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/dà shùn/
: Big Smooth



ANNUAL REPORT 2024

GLOBAL BRANDS OUR STRENGTH

BMW BERU BANNER AISIN ASTEMO
LUK INA FAG VDO
MICRONAIR JKC MANN FILTER
KONGSBERG IWIS MRK
HENGST GK TOKICO
SCHAEFFLER WAHLER TEXTAR JFBK
TBK BILSTEIN WIX VALEO
BEHR NWB BOSCH VICTOR REINZ NISSAN
DAIDO STABILUS WOLF
NISSIN ELRING FIAMM MERCEDES BENZ ULO
GARRETT 555 BORGWARNER
VITESCO SANGSIN
IZUMI TOYOTA DBEST
MATSUBA VIBRACOUSTIC
VW MAHLE ATE
MAZDA EXEDY SEIKEN
MITSUBISHI DELPHI GEMO AUDI
KIA CONTITECH
SWAG FEBI BREMBO HELLA
HITACHI AMK NILES CORTECO
SANKEI ISUZU LEMFORDER SACHS ZF FBL
NOZUMI WABCO
TOYO
NKN
PIERBURG
TEIN
KNORR BREMSE
HEPU RAVENOL



Established in 1933, the Group is **the most prominent independent automotive parts distributor in Southeast Asia.**

Partnering its principals mostly from Europe, Japan and South Korea, the Group has one of the largest portfolio of top-tier global brands of automotive parts. The Group's main markets in Asia Pacific are currently served by operations in Singapore, Malaysia, Thailand, Indonesia, Hong Kong/China, South Korea and Australia.

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CORPORATE INFORMATION

Board Of Directors

Chen Timothy Teck Leng
@ Chen Teck Leng
(Non-executive Chairman)

David Chong Tek Yew

Ong Eng Chian Kelvin

Chua Kwee Huay Genevieve

Margaret Anne Haseltine
(Resigned on 20 November 2024)

Angus Robert McKay
(Appointed on 20 November 2024)

Audit and Risk Committee

Chua Kwee Huay Genevieve
(Chairman)

Chen Timothy Teck Leng
@ Chen Teck Leng

Noel Anthony Meehan
(Resigned on 5 February 2024)

Angus Robert McKay
(Appointed on 21 November 2024)

Nomination and Remuneration Committee

Chen Timothy Teck Leng
@ Chen Teck Leng
(Chairman)

Chua Kwee Huay Genevieve

Margaret Anne Haseltine
(Resigned on 20 November 2024)

Angus Robert McKay
(Appointed on 21 November 2024)

Joint Company Secretaries

Evelyn Wee Kim Lin

Cynthia Wu Siying

Registered Office

9 Toh Guan Road East #02-01
Singapore 608604
Tel: 6567 8601
Fax: 6567 8884

Registrar And Share Transfer Office

B.A.C.S. Private Limited
77 Robinson Road #06-03
Robinson 77
Singapore 068896
Tel: 6593 4848
(Appointed on 1 February 2024)

Auditors

KPMG LLP
Public Accountants and
Chartered Accountants
Singapore

Partner-in-Charge
Sarina Lee

Main Bankers

DBS Bank

Maybank

The Hongkong and Shanghai
Banking Corporation Limited

United Overseas Bank

CORPORATE GROUP

Subsidiaries

Automotive Partners Asia Pty Ltd
Everts Pte. Ltd.
Filsound Enterprise Pte Ltd
Edaran PAL Sdn. Bhd.
Imparts Holdings Pte Ltd
Imparts Automotive Pty Ltd
Imparts Distribution Pty Ltd
Joining Enterprise Pte. Ltd.
Naga Jaya Automotive Sdn. Bhd.

PAL Everts Co., Ltd.
PT Palindo Makmur
Tokyo Motor Pte. Ltd.
TS Motorsport Pte. Ltd.
TSC Compartments Pte. Ltd.
TSC Enterprise (HK) Limited
TSC Trading (Shenzhen) Company Limited
Sejong Parts Plus Limited Liability Company

5-YEAR FINANCIAL SUMMARY

Results \$'000	2024	2023	2022	2021	2020
Revenue	257,164	254,400	249,323	225,330	198,236
Profit before tax	5,696	5,870	8,578	6,129	2,336
Tax expense	(1,416)	(1,550)	(2,171)	(1,584)	(1,060)
Profit for the year	4,280	4,320	6,407	4,545	1,276
Non-controlling interests	(45)	(67)	(129)	(78)	(52)
Attributable profit	4,235	4,253	6,278	4,467	1,224

Earnings per share (cents)	4.85	4.87	7.19	5.12	1.40
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Financial Position \$'000					
Plant and equipment	1,399	1,290	1,234	905	961
Right-of-use assets	6,452	7,846	9,134	5,747	7,358
Goodwill on consolidation	85	91	91	98	102
Other non-current tangible assets	2,633	2,849	2,973	2,757	2,525
Current assets	177,868	167,965	165,006	144,436	150,104
Total assets	188,437	180,041	178,438	153,943	161,050

