as a single economic enterprise, although the legal parent-subsidiary relationships were not established.

Pursuant to this:

- Assets and liabilities are reflected at their existing carrying amounts;
- No adjustments are made to reflect the fair values on the date of combination or recognise any new assets or liabilities;
- No additional goodwill is recognised as a result of the combination; and
- Any difference between the consideration paid by the Company and the equity 'acquired' is reflected within the equity of the Group as merger reserve.

Business combinations using acquisition method

Subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Business combinations are accounted for using the acquisition method. The consideration transferred for the acquisition comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are recognised as expenses as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

c) Basis of consolidation (Cont'd)

Business combinations using acquisition method (cont'd)

Any excess of the fair value of the consideration transferred in the business combination, the amount of any non-controlling interest in the acquiree (if any) and the fair value of the Group's previously held equity interest in the acquiree (if any), over the fair value of the net identifiable assets acquired is recorded as goodwill. Goodwill is accounted for in accordance with the accounting policy for goodwill stated in Note 2(d) to the financial statements. In instances where the latter amount exceeds the former and the measurement of all amounts has been reviewed, the excess is recognised as gain from bargain purchase in profit or loss on the date of acquisition.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

For non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation, the Group elects on an acquisition-by-acquisition basis whether to measure them at fair value, or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets, at the acquisition date. All other non-controlling interests are measured at acquisition date fair value or, when applicable, on the basis specified in another standard.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amount of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributable to owners of the Company.

When a change in the Company's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill, non-controlling interest and other components of equity related to the subsidiary are derecognised. Amount recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I).

Any retained equity interest in the previous subsidiary is remeasured at fair value at the date that control is lost. The difference between the carrying amount of the retained interest at the date control is lost, and its fair value is recognised in profit or loss.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

d) Goodwill

Goodwill is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses.

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of a subsidiary or associated company, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

e) Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value.

Depreciation

Depreciation is charged so as to allocate the depreciable amount of property, plant and equipment over their estimated useful lives, using the following methods and bases:

	<i>DEPRECIATION RATES</i>	<i>DEPRECIATION METHOD</i>
Machinery and equipment	15% - 40%	Diminishing balance
Furniture and fittings	11.25% - 66.67%	Diminishing balance
Office equipment	15% - 66.67%	Diminishing balance
Motor vehicles	20% - 25%	Diminishing balance
Renovation		
- Office and warehouse	11.25% - 16.67%	Diminishing balance
- Restaurants and stores	Over the lease term	Straight-line

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

f) Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Franchise rights

Costs relating to master franchise fees paid are capitalised and amortised on a straight-line basis over the franchise period ranging from 5 to 30 years.

g) Impairment of non-financial assets excluding goodwill

At each reporting date, the Group assesses the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing 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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A previously recognised impairment loss for an asset is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. A reversal of an impairment loss is recognised immediately in profit or loss.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

h) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

When a Group entity is the lessee

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases and leases of low-value assets. For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liabilities are presented as a separate line in the statements of financial position.

The lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

h) Leases (Cont'd)

When a Group entity is the lessee (Cont'd)

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct cost, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the cost relates to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter period of the lease term and useful life of the underlying asset. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statements of financial position.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2(g).

As a practical expedient, SFRS(I) 16 *Leases* permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease component as a single arrangement. The Group has not used this practical expedient.

When a Group entity is the intermediate lessor

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the terms of the relevant leases. Initial direct cost incurred in negotiating and arranging operating leases are added to the carrying amount of the leased asset and recognised as an expense in profit or loss on the same basis as the lease income.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies SFRS(I) 15 to allocate the consideration under the contract to each component.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

i) Critical accounting judgements and key sources of estimation uncertainty

Critical judgements in applying the entity's accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt in the preceding paragraphs).

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of food and beverage outlets and central kitchen, the following factors are considered to be most relevant:

- If there are significant penalties to terminate the lease, the Group will typically reasonably certain not to terminate the lease;
- If the retail stores are located in strategic locations that will contribute to the continued profitability of the retail segment, the Group will typically include the extension option in lease liabilities;
- Otherwise, the Group considers other factors including its historical lease periods and the costs and business disruption required to replace the leased asset.

As at 30 June 2024, potential future cash outflows of A\$8,977,777 (2023: A\$8,970,946) (undiscounted) have not been included in the lease liability because it is not reasonably certain that the leases will be extended.

Deferred income tax asset

The Group recognises deferred income tax asset on carried forward tax losses to the extent there are sufficient estimated future taxable profits and/or taxable temporary differences against which the tax losses can be utilised and that the Group is able to satisfy the continuing ownership test.

Significant management judgement is required to determine the amount of deferred tax asset that can be recognised, based upon the likely timing and level of future taxable profits. The carrying value of deferred tax asset recognised and the unrecognised tax losses of the Group at 30 June 2024 are disclosed in Note 16 to the financial statements.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

i) *Critical accounting judgements and key sources of estimation uncertainty (Cont'd)*

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of property, plant and equipment and right-of-use assets

Management assesses whether there are any indicators of impairment for property, plant and equipment and right-of-use assets at each reporting date. Property, plant and equipment and right-of-use assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

When value in use calculations are undertaken, management is required to estimate the expected future cash flows from the asset or cash-generating unit, including estimating the revenue growth rate and gross profit margin for the individual cash generating units and using a suitable discount rate in order to determine the present value of those cash flows. The recoverable amount is sensitive to the food and beverage revenue growth rate and gross profit margin. The carrying amount of property, plant and equipment and right-of-use assets at the end of the reporting period is A\$9,797,310 (2023: A\$11,361,647) and A\$19,518,717 (2023: A\$19,273,587) as set out in Notes 10 and 11 respectively to the financial statements. Changes in assumptions made and discount rate applied could affect the carrying values of those assets.

Impairment assessment of goodwill

Management performs an annual impairment assessment of goodwill. Valuation model based on discounted cash flow analysis of the cash-generating unit ("CGU") is used by management to determine the value in use for the purposes of the impairment assessment.

Forecasting and discounting future cash flows for the impairment assessment involves an element of judgement and requires management to make certain assumptions and apply estimates. Details of the key assumptions applied in the impairment assessment of goodwill and the carrying value of the goodwill at the end of the reporting period are disclosed in Note 12 to the financial statements. Any changes in the assumptions made and discount rate applied could affect the impairment assessment.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2. Material Accounting Policies (Cont'd)

i) *Critical accounting judgements and key sources of estimation uncertainty (Cont'd)*

Key sources of estimation uncertainty (Cont'd)

Impairment of investments in subsidiaries

There are indicators that the cost of investments in subsidiaries is impaired as the cost of investments exceeds the Company's share of the net assets of these subsidiaries as at 30 June 2024. In addition to assessing indicators of possible impairment, management also assessed whether there is any indication a previously recognised impairment loss for the costs of investments in subsidiaries no longer exist or the assessed impairment amount may have decreased.

Determining whether investments in subsidiaries is impaired involves an estimation of the value in use of these subsidiaries. The value in use calculation requires the management to estimate the future cash flows expected from the cash-generating unit and an appropriate discount rate in order to calculate the present value of the future cash flows. The key assumptions and estimates applied in the determination of the value in use, sensitivity analysis and the carrying amount of investments in subsidiaries are disclosed and further explained in Note 13 to the financial statements.

Calculation of allowance for impairment for financial assets at amortised cost

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions and forecasts of future economic conditions with consideration of the impact of the current macroeconomic uncertainties and how these conditions will affect the Group's ECL assessment. Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

As the calculation of loss allowance on trade and other receivables is subject to assumptions and forecasts, any changes to these estimations will affect the amounts of loss allowance recognised and the carrying amount of trade and other receivables. Details of ECL measurement and carrying amount of trade and other receivables at reporting date are disclosed in Note 29(b) to the financial statements.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

3. Revenue

	GROUP	
	2024	2023
	A\$	A\$
Food and beverage retails	46,364,513	45,122,107
Supply chain	14,529,987	13,200,237
Franchise		
- Franchise fees and royalty income	6,617,800	5,839,271
- Project income	1,255,955	1,413,927
Others - Dartslive machine revenue	278,392	235,586
	69,046,647	65,811,128
<i>Timing of revenue recognition</i>		
At a point in time	61,172,892	58,557,930
Over time	7,873,755	7,253,198
	69,046,647	65,811,128
<i>Revenue recognised during the financial year from:</i>		
Amounts included in contract liability at beginning of the financial year	847,717	574,696

Transaction price allocated to the remaining performance obligations

The table below discloses revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date:

	FRANCHISE	
	2024	2023
	A\$	A\$
2024	-	847,717
2025	877,365	527,415
2026	574,293	463,916
2027	379,960	273,607
2028	229,632	-
Thereafter	64,076	123,498
	2,125,326	2,236,153

The Group applies the practical expedient in SFRS(I) 15 and does not disclose information about its remaining performance obligation if the performance obligation is part of a contract that has an original expected duration of one year or less.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

4. Other Income

	GROUP	
	2024	2023
	A\$	A\$
Management fees		
- Related parties (Note 27)	-	76,521
- Associate (Note 27)	3,823	21,240
- Joint ventures (Note 27)	22,000	27,155
- Third parties	44,460	65,440
Interest income		
- Banks	90,553	43,522
- Third parties	24,796	30,561
Government grants*	-	98,675
Rebates from suppliers	1,437,525	1,223,466
Gain on sale of Group-owned stores	126,770	704,089
Gain on disposal of investment in associated company	6,368	-
Gain on disposal of property, plant and equipment	-	7,032
Miscellaneous income	214,064	270,980
	1,970,359	2,568,681

* In the previous financial year, government grants mainly relate to wage subsidies and business support in Australia.

5. Staff Costs

	GROUP	
	2024	2023
	A\$	A\$
Wages and salaries	22,555,654	21,503,819
Contributions to defined contribution plan	1,829,380	1,745,298
Other benefits	1,354,774	1,307,275
	25,739,808	24,556,392

6. Finance Costs

	GROUP	
	2024	2023
	A\$	A\$
Interest expense		
- Lease liabilities	1,335,734	1,366,044
- Bank loans	67,034	51,594
- Others	19,740	510
	1,422,508	1,418,148

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

7. Profit Before Tax

	GROUP	
	2024 A\$	2023 A\$
Profit before tax is arrived at after:		
Charging/(crediting):		
Audit fees:		
- auditors of the Company	130,246	68,652
- other auditors – network firm	192,808	218,457
- other auditors – non-network firm	89,416	184,030
Non-audit fees:		
- auditors of the Company	3,576	3,149
- other auditors – network firm	2,500	-
- other auditors – non-network firm	46,923	122,428
Accounting fee	133,952	182,324
Advertising and marketing expense	556,856	654,588
Impairment losses/(reversal of impairment losses) on trade and other receivables (Note 29 (b))	-	(86,000)
Impairment charge		
- property, plant and equipment (Note 10)	840,014	89,334
- intangible assets (Note 12 (a))	350,000	-
Bank merchant fee	447,949	450,400
Bad debt - trade receivables	76,758	-
Bad debt - sundry receivable	-	54,442
Cleaning expenses	266,271	251,099
Professional and consultancy fees	421,892	424,329
Foreign exchange loss/(gain)	51,430	(320,740)
Insurance expenses	388,312	333,990
Warehouse, office and outlet supplies	461,585	405,735
Management fee expense	62,635	58,950
Network service fees	70,707	62,888
Property, plant and equipment written off (Note 10)	14,390	102,125
Loss/(gain) on disposal of property, plant and equipment	26,984	(7,032)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

8. Tax Expense

	GROUP	
	2024	2023
	A\$	A\$
Tax expense attributable to profit is made up of:		
Current year		
- Income tax	1,140,156	546,554
- Deferred tax	12,491	307,820
Previous financial year		
- Over provision of income tax	(168,346)	(37,497)
- Under provision of deferred tax	118,263	49,844
Reversal of deferred tax assets	50,799	219,637
	1,153,363	1,086,358

The income tax expense on the results of the financial year differs from the amount of income tax determined by applying the Australia statutory rate of income tax due to the following factors:

	GROUP	
	2024	2023
	A\$	A\$
Profit before tax	1,669,176	2,950,038
Tax calculated at a tax rate of 30% (2023: 30%)	500,753	885,011
Effect of different tax rates in other countries	12,359	(7,187)
Effect of results of equity-accounted investees presented net of tax	(5,861)	2,451
Income not subjected to tax	-	(113,606)
Expenses not deductible for tax purposes	233,018	40,079
Over provision of income tax in previous year	(168,346)	(37,497)
Under provision of deferred tax in previous years	118,263	49,844
Deferred tax assets not recognised	709,996	541,343
Utilisation of previously unrecognised deferred tax assets	(328,972)	(370,872)
Reversal of deferred tax assets	50,799	219,637
Others	31,354	(122,845)
	1,153,363	1,086,358

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

8. Tax Expense (Cont'd)

The statutory income tax rate applicable to the Company is 17% (2023: 17%).

Pursuant to the relevant laws and regulations in Australia, the major subsidiaries of the Group incorporated in Australia are required to pay Australia corporate income tax at a rate of 30% (2023: 30%).

Pursuant to the relevant laws and regulations in New Zealand, the subsidiaries of the Group incorporated in New Zealand are required to pay New Zealand corporate income tax at a rate of 28% (2023: 28%).

Pursuant to the relevant laws and regulations in United Kingdom, the subsidiaries of the Group incorporated in United Kingdom are required to pay United Kingdom corporate income tax at a rate of 25% (2023: 25%).

The corporate tax rate for small and medium base rate entities is 25% from the 2021-22 income year onwards. As the Group does not expect to qualify as a base rate entity with a turnover of less than A\$50 million and less than 80% of its assessable income being passive income for the foreseeable future, it does not expect to benefit from the reduced tax rates in future reporting periods. As a consequence, the Group has not remeasured its deferred tax balances based on the effective tax rate that will apply in the year the temporary differences are expected to reverse.

9. Earnings Per Share

The calculation of the earnings per share attributable to the ordinary owners of the Company is based on the following data:

	GROUP	
	2024	2023
	A\$	A\$
Net profit attributable to equity holders of the Company	858,979	1,963,746
Weighted average number of ordinary shares		
Issued ordinary shares at 1 July	245,602,800	245,602,800
Effect of issuance of ordinary shares	2,435,385	-
Effect of treasury shares held	(135,121)	-
Weighted average number of ordinary shares during the year	247,903,064	245,602,800
Earnings per share (cents per share)		
-Basic and diluted	0.35	0.80

The fully diluted earnings per share and basic earnings per share are the same because there is no dilutive share.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

10. Property, Plant and Equipment

	MACHINERY AND EQUIPMENT	FURNITURE AND FITTINGS	OFFICE EQUIPMENT	MOTOR VEHICLES	RENOVATION	TOTAL
	A\$	A\$	A\$	A\$	A\$	A\$
Group						
2024						
Cost						
At 1 July 2023	6,546,311	7,941,429	394,267	206,420	13,010,605	28,099,032
Additions	567,890	344,896	122,878	51,121	1,419,128	2,505,913
Sale of Group-owned stores	(198,467)	(61,032)	-	-	(477,925)	(737,424)
Disposals	(199,864)	(683,449)	-	-	-	(883,313)
Write-off	(194,332)	-	-	-	(830,808)	(1,025,140)
Reclassification	5,189	(52,637)	(1,694)	-	49,142	-
Currency translation differences	(5,056)	(8,489)	(82)	(277)	(18,328)	(32,232)
At 30 June 2024	6,521,671	7,480,718	515,369	257,264	13,151,814	27,926,836
Accumulated depreciation and impairment loss						
At 1 July 2023	3,927,781	3,891,593	291,875	125,491	8,500,645	16,737,385
Depreciation charge	575,581	827,610	20,872	16,926	1,532,715	2,973,704
Sale of Group-owned stores	(114,672)	(35,987)	-	-	(402,088)	(552,747)
Disposals	(170,209)	(664,784)	-	-	-	(834,993)
Write-off	(179,942)	-	-	-	(830,808)	(1,010,750)
Reclassification	(673)	217,149	3,273	677	(220,426)	-
Currency translation differences	(2,966)	(8,617)	108	(200)	(11,412)	(23,087)
Impairment loss	-	840,014	-	-	-	840,014
At 30 June 2024	4,034,900	5,066,978	316,128	142,894	8,568,626	18,129,526
Representing:						
Accumulated depreciation	4,009,345	4,226,964	316,128	142,894	8,432,630	17,127,961
Accumulated impairment	25,555	840,014	-	-	135,996	1,001,565
	4,034,900	5,066,978	316,128	142,894	8,568,626	18,129,526
Net carrying value						
At 30 June 2024	2,486,771	2,413,740	199,241	114,370	4,583,188	9,797,310

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

10. Property, Plant and Equipment (Cont'd)

	MACHINERY AND EQUIPMENT	FURNITURE AND FITTINGS	OFFICE EQUIPMENT	MOTOR VEHICLES	RENOVATION	TOTAL
	A\$	A\$	A\$	A\$	A\$	A\$
Group						
2023						
Cost						
At 1 July 2022	5,406,513	7,321,565	391,349	134,680	11,539,372	24,793,479
Additions	754,039	865,514	4,078	48,227	1,686,879	3,358,737
Sale of Group- owned stores	(338,042)	(173,745)	-	-	(332,408)	(844,195)
Disposals	(10,200)	-	-	-	-	(10,200)
Write-off	(148,111)	(110,914)	(2,295)	(22,858)	(17,609)	(301,787)
Reclassification from right-of-use assets	842,134	-	-	44,227	-	886,361
Currency translation differences	39,978	39,009	1,135	2,144	134,371	216,637
At 30 June 2023	6,546,311	7,941,429	394,267	206,420	13,010,605	28,099,032
Accumulated depreciation and impairment loss						
At 1 July 2022	3,086,548	3,189,516	270,843	88,130	6,991,958	13,626,995
Depreciation charge	520,990	837,129	21,863	18,684	1,587,001	2,985,667
Sale of Group-owned stores	(123,445)	(70,685)	-	-	(222,885)	(417,015)
Disposals	(7,141)	-	-	-	-	(7,141)
Write-off	(108,846)	(76,169)	(1,571)	(13,076)	-	(199,662)
Reclassification from right-of-use assets	526,586	-	-	30,541	-	557,127
Currency translation differences	20,050	11,802	740	1,212	68,276	102,080
Impairment loss	13,039	-	-	-	76,295	89,334
At 30 June 2023	3,927,781	3,891,593	291,875	125,491	8,500,645	16,737,385
Representing:						
Accumulated depreciation	3,854,659	3,891,593	291,875	125,491	8,165,892	16,329,510
Accumulated impairment	73,122	-	-	-	334,753	407,875
	3,927,781	3,891,593	291,875	125,491	8,500,645	16,737,385
Net carrying value						
At 30 June 2023	2,618,530	4,049,836	102,392	80,929	4,509,960	11,361,647

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

10. Property, Plant and Equipment (Cont'd)

- (a) Bank loans and overdrafts are secured on property, plant and equipment of the Group with a net carrying value of A\$3,473,434 (2023: A\$6,408,195) (Note 24).
- (b) Impairment testing

Management has determined that each individual food and beverage outlet managed by the Group is a separate cash-generating unit ("CGU"). Property, plant and equipment and right-of-use assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. During the current financial year, in consideration of the operating performance of the Group's cash generating units ("CGUs"), management identified that there are indicators of impairment for certain CGUs' property, plant and equipment and right-of-use assets. The carrying amounts of these CGUs' property, plant and equipment and right-of-use assets subjected to impairment assessment amounted to A\$2,547,546 and A\$4,117,545 (2023: A\$2,246,740 and A\$3,751,336) respectively. The respective recoverable amounts of these CGUs were derived from their value in use calculation based on estimated future cash flows over their remaining lease periods and were discounted using pre-tax discount rates specific to the CGUs.

The key assumptions used in the estimation of the recoverable amount of the CGUs are Food & Beverage ("F&B") revenue growth rate, gross profit margin and pre-tax discount rate. The F&B revenue growth rates and gross profit margins were determined by management after taking into account historical and expected future financial performances.

During the financial year, the Group assessed that the carrying amounts of five (5) CGUs (2023: five (5)) (F&B outlets) exceeded their recoverable amounts. Accordingly, impairment losses of A\$840,014 (2023: A\$89,334) on the property, plant and equipment were recognised in consolidated statement of comprehensive income. The total impairment losses reflects the fluctuations expected from outlet level trading performance in Australia and New Zealand (2023: Australia, New Zealand and United Kingdom).

Key assumptions used in value-in-use calculation

	← F&B OUTLETS →				
	1 [^]	2 [^]	3 ^{^^}	4 ^{^^}	5 [^]
2024					
Average F&B revenue growth rate	-13%	-21%	2%	-18%	-5%
Average gross profit margin	69%	65%	77%	65%	71%
Pre-tax discount rate	9.9%#	9.9%#	9.3%	9.9%	9.9%#

	← F&B OUTLETS →					
	1 [^]	2 [^]	3 ^{^^}	4 ^{^^}	5 [^]	TOTAL
	A\$	A\$	A\$	A\$	A\$	A\$
Recoverable amount, net of associated lease liabilities	82,666	(237,794)	(6,702)	62,240	(528,844)	(628,434)
Impairment losses						
- Property, plant and equipment	445,000	210,000	-*	185,014	-*	840,014

In the financial year ended 30 June 2023, the pre-tax discount rate of Outlet 2 used in the impairment assessment is 9.8%. Outlets 1 and 5 were not subject to impairment testing in previous year.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

10. Property, Plant and Equipment (Cont'd)

(b) Impairment testing (cont'd)

Key assumptions used in value-in-use calculation (cont'd)

In the current financial year ended 30 June 2024, for the 5 CGUs, management assessed that 1% reduction in the average gross profit margin used in the impairment assessment would result in an additional impairment of approximately A\$230,000.

For the remaining carrying amounts of the CGUs' property, plant and equipment and right-of-use assets subjected to impairment assessment, management assessed that 0.5% reduction in the average gross profit margin used in the impairment assessment would not result in an impairment.

	← F&B OUTLETS →				
	1 [^]	2 [^]	3 ^{^^}	4 ^{^^}	5 [^]
2023					
Average F&B revenue growth rate	1%	9%	6%	0%	2%
Average gross profit margin	67%	63%	79%	63%	89%
Pre-tax discount rate	16.0%	12.6%	11.6%	11.0%	10.3%

	← F&B OUTLETS →					
	1 [^]	2 [^]	3 ^{^^}	4 ^{^^}	5 [^]	TOTAL
	A\$	A\$	A\$	A\$	A\$	A\$
Recoverable amount, net of associated lease liabilities	(563,585)	102,475	193,135	464,089	(36,674)	159,440
Impairment losses						
- Property, plant and equipment	-*	-*	-*	-*	89,334	89,334
- Right-of-use assets	-*	-*	-*	-*	-	-
	-	-	-	-	89,334	89,334

* The management does not consider the impairment losses to be material to the Group, individually or in aggregate. Hence, impairment losses were not provided for in the prior year consolidated financial statements.

In the financial year ended 30 June 2023, for the 5 CGUs, management assessed that 1% reduction in the average gross profit margin used in the impairment assessment would result in an additional impairment of approximately A\$138,000.

For the remaining carrying amounts of the CGUs' property, plant and equipment and right-of-use assets subjected to impairment assessment, management assessed that 1% reduction in the average gross profit margin used in the impairment assessment would not result in an impairment.

[^] Outlets for the financial year ended 30 June 2024 are different from those outlets indicated in the financial year ended 30 June 2023.

^{^^} Same outlet for both financial years ended 30 June 2024 and 30 June 2023.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

11. Right-of-Use Assets and Lease Liabilities

(a) The Group as a lessee

Nature of the Group's leasing activities

The Group's leasing activities comprise the following:

- (i) The Group leases various food and beverage outlets, central kitchen, office buildings, motor vehicles, plant and equipment from non-related parties. The leases have an average tenure between 2 to 12 (2023: 2 to 10) years.
- (ii) In addition, the Group leases certain storage spaces with contractual terms of 12 months or less. These leases are short-term leases. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

The Group's obligations are secured by the lessors' title to the leased assets for such leases.

The maturity analysis of the lease liabilities is disclosed in Note 29(b).

Information about leases for which the Group is a lessee is presented below:

Amounts recognised in statements of financial position

	GROUP	
	2024	2023
	A\$	A\$
<i>Carrying amount of right-of-use assets</i>		
Food and beverage outlets	15,348,784	14,484,680
Central kitchen and office buildings	4,035,814	4,678,301
Plant and equipment	102,974	58,392
Motor vehicles	31,145	52,214
	19,518,717	19,273,587
<i>Carrying amount of lease liabilities</i>		
Current	5,356,934	5,711,188
Non-current	18,525,183	18,537,919
	23,882,117	24,249,107
Additions to right-of-use assets	5,670,953	4,584,099
Disposal of right-of-use assets - Sale of Group-owned stores	147,262	607,869

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

11. Right-of-Use Assets and Lease Liabilities (Cont'd)

(a) The Group as a lessee (cont'd)

Nature of the Group's leasing activities (cont'd)

Information about leases for which the Group is a lessee is presented below:

Amounts recognised in profit or loss

	GROUP	
	2024	2023
	A\$	A\$
<u>Depreciation charge for the year</u>		
- Food and beverage outlets	4,901,727	4,401,989
- Central kitchen and office buildings	672,898	662,792
- Plant and equipment	7,431	13,108
- Motor vehicles	21,068	17,405
	5,603,124	5,095,294
<u>Lease expense not included in the measurement of lease liabilities</u>		
- Lease expense - short term leases	447,538	416,360
- Variable lease payments which do not depend on an index	1,195,237	1,254,221
- Rent concessions from lessors	(100,161)	(494,642)
	1,542,614	1,175,939
Interest expense on lease liabilities	1,335,734	1,366,044
(Expense) from subleasing right-of-use assets, net	(48,339)	(6,373)

Total cash flows for leases amounted to A\$8,955,399 (2023: A\$8,346,727).

Variable lease payments

The leases for food and beverage outlets contain variable lease payments that are based on a percentage of sales generated by the outlets ranging from 3% to 10% (2023: 3% to 10%), on top of the fixed lease payments. Overall, the variable payments constitute up to 13% (2023: 15%) of the Group's entire lease payments. These variable lease payments are recognised to profit or loss when incurred. Such variable lease payments amounted to A\$1,195,237 (2023: A\$1,254,221) for the financial year ended 30 June 2024.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

11. Right-of-Use Assets and Lease Liabilities (Cont'd)

(a) The Group as a lessee (cont'd)

Nature of the Group's leasing activities (cont'd)

Extension options

The leases of certain food and beverage outlets contain extension options, for which the related lease payments had not been included in the lease liabilities as the Group is not reasonably certain to extend the lease. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group.

Future cash outflow which are not capitalised in lease liabilities

Leases not yet commenced to which the lessee is committed

As at 30 June 2024, the Group entered into a lease for a period of 5-years for a food and beverage outlet, of which the lease period will only commence in financial year ending 30 June 2025. The aggregate future cashflows to which the Group is exposed to is fixed payment of A\$80,000 per year respectively. There are no extension or termination options for the lease.

As at 30 June 2023, the Group entered into a lease for a period of 5-years for a food and beverage outlet, of which the lease period will only commence in financial year ending 30 June 2024. The aggregate future cashflows to which the Group is exposed to is fixed payment of A\$435,000 per year respectively. There are no extension or termination options for the lease.

(b) The Group as an intermediate lessor

Nature of the Group's leasing activities - Group as an intermediate lessor

Subleases - classified as finance leases

The Group's sub-lease of its right-of-use food and beverage outlets is classified as finance lease because the sub-lease is for the entire remaining lease term of the head lease. Right-of-use assets relating to the head leases with sub-leases classified as finance lease is derecognised. The net investment in the sub-lease is recognised under "Trade and other receivables" (Note 20).

Finance income on the net investment in sub-lease during the financial year is A\$24,795 (2023: A\$30,560).

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

11. Right-of-Use Assets and Lease Liabilities (Cont'd)

(b) The Group as an intermediate lessor (cont'd)

Nature of the Group's leasing activities - Group as an intermediate lessor (cont'd)

Subleases - classified as finance leases (cont'd)

The following table shows the maturity analysis of the undiscounted lease payments to be received:

	GROUP	
	2024	2023
	A\$	A\$
Less than one year	138,610	126,504
1 to 2 years	123,071	156,783
2 to 3 years	108,095	123,071
3 to 4 years	107,325	108,095
4 to 5 years	-	89,152
More than 5 years	-	24,780
Total undiscounted lease payments	477,101	628,385
Less: Unearned finance income	(38,208)	(63,004)
Net investment in finance lease	438,893	565,381
Current (Note 20)	138,610	126,504
Non-current (Note 20)	300,283	438,877
Total	438,893	565,381

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

12. Intangible Assets

	GROUP	
	2024	2023
	A\$	A\$
Goodwill arising on business combination (Note (a))	843,485	945,937
Franchise rights (Note (b))	1,434,078	1,643,812
	2,277,563	2,589,749

(a) Goodwill arising on business combinations

	GROUP	
	2024	2023
	A\$	A\$
Cost		
At beginning of year	945,937	945,937
Acquisition of a subsidiary (Note 13(b))	247,548	-
At end of year	1,193,485	945,937
Accumulated impairment		
At beginning of year	-	-
Impairment charge	350,000	-
At end of year	350,000	-
Net carrying amount	843,485	945,937

Impairment test for goodwill

Goodwill acquired in business combinations is allocated, to the cash generating units ("CGUs") that are expected to benefit from that business combinations. The carrying amount of goodwill has been allocated as follows:

	GROUP	
	2024	2023
	A\$	A\$
Food and beverage retails		
- PPR Ryde (NSW) Pty Ltd	375,783	725,783
- JCT (Chadstone) Pty Ltd	220,154	220,154
- Homm International Pty Ltd	247,548	-
	843,485	945,937

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

12. Intangible Assets (Cont'd)

(a) Goodwill arising on business combinations (cont'd)

PPR Ryde (NSW) Pty Ltd

Fair value less costs of disposal

The recoverable amount of the CGU in the food and beverage retails segment was determined by reference to fair value less costs of disposal. A Contract for Sale and Purchase of Business was executed on 31 May 2024 to dispose an outlet to a third party for a cash consideration of A\$400,000. The fair value measurement is categorised in Level 2 of the fair value hierarchy. As a result of the review, an impairment loss of A\$350,000 was recognised in consolidated statement of comprehensive income for the financial year ended 30 June 2024 to the recoverable amounts of A\$377,132. In the previous financial year, recoverable amount was determined based on value in use.