Equity attributable to owners of the Company					
Share capital	38,057	38,057	38,057	38,057	38,057
Reserves	24,263	22,985	21,699	18,987	16,417
Share capital and reserves	62,320	61,042	59,756	57,044	54,474
Non-controlling interests	738	649	622	524	450
Total equity	63,058	61,691	60,378	57,568	54,924

Current liabilities	122,004	113,153	109,509	88,923	97,019
Non-current liabilities	3,375	5,197	8,551	7,452	9,107
Total liabilities	125,379	118,350	118,060	96,375	106,126
Total equity and liabilities	188,437	180,041	178,438	153,943	161,050

Net tangible assets per share (cents)	71.4	70.0	68.5	65.4	62.4
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92

YEARS

ca 90

LOCATIONS

06

COUNTRIES

DISTRIBUTION EXCELLENCE

SOUTH KOREA

HONG KONG/CHINA

THAILAND

MALAYSIA

SINGAPORE

INDONESIA

AUSTRALIA

The most prominent
independent automotive
parts distributor in
Southeast Asia.

Focusing mainly on
maintenance and replacement
automotive parts
for the region's vehicles.



TAN

OUR **TEAM**

Integrity
Innovation
Resolve

CHAIRMAN'S STATEMENT

Dear Shareholders

FY24 was another challenging year for our business due to an increased and sustained level of competitive intensity. Despite various challenges, the Group managed to achieve a 1.1% growth in turnover to \$257.2 million (a record) but profit from operations (EBIT) nudged down by 3.4% to \$9.9 million. Revenue growth was held back but efforts made by the team to navigate through this environment yielded an improvement in gross margin rates for the year. Although interest rates reached a plateau, rising operating costs continued to be a feature in the business environment during the year. Profit before tax declined by 3% to \$5.7 million. Please refer to the ensuing section on Business Review for a more detailed commentary on the year's performance.

In addition to financial performance, our team has always aimed to improve the Group's business presence and market positioning in the Group's chosen automotive market segments. This remains a key building block to long-term success for our business. In addition to maintaining a prominent presence in a number of overseas export markets, the Group has further strengthened its market leading position in South Korea and maintained its leadership positions in Australia, Malaysia and Singapore in its targeted business segments.

The Board has recommended a final dividend amounting to \$1.113 million, or \$0.01275 per share, for FY24. This final dividend, if approved by shareholders at the upcoming AGM, when aggregated with the interim dividend already paid during the year, will amount to total dividends of \$1.669 million, or \$0.01913 per share, for the year. This level of dividend represents a 50% increase over the previous year's level.

As mentioned in my previous Chairman's Statement in March 2024, Noel Anthony Meehan resigned from our Board in February 2024 following his retirement as CEO and Managing Director of Bapcor Limited (Bapcor). In November 2024, Margaret Anne Haseltine resigned from our Board following her decision not to seek re-election as a director at Bapcor's AGM in October 2024. Margaret was previously the Chair at Bapcor. At the same time that Margaret stepped down from our Board, Angus Robert McKay was appointed to the Board as Non-Executive Non-Independent Director. Angus is the Executive Chair and CEO of Bapcor. On behalf of the Board, I would like to welcome Angus onboard whilst at the same time express our appreciation to Noel and Margaret for their contributions as members of the Board during their respective tenures.

Sustainability continues to be a key area in our thinking. We can play a more meaningful part in keeping the environment sustainable but this requires our whole team to continue learning about what we do, how we do things and how our business impacts the environment. Our Group released its inaugural Task Force for Climate-Related Financial Disclosures (TCFD) Report in April 2024. We acknowledge that the learning journey will be a long one and will remain guided by evolving guidelines and frameworks.

Timothy Chen

Chairman

28 March 2025

BUSINESS REVIEW

Review of Performance

Group turnover increased by 1.1% to \$257.2 million.

The SGD continued to appreciate on a weighted average against the currencies of each of the Group's main overseas operations in South Korea (KRW), Australia (AUD) and Malaysia (MYR) during FY24. Group turnover would have increased by 2.8%, \$7.1 million in absolute terms, had the average exchange rates for the above currencies remained the same against the SGD as in FY23.

Group turnover increased by 2.2% in 1H24 and remained at approximately the same level in 2H24 in comparison with the corresponding periods in FY23. Customer demand remained resilient despite a sluggish economic environment globally, including many of the Group's main markets, weighed down by the effects of higher for longer interest rates for most of the year. Although inflationary pressures have softened somewhat since last year, such pressures have had an adverse impact on cost of living for consumers which in turn has led to more cautious spending.