Key assumptions used in value-in-use calculation

The recoverable amount of the CGU is based on its values in use, determined by discounting the pre-tax future cash flows to be generated from the continuing operations of the CGU. The key assumptions used in the estimation of value in use were as follows:

	PPR RYDE (NSW) PTY LTD		JCT (CHADSTONE) PTY LTD	
	2024	2023	2024	2023
Forecast revenue growth	–	0% growth in year 2024 and 2025 and 2% growth per year thereafter	2% growth in year 2025 and year thereafter	2% growth in year 2026 and year thereafter*
Gross profit margin	–	65%	68%	68%
Terminal value growth rate	–	2.0%	1.2%	1.2%
Discount rate	–	14.9%	11.3%	12.0%

* FY2025 forecasts for JCT (Chadstone) Pty Ltd was not prepared as the area where the CGU is located was undergoing renovation by the landlord.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

12. Intangible Assets (Cont'd)

(b) Franchise rights

	GROUP	
	2024 A\$	2023 A\$
Cost		
At beginning of year	3,623,830	3,450,266
Additions	198,824	148,206
Write-off	–	(32,888)
Currency translation differences	(3,570)	58,246
At end of year	3,819,084	3,623,830
Accumulated amortisation		
At beginning of year	1,980,018	1,570,883
Amortisation charge for the year	408,664	412,054
Write-off	–	(32,888)
Currency translation differences	(3,676)	29,969
At end of year	2,385,006	1,980,018
Net carrying value	1,434,078	1,643,812

Franchise rights have remaining useful lives of 0.5 to 10 years (2023: 1 to 11 years) as at respective end of the reporting periods.

13. Investments in Subsidiaries

	COMPANY	
	2024 A\$	2023 A\$
Unquoted equity shares, at cost		
Balance at beginning and end of the year	40,196,030	40,196,030
Accumulated impairment losses		
Balance at beginning of year	19,354,219	19,254,658
Impairment losses for the year	1,298,463	99,561
Reversal of impairment losses for the year	(1,336,705)	–
Balance at end of the year	19,315,977	19,354,219
Net carrying amount		
Balance at end of the year	20,880,053	20,841,811

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. Investments in Subsidiaries (Cont'd)

Details of subsidiaries are:

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PRINCIPAL BUSINESS ACTIVITIES	EFFECTIVE EQUITY INTEREST OF THE COMPANY	
			2024 %	2023 %
<u>Subsidiaries held by the Company</u>				
STG Food Industries Pty Ltd ⁽²⁾	Australia	Investment holding	100	100
STG Confectionery Pty Ltd ⁽²⁾	Australia	Investment holding	100	100
STG Food Industries 3 Pty Ltd ⁽²⁾	Australia	Investment holding	100	100
STG Food Industries Malaysia Sdn Bhd ⁽³⁾	Malaysia	Investment holding	100	100
STG Food Industries 5 Pty Ltd ⁽²⁾	Australia	Investment holding	100	100
STG Beverage (NZ) Pty Ltd ⁽²⁾	Australia	Investment holding	100	100
STG Entertainment Pty Ltd ⁽²⁾	Australia	Investment holding	100	100
STG Confectionery 2 Pty Ltd ⁽²⁾	Australia	Investment holding	100	100
GC (England) Pte. Ltd. ⁽¹⁾	Singapore	Investment holding	84	84
ST Wholesale Pty Ltd ⁽¹¹⁾	Australia	Investment holding	100	100
<u>Subsidiaries held by STG Food Industries Pty Ltd</u>				
Papparich Australia Pty Ltd ⁽²⁾	Australia	Trading and management of sub-franchisees	90	90
Papparich Outlets Pty Ltd ⁽²⁾	Australia	Investment holding	100	100
<u>Subsidiaries held by Papparich Australia Pty Ltd</u>				
Papparich Central (Melbourne) Pty Ltd ⁽²⁾	Australia	Processing, sale and distribution of foods and supplies	90	90
PPR Co Outlet Pty Ltd ⁽²⁾	Australia	Operator of restaurants	90	90
Malaysian Fine Foods Pty Ltd ⁽²⁾	Australia	Operator of restaurants	90	90
PPR UEXP Pty Ltd ⁽²⁾	Australia	Operator of restaurants	90	90
PappaRich Marketing Pty Ltd ⁽²⁾	Australia	Marketing and advertising	90	90
Delicious Foodcraft Pty Ltd ⁽²⁾	Australia	Operator of restaurants	18	18
PPR Co Outlets (MU) Pty Ltd ⁽²⁾	Australia	Operator of restaurants	90	90
PPR Co Outlets (SCS) Pty Ltd ⁽²⁾	Australia	Operator of restaurants	90	90
<u>Subsidiaries held by Papparich Outlets Pty Ltd</u>				
Delicious Foodcraft Pty Ltd ⁽²⁾	Australia	Operator of restaurants	80	80
Oldtown QV (Aust) Pty Ltd ⁽²⁾	Australia	Operator of restaurants	100	100
PPR Ryde (NSW) Pty Ltd ⁽²⁾	Australia	Operator of restaurants	100	100
PPR T1 (NSW) Pty Ltd ⁽²⁾	Australia	Dormant	70	70
<u>Subsidiary held by STG Confectionery Pty Ltd</u>				
HBCT (Aust) Pty Ltd ⁽²⁾	Australia	Trading and management of sub-franchisees	100	100
<u>Subsidiaries held by HBCT (Aust) Pty Ltd</u>				
HBCT Marketing Pty Ltd ⁽²⁾	Australia	Management of marketing funds	100	100
HBCT Co Outlets Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. Investments in Subsidiaries (Cont'd)

Details of subsidiaries are (cont'd):

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PRINCIPAL BUSINESS ACTIVITIES	EFFECTIVE EQUITY INTEREST OF THE COMPANY	
			2024 %	2023 %
<u>Subsidiaries held by HBCT Co Outlets Pty Ltd</u>				
HBCT (NSW) Co Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
HBCT (WA) Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
JCT (Doncaster) Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
JCT (Chadstone) Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
JCT Queensland Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
<u>Subsidiary held by STG Food Industries 3 Pty Ltd</u>				
NeNe Chicken (Australia) Pty Ltd ⁽²⁾	Australia	Trading and management of sub-franchisees	100	100
Nene Chicken Ltd ⁽²⁾	New Zealand	Trading and management of sub-franchisees	100	100
<u>Subsidiaries held by NeNe Chicken (Australia) Pty Ltd</u>				
NN MC Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
NN BH Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
NN ES Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
NNC Distribution Pty Ltd ⁽²⁾	Australia	Processing, sale and distribution of foods and supplies	100	100
NN KX Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
<u>Subsidiary held by NeNe Chicken Ltd</u>				
Nene Auckland Ltd ⁽²⁾	New Zealand	Operator of food and beverage outlets	100	100
<u>Subsidiary held by STG Food Industries Malaysia Sdn. Bhd.</u>				
TGR Food Industries Sdn. Bhd. ⁽³⁾	Malaysia	Investment holding	100	100
<u>Subsidiaries held by STG Food Industries 5 Pty Ltd</u>				
IPR (WA) Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	51	51
IPR NZ Limited ⁽²⁾	New Zealand	Operator of food and beverage outlets	70	70
Noodle House Chadstone Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
IPR Outlet Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
IPR (VIC) Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
JCT (ACT) Pty Ltd ⁽²⁾	Australia	Dormant	100	100
Tam Jai Aust JV Pty Ltd ⁽²⁾⁽⁶⁾	Australia	Dormant	51	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. Investments in Subsidiaries (Cont'd)

Details of subsidiaries are (cont'd):

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PRINCIPAL BUSINESS ACTIVITIES	EFFECTIVE EQUITY INTEREST OF THE COMPANY	
			2024 %	2023 %
<u>Subsidiary held by Tam Jai Aust JV Pty Ltd</u>				
Tam Jai Aust Co Outlets Pty Ltd ⁽²⁾⁽⁷⁾	Australia	Dormant	51	-
<u>Subsidiary held by STG Beverage (NZ) Pty Ltd</u>				
GCHA (NZ) Pty Ltd ⁽²⁾	Australia	Investment holding	100	100
<u>Subsidiaries held by GCHA (NZ) Pty Ltd</u>				
Gong Cha Limited ⁽²⁾	New Zealand	Operator of food and beverage outlets	100	100
GC Domestic Airport Ltd ⁽²⁾	New Zealand	Dormant	100	100
<u>Subsidiary held by STG Entertainment Pty Ltd</u>				
iDarts Australia Pty Ltd ⁽²⁾	Australia	Trading and management of sub-franchisees	100	100
<u>Subsidiaries held by iDarts Australia Pty Ltd</u>				
BPC Australia Pty Ltd ⁽²⁾	Australia	Trading and management of sub-franchisees	55	55
Dartslive Australia Pty Ltd ⁽²⁾	Australia	Dormant	100	100
<u>Subsidiaries held by STG Confectionery 2 Pty Ltd</u>				
Pafu Australia Pty Ltd ⁽²⁾	Australia	Trading and management of sub-franchisees	100	100
Pafu IP Holdings Pte. Ltd. ⁽⁵⁾	Singapore	Dormant	-	83
<u>Subsidiary held by Pafu Australia Pty Ltd</u>				
Pafu Co Outlets Pty Ltd ⁽²⁾	Australia	Operator of food and beverage outlets	100	100
<u>Subsidiary held by GC (England) Pte. Ltd.</u>				
GCTEA Ltd ⁽⁴⁾	United Kingdom	Trading and management of sub-franchisees	84	84
<u>Subsidiaries held by GCTEA Ltd</u>				
GCTEA Outlets Ltd ⁽⁴⁾	United Kingdom	Operator of food and beverage outlets	84	84
GCTEA Outlets 2 Ltd ⁽⁴⁾	United Kingdom	Operator of food and beverage outlets	59	59
GCTEA DKJV Ltd ⁽⁴⁾	United Kingdom	Operator of food and beverage outlets	84	84

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. Investments in Subsidiaries (Cont'd)

Details of subsidiaries are (cont'd):

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PRINCIPAL BUSINESS ACTIVITIES	EFFECTIVE EQUITY INTEREST OF THE COMPANY	
			2024 %	2023 %
<u>Subsidiary held by GCTEA Outlets Ltd</u>				
GCTEA Outlets 3 Ltd ⁽⁴⁾	United Kingdom	Operator of food and beverage outlets	84	84
<u>Subsidiaries held by GCTEA Outlets 2 Ltd</u>				
GCTEA Outlets 2A Ltd ⁽⁴⁾	United Kingdom	Operator of food and beverage outlets	59	59
GCTEA Outlets 2B Ltd ⁽⁴⁾	United Kingdom	Operator of food and beverage outlets	59	59
<u>Subsidiaries held by GCTEA Outlets 3 Ltd</u>				
GCTEA Outlets 3B Ltd ⁽⁴⁾	United Kingdom	Operator of food and beverage outlets	84	84
<u>Subsidiaries held by ST Wholesale Pty Ltd</u>				
Yakiniku Like (Aust) Pty Ltd ⁽¹¹⁾	Australia	Investment holding	54	54
Homm International Pty Ltd ⁽⁸⁾⁽¹¹⁾	Australia	Trading and management of sub-franchisees	51	-
Homm Chadstone Pty Ltd ⁽⁹⁾⁽¹¹⁾	Australia	Dormant	70	-
<u>Subsidiary held by Yakiniku Like (Aust) Pty Ltd</u>				
Yakiniku Grill Pty Ltd ⁽¹¹⁾	Australia	Operator of food and beverage outlets	54	54
<u>Subsidiaries held by Homm International Pty Ltd</u>				
Homm MC Pty Ltd ⁽⁸⁾⁽¹¹⁾	Australia	Operator of food and beverage outlets	51	-
Homm La Trobe Pty Ltd ⁽⁸⁾⁽¹¹⁾	Australia	Operator of food and beverage outlets	51	-
Homm Marketing Pty Ltd ⁽¹⁰⁾⁽¹¹⁾	Australia	Marketing and advertising	51	-

(1) Audited by Baker Tilly TFW LLP

(2) Audited by Pitcher Partners, an independent member firm of Baker Tilly International in Australia for the purpose of preparation of the Group's consolidated financial statements

(3) Not audited during the financial year

(4) Audited by P and Co (Partners) LLP in United Kingdom

(5) The entity was struck off with a paid-up capital and net asset value of A\$107 during the financial year

(6) Incorporated on 11 October 2023

(7) Incorporated on 3 June 2024

(8) Shares subscribed on 12 September 2023

(9) Incorporated on 22 February 2024

(10) Incorporated on 20 December 2023

(11) Not required to be audited in the country of incorporation

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. Investments in Subsidiaries (Cont'd)

(a) Summarised financial information of subsidiaries with material non-controlling interests ("NCI")

The Group has the following subsidiary that have NCI that are considered by management to be material to the Group:

NAME OF SUBSIDIARY	PRINCIPAL PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	EFFECTIVE INTERESTS HELD BY NCI	
		2024	2023
		%	%
Papparich Australia Pty Ltd	Australia	10	10
GC (England) Pte. Ltd.	Singapore	41	41

The following are the summarised financial information of the Group's subsidiary with NCI that is considered by management to be material to the Group. These financial information include consolidation adjustments but before inter-company eliminations:

Summarised Consolidated Statements of Financial Position

	PAPPARICH AUSTRALIA PTY LTD		GC (ENGLAND) PTE. LTD.	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
Non-current assets	7,926,257	9,515,808	3,272,492	4,239,833
Current assets	5,464,134	5,785,981	1,347,296	1,722,856
Non-current liabilities	(5,450,040)	(6,516,476)	(1,912,949)	(2,559,919)
Current liabilities	(4,598,774)	(5,679,594)	(5,164,497)	(5,837,710)
Net assets/(liabilities)	3,341,577	3,105,719	(2,457,658)	(2,434,940)
Net assets/(liabilities) attributable to NCI	334,158	310,572	(728,563)	(595,609)

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. Investments in Subsidiaries (Cont'd)

(a) Summarised financial information of subsidiaries with material non-controlling interests ("NCI") (cont'd)

Summarised Consolidated Statements of Comprehensive Income

	PAPPARICH AUSTRALIA PTY LTD		GC (ENGLAND) PTE. LTD.	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
Revenue	11,539,158	11,891,241	4,625,581	4,727,531
Profit/(loss) before tax	367,800	247,861	29,211	(114,731)
Income tax (expense)/credit	(131,943)	61,932	(50,799)	(219,637)
Profit/(loss) for the year	235,857	309,793	(21,588)	(334,368)
Other comprehensive loss	-	-	(1,132)	(173,962)
Total comprehensive income/(loss)	235,857	309,793	(22,720)	(508,330)
Profit/(loss) allocated to NCI	24,402	31,959	(117,593)	(155,519)

Summarised Cash Flows

	PAPPARICH AUSTRALIA PTY LTD		GC (ENGLAND) PTE. LTD.	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
Cash flows from operating activities	1,613,611	1,943,468	1,130,110	803,301
Cash flows from/(used in) investing activities	34,106	(282,616)	(37,104)	(23,681)
Cash flows used in financing activities	(1,308,184)	(2,002,511)	(1,245,784)	(735,441)
Net increase/(decrease) in cash and cash equivalents	339,533	(341,659)	(152,778)	44,179

(b) Additions of new subsidiaries

On 12 September 2023, a subsidiary, ST Wholesale Pty Ltd subscribed for 51,000 new ordinary shares in Homm International Pty Ltd for a total cash consideration of A\$510,000. Homm International Pty Ltd was newly incorporated by a third party, Homm Group Pty Ltd on 10 August 2023. Following the shares subscription, ST Wholesale Pty Ltd owns 51% of the share capital of Homm International Pty Ltd together with its two wholly-owned subsidiaries, namely Homm La Trobe Pty Ltd and Homm MC Pty Ltd, both of which were incorporated by Homm Group Pty Ltd in August 2023 with share capital of A\$100 each.