Following on from the latter part of 2023, an increased and sustained level of competitive intensity ensued in many markets in 2024. Of the Group's main businesses, Australia and Malaysia faced the most pressure and the markets where the drop in gross margin rates was most keenly felt in 1H24. Efforts made to protect the Group's customer base in these markets in the face of continued competition continued to have a dampening effect on gross margins. Balancing against this, the Group responded by taking steps towards recalibrating its product and brand mix as well as aiming to get better margins from certain markets and customer segments where this is possible. A good part of the latter initiatives was directed at the Group's global export markets handled by the Singapore business. Although this had a negative impact on revenue,

these initiatives contributed to a 0.5 percentage point improvement in the gross margin rate for the Group in FY24.

Supply issues mentioned last year have not dissipated and have broadened this year to include longer shipping lead times caused by continuing geopolitical tensions.

Underlying market demand in Singapore and many overseas export markets remained resilient amidst a subdued global economic environment weighed down by elevated interest rate levels. The business in Singapore focused on attaining better margins despite a buildup in the level of competitive intensity in both the domestic as well as the global export markets. Although a notable increase in gross margin rates was achieved in 2H24 following a modest improvement in 1H24, revenue declined in 2H24 against the corresponding period last year by 6.4% or \$3.2 million after largely maintaining revenue in 1H24. This impacted the year's revenue leading to an overall decline by 3.1% for FY24.

Customer demand in South Korea remained firm in FY24 but the strength of the momentum experienced in FY23 was affected due to a weak economic backdrop for most of 2024 as the economy narrowly avoided a technical recession in Q3 following a contraction in Q2. Helped by a small uptick in Q4, revenue for the business increased by 13.2% in 2H24 over 2H23 in KRW terms. For the year, revenue increased by 13.1% in KRW terms but at a lower rate of 7.9% in SGD terms as the KRW weakened further against the SGD during the year.

The business in Australia held a steady course during the year within a tepid growth environment. The competitive intensity experienced in 2H23 carried

BUSINESS REVIEW

over to FY24. Although the general inflationary environment and tight labour market conditions have abated somewhat since last year, rental premises-related costs and wage expectations remain high. Revenue increased by 0.4% in AUD terms in 2H24 after an improvement of 0.1% in 1H24, resulting in growth for the year by 0.2% in AUD terms. As the AUD weakened further in 2024, revenue measured in SGD terms declined by 0.9% in FY24.

Following the Group's efforts in Malaysia last year in responding to higher competitive intensity, the Group continued with initiatives to consolidate its market presence in FY24. Although the level of competition remained firm, the Group continued to make progress, improving further by 2.6% in 1H24 and 0.2% in 2H24 in MYR terms over the corresponding periods in FY23. For the year, revenue increased by 1.4% in MYR terms but at a lower rate of 1.1% in SGD terms. The MYR regained some strength in the latter half of the year but remained weaker on a weighted average in comparison with the previous year.

Total margins for the Group increased by \$1.8 million for the year mainly due to the improvement in the gross margin rate as well as an increase in turnover. The gross margin rate remained steady in 1H24 but improved notably in 2H24.

Operating expenses increased by \$2.5 million for the year: \$1.4 million in 1H24 and \$1.1 million in 2H24. For the year, staff and logistics costs increased by \$1.7 million and \$0.5 million respectively. South Korea registered the biggest portion of the increase in each category, at \$1.4 million for staff costs and \$0.3 million for logistics, as the size of the team expanded and logistics activities increased in line with the increase in the level of business. Rental premises-related costs increased by \$0.3 million. Other operating costs in aggregate were well contained and registered a small decline. The increases measured in SGD terms would have been higher had the amount not been

moderated by the weakening of the AUD and KRW during the year. Had exchange rates in FY24 remained the same as in FY23, especially the AUD and KRW in terms of impact on the Group, the increases in staff and logistics costs would have been higher at \$2.4 million and \$1.0 million respectively.

Profit from operations before foreign exchange gain/loss (EBIT before FX) amounted to \$5.4 million in 1H24 and \$5.1 million in 2H24. For the year, EBIT before FX declined by 3% from \$10.8 million to \$10.5 million.

Foreign exchange loss amounted to \$0.53 million for the year; a loss of \$0.13 million in 1H24 and a loss of \$0.40 million in 2H24. The foreign exchange loss arose mainly from unrealised translation losses of intercompany receivable balances with overseas subsidiaries due to the appreciation of SGD as well as transactions from normal operational activities.

Profit from operations (EBIT) amounted to \$5.2 million in 1H24 and \$4.7 million in 2H24. For the year, EBIT declined by 3.4% from \$10.3 million to \$9.9 million.

Finance cost, excluding the portion relating to ROU, amounted to \$2.0 million in 1H24 and \$1.9 million in 2H24. Finance cost for the year decreased by \$0.1 million from \$4.0 million to \$3.9 million.

Profit before tax (PBT) declined by 3.0% for the year. PBT amounted to \$3.1 million for 1H24 and \$2.6 million for 2H24, totaling \$5.7 million for the year. The corresponding figures in FY23 were \$3.4 million for 1H23 and \$2.5 million for 2H23, totaling \$5.9 million.

Profit after tax (PAT) declined by 0.9% for the year. PAT amounted to \$2.4 million for 1H24 and \$1.9 million for 2H24, totaling \$4.3 million for the year. The corresponding figures in FY23 were \$2.3 million for 1H23 and \$2.0 million for 2H23, totaling \$4.3 million.

BUSINESS REVIEW

Commentary on FY25

The Group experienced varying degrees of competitive intensity in different markets from 2H23 and through much of 2024. Consumers faced cost-of-living issues discussed in the results commentary last year triggering a chain reaction in progressively keener prices along the supply/distribution chain. In addition, smaller competitors in the Group's markets became more inclined to destock in a higher-for-longer interest rate environment in 2024 after what was observed to be an inventory buildup in 2023. The Group is finding medium-term solutions and navigating through this environment by reviewing and recalibrating where necessary its product and brand mix whilst at the same time making greater efforts to increase its presence in export markets beyond ASEAN where the level of competitive intensity is more moderate.

The Group aims to further enhance its product and brand portfolio to widen and strengthen its reach to more customer segments by offering customers more product/brand choices and a wider range of price points. New and relaunched brands put in place in 2024 and planned for 2025 will progressively help the Group to regain some sales momentum.

Aside from retaking the competitive initiative, the Group continues to recognize the significance of slowing down the upward trend in operating costs whilst expanding its activities. To this extent, decisions made in the past 2 years to be more selective on the criteria to grow business capacity in situations where wage and landlord expectations were high have helped to flatten the upward trajectory. The Group continues to make every effort to restrain costs.

Moving forward, the renewed emphasis on enhancing product/brand choices with a wider range of price points will complement the Group's continuing efforts over the medium-term to grow its location network towards the 100-location milestone and beyond. The Group remains on track for another year of profitable growth.

NOTES FROM THE EXECUTIVES

We continue to face the same major factors we highlighted last year: competitive intensity, the inflationary environment and high interest rates.

The current broad consensus on interest rates, as we see it, is that levels have indeed reached a high point in FY24 and have started to decline. The decline, though, will likely play out to be a long gradual one, possibly over FY25 and FY26, rather than a sharp decline in FY25. Many have described this as a “higher for longer” interest rate environment. Lower interest rates will be earnings positive for the Group.

Though the general inflationary environment seen immediately after Covid has turned disinflationary in FY24, certain operating costs remain on stronger underlying growth trends than desired. A good part of the team’s efforts in FY25 will be to plot out a good path to navigate in an environment of rising wage and rental rate expectations.

We will continue to prioritise improving the Group’s business presence and market positioning in our chosen business segments as this is indeed a key building block to our Group’s long-term success, including the way we manage our competitive position. We will continue to pace ourselves and selectively build business capacity, including our location network, and continue to work closely with supply principals to build business presence.

There is still much work ahead of us. We are confident the Group’s strong team fabric and the individuals’ spirited efforts will help us navigate through the challenges.

David Chong
Managing Director

Kelvin Ong
Deputy Managing Director

BOARD OF DIRECTORS



TIMOTHY CHEN TECK LENG
Non-Executive Chairman
Independent Director



DAVID CHONG TEK YEW
Managing Director



ONG ENG CHIAN KELVIN
Deputy Managing Director



CHUA KWEE HUAY GENEVIEVE
Non-Executive
Independent Director



ANGUS ROBERT MCKAY
Non-Executive
Non-Independent Director

ADVISER



ONG HUAT YEW PETER

GROUP MANAGEMENT TEAM

DAVID CHONG TEK YEW

Managing Director

Mr Chong has been with the Group since 1998. He joined as Group General Manager/Executive Director and was appointed Deputy Managing Director in 2002. He was appointed Managing Director in February 2014. Prior to his appointment in Tye Soon Limited, he was Assistant Director, Corporate Finance at the investment banking arm of Standard Chartered Bank in Singapore. Earlier in his career, he was Manager at a public accounting firm based in London, United Kingdom. Mr Chong graduated from the University of Toronto in Canada and qualified as a Chartered Accountant in the United Kingdom.

ONG ENG CHIAN KELVIN

Deputy Managing Director

Mr Ong has been with the Group since 1999. He started as Marketing Executive before progressing to become Marketing Manager. He was appointed Executive Director in 2006 and became Deputy Managing Director in February 2014. Mr Ong graduated from Imperial College, London, United Kingdom. Mr Ong is the President of The Singapore Cycle and Motor Traders' Association.

NG YOKE YEE

Group Financial Controller

Ms Ng joined the Group on 1 December 2021. Prior to this appointment, she was the Deputy Director – Finance in a local polyclinic for 8 months. Earlier in her career, she held senior finance positions in two international marine transportation companies for a combined 13 years. Ms Ng graduated from the National University of Singapore and is a member of the Institute of Singapore Chartered Accountants.