Goodwill and non-controlling interests recognised at the date of share subscription were A\$247,548 (Note 12(a)) and A\$252,448 respectively.

Net cash inflows arising from the acquisition of subsidiaries was A\$4,949.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. Investments in Subsidiaries (Cont'd)

(b) Additions of new subsidiaries (cont'd)

The two subsidiaries remained inactive in September 2023. On 27 November 2023, Homm La Trobe Pty Ltd purchased the existing dessert business from Homm Group Pty Ltd for a cash consideration of A\$472,055. The assets purchased are included as additions in Notes 10 and 11 to the financial statements.

On 11 October 2023, the Group incorporated a subsidiary, Tam Jai Aust JV Pty Ltd for a total consideration of A\$100. Following the share subscription, STG Food Industries 5 Pty Ltd holds 51% of the share capital in Tam Jai Aust JV Pty Ltd.

On 20 December 2023, the Group incorporated a wholly-owned subsidiary, Homm Marketing Pty Ltd for a total consideration of A\$100.

On 22 February 2024, the Group incorporated a subsidiary, Homm Chadstone Pty Ltd for a total consideration of A\$70. Following the share subscription, ST Wholesale Pty Ltd holds 70% of the share capital in Homm Chadstone Pty Ltd.

On 3 June 2024, the Group incorporated a subsidiary, Tam Jai Aust Co Outlets Pty Ltd for a total consideration of A\$100. Tam Jai Aust Co Outlets Pty Ltd is a wholly-owned subsidiary of Tam Jai Aust JV Pty Ltd.

(c) Company level - impairment review of investments in subsidiaries

During the financial year, management performed an impairment test on the investments in subsidiaries as the cost of investments of subsidiaries exceeds the Company's share of the respective net assets of the subsidiaries as at 30 June 2024. Impairment losses of A\$600,000 and A\$698,463 (2023: A\$99,561) were recognised for the year ended 30 June 2024 to write down STG Food Industries Pty Ltd and STG Food Industries 5 Pty Ltd respectively in the food and beverage retails segment (2023: STG Entertainment Pty Ltd in others segment) to the respective recoverable amounts of A\$5,642,453 and A\$Nil respectively (2023: A\$Nil) as evidence from internal reporting indicates that the economic performance of these subsidiaries is below expectations.

In addition to assessing indicators of possible impairment, management also assessed whether there is any indication a previously recognised impairment loss for the costs of investments in subsidiaries no longer exist or the assessed impairment amount may have decreased. Full reversals of impairment losses of A\$1,191,484 and A\$145,221 (2023: A\$Nil) were recognised in the current financial year to write back STG Confectionery Pty Ltd and STG Confectionery 2 Pty Ltd respectively in the food and beverage retails segment (2023: Nil) to the respective carrying amount of A\$9,977,988 and A\$798,243 respectively (2023: A\$Nil), as there has been a change in the amount of estimated future cash flows since the last impairment loss was recognised.

The recoverable amounts of these investments in subsidiaries have been determined based on a value in use calculation using cash flow projections from forecasts approved by management covering a five-year period. The key assumptions for the value-in-use calculations are those regarding forecasted revenue growth rate, gross profit margin, growth rate used to extrapolate cash flows beyond the budgeted period and pre-tax discount rate as follows:

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

13. Investments in Subsidiaries (Cont'd)

(c) Company level - impairment review of investments in subsidiaries (cont'd)

Key assumptions used in value-in-use calculation

	5 YEARS AVERAGE REVENUE GROWTH RATE	5 YEARS AVERAGE GROSS PROFIT MARGIN	TERMINAL VALUE GROWTH RATE	DISCOUNT RATE (PRE-TAX)
	%	%	%	%
2024				
STG Food Industries Pty Ltd	0.2	63.0	2.0	10.9 [#]
STG Food Industries 5 Pty Ltd	1.6	66.0	2.0	9.9 [#]
STG Confectionery Pty Ltd	2.1	67.0	1.2	11.5 [#]
STG Confectionery 2 Pty Ltd	(2.4)	67.0	1.2	11.6 [#]
2023				
STG Entertainment Pty Ltd	6.6	—*	2.0	11.0

* Not applicable

[#] In the previous financial year, the pre-tax discount rate used in the impairment assessment for STG Food Industries Pty Ltd, STG Food Industries 5 Pty Ltd, STG Confectionery Pty Ltd and STG Confectionery 2 Pty Ltd were 12.7%, 11.5%, 13.1% and 13.1% respectively.

These key inputs and assumptions were estimated by management based on prevailing market, economic and other conditions at the end of the reporting period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the subsidiaries. The average gross profit margin is based on past revenue growth trend and management's expectations of market development.

Sensitivity to changes in assumptions

With regards to the assessment of value in use for STG Food Industries Pty Ltd, a decrease in forecasted 5 years average revenue growth rate by 2% in financial year 2025 from financial year 2024 would result in additional impairment loss on the investment in subsidiary of approximately A\$13,000.

No sensitivity test has been performed for STG Food Industries 5 Pty Ltd as the cost of investment has been written down to Nil in the current financial year.

With regards to the assessment of value in use for STG Confectionery Pty Ltd and STG Confectionery 2 Pty Ltd, a decrease in forecasted 5 years average revenue growth rate by 0.2% and 8.5% respectively would result in the recoverable amount of these subsidiaries being equal to their carrying amount.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

14. Investment in Associated Company

The Group's investment in associated company is summarised below:

	GROUP	
	2024	2023
	A\$	A\$
<u>Carrying amount:</u>		
Beef Musketeers (Aust) Pty Ltd	-	29,970
Dividends received from associated company	26,240	-

The following information relates to associated company of the Group:

NAME OF COMPANY	PRINCIPAL PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITY	OWNERSHIP INTEREST HELD	
			2024	2023
			%	%
<u>Held through subsidiary - ST Wholesale Pty Ltd</u>				
<u>Unquoted equity shares</u>				
Beef Musketeers (Aust) Pty Ltd	Australia	Wholesaling and retailing of beef products	-	32

The associated company was incorporated on 24 February 2021 and is measured using the equity method. The activities of the associated company are strategic to the Group. On 30 October 2023, the Group has disposed its associated company, Beef Musketeers (Aust) Pty Ltd to a director of HBCT (WA) Pty Ltd for a cash consideration of A\$6,400.

15. Investments in Joint Ventures

The Group's investments in joint ventures are summarised below:

	GROUP	
	2024	2023
	A\$	A\$
<u>Carrying amount:</u>		
TST (Aust) Pty Ltd and its subsidiaries	648,322	275,086
GCP BRM Limited	-	-
	648,322	275,086

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

15. Investments in Joint Ventures (Cont'd)

The following information relates to investments in joint ventures of the Group:

NAME OF COMPANY	PRINCIPAL PLACE OF BUSINESS/ COUNTRY OF INCORPORATION	PRINCIPAL ACTIVITY	GROUP'S OWNERSHIP INTEREST HELD	
			2024	2023
			%	%
<i>Held through subsidiary - ST Wholesale Pty Ltd</i>				
<i>Unquoted equity shares</i>				
TST (Aust) Pty Ltd ⁽¹⁾	Australia	Investment holding	50	50
<i>Held through joint venture - TST (Aust) Pty Ltd</i>				
<i>Unquoted equity shares</i>				
TST Caulfield Pty Ltd ⁽¹⁾	Australia	Operator of supermarkets	50	50
TST Chadstone Pty Ltd ⁽¹⁾	Australia	Operator of supermarkets	50	50
<i>Held through subsidiary - GCTEA DKJV Ltd</i>				
<i>Unquoted equity shares</i>				
GCP BRM Limited ⁽¹⁾	United Kingdom	Operator of food and beverage outlets	50	50

(1) There is no statutory audit requirement in the country of incorporation.

TST (Aust) Pty Ltd and its subsidiaries and GCP BRM Limited were incorporated on 20 January 2022 and 23 November 2022 respectively. They are measured using the equity method. The activities of the joint venture are strategic to the Group.

On 23 November 2022, GCTEA DKJV Ltd incorporated a joint venture, GCP BRM Limited with capital of GBP50 (equivalent to A\$95) which represented 50 ordinary shares.

In accordance with the shareholders' agreement, TST (Aust) Pty Ltd was incorporated on 20 January 2022 with capital of A\$600,000 represented by 600,000 ordinary shares. ST Wholesale Pty Ltd was committed to invest a total of A\$300,000 for 300,000 shares which represents 50% equity interest in TST (Aust) Pty Ltd. In the previous financial year, ST Wholesale Pty Ltd further paid the remaining amount of A\$200,000 to TST (Aust) Pty Ltd, fulfilling its commitment in the shareholders' agreement.

In September 2023, both ST Wholesale Pty Ltd and its joint venture partner increased their equity stakes in TST (Aust) Pty Ltd. Each party raised their holdings from 300,000 to 650,000 shares, valued at A\$1 per share, with a total cash contribution of A\$350,000 per party, representing a 50% equity interest in TST (Aust) Pty Ltd.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

15. Investments in Joint Ventures (Cont'd)

Summarised financial information for TST (Aust) Pty Ltd based on its financial statements (not adjusted for the Group's share of those amounts) and a reconciliation to the carrying amounts of the investment in the consolidated financial statements are as follows:

	2024	2023
	A\$	A\$
Revenue	3,905,648	224,059
Depreciation of property, plant and equipment	(116,638)	(9,638)
Depreciation of right-of-use assets	(147,554)	(26,828)
Interest expense	(65,299)	(12,298)
Interest income	5,165	-
Tax expense	-	-
Profit after tax, representing total comprehensive income	46,473	(15,461)
Non-current assets	4,067,708	2,766,740
Current assets	1,265,511	696,813
Non-current liabilities	(1,592,759)	(1,702,257)
Current liabilities	(2,443,815)	(1,211,306)
Net assets	1,296,645	549,990
Group's share of net assets based on proportion of ownership interest/Carrying amount of investment	648,322	275,086

Included in the current assets, current liabilities and non-current liabilities above are cash and cash equivalents of A\$464,117 (2023: A\$25,904), current lease liabilities of A\$313,686 (2023: A\$143,686) and non-current lease liabilities of A\$1,592,759 (2023: A\$1,702,257) respectively.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

16. Deferred Tax Assets

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The movements in the deferred tax account are as follows:

	GROUP		COMPANY	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
Balance at beginning of the year	2,512,536	3,091,395	280,000	406,572
Tax charge to profit or loss (Note 8)	(181,553)	(297,623)	(178,000)	(126,572)
Reclassified to income tax recoverable	-	(279,678)	-	-
Currency translation differences	(1,263)	(1,558)	-	-
Balance at end of the year	2,329,720	2,512,536	102,000	280,000

The following are the major deferred tax assets recognised by the Group and the movements thereon, during the current and prior reporting periods.

	PROVISIONS	DEFERRED INCOME	RIGHT-OF-USE ASSETS	LEASE LIABILITIES	TAX LOSSES	OTHERS	TOTAL
	A\$	A\$	A\$	A\$	A\$	A\$	A\$
Group							
Balance at 1 July 2023	310,931	419,101	(4,635,337)	5,629,218	741,533	47,090	2,512,536
Credited/(charged) to profit or loss for the year	168,283	(35,560)	(285,117)	135,937	(112,820)	(52,276)	(181,553)
Currency translation differences	1,652	349	2,965	(6,767)	413	125	(1,263)
Balance at 30 June 2024	480,866	383,890	(4,917,489)	5,758,388	629,126	(5,061)	2,329,720
Balance at 1 July 2022	385,359	354,185	(4,381,572)	5,315,046	1,350,270	68,107	3,091,395
Credited/(charged) to profit or loss for the year	(74,891)	64,377	(235,320)	290,098	(321,448)	(20,439)	(297,623)
Reclassified to income tax recoverable	-	-	-	-	(279,678)	-	(279,678)
Currency translation differences	463	539	(18,445)	24,074	(7,611)	(578)	(1,558)
Balance at 30 June 2023	310,931	419,101	(4,635,337)	5,629,218	741,533	47,090	2,512,536

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

16. Deferred Tax Assets (Cont'd)

	TAX LOSSES	
	2024	2023
	A\$	A\$
Company		
Balance at beginning of the year	280,000	406,572
Charged to profit or loss for the year	(178,000)	(126,572)
Balance at end of the year	102,000	280,000

At the end of the reporting period, the Group and the Company have unutilised tax losses of A\$2,049,000 and A\$340,000 (2023: A\$2,539,000 and A\$933,000) respectively that are available for carry forward to offset against future taxable income subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. Deferred tax asset has been recognised in respect of such losses.

Unrecognised deferred tax assets

Deferred tax asset has not been recognised in respect of the following deductible temporary differences:

	GROUP		COMPANY	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
Provisions	324,694	516,060	-	-
Deferred income	228,033	190,139	-	-
Leases	1,287,173	666,184	-	-
Tax losses	7,820,038	7,573,609	-	-
Property, plant and equipment	1,109,988	247,619	-	-
	10,769,926	9,193,611	-	-

Deferred tax assets totalling A\$3,056,000 and A\$Nil (2023: A\$2,578,000 and A\$Nil) have not been recognised with respect of the above for the Group and the Company respectively as it is not probable that future taxable profits will be available and/or sufficient to allow the related tax benefits to be realised.

The availability of unused tax losses for offsetting against future taxable profits of the respective subsidiaries in Australia are subject to requirements under the income tax legislation and guidelines issued by the tax authority.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

17. Fixed Deposits

	GROUP	
	2024	2023
	A\$	A\$
Fixed deposits (pledged)	2,814,058	2,937,790

The fixed deposits are pledged to financial institutions for obtaining bank guarantees given to landlords of leased premises during the terms of the lease periods.

18. Contract Assets and Contract Liabilities

The Group receives payments from new franchisees based on a billing schedule as established in agreements. Contract assets relate to the Group's rights to consideration for work completed but not billed at the reporting date on the Group's franchise business. Contract liabilities mainly consist of deferred income resulting from initial franchise fees paid by franchisees which are recognised on a straight-line basis over the term of the underlying franchise agreement and billings in excess of revenue recognised to-date for projects which are recognised as revenue as (or when) the Group satisfies the performance obligations under its agreements.

The following table provides information about contract assets and contract liabilities from contracts with customers.