ADVISER

ONG HUAT YEW PETER

Mr Ong has been with the Group since 1965. He was appointed as adviser to Management on 23 June 2020. Prior to this appointment, he was the President and an executive director of the Company. He was appointed Managing Director in 2002 and President in February 2014. Mr Ong was the President of The Singapore Cycle and Motor Traders' Association from 2014 to 2020.

FINANCIAL CONTENTS

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29	Notes to the Financial Statements

DIRECTORS' STATEMENT

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 December 2024.

In our opinion:

- (a) the financial statements set out on pages 23 to 84 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 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

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

David Chong Tek Yew
Ong Eng Chian Kelvin
Chen Timothy Teck Leng @ Chen Teck Leng
Chua Kwee Huay Genevieve
Angus Robert McKay (Appointed on 20 November 2024)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings registered in name of a director		Holdings in which director is deemed to have an interest	
	Holdings at beginning of the year	Holdings at end of the year	Holdings at beginning of the year	Holdings at end of the year
The Company				
Tye Soon Limited				
Ordinary shares fully paid				
David Chong Tek Yew	397,566	611,866	3,457,166	3,457,166
Ong Eng Chian Kelvin	795,908	854,608	–	–
Subsidiary				
TSC Enterprise (HK) Limited				
Ordinary shares fully paid				
David Chong Tek Yew	10,000	10,000	–	–

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

DIRECTORS' STATEMENT

Directors' interests (cont'd)

There were no changes in any of the abovementioned interests in the Company between the end of the financial year and 21 January 2025.

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.

Share options

During the financial year, there were:

- (i) no share options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and
- (ii) no shares issued by virtue of any exercise of share option to take up unissued shares of the Company or its subsidiaries under option.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options.

Audit and Risk Committee

The Members of the Audit and Risk Committee during the year and at the date of this statement are as follows:

Chua Kwee Huay Genevieve (Chairman)	Independent non-executive director	
Chen Timothy Teck Leng @ Chen Teck Leng	Independent non-executive director	
Noel Anthony Meehan	Non-independent non-executive director	(Resigned on 5 February 2024)
Angus Robert McKay	Non-independent non-executive director	(Appointed on 21 November 2024)

The Audit and Risk Committee performed the functions specified in Section 201B of the Act, the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual and the Code of Corporate Governance.

In performing its functions, the Audit and Risk Committee also reviewed the overall scope of the external and internal audits, and the assistance given by the Company's officers to the auditors. It met with the Company's external and internal auditors to discuss the scope of their work, results of their examinations and evaluation of the Company's internal accounting control system. The Audit and Risk Committee also considered the report from external auditors, including their findings on the significant risks and audit focus areas.

The consolidated financial statements of the Group and the statement of financial position of the Company were reviewed by the Audit and Risk Committee prior to their submission to the directors of the Company for adoption. The Audit and Risk Committee also reviewed interested person transactions (as defined in Chapter 9 of the SGX-ST Listing Manual).

The Audit and Risk Committee has full access to and co-operation by management for it to discharge its functions.

The external and internal auditors have unrestricted access to the Audit and Risk Committee. The Audit and Risk Committee has reviewed the level of audit and non-audit fees and is satisfied with the independence and objectivity of the external auditors.

DIRECTORS' STATEMENT

Directors' interests (cont'd)

The Audit and Risk Committee has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company and Singapore-incorporated subsidiaries, we have complied with Rules 712 and 715 of the SGX-ST Listing Manual.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

David Chong Tek Yew
Director

Ong Eng Chian Kelvin
Director

28 March 2025

INDEPENDENT AUDITORS' REPORT

Members of the Company
Tye Soon Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tye Soon Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 23 to 84.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position 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)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group 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 'Auditors' 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 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.

INDEPENDENT AUDITORS' REPORT

Valuation of inventories Refer to Note 3.6 and Note 10 to the financial statements	
<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>As at 31 December 2024, inventories constitute a significant portion of the Group's assets, representing 66% (2023: 66%) of the Group's total assets. The inventories are measured at the lower of cost and net realisable value. We focused on this area because of the magnitude of the inventories and the estimation of net realisable value of inventories involved a high level of management judgement. These estimates are also subjected to uncertainties as a result of evolving market demands.</p> <p>The valuation of inventories to their net realisable value is dependent on the age and condition of these inventories, prevailing market conditions in the automotive parts industry and expected market demand.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> ■ Obtained an understanding of management's risk assessment and estimation processes; ■ Tested the net realisable value of inventories, on a sampling basis, by comparing the cost of inventories to sales price subsequent to the financial year end; ■ Tested the ageing profile prepared by management on a sample basis to place reliance on the ageing profile for our procedures; and ■ Evaluated management's basis in identifying slow moving inventories and assessed the reasonableness of the provisioning percentage based on historical loss incurred on the inventories, expected future sales and other qualitative factors. <p>Our findings</p> <p>Based on the audit procedures performed, we consider management's judgement and estimates used in determining the valuation of inventories to be appropriate.</p>

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

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.

INDEPENDENT AUDITORS' REPORT

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)s, 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.

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

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

- 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 controls.
- Obtain an understanding of internal controls 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 controls.
- 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 auditors' 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 auditors' 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

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 controls 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 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 auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditors' report is Sarina Lee.

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore

28 March 2025

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets					
Plant and equipment	4	1,399	1,290	436	399
Right-of-use assets	5	6,452	7,846	626	1,283
Goodwill		85	91	-	-
Subsidiaries	6	-	-	23,181	21,691
Other investments	7	1,018	1,018	1,018	1,018
Deferred tax assets	8	1,615	1,831	-	-
Loan receivables	9	-	-	-	-
Non-current assets		10,569	12,076	25,261	24,391
Current tax assets		507	549	-	-
Inventories	10	125,230	118,857	38,819	40,698
Trade and other receivables	11	37,403	35,348	57,658	51,613
Cash and cash equivalents		14,728	13,211	3,100	3,897
Current assets		177,868	167,965	99,577	96,208
Total assets		188,437	180,041	124,838	120,599
Equity					
Share capital	12	38,057	38,057	38,057	38,057
Reserves	13	24,263	22,985	3,822	3,627
Equity attributable to owners of the Company		62,320	61,042	41,879	41,684
Non-controlling interests		738	649	-	-
Total equity		63,058	61,691	41,879	41,684
Liabilities					
Loans and borrowings	14	-	926	-	926
Lease liabilities	5	3,230	4,150	195	628
Employee benefits		133	110	-	-
Deferred tax liabilities	8	12	11	-	-
Non-current liabilities		3,375	5,197	195	1,554
Loans and borrowings	14	78,896	72,184	64,761	59,229
Lease liabilities	5	3,496	4,016	473	716
Trade and other payables	15	37,164	35,130	15,522	16,036
Contract liabilities	16	2,018	1,443	2,008	1,380
Current tax liabilities		430	380	-	-
Current liabilities		122,004	113,153	82,764	77,361
Total liabilities		125,379	118,350	82,959	78,915
Total equity and liabilities		188,437	180,041	124,838	120,599

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2024

	Note	2024 \$'000	2023 \$'000
Revenue	16	257,164	254,400
Other income		429	67
Changes in inventories of finished goods		9,149	6,098
Cost of purchases		(208,419)	(204,532)
Staff costs		(28,689)	(26,952)
Depreciation expenses		(4,844)	(4,656)
Other operating expenses		(14,845)	(14,128)
Finance costs	17	(4,249)	(4,427)
Profit before tax		5,696	5,870
Tax expense	18	(1,416)	(1,550)
Profit for the year	19	4,280	4,320
Profit attributable to:			
Owners of the Company		4,235	4,253
Non-controlling interests		45	67
Profit for the year		4,280	4,320
Earnings per share			
Basic and diluted earnings per share (cents)	20	4.85	4.87

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	2024 \$'000	2023 \$'000
Profit for the year	4,280	4,320
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit obligation of a subsidiary	–	(34)
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences of net assets/liabilities of foreign branch and subsidiaries	(1,615)	(1,860)
Other comprehensive income for the year, net of tax	(1,615)	(1,894)
Total comprehensive income for the year	2,665	2,426
Total comprehensive income attributable to:		
Owners of the Company	2,576	2,399
Non-controlling interests	89	27
Total comprehensive income for the year	2,665	2,426

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2024

	Attributable to owners of the Company					
	Share capital \$'000	Other capital reserves \$'000	Fair value reserve \$'000	Translation reserve \$'000	Retained earnings \$'000	Non-controlling interests \$'000
						Total equity \$'000
At 1 January 2023	38,057	3,501	(105)	(9,974)	28,277	59,756
Total comprehensive income for the year						60,378
Profit for the year	-	-	-	-	4,253	4,253
Other comprehensive income						67
Foreign currency translation differences of net assets/liabilities of foreign branch and subsidiaries	-	-	-	(1,820)	-	(1,820)
Remeasurement of defined benefit obligation of a subsidiary	-	-	-	-	(34)	(34)
Total other comprehensive income	-	-	-	(1,820)	(34)	(40)
Total comprehensive income for the year	-	-	-	(1,820)	4,219	2,399
Transactions with owners, recognised directly in equity						27
Dividend paid	-	-	-	-	(1,113)	(1,113)
At 31 December 2023	38,057	3,501	(105)	(11,794)	31,383	61,042
At 1 January 2024	38,057	3,501	(105)	(11,794)	31,383	61,042
Total comprehensive income for the year						61,691
Profit for the year	-	-	-	-	4,235	4,235
Other comprehensive income						45
Foreign currency translation differences of net assets/liabilities of foreign branch and subsidiaries	-	-	-	(1,659)	-	(1,659)
Total other comprehensive income	-	-	-	(1,659)	-	(1,615)
Total comprehensive income for the year	-	-	-	(1,659)	4,235	2,576
Transactions with owners, recognised directly in equity						89
Dividend paid	-	-	-	-	(1,298)	(1,298)
At 31 December 2024	38,057	3,501	(105)	(13,453)	34,320	62,320
						738
						63,058