	GROUP		
	2024	2023	1.7.2022
	A\$	A\$	A\$
Trade receivables from contracts with customers	3,135,038	3,272,428	3,162,206
Contract assets - current	414,131	424,376	108,000
Contract liabilities			
- Current	877,365	847,717	574,696
- Non-current	1,247,961	1,388,436	1,021,451
	2,125,326	2,236,153	1,596,147

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

18. Contract Assets and Contract Liabilities (Cont'd)

Significant changes in the contract assets and the contract liabilities balances during the financial year are as follows:

	CONTRACT ASSETS		CONTRACT LIABILITIES	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
Increase due to cash received, excluding amounts recognised as revenue during the year	-	-	597,663	1,044,890
Contract asset reclassified to trade receivables	424,376	108,000	-	-

19. Inventories

	GROUP	
	2024	2023
	A\$	A\$
Raw materials and consumables	2,191,811	2,683,194
Finished goods	1,061,484	890,376
	3,253,295	3,573,570

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

20. Trade and Other Receivables

	GROUP		COMPANY	
	2024 A\$	2023 A\$	2024 A\$	2023 A\$
<i>Non-current</i>				
Rental bond	396,341	396,269	-	-
Lease receivables (Note 11(b))	300,283	438,877	-	-
Refundable deposits	257,773	257,636	-	-
Prepayments	88,021	47,708	-	-
	1,042,418	1,140,490	-	-
<i>Current</i>				
Trade receivables				
- Related parties	96,013	71,303	-	-
- Subsidiaries	-	-	4,599,902	3,378,593
- Third parties	3,128,525	3,290,625	22,000	-
	3,224,538	3,361,928	4,621,902	3,378,593
Less: allowance for impairment - third parties	(89,500)	(89,500)	-	-
	3,135,038	3,272,428	4,621,902	3,378,593
Accrued income	369,929	286,194	-	-
Sundry deposits	99,586	68,743	-	-
Prepayments	952,062	1,402,019	86,427	55,134
Sundry receivables	59,508	31,350	-	-
Other current assets	59,121	30,208	-	-
Lease receivables (Note 11(b))	138,610	126,504	-	-
Amount due from joint ventures (non-trade)	1,185,319	443,163	-	-
Amount due from subsidiaries (non-trade)	-	-	12,808,128	13,047,529
	5,999,173	5,660,609	17,516,457	16,481,256
Less: allowance for impairment - amount due from subsidiaries (non-trade)	-	-	(4,559,987)	(4,521,746)
	5,999,173	5,660,609	12,956,470	11,959,510
	7,041,591	6,801,099	12,956,470	11,959,510

Included in the amount due from subsidiaries of A\$1,293,444 (2023: A\$3,019,793) is non-trade in nature, bears interest at 5% per annum (2023: 5%) and repayable on demand. The remaining amount of the amounts due from subsidiaries and joint ventures are non-trade in nature, non-interest bearing and repayable on demand.

Impairment losses on amount due from subsidiaries (non-trade) recognised as an expense amounted A\$38,241 (2023: A\$49,101).

The fair values of non-current other receivables approximate their respective carrying values computed based on cash flows discounted at market borrowing rates for similar financial assets at the end of the reporting period. This fair values measurement are categorised within Level 3 of the fair value hierarchy.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

21. Financial Assets at Fair Value Through Profit or Loss

	GROUP		COMPANY	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
<i>Current</i>				
Investment in fund	100,000	100,000	100,000	100,000

Investment in fund represents the Group's interest in private equity fund that focuses on investments in the construction industry. The Group expects to earn returns on the investment by way of distribution of income. Management has assessed the fair value based on the net asset value of the underlying income fund as at 31 December 2023. This fair value measurement is categorised in Level 3 of the fair value hierarchy (Note 30).

22. Share Capital and Treasury Shares

Ordinary shares

	GROUP AND COMPANY			
	NUMBER OF ORDINARY SHARES		AMOUNT	
	2024	2023	2024	2023
			A\$	A\$
<i>Issued and paid up</i>				
At 1 July	245,602,800	245,602,800	57,200,620	57,200,620
Issuance of ordinary shares	9,382,641	-	1,807,695	-
Purchase of treasury shares	(516,400)	-	-	-
At 30 June	254,469,041	245,602,800	59,008,315	57,200,620

Treasury shares

	GROUP AND COMPANY			
	2024		2023	
	NUMBER OF ORDINARY SHARES	AMOUNT	NUMBER OF ORDINARY SHARES	AMOUNT
		A\$		A\$
At the beginning of the year	(397,200)	(48,253)	(397,200)	(48,253)
Purchase of treasury shares	(516,400)	(96,292)	-	-
At the end of the year	(913,600)	(144,545)	(397,200)	(48,253)

During the financial year, the Company issued 9,382,641 ordinary shares for a cash consideration of A\$1,807,695 and purchased 516,400 of its ordinary shares by way of on-market purchases.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

22. Share Capital and Treasury Shares (cont'd)

All ordinary shares 255,382,641 (2023: 246,000,000) are issued and fully paid, have no par values, carry one vote each and have no right to fixed income.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

23. Other Reserves

	FOREIGN CURRENCY TRANSLATION RESERVE	MERGER RESERVE	CAPITAL RESERVE	LOSS ON REISSUANCE OF TREASURY SHARES	FAIR VALUE RESERVE	TOTAL
	A\$	A\$	A\$	A\$	A\$	A\$
Group						
2024						
At 1 July 2023	(41,777)	(39,019,755)	(1,168,872)	(479,202)	(31,944)	(40,741,550)
Other comprehensive income	8,405	-	-	-	-	8,405
At 30 June 2024	(33,372)	(39,019,755)	(1,168,872)	(479,202)	(31,944)	(40,733,145)
2023						
At 1 July 2022	58,690	(39,019,755)	(1,168,872)	(479,202)	(31,944)	(40,641,083)
Other comprehensive loss	(100,467)	-	-	-	-	(100,467)
At 30 June 2023	(41,777)	(39,019,755)	(1,168,872)	(479,202)	(31,944)	(40,741,550)

	LOSS ON REISSUANCE OF TREASURY SHARES	
	2024	2023
	A\$	A\$
Company		
At 1 July and 30 June	(479,202)	(479,202)

Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

23. Other Reserves (Cont'd)

Merger reserve

The merger reserve represents acquisition involving entities under common control. The reserve arises from the difference between the purchase considerations and the share capital of the subsidiaries acquired under common control.

Capital reserve

Capital reserve represents the premium paid for acquisition of non-controlling interests in certain subsidiaries.

Loss on reissuance of treasury shares

This represents the loss arising from purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

Fair value reserve

Fair value reserve comprises the cumulative net change in the fair value of equity investment designated at FVOCI.

24. Borrowings

	GROUP	
	2024	2023
	A\$	A\$
<i>Current</i>		
Bank loan 1 (secured)	–	58,928
Bank loan 2 (secured)	500,000	500,000
Bank loan 3 (secured)	387,004	424,004
Bank loan 4 (secured)	380,000	286,000
Bank loan 5 (secured)	453,013	243,014
Other loan (unsecured)	54,544	54,764
	1,774,561	1,566,710

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

24. Borrowings (Cont'd)

Terms and debt repayment schedule

Terms and conditions of outstanding loans and borrowings are as follows:

	INTEREST RATE PER ANNUM	YEAR OF MATURITY	CARRYING AMOUNT
	%		A\$
2024			
Secured bank loans			
- Bank loan 2 - floating rate	6.27	2025	500,000
- Bank loan 3 - floating rate	6.26	2025	387,004
- Bank loan 4 - floating rate	6.26	2025	380,000
- Bank loan 5 - floating rate	6.26	2025	453,013
Unsecured loan			
- Other loan - interest-free	N.A.	2024	54,544
			<u>1,774,561</u>
2023			
Secured bank loans			
- Bank loan 1 - fixed rate	8.00	2022 - 2024	58,928
- Bank loan 2 - floating rate	5.87	2024	500,000
- Bank loan 3 - floating rate	5.88	2024	424,004
- Bank loan 4 - floating rate	5.88	2024	286,000
- Bank loan 5 - floating rate	5.87	2025	243,014
Unsecured loan			
- Other loan - interest-free	N.A.	2022 - 2024	54,764
			<u>1,566,710</u>

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

24. Borrowings (Cont'd)

Terms and debt repayment schedule (cont'd)

The secured bank loans are secured over corporate guarantee by certain subsidiaries, all assets of certain subsidiaries, certain fixed deposits and personal guarantee by certain directors of the Company and subsidiaries.

(a) Fair values

The carrying amounts of current borrowings approximate their fair values at the end of the reporting period.

The floating rate borrowings are instruments that are repriced to market interest rates on or near the end of the reporting period. Accordingly, the fair values of these borrowings, determined from discounted cash flow analysis using market lending rates for similar borrowings which the management expects would be available to the Group at the end of the reporting period, would approximate their carrying amounts at the end of the reporting period. This fair value measurement for disclosure purposes is categorised in the Level 3 of the fair value hierarchy.

(b) Breaches of loan covenants

Some of the Group's loan agreements are subject to covenant clauses, whereby the Group is required to meet certain key financial ratios.

In the previous financial year, one of the subsidiaries, Papparich Australia Pty Ltd did not fulfil the "Leverage ratio is to be less than 1.40x at all times" and "Fixed charge cover is to be greater than 1.50x at all times" covenant clauses as required in the contract for a term loan of A\$1,000,000, of which the Group had drawn down A\$500,000. Due to this breach of the covenant clause, the bank was contractually entitled to request for immediate repayment of the outstanding loan amount of A\$500,000. The outstanding balance was presented as a current liability as at 30 June 2023. The bank did not request for early repayment of the loan and the terms of the loans were not changed.

No covenant breaches were identified during the current financial year.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

24. Borrowings (Cont'd)

(c) Reconciliation of movements of liabilities to cash flows arising from financing activities:

	BANK LOANS	LEASE LIABILITIES	AMOUNTS DUE TO NON-CONTROLLING INTERESTS	TOTAL
	A\$	A\$	A\$	A\$
Group				
Balance at 1 July 2023	1,566,710	24,249,107	787,586	26,603,403
Changes from financing cash flows:				
- Proceeds	379,000	-	130,923	509,923
- Repayments	(170,690)	(6,040,232)	(142,042)	(6,352,964)
- Interest paid	(67,034)	(1,372,553)	-	(1,439,587)
- Lease incentive received	-	179,774	-	179,774
Non-cash changes:				
- Interest expense	67,034	1,335,734	-	1,402,768
- Additions of new leases	-	5,663,733	-	5,663,733
- Derecognition of leases	-	(215,520)	-	(215,520)
- Sale of Group-owned stores	-	(298,709)	-	(298,709)
- Variable lease payments that depend on an index or rate	-	496,080	-	496,080
- Rent concessions	-	(100,161)	-	(100,161)
Changes from operating cash flows:				
- Payables	-	-	(232)	(232)
Effect of changes in foreign exchange rates	(459)	(15,136)	-	(15,595)
Balance at 30 June 2024	1,774,561	23,882,117	776,235	26,432,913

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

24. Borrowings (Cont'd)

(c) Reconciliation of movements of liabilities to cash flows arising from financing activities (cont'd):

	BANK LOANS	LEASE LIABILITIES	AMOUNTS DUE TO NON-CONTROLLING INTERESTS	TOTAL
	A\$	A\$	A\$	A\$
Group				
Balance at 1 July 2022	2,309,912	26,595,920	628,153	29,533,985
Changes from financing cash flows:				
- Proceeds	1,154,539	-	237,715	1,392,254
- Repayments	(1,900,447)	(5,753,060)	(78,285)	(7,731,792)
- Interest paid	(51,594)	(1,417,728)	-	(1,469,322)
- Lease incentives received	-	124,984	-	124,984
Non-cash changes:				
- Interest expense	51,594	1,366,044	-	1,417,638
- Additions of new leases	-	4,570,879	-	4,570,879
- Modification of lease liabilities	-	(24,611)	-	(24,611)
- Derecognition of leases	-	(124,206)	-	(124,206)
- Sale of Group-owned stores	-	(819,338)	-	(819,338)
- Variable lease payments that depend on an index or rate	-	(70,376)	-	(70,376)
- COVID-19-related rent concessions	-	(494,642)	-	(494,642)
Effect of changes in foreign exchange rates	2,706	295,241	3	297,950
Balance at 30 June 2023	1,566,710	24,249,107	787,586	26,603,403

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

25. Trade and Other Payables

	GROUP		COMPANY	
	2024 A\$	2023 A\$	2024 A\$	2023 A\$
Trade creditors				
- third parties	1,861,160	2,097,359	-	-
- non-controlling interests	43,014	37,281	-	-
Other payables	2,319,055	2,799,363	396,588	310,454
Deposits	40,000	95,238	-	-
Franchise deposits received	527,193	387,355	-	-
Dividends payable	105	1,392	105	1,392
Accrued operating expenses	1,886,103	1,595,887	137,080	46,615
Amounts due to non-controlling interests	776,235	787,586	-	-
Marketing fund liability	347,647	173,388	-	-
	7,800,512	7,974,849	533,773	358,461

Amounts due to non-controlling interests are non-trade in nature, unsecured, interest-free and repayable on demand.

26. Dividends Paid/Payable

	GROUP	
	2024 A\$	2023 A\$
Ordinary dividends:		
<i>ST Group Food Industries Holdings Limited</i>		
Interim single tier tax exempt dividend of A\$0.004 per share (2023: A\$0.0033) paid in respect of the current financial year	982,411	808,983
Final single tier tax exempt dividend of A\$0.001 per share (2023: A\$Nil) paid in respect of the previous financial year	245,603	-
Dividends paid/payable to equity holders of the Group	1,228,014	808,983
<i>BPC Australia Pty Ltd</i>		
Final single tier tax exempt dividend of A\$130 per share	5,850	-
Dividends paid/payable to non-controlling interests of the Group	5,850	-
	1,233,864	808,983

The dividend per share is calculated based on the number of ordinary shares of the respective company in issue as at date of dividend declaration.

The directors have proposed a final exempt dividend for the financial year ended 30 June 2024 of A\$0.0016 per share amounting to a total of A\$407,150. These financial statements do not reflect this dividend payable, which will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 30 June 2025.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

27. Related Party Transactions

- (a) In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties, who are not members of the Group during the financial years on terms agreed by the parties concerned:

	2024	2023
	A\$	A\$
Group		
With related parties		
<i>Income</i>		
Sales of goods	3,197	1,299
Franchise fees and royalty income	15,121	16,110
Other revenues	97,018	81,609
Management fee income	-	76,521
Rental income	-	24,000
<i>Expenses</i>		
Management fee expense	(59,000)	(58,950)
Purchases	(46,913)	(42,169)
With associate		
<i>Income</i>		
Management fee income	3,823	21,240
Dividend income	26,240	-
Sales of goods	1,000	931
<i>Expenses</i>		
Purchases	-	(5,269)
With joint ventures		
<i>Income</i>		
Management fee income	22,000	27,155
Sales of goods	77,090	-
Other revenues	-	3,418
Franchise fees and royalty income	11,690	-
<i>Expenses</i>		
Management fee expense	(3,635)	-
<i>Others</i>		
Advances to	(742,156)	(443,163)

Related parties comprise mainly companies which are controlled or significantly influenced by the Group's key management personnel, controlling shareholders and their close family members.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

27. Related Party Transactions (Cont'd)

- (b) Key management personnel compensation

Total key management personnel compensation is analysed as follows:

	GROUP	
	2024	2023
	A\$	A\$
Salaries, allowances, bonuses	1,759,257	1,688,712
Employer's contributions to defined contribution plan	165,905	151,749
	1,925,162	1,840,461

28. Commitments

Capital commitments

Capital expenditures contracted for at the reporting date but not recognised in the financial statements are as follows:

	GROUP	
	2024	2023
	A\$	A\$
Capital commitments in respect of property, plant and equipment	245,788	570,350

29. Financial Instruments

- (a) Categories of financial instruments

Financial instruments at their carrying amounts at reporting date are as follows:

	GROUP		COMPANY	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
<i>Financial assets</i>				
Financial assets at amortised costs	18,238,866	15,299,196	15,355,786	12,734,094
Financial asset at fair value through profit or loss	100,000	100,000	100,000	100,000
<i>Financial liabilities</i>				
At amortised cost	30,143,444	31,271,649	137,081	46,616

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. Financial Instruments (Cont'd)

(b) Financial risk management

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from these financial risks on the Group's financial performance. The policies for managing each of these risks are summarised below. The directors review and agree policies and procedures for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which the Group manages and measures financial risk.

Foreign currency risk

The Group has currency exposures arising from transactions, assets and liabilities that are denominated in currency other than the respective functional currencies of entities in the Group. The foreign currency in which the Group's currency risk arises are mainly Singapore dollar ("S\$") and British pound ("GBP").

At the end of the reporting period, the Group and the Company have the following financial assets and financial liabilities denominated in foreign currency based on information provided to key management:

DENOMINATED IN:	S\$		GBP	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
Group				
Cash and bank balances	1,567,578	176,777	23,661	23,635
Intra-group receivables	2,269,348	2,620,120	2,315,213	2,312,567
Trade and other payables	(533,772)	(46,616)	-	-
Intra-group payables	(980,124)	(1,320,427)	-	-
Net financial assets denominated in foreign currencies	2,323,030	1,429,854	2,338,874	2,336,202
Company				
Trade and other receivables	2,269,348	2,620,120	-	-
Cash and bank balances	1,567,578	176,777	-	-
Trade and other payables	(80,000)	(46,616)	-	-
Net financial assets denominated in foreign currencies	3,756,926	2,750,281	-	-

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. Financial Instruments (Cont'd)

(b) Financial risk management (cont'd)

Foreign currency risk (cont'd)

The following table demonstrates the sensitivity to a reasonably possible change in the S\$ and GBP exchange rates against the respective functional currencies of the Group's entities, with all other variables held constant, of the Group's and the Company's results before tax:

	GROUP		COMPANY	
	INCREASE/(DECREASE) IN PROFIT/(LOSS) BEFORE TAX		INCREASE/(DECREASE) IN PROFIT/(LOSS) BEFORE TAX	
	2024	2023	2024	2023
	A\$	A\$	A\$	A\$
S\$/A\$				
- strengthened 10% (2023: 10%)	232,000	143,000	376,000	275,000
- weakened 10% (2023: 10%)	(232,000)	(143,000)	(376,000)	(275,000)
GBP/A\$				
- strengthened 10% (2023: 10%)	234,000	234,000	-	-
- weakened 10% (2023: 10%)	(234,000)	(234,000)	-	-

Interest rate risk

The Group's exposure to interest rate risk arises primarily from their fixed deposits placed with financial institutions and bank borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk (i.e. the risk that future cash flows of a financial instrument will fluctuate due to changes in market interest rates). Borrowings and fixed deposits at fixed rates expose the Group to fair value interest rate risk (i.e. the risk that the value of a financial instrument will fluctuate due to changes in market rates). For interest income from the fixed deposits, the Group manages the interest rate risks by placing fixed deposits with reputable financial institutions with varying maturities and interest rate terms. Interest expense from bank borrowings arises from term loans, lease liabilities and bank overdrafts.

Sensitivity analysis of the Group's interest rate risk exposures are not presented as the impact of an increase/decrease of 50 basis points in interest rates are not expected to be significant.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. Financial Instruments (Cont'd)

(b) Financial risk management (cont'd)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the directors based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the directors.

As the Group and the Company do not hold any collateral, the maximum exposure to credit risk is the carrying amount of each class of financial instruments presented on the statements of financial position.

As at the end of the reporting period, 76% (2023: 74%) of the Group's trade receivables are all due from debtors located in Australia. The Group's trade receivables comprise 1 debtor (2023: 2 debtors) that individually represented 10% (2023: 9%) of the trade receivables.

The Company has no significant concentration of credit risk except for the amount due from subsidiaries as disclosed in Note 20.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses ("ECL"):

DESCRIPTION OF EVALUATION OF FINANCIAL ASSETS	BASIS FOR RECOGNITION AND MEASUREMENT OF ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 120 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings	Write-off

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. Financial Instruments (Cont'd)

(b) Financial risk management (cont'd)

Credit risk (cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook that is available without undue cost or effort.

In particular, the Group considers the following information when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the operating results/key financial performance ratios of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Regardless of the evaluation of the above factors, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group also assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if it has an internal or external credit rating of "investment grade" as per globally understood definition, or the financial asset has a low risk of default; the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group has determined the default events on a financial asset to be when there is evidence that the borrower is experiencing liquidity issues or when there is a breach of contract, such as a default of payment.

The Group considers the above as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. Financial Instruments (Cont'd)

(b) Financial risk management (cont'd)

Credit risk (cont'd)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

Trade receivables and contract assets

The Group had applied the simplified approach to measure the lifetime expected credit loss ("ECL") allowance for trade receivables and contract assets. Under the simplified approach, for trade receivables and contract assets that do not contain a significant financing component, the loss allowance is measured at initial recognition and throughout the life of the receivable at an amount equal to lifetime ECL.

The Group estimates the expected credit loss rates for each category of past due status of the debtors based on historical credit loss experience adjusted as appropriate to reflect current conditions and forecasts of future economic conditions with consideration of the current macroeconomic conditions on the ability of the customers to settle the receivables. There has been no change in the estimation techniques or significant assumptions made during the current financial year. The Group's trade receivables and contract assets are substantially in the category of not past due to 30 days where credit loss experience is insignificant.

The movements in the allowance for impairment loss are as follows:

	TRADE RECEIVABLES	
	2024	2023
	A\$	A\$
Group		
Balance at 1 July	89,500	175,500
Loss allowance reversed:		
Lifetime ECL		
- Simplified approach	-	(86,000)
Balance at 30 June	89,500	89,500

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. Financial Instruments (Cont'd)

(b) Financial risk management (cont'd)

Credit risk (cont'd)

Trade receivables and contract assets (cont'd)

The movements in the allowance for impairment loss are as follows (cont'd):

	AMOUNT DUE FROM SUBSIDIARIES (NON-TRADE)	
	2024	2023
	A\$	A\$
Company		
Balance at 1 July	4,521,746	4,472,645
Loss allowance measured:		
Lifetime ECL		
- Credit-impaired	38,241	49,101
Balance at 30 June	4,559,987	4,521,746

Credit quality of financial assets

The table below details the credit quality of the Group's financial assets including contract assets as at 30 June 2024 and 30 June 2023:

GROUP 2024	12-MONTH OR LIFETIME ECL	GROSS CARRYING AMOUNT A\$	LOSS ALLOWANCE A\$	NET CARRYING AMOUNT A\$
Trade receivables	Lifetime ECL	3,224,538	(89,500)	3,135,038
Other receivables	12-month ECL	2,349,414	-	2,349,414
Contract assets	Lifetime ECL	414,131	-	414,131
Fixed deposits	N.A. (Exposure limited)	2,814,058	-	2,814,058
Cash and bank balances	N.A. (Exposure limited)	9,940,356	-	9,940,356

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. Financial Instruments (Cont'd)

(b) Financial risk management (cont'd)

Credit risk (cont'd)

Credit quality of financial assets (cont'd)

The table below details the credit quality of the Group's financial assets including contract assets as at 30 June 2024 and 30 June 2023 (cont'd):

GROUP 2023	12-MONTH OR LIFETIME ECL	GROSS CARRYING AMOUNT A\$	LOSS ALLOWANCE A\$	NET CARRYING AMOUNT A\$
Trade receivables	Lifetime ECL	3,361,928	(89,500)	3,272,428
Other receivables	12-month ECL	1,762,542	-	1,762,542
Contract assets	Lifetime ECL	424,376	-	424,376
Fixed deposits	N.A. (Exposure limited)	2,937,790	-	2,937,790
Cash and bank balances	N.A. (Exposure limited)	7,326,436	-	7,326,436

The table below details the credit quality of the Company's financial assets as at 30 June 2024 and 30 June 2023:

COMPANY 2024	12-MONTH OR LIFETIME ECL	GROSS CARRYING AMOUNT A\$	LOSS ALLOWANCE A\$	NET CARRYING AMOUNT A\$
Trade receivables	Lifetime ECL	4,621,902	-	4,621,902
Amount due from subsidiaries	12-month ECL	6,483,141	-	6,483,141
	Lifetime ECL	6,324,987	(4,559,987)	1,765,000
Cash and bank balances	N.A. (Exposure limited)	2,485,743	-	2,485,743

COMPANY 2023	12-MONTH OR LIFETIME ECL	GROSS CARRYING AMOUNT A\$	LOSS ALLOWANCE A\$	NET CARRYING AMOUNT A\$
Trade receivables	Lifetime ECL	3,378,593	-	3,378,593
Amount due from subsidiaries	12-month ECL	3,509,788	-	3,509,788
	Lifetime ECL	9,537,741	(4,521,746)	5,015,995
Cash and bank balances	N.A. (Exposure limited)	829,718	-	829,718

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. Financial Instruments (Cont'd)

(b) Financial risk management (cont'd)

Credit risk (cont'd)

Amount due from subsidiaries

For the amount due from subsidiaries where impairment loss allowance is measured using 12 months ECL, the Company assessed the latest performance and financial position of the respective counterparties and the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant. For the amount due from subsidiaries where impairment loss allowance is measured using lifetime ECL, the Company considered the expected manner of recovery to measure ECL. The Company recognised ECL of A\$2,393,520, A\$1,667,575, A\$430,651 and AS\$68,241 due from subsidiaries in Singapore, Malaysia, United Kingdom and Australia respectively (2023: A\$2,393,520, A\$1,667,575, A\$430,651 and AS\$30,000 due from subsidiaries in Singapore, Malaysia, United Kingdom and Australia respectively) which it is in financial difficulty. For the remaining amount of A\$1,765,000 (2023: A\$5,015,995), the Company determined that the ECL is insignificant.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. In managing its liquidity, management monitors and reviews the Group's and the Company's forecasts of liquidity reserves (comprise cash and bank balances and available credit facilities) based on expected cash flows of the respective operating companies of the Group.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

29. Financial instruments (cont'd)

(b) Financial risk management (cont'd)

Liquidity risk (cont'd)

The table below summarises the maturity profile of the Group's and the Company's non-derivative financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	1 YEAR OR LESS A\$	WITHIN 2 TO 5 YEARS A\$	OVER 5 YEARS A\$	TOTAL A\$
Group				
2024				
Trade and other payables	4,486,766	–	–	4,486,766
Borrowings	1,882,309	–	–	1,882,309
Lease liabilities	6,533,522	17,097,617	4,454,626	28,085,765
	12,902,597	17,097,617	4,454,626	34,454,840
2023				
Trade and other payables	5,455,832	–	–	5,455,832
Borrowings	1,633,547	–	–	1,633,547
Lease liabilities	6,830,767	14,336,012	7,133,413	28,300,192
	13,920,146	14,336,012	7,133,413	35,389,571
Company				
2024				
Trade and other payables	137,081	–	–	137,081
2023				
Trade and other payables	46,616	–	–	46,616

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

30. Fair Values of Assets and Liabilities

a) Fair value hierarchy

The tables below analyse the fair value measurements by the levels in the fair value hierarchy based on the inputs to the valuation techniques. The different levels are defined as follows:

- a) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- b) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (i.e. derived from prices); and
- c) Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

b) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

These are current trade and other receivables, trade and other payables and current borrowings. The carrying amounts of these financial assets at amortised costs and financial liabilities are reasonable approximation of fair values due to their short-term nature.

c) Movements in Level 3 assets measured at fair value

The following table shows a reconciliation from the beginning balance to the ending balance for Level 3 fair value measurements.

	INVESTMENT IN FUND	
	2024	2023
	A\$	A\$
Group and Company		
Balance at beginning year	100,000	200,000
Redemption	-	(100,000)
Balance at end of financial year	100,000	100,000
Total gains for the year included:		
<u>Profit or loss</u>		
Fair value gain with respect to financial assets at FVTPL	-	-

d) Determination of fair values

Non-current trade and other receivables, financial assets at fair value through profit or loss and borrowings

The basis of determining fair values for disclosure at the end of the reporting period is disclosed in Notes 20, 21 and 24 respectively to the financial statements.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

31. Segment Information

The Group is organised into business units based on its business segments purposes. The reportable segments are food and beverage retails, supply chain and franchise which are described below. Management monitors the operating results of its business units separately for making decisions about allocation of resources and assessment of performances of each segment.

- (i) Food and beverage retails segment includes operations with respect to all franchise and Group-owned restaurants and stores.
- (ii) The supply chain segment primarily includes the manufacturing, procurement and distribution of food, equipment and supplies to restaurants and stores from the Group's supply chain center operations in Australia.
- (iii) The franchise segment primarily includes operations related to the Group's franchising business.