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Profit before tax		5,696	5,870
Adjustments for:			
Depreciation of plant and equipment	4	392	377
Depreciation of right-of-use assets	5	4,452	4,279
Gain on disposal of plant and equipment	19	(6)	(5)
Net impairment losses on trade receivables	19	11	24
Write-down of inventories (net)	10	597	496
Interest income	19	(106)	(12)
Finance costs	17	4,249	4,427
Unrealised foreign exchange gain on bank loans		(22)	(71)
Gain on derecognition of right-of-use assets		-	(6)
		15,263	15,379
Changes in working capital			
Changes in inventories		(8,674)	(7,782)
Changes in trade and other receivables		(2,127)	(1,848)
Changes in trade and other payables		3,075	(4,114)
Changes in contract liabilities		103	(573)
Changes in bills payable and trust receipts		(3,541)	2,612
Interest paid for bills payable and trust receipts		(2,074)	(2,158)
Cash generated from operating activities		2,025	1,516
Tax paid		(1,188)	(2,117)
Net cash from/(used) in operating activities		837	(601)
Cash flows from investing activities			
Interest received		106	12
Proceeds from sale of plant and equipment		11	6
Acquisition of plant and equipment		(550)	(466)
Net cash used in investing activities		(433)	(448)
Cash flows from financing activities			
Payment of lease liabilities		(4,481)	(4,153)
Proceeds from borrowings		84,469	45,392
Repayment of borrowings		(74,788)	(41,520)
Interest paid for lease liabilities and bank loans		(2,226)	(1,698)
Dividend paid		(1,298)	(1,113)
Net cash from/(used) in financing activities		1,676	(3,092)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2024

	2024 \$'000	2023 \$'000
Net increase/(decrease) in cash and cash equivalents	2,080	(4,141)
Cash and cash equivalents at the beginning of the year	13,211	18,283
Effect of exchange rate changes on the balance of cash held in foreign currencies	(563)	(931)
Cash and cash equivalents at the end of the year	<u>14,728</u>	<u>13,211</u>

Non-cash transaction:

In 2024, the Group recognised right-of-use asset with an aggregate cost of \$3,479,000 (2023: \$3,367,000), of which \$3,479,000 (2023: \$3,356,000) was recognised as lease liabilities and \$nil (2023: \$11,000) pertains to provision for site restoration.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 28 March 2025.

1 Domicile and activities

Tye Soon Limited (the “Company”) is a company incorporated in Singapore. The address of the Company’s registered office and principal place of business is 9 Toh Guan Road East #02-01 Singapore 608604.

The financial statements of the Group as at and for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”). The Company also comprises of a branch office in Hong Kong (together referred to as the “Company”).

The Group is primarily involved in the import and export, and distribution of automotive parts.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). The changes to material accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise disclosed in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company’s functional currency. All financial information presented in Singapore dollars has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group’s risk management where appropriate. Revisions to accounting estimates are recognised prospectively.

There are no critical judgements in applying accounting policies that have significant effect on the amount recognised in the financial statements.

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

- Note 10 – Valuation of inventories
- Note 11 – Valuation of trade receivables

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

2 Basis of preparation (cont'd)

2.4 Use of estimates and judgements (cont'd)

Measurement of fair values

A number of the Group's accounting policies and disclosures requires the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has an overall responsibility for all significant fair value measurements, including Level 3 fair values, and reports directly to the Group Financial Controller.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level of input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 22.

2.5 Changes in material accounting policies

New standards and amendments

The Group has applied the following amendments to and interpretations of SFRS(I)s for the first time for the annual period beginning on 1 January 2024:

- Amendments to SFRS(I) 1-1 *Classification of Liabilities as Current or Non-current* and Amendments to SFRS(I) 1-1 *Non-current Liabilities with Covenants*
- Amendments to SFRS(I) 16 *Lease Liability in a Sale and Leaseback*
- Amendments to SFRS(I) 1-7 and SFRS(I) 7 *Supplier Finance Arrangements*

The application of these amendments to standards and interpretations does not have a material effect on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which addresses changes in material accounting policies.

3.1 Basis of consolidation

(i) *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interest ("NCI") in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(ii) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealised income or expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(iii) *Subsidiaries in the separate financial statements*

Investments in subsidiaries are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss presented within "other operating expenses". However, foreign currency differences arising from the translation of an equity investment designated as at fair value through other comprehensive income ("FVOCI") are recognised in other comprehensive income ("OCI").

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.2 Foreign currency (cont'd)

(ii) Foreign operations

The assets and liabilities of foreign operations are translated to Singapore dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost or FVOCI – equity investment.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Non-derivative financial assets (cont'd)

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(ii) *Classification and subsequent measurement (cont'd)*

Non-derivative financial assets (cont'd)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition. The Group had no financial assets held outside trading business models that failed the SPPI assessment.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(iii) *Derecognition*

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) *Cash and cash equivalents*

Cash and cash equivalents comprise cash and bank balances that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(v) *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

(vi) *Intra-group financial guarantees in the separate financial statements*

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.3 Financial instruments (cont'd)

(vi) *Intra-group financial guarantees in the separate financial statements (cont'd)*

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

Expected credit loss ("ECLs") are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

(vii) *Derivative financial instruments*

The Group holds derivative financial instruments to mitigate its foreign currency risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

3.4 Plant and equipment

(i) *Recognition and measurement*

Items of plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Any gain or loss on disposal of an item of plant and equipment is recognised in profit or loss.

(ii) *Subsequent costs*

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

(iii) *Depreciation*

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment, unless it is included in the carrying amount of another asset.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.4 Plant and equipment (cont'd)

(iii) Depreciation (cont'd)

The estimated useful lives for the current and comparative years are as follows:

Furniture, fittings and office equipment	4 to 10 years
Plant and machinery	5 to 8 years
Renovations	5 years (or lease term, if shorter)
Motor vehicles	5 to 10 years
Computers	5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.5 Leases

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

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Generally, the Group uses the lessee's incremental borrowing rate as the discount rate.

The Group determines the lessee's incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.5 Leases (cont'd)

As a lessee (cont'd)

Lease payments included in the measurement of the lease liability comprise one or more of the following:

- fixed payments, including in-substance fixed payments; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost under the effective interest method. It is remeasured when there is a change in future lease payments, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets and lease liabilities in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.6 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average cost formula and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

3.7 Impairment

(i) Non-derivative financial assets

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised costs; and
- intra-group financial guarantee contracts ("FGC").

The Group recognises loss allowances for ECLs on:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.7 Impairment (cont'd)

(i) Non-derivative financial assets (cont'd)

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments and FGCs. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The Company considers a FGC to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.7 Impairment (cont'd)

(i) *Non-derivative financial assets (cont'd)*

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Loss allowances for FGC are recognised as a financial liability to the extent that they exceed the initial carrying amount of the FGC less the cumulated income recognised.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to disposal. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.7 Impairment (cont'd)

(ii) Non-financial assets (cont'd)

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

3.8 Revenue

Goods sold

Revenue from the sale of goods in the ordinary course of business is recognised when the Group satisfies a performance obligation ("PO") by transferring control of a promised good to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods. The individual standalone selling price of a good that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the POs if it relates specifically to those POs.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue is recognised at a point in time following the timing of satisfaction of the PO.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.9 Finance costs

The Group's finance costs include interest expense.

Interest expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability.

In calculating interest expense, the effective interest rate is applied to amortised cost of the liability.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Interest expense for bills payable and trust receipts are primarily derived from revenue-producing activities. Therefore, the interest expense is classified as operating cash flows in statement of cash flows.

3.10 Income tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, measured using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if certain criteria are met.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

3 Material accounting policies (cont'd)

3.10 Income tax (cont'd)

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

3.11 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

3.12 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Executive Directors Committee ("EXCO") for the purpose of allocating resources to the respective segments and performance assessment.

Segment results that are reported to the EXCO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly tax assets and liabilities.

3.13 New standards and interpretations not adopted

The following new accounting standards and amendments to standards are not yet effective for annual periods beginning after 1 January 2024 and early adoption is permitted. The Group has not early adopted the new or amended accounting standards in preparing these financial statements:

- SFRS (I) 18 *Presentation and Disclosure in Financial Statements*
- Amendments to SFRS(I) 1-21: *Lack of Exchangeability*
- *Classification and Measurement of Financial Instruments* (Amendments to SFRS(I) 9 and SFRS(I) 7)
- *Annual Improvements to SFRS(I)s—Volume 11*

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4 Plant and equipment

	Furniture, fittings and office equipment \$'000	Plant and machinery \$'000	Renovations \$'000	Motor vehicles \$'000	Computers \$'000	Total \$'000
Group						
Cost						
At 1 January 2023	3,213	308	377	751	1,032	5,681
Additions	341	16	79	1	29	466
Disposals/Write-off	(110)	(12)	(3)	(43)	(238)	(406)
Effect of movements in exchange rates	(87)	(7)	(13)	(15)	(17)	(139)
At 31 December 2023	3,357	305	440	694	806	5,602
Additions	240	11	56	164	79	550
Disposals/Write-off	(53)	-	(15)	(74)	-	(142)
Effect of movements in exchange rates	(155)	(4)	(16)	11	(21)	(185)
At 31 December 2024	3,389	312	465	795	864	5,825
Accumulated depreciation						
At 1 January 2023	2,442	207	178	675	945	4,447
Depreciation	238	22	55	29	33	377
Disposals/Write-off	(109)	(12)	(3)	(43)	(238)	(405)
Effect of movements in exchange