The segment information provided to the management for the reportable segments are as follows:

	FOOD AND BEVERAGE RETAILS A\$	SUPPLY CHAIN A\$	FRANCHISE A\$	OTHERS A\$	ELIMINATIONS A\$	CONSOLIDATION TOTAL A\$
2024						
Segment revenue						
Sales to external customers	46,364,513	14,529,987	7,873,755	278,392	–	69,046,647
Intersegment sales	–	6,607,660	1,147,315	–	(7,754,975)	–
Total revenue	46,364,513	21,137,647	9,021,070	278,392	(7,754,975)	69,046,647
Share of results of associated company	–	–	–	(3,699)	–	(3,699)
Share of results of joint venture	–	–	–	23,237	–	23,237
Tax expense	(360,006)	(302,135)	(322,501)	(168,721)	–	(1,153,363)
Segment (loss)/profit	(1,237,817)	852,353	729,706	1,599,394	(1,427,823)	515,813
Depreciation of property, plant and equipment and amortisation of intangible assets	2,719,315	252,638	336,790	109,507	(35,882)	3,382,368
Depreciation of right-of-use assets	4,850,684	673,876	61,751	–	16,813	5,603,124
Impairment losses on trade and other receivables	4,311	–	72,447	–	–	76,758
Impairment losses on property, plant and equipment	840,014	–	–	–	–	840,014
Impairment losses on intangible assets	350,000	–	–	–	–	350,000
Property, plant and equipment written off	14,390	–	–	–	–	14,390
Interest expense	1,069,111	294,167	80,679	50,000	(71,449)	1,422,508
Interest income	(105,821)	–	(1,219)	(79,758)	71,449	(115,349)
Gain on sale of Group-owned stores	(126,770)	–	–	–	–	(126,770)
Gain on disposal of investment in associated company	–	–	–	(6,368)	–	(6,368)
Gain on termination of leases	(57,201)	–	–	–	–	(57,201)
Loss on disposal of property, plant and equipment	26,984	–	–	–	–	26,984

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

31. Segment Information (Cont'd)

The segment information provided to the management for the reportable segments are as follows (cont'd):

	FOOD AND BEVERAGE RETAILS	SUPPLY CHAIN	FRANCHISE	OTHERS	ELIMINATIONS	CONSOLIDATION TOTAL
	A\$	A\$	A\$	A\$	A\$	A\$
2024 (cont'd)						
Segment assets	36,448,734	13,603,040	13,078,941	66,001,707	(73,229,686)	55,902,736
Unallocated assets						2,232,327*
Total assets						58,135,063
Segment assets include:						
Additions to:						
- Property, plant and equipment	2,298,485	166,029	41,399	-	-	2,505,913
- Right-of-use assets	5,576,570	94,383	-	-	-	5,670,953
- Intangible assets	5,000	-	198,824	-	(5,000)	198,824
- Investments in joint ventures	-	-	-	350,000	-	350,000
Segment liabilities	37,956,865	6,274,405	10,479,747	29,712,966	(49,295,749)	35,128,234
Unallocated liabilities						1,083,440
Total liabilities						36,211,674

	FOOD AND BEVERAGE RETAILS	SUPPLY CHAIN	FRANCHISE	OTHERS	ELIMINATIONS	CONSOLIDATION TOTAL
	A\$	A\$	A\$	A\$	A\$	A\$
2023						
Segment revenue						
Sales to external customers	45,122,107	13,200,237	7,253,198	235,586	-	65,811,128
Intersegment sales	-	6,914,157	1,382,639	-	(8,296,796)	-
Total revenue	45,122,107	20,114,394	8,635,837	235,586	(8,296,796)	65,811,128
Share of results of associated company	-	-	-	(439)	-	(439)
Share of results of joint venture	-	-	-	(7,820)	-	(7,820)
Tax expense	(701,559)	(29,364)	(215,333)	(140,102)	-	(1,086,358)
Segment (loss)/profit	(96,616)	235,069	1,187,495	1,463,245	(925,513)	1,863,680

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

31. Segment Information (Cont'd)

The segment information provided to the management for the reportable segments are as follows (cont'd):

	FOOD AND BEVERAGE RETAILS	SUPPLY CHAIN	FRANCHISE	OTHERS	ELIMINATIONS	CONSOLIDATION TOTAL
	A\$	A\$	A\$	A\$	A\$	A\$
2023 (cont'd)						
Depreciation of property, plant and equipment and amortisation of intangible assets	2,686,955	248,015	388,419	105,991	(31,659)	3,397,721
Depreciation of right-of-use assets	4,318,499	662,792	114,003	-	-	5,095,294
(Reversal of impairment losses)/ impairment losses on trade and other receivables	(10,670)	(75,481)	51,382	3,211	-	(31,558)
Impairment losses on property, plant and equipment	89,334	-	-	-	-	89,334
Property, plant and equipment written off	83,409	17,986	730	-	-	102,125
Interest expense	1,012,348	372,668	66,518	127,178	(160,564)	1,418,148
Interest income	(62,897)	-	(987)	(170,763)	160,564	(74,083)
Gain on sale of Group-owned stores	(704,089)	-	-	-	-	(704,089)
Gain on disposal of property, plant and equipment	(7,032)	-	-	-	-	(7,032)
Segment assets	37,716,446	15,330,862	12,483,621	59,887,855	(69,942,208)	55,476,576
Unallocated assets						1,729,270
Total assets						57,205,846
Segment assets include:						
Additions to:						
- Property, plant and equipment	3,283,411	4,432	70,894	-	-	3,358,737
- Right-of-use assets	4,512,599	71,500	-	-	-	4,584,099
- Intangible assets	-	-	148,206	-	-	148,206
- Investment in joint venture	-	-	-	95	-	95
Segment liabilities	36,825,827	7,155,770	8,543,810	29,364,053	(46,613,279)	35,276,181
Unallocated liabilities						1,260,530
Total liabilities						36,536,711

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

31. Segment Information (Cont'd)

The segment information provided to the management for the reportable segments are as follow (cont'd):

* Included in the unallocated assets is a goodwill addition of A\$247,548 during the year.

Segment result

Management monitors the operating results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Sales between operating segments are on terms agreed by the group companies concerned.

Segment assets

The amounts provided to the management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments other than goods and services tax receivable, sundry receivables and designated bank account for marketing fund of the respective master franchisee entity which are classified as unallocated assets.

Segment liabilities

The amounts provided to the management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments other than current tax payable, payroll tax payable, borrowings and goods and services tax payable of the respective master franchisee entity. These liabilities are classified as unallocated liabilities.

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	2024	2023
	A\$	A\$
Sales to external customers		
Australia	49,085,285	47,594,623
New Zealand	15,335,781	13,488,975
United Kingdom	4,625,581	4,727,530
	69,046,647	65,811,128
Non-current assets		
Australia	20,646,948	21,868,303
New Zealand	6,370,966	7,927,137
United Kingdom	4,976,450	3,734,599
	31,994,364	33,530,039

Non-current assets information presented above are non-current assets as presented on the statements of financial position excluding deferred tax asset and financial instruments.

Notes to the Financial Statements

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

31. Segment Information (Cont'd)

Information about major customers

The Group did not have any single customer contributing 10% or more to its revenue for the financial years ended 30 June 2024 and 30 June 2023.

32. Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings.

The capital structure of the Group mainly consists of equity and borrowings and the Group's overall strategy remains unchanged from financial year ended 30 June 2023.

33. Subsequent Events

On 3 July 2024, the Company had announced in the Singapore Exchange that it had subscribed for 197,183 ordinary shares comprising 1.21% of the share capital in 4D Lottery Australia Pty Ltd ("**4D Australia**") with a consideration of A\$700,000 (approximately S\$632,660). 4D Australia is an investment holding company and together with its subsidiaries holds an Internet Gaming Licence and Lottery Agreement Licence in Australia. 4D Australia has recently commenced its lottery business.

34. Authorisation of Financial Statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors dated 10 October 2024.

Shareholders' Information

AS AT 18 SEPTEMBER 2024

Class of shares	:	Ordinary shares
Issued and fully paid-up capital	:	SGD11,598,426.24 and AUD47,222,062.67
Number of Shares issued	:	84,069,141 shares fully paid-up in Singapore Dollars and 171,313,500 shares fully paid-up in Australia Dollars
Number of Shares issued (excluding Treasury Shares)	:	253,971,741
Number (Percentage) of Treasury Shares	:	1,410,900 (0.5555%*)
Voting rights (excluding Treasury Shares)	:	One vote per share

* Percentage is calculated based on the total number of issued shares, excluding treasury shares.

The Company does not hold any subsidiary holdings.

Statistics of Shareholdings

SIZE OF SHAREHOLDING		NUMBER OF SHAREHOLDERS	%	NUMBER OF SHARES	%
1	- 99	1	0.64	78	0.00
100	- 1,000	17	10.83	9,300	0.00
1,001	- 10,000	50	31.85	273,200	0.11
10,001	- 1,000,000	64	40.76	8,983,472	3.54
1,000,001	and above	25	15.92	244,705,691	96.35
		157	100.00	253,971,741	100.00

Substantial Shareholders as at 18 September 2024

(As recorded in the Register of Substantial Shareholders)

	DIRECT INTEREST	%	DEEMED INTEREST	%
Saw Tatt Ghee ⁽¹⁾⁽²⁾	3,253,300	1.28	61,768,400	24.32
STG Investments Pty Ltd ⁽²⁾	57,773,600	22.75	3,994,800	1.57
Saw Lee Ping ⁽²⁾⁽³⁾	7,175,200	2.83	19,941,800	7.85
Ng Yee Siang ⁽²⁾⁽⁴⁾	5,859,100	2.31	7,617,800	3.00
Tan Tee Ooi ⁽²⁾⁽³⁾	5,364,000	2.11	14,577,800	5.74
Saw Tatt Jin ⁽⁵⁾	12,859,800	5.06	3,499,000	1.38
Caprice Development (S) Pte. Ltd.	15,756,000	6.20	-	-
Chou Geok Lin ⁽⁶⁾	-	-	15,756,000	6.20
Chen Khai Voon	22,008,200	8.67	-	-

Shareholders' Information

AS AT 18 SEPTEMBER 2024

Notes:

- (1) Mr. Saw Tatt Ghee is treated as having an interest in 3,994,800 shares in the capital of the Company ("Shares") held by Centurion Equity Pty Limited (please see note 2) and 57,773,600 Shares held by STG Investments Pty Ltd.

Mr. Saw Tatt Ghee is the sole shareholder and director of STG Investments Pty Ltd. STG Investments Pty Ltd holds the Shares as trustee of the Tatt Ghee Saw Family Trust, of which the beneficiaries include Mr. Saw Tatt Ghee. By virtue of Section 4 of the Securities and Futures Act 2001 ("SFA"), the beneficiaries of the Tatt Ghee Saw Family Trust are deemed to have an interest in the Shares held by STG Investments Pty Ltd.

- (2) Mr. Saw Tatt Ghee is the sole director and holds the entire issued and paid-up capital of Centurion Equity Pty Limited. Centurion Equity Pty Limited holds the Shares as trustee of the Centurion Equity Trust, which is a fixed unit trust, and holds the Shares on trust for the unitholders, which include, inter alia, (a) STG Investments Pty Ltd (as trustee for the Tatt Ghee Saw Family Trust); and (b) Ms. Saw Lee Ping (as trustee for the Tian & Young Family Trust). By virtue of Section 4 of the SFA, the unitholders of the Centurion Equity Trust are deemed to have an interest in the Shares held by Centurion Equity Pty Limited.

Ms. Saw Lee Ping holds the units in Centurion Equity Trust as trustee for the Tian & Young Family Trust, of which the beneficiaries include Ms. Saw Lee Ping. By virtue of Section 4 of the SFA, the beneficiaries of the Tian & Young Family Trust are treated as having an interest in the units of Centurion Equity Trust held by Ms. Saw Lee Ping.

- (3) Ms. Saw Lee Ping is treated as having an interest in 3,994,800 Shares held by Centurion Equity Pty Limited (please see note 2), 10,583,000 Shares held by Tan & Saw Investments Pty Ltd and 5,364,000 Shares held by Mr. Tan Tee Ooi.

Ms. Saw Lee Ping is the director of Tan & Saw Investments Pty Ltd and holds 50% of its issued and paid-up share capital. Tan & Saw Investments Pty Ltd holds the Shares as trustee of the Tan & Saw Family Trust, of which the named beneficiaries include Ms. Saw Lee Ping. By virtue of Section 4 of the SFA, the beneficiaries of the Tan & Saw Family Trust are deemed to have an interest in the Company's shares held by Tan & Saw Investments Pty Ltd.

By virtue of Section 133(1) read with Section 133(4)(a) of the SFA, Ms. Saw Lee Ping is deemed to have an interest in the Shares held by her spouse, Mr. Tan Tee Ooi.

- (4) Mr. Ng Yee Siang is treated as having an interest in 3,994,800 Shares held by Centurion Equity Pty Limited (please see note 2) and 3,623,000 Shares held by YSN Investments Pty Ltd.

Mr. Ng Yee Siang is the sole director and sole shareholder of YSN Investments Pty Ltd. YSN Investments Pty Ltd holds the Shares as trustee of the Ng Family Trust, of which the primary beneficiaries include Mr. Ng Yee Siang. By virtue of Section 4 of the SFA, the beneficiaries of the Ng Family Trust are deemed to have an interest in the Shares held by YSN Investments Pty Ltd.

- (5) Mr. Saw Tatt Jin is treated as having an interest in 3,499,000 Shares held by Huizhet Investment Pty Ltd.

Mr. Saw Tatt Jin is a director and holds 25% of the entire issued and paid-up share capital of Huizhet Investment Pty Ltd. Huizhet Investment Pty Ltd holds the Shares as trustee of the HZ Family Trust, of which the named beneficiaries include Mr. Saw Tatt Jin. By virtue of Section 4 of the SFA, the beneficiaries of the HZ Family Trust are deemed to have an interest in the Shares held by Huizhet Investment Pty Ltd.

- (6) Ms. Chou Geok Lin is the director and sole shareholder of Caprice Development (S) Pte. Ltd. By virtue of Section 4 of the SFA, Ms. Chou Geok Lin is deemed to have an interest in the Shares held by Caprice Development (S) Pte. Ltd.

Shareholders' Information

AS AT 18 SEPTEMBER 2024

Twenty Largest Shareholders as at 18 September 2024

NO.	NAME	NO. OF SHARES	%
1	UOB KAY HIAN PRIVATE LIMITED	60,658,815	23.88
2	STG INVESTMENTS PTY LTD	57,773,600	22.75
3	OCBC SECURITIES PRIVATE LIMITED	18,584,376	7.32
4	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	16,552,300	6.52
5	RAFFLES NOMINEES (PTE.) LIMITED	15,784,800	6.22
6	SAW LEE PING	7,175,200	2.83
7	SAW TATT JIN	6,834,900	2.69
8	DB NOMINEES (SINGAPORE) PTE LTD	6,537,900	2.57
9	NG YEE SIANG	5,859,100	2.31
10	LEONG WENG YU	5,290,400	2.08
11	PANG KHER CHINK	5,290,400	2.08
12	ALPINE INVESTMENTS PTY LTD	4,594,100	1.81
13	CITIBANK NOMINEES SINGAPORE PTE LTD	3,660,800	1.44
14	YSN INVESTMENTS PTY LTD	3,623,000	1.43
15	CHUA KENG HIANG	3,521,800	1.39
16	HUIZHET INVESTMENT PTY LTD	3,499,000	1.38
17	SAW TATT GHEE	3,253,300	1.28
18	KCPLP INVESTMENTS PTY LTD	3,183,600	1.25
19	JL LEE INVESTMENTS PTY LTD	3,154,200	1.24
20	LEMY PTY LTD	3,028,100	1.19
	TOTAL	237,859,691	93.66

Percentage of Shareholding in Public's Hands

Based on the information available to the Company and to the best knowledge of the Directors, approximately 28.31% of the Company's shares are held in the hands of the public as at 18 September 2024. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited.

Notice of Annual General Meeting

ST Group Food Industries Holdings Limited

(Company Registration No. 201801590R)

(Incorporated in the Republic of Singapore)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of ST GROUP FOOD INDUSTRIES HOLDINGS LIMITED (the “Company”) will be held at Meeting Room 330, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 30 October 2024 at 10.00 a.m. (Singapore Time) for the following purpose:

As Ordinary Business

- 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)**
- To declare a final dividend of 0.0016 Australian cent per ordinary share (tax exempt one tier) for the financial year ended 30 June 2024. **(Resolution 2)**
- To re-elect the following Directors retiring pursuant to Regulation 110 of the Company’s Constitution:

Mr Yap Zhi Chau **(Resolution 3)**

Mr Yap Zhi Chau will, upon re-election as a Director of the Company, remain as an Independent Director, Chairman of the Audit and Nominating Committees, and a member of the Remuneration Committee, and will be considered independent for the purposes of Rule 704(7) of the Singapore Exchange Securities Trading Limited (“SGX-ST”) Listing Manual Section B: Rules of Catalist (“Catalist Rules”)

The information relating to Mr Yap Zhi Chau as required under Rule 720(5) of the Catalist Rules is set out on pages 49 to 52 of the Annual Report.
- To note the retirement of the following Director retiring pursuant to Regulation 110 of the Company’s Constitution, and has decided not to offer himself for re-election:

Mr Peter Sim Swee Yam
- To approve the payment of Directors’ fees of S\$108,432 for the financial year ending 30 June 2025, to be paid quarterly in arrears (FY2024: S\$107,568). **(Resolution 4)**
- To re-appoint Baker Tilly TFW LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 5)**
- To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

Notice of Annual General Meeting

As Special Business

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

8. AUTHORITY TO ALLOT AND ISSUE SHARES

That pursuant to Section 161 of the Companies Act 1967 (the “**Companies Act**”) and Rule 806 of the Catalist Rules, the Directors of the Company be authorised and empowered to:

- (a) (i) allot and issue shares in the share 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 or issue of (as well as adjustments to) options, 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 of the Company 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 Instruments made or granted by the Directors of the Company while this resolution was in force,

provided always that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed one hundred per centum (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 (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a *pro rata* basis to shareholders of the Company does not exceed fifty per centum (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 that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of convertible securities;
 - (b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time of passing of this Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares;

Notice of Annual General Meeting

- (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), all applicable legal requirements under the Companies Act and the Constitution of the Company; and
- (4) unless revoked or varied by the Company at a general meeting, such authority conferred by this Resolution shall continue in force until the 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, whichever is earlier.

[See Explanatory Note (i)]

(Resolution 6)

9. **AUTHORITY TO GRANT AWARDS AND TO ALLOT AND ISSUE SHARES UNDER THE ST GROUP PERFORMANCE SHARE PLAN**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to grant awards under the prevailing ST Group Performance Share Plan (the “**Scheme**”) and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the vesting of awards granted by the Company under the Scheme, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of shares issued and/or issuable pursuant to the Scheme shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the 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, whichever is earlier.

[See Explanatory Note (ii)]

(Resolution 7)

10. **THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE**

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of the Company (the “**Directors**”) of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the “**Shares**”) not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to but not exceeding the Maximum Price (as hereafter defined), whether by way of:
 - (i) market purchase(s) (“**Market Purchase(s)**”) on the SGX-ST transacted through the SGX-ST trading system; and/or
 - (ii) off-market purchase(s) (each an “**Off-Market Purchase**”) if effected otherwise than on the SGX-ST as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and the Catalist Rules as may for the time being be applicable, be and is hereby authorized and approved generally and unconditionally (the “**Share Buyback Mandate**”);

Notice of Annual General Meeting

- (b) unless varied or revoked by the Company at a general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors 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 AGM of the Company is held or is required by law to be held;
 - (ii) the date on which the authority conferred by the Share Buyback Mandate is revoked or varied by the Company at a general meeting (if so varied or revoked prior to the next general meeting); and
 - (iii) the date on which purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate are carried out to the full extent mandated;
- (c) in this Resolution:

"Average Closing Price" means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Catalist Rules, for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the purchase is made;

"date of making of the offer" means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"Market Day" means a day on which the SGX-ST is open for trading in securities,

"Maximum Percentage" means that number of issued Shares representing 10.0% of the issued Shares as at the date of passing of this Resolution; and

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) which shall not exceed 105% of the Average Closing Price of the Shares (for both Market Purchases and Off-Market Purchase); and

- (d) the Directors and/or any of them be and are and/or is hereby authorised and empowered to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

[See Explanatory Note (iii)]

(Resolution 8)

By Order of the Board

Lim Kok Meng
Company Secretary

15 October 2024

Notice of Annual General Meeting

Explanatory Notes:

- (i) Resolution 6 in item 8 above, if passed, will empower the Directors of the Company, effective until the 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 issue shares, make or grant Instruments convertible into shares and to issue shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which up to 50% may be issued other than on a *pro rata* basis to shareholders.

For determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Ordinary Resolution is passed after adjusting for new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and outstanding or subsisting at the time when this Ordinary Resolution is passed, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and any subsequent bonus issue, consolidation or subdivision of shares.

- (ii) Resolution 7 in item 9 above, if passed, will empower the Directors of the Company, effective until the 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 issue shares in the Company pursuant to the vesting of awards granted or to be granted under the Scheme up to a number not exceeding in aggregate (for the entire duration of the Scheme) fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.

- (iii) Resolution 8 proposed in item 10 above, if passed, will empower the Directors from the date of the passing of this Resolution until the date the next AGM is to be held or is required by law to be held, whichever is earlier, to make purchases (whether by way of On-Market Share Purchases or Off-Market Share Purchases on an equal access scheme) from time to time of up to 10% of the total number of issued Shares excluding any Shares which are held as treasury shares of the Company at prices up to but not exceeding the Maximum Price. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate are set out in greater details in the Appendix (defined below) accompanying this Notice.

Notes:

Participation

1. The AGM is being convened and will be held in a **wholly physical format** at Meeting Room 330, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 30 October 2024 at 10:00 a.m. (Singapore Time). **There will be no option for members to participate virtually.**
2. Printed copies of this Notice of AGM and Proxy Form will be sent to members of the Company. These documents are also made available on the SGXNET and the Company's website at www.stgroup.net.au. Members are advised to check SGXNET and/or the Company's website regularly for updates.
3. The Annual Report and Appendix in relation to the Share Buyback (the "**Appendix**") is made available on the SGXNET and the Company's website at www.stgroup.net.au. Printed copies of the Annual Report and Appendix will not be sent to members. Members who wish to receive a printed copy of the Annual Report and Appendix will need to complete and submit a Request Form (which can be found in the Letter to Shareholders dated 15 October 2024) to the Company by 20 October 2024. Printed copies of the Letter to Shareholders dated 15 October 2024 will be sent to members together with the Notice of AGM and Proxy Form. The Letter to Shareholders dated 15 October 2024 is also made available on the SGXNET and the Company's website at www.stgroup.net.au.

Appointment of Proxy(ies)

4. A member who is not a relevant intermediary entitled to attend the meeting and vote is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. Where such member's instrument appointing proxy(ies) appoints more than one (1) proxy, the appointments shall be invalid unless he/she/it specifies the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be represented by each proxy.

Notice of Annual General Meeting

5. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, 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 proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

"Relevant intermediary" means:

- (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 market 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, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

6. The completed and signed proxy form must be submitted to the Company in the following manner:

- (a) by depositing a hard copy (whether in person or by post) at the registered office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
- (b) by sending a scanned PDF copy by email to srs.proxy@boardroomlimited.com

in either case, **by no later than 10:00 a.m. (Singapore Time) on 27 October 2024, being not less than 72 hours before the time set for the AGM.**

7. A proxy need not be a member of the Company.
8. The instrument appointing the proxy(ies) must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) 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 an instrument appointing a proxy(ies) is signed on behalf of the appointer by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted personally or by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
9. Investors who holds shares under the CPF Investment Scheme and/or the SRS (as may be applicable) and wishes to vote at the AGM should approach and/ or contact their respective agent banks or SRS operators for any queries they may have with regard to the appointment of proxy for the AGM to vote their behalf at least seven (7) working days before the date of the AGM, which is by 10:00 a.m. on 21 October 2024.
10. The Company shall be entitled to reject a proxy form if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the proxy form. In addition, in the case of shares entered in the Depository Register (as defined in Part 3AA of the Securities and Futures Act 2001 of Singapore), the Company may reject a proxy form lodged if the member, being the appointer, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM (or at any adjournment thereof), as certified by The Central Depository (Pte) Limited to the Company.
11. The appointment of a proxy or proxies shall not preclude a member from attending and voting in person at the AGM. If a member attends the AGM in person, the appointment of a proxy or proxies shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy or proxies to the AGM.

Submission of questions in advance of the AGM

12. Members may submit questions relating to the Annual Report, Appendix and resolutions set out in the Notice of AGM in advance:
- (a) in physical copy by depositing the same at the registered office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
 - (b) by email to Mr Saw Tatt Ghee, the Executive Chairman and Chief Executive Officer of the Company, at the following email address: ir@stgroup.net.au.

All questions must be submitted by 5.00 p.m. on 22 October 2024.

Notice of Annual General Meeting

13. If the questions are submitted by post, deposited at registered office of the Company or sent via email and in either case not accompanied by the completed and executed Proxy, the following details must be included with the submitted questions: (i) the member's full name and (ii) his/ her/ its identification/ registration number for verification purposes, failing which the submission will be treated as invalid.
14. The Company will endeavour to address all substantial and relevant questions relating to the resolutions to be tabled for approval at the AGM of the Company's businesses and operations by publishing its responses to such questions, if any, on the Company's corporate website at the following URL: www.stgroup.net.au and on SGXNET at the following URL: <https://www.sgx.com/securities/company-announcements> at least 48 hours prior to the deadline for submission of Proxy Forms. Should there be subsequent clarification sought, or follow-up after the deadline of the submission of questions, the Company will address those substantial and relevant questions prior to the AGM through publication on SGXNET, or at the AGM.

Submission of questions during the AGM

15. All members and Investors, or where applicable, their proxy(ies) who are attending the AGM are eligible to ask questions relating to the business of the AGM during the physical AGM.
16. During the AGM itself, the Company will address as many substantial and relevant questions (which are related to the resolutions to be tabled for approval at the AGM) which have not already been addressed prior to the AGM, as well as those received at the AGM itself, as reasonably practicable. Where there are substantially similar questions, the Company will consolidate such questions; consequently, not all questions may be individually addressed.

The Company will, within one (1) month after the date of the AGM, publish the minutes of the AGM on SGXNET and on the Company's website, and the minutes will include the Company's responses to the substantial and relevant questions addressed during the AGM.

Personal Data Privacy

17. By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, or by attending the AGM, the member of the Company (a) 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 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (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 (collectively, the "**Purposes**"); (b) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (c) 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. In addition, by attending the AGM and/or adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for any of the Purposes.

This page is intentionally left blank.

ST Group Food Industries Holdings Limited

(Incorporated in the Republic of Singapore)

(Co. Reg. No: 201801590R)

ANNUAL GENERAL MEETING PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. The Annual General Meeting ("AGM" or "Meeting") will be held in a wholly physical format at Meeting Room 330, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593, 30 October 2024 at 10.00 a.m. There will be no option for members to participate virtually.
2. Printed copies of this Notice of AGM and Proxy Form will be sent to members of the Company. The Annual Report and Appendix in relation to the Share Buyback (the "Appendix") is made available on the SGXNET and the Company's website at www.stgroup.net.au. Printed copies of the Annual Report and Appendix will not be sent to members. Members who wish to receive a printed copy of the Annual Report and Appendix will need to complete and submit a Request Form (which can be found in the Letter to Shareholders dated 15 October 2024) by 20 October 2024.
3. An investor who holds shares under the Central Provident Fund Investment Scheme ("CPF Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") and wishes to vote should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes to appoint the Chairman of the AGM as their proxy, at least seven (7) working days before the AGM (i.e. 21 October 2024 at 10.00 a.m.).
4. **This Proxy Form is not valid for use by CPF Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.**

I/We*, _____ (Name), NRIC / Passport number/Co Regn. No.* _____

of _____ (Address)

being a member/members of ST Group Food Industries Holdings Limited (the "Company"), hereby appoint(s):

NAME	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
ADDRESS			

and/or (delete as appropriate)

NAME	NRIC/PASSPORT NO.	PROPORTION OF SHAREHOLDINGS	
		NO. OF SHARES	%
ADDRESS			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the AGM of the Company to be held at Meeting Room 330, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Wednesday, 30 October 2024 at 10.00 a.m. and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the Meeting and at any adjournment thereof.

NO.	ORDINARY RESOLUTIONS RELATING TO:	FOR**	AGAINST**	ABSTAIN**
1	Directors' Statement and Audited Financial Statements for the financial year ended 30 June 2024			
2	To declare a final dividend of 0.0016 Australian cent per ordinary share (tax-exempt one-tier) for the financial year ended 30 June 2024			
3	Re-election of Mr Yap Zhi Chau as a Director			
4	Approval of Directors' fees amounting to S\$108,432 for the financial year ending 30 June 2025, to be paid quarterly in arrears			
5	Re-appointment of Baker Tilly TFW LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.			
6	Authority to allot and issue shares			
7	Authority to grant awards and to allot and issue shares under the ST Group Performance Share Plan			
8	The proposed renewal of the Share Buyback Mandate			

* Delete where inapplicable

** If you wish to use all your votes "For", "Against" or "Abstain", please indicate with an "✓" within the box provided. Otherwise, please indicate number of votes "For", "Against" or "Abstain" for each resolution within the box provided. If you mark "✓" in the "Abstain" box for a particular resolution, you are directing your proxy(ies) not to vote on that resolution.

Dated this _____ day of October 2024

TOTAL NUMBER OF SHARES IN:	NO. OF SHARE
(a) CDP Register	
(b) Register of Members	

Signature(s) of member(s)

or Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS 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 (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, 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 Proxy Form shall be deemed to relate to all the Shares held by you.
2. A proxy need not be a member of the Company.
3. A member of the Company who is not a relevant intermediary entitled to attend the meeting and vote is entitled to appoint one or two proxies to attend and vote in his/her stead.
4. Where a member who is not a relevant intermediary appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
5. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two proxies to attend and vote instead of the member, 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 proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

"Relevant intermediary" means:

- (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, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
6. The completed and signed Proxy Form must be submitted to the Company in the following manner:
 - (a) by depositing a hard copy (whether in person or by post) at the registered office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07, Keppel Bay Tower, Singapore 098632; or
 - (b) by sending a scanned PDF copy by email to srs.proxy@boardroomlimited.com,

in either case by **no later than 10.00 a.m. on 27 October 2024, being seventy-two (72) hours before the time appointed for the AGM.**

A member who wishes to submit a Proxy Form must first **download, complete and sign the Proxy Form**, before submitting it by depositing to the address provided above, or scanning and sending it by email to the email address provided above.

7. The Proxy Form must be under the hand of the appointor or of his attorney duly authorised in writing. Where the Proxy Form 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 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 the instrument.
8. Investor who holds shares under the CPF Investment Scheme and/or the SRS (as may be applicable) and wishes to appoint the Chairman of the AGM as their proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. 21 October 2024 at 10.00 a.m.).
9. The appointment of a proxy or proxies shall not preclude a member from attending and voting in person at the AGM. If a member attends the AGM in person, the appointment of a proxy or proxies shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy or proxies to the AGM.

PERSONAL DATA PRIVACY:

By submitting a Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 15 October 2024.

GENERAL:

The Company shall be entitled to reject the Proxy Form 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 Proxy Form. In addition, in the case of Shares entered in the Depository Register, the Company may reject any Proxy Form 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 Meeting, as certified by The Central Depository (Pte) Limited to the Company.



ST GROUP

ST Group Food Industries Holdings Limited

AN F&B GROUP WITH DIVERSIFIED PORTFOLIO
OF INTERNATIONALLY POPULAR BRANDS



HOKKAIDO
BAKED CHEESE TART



120 Turner Street, Port Melbourne, VIC 3207, Australia

www.stgroup.net.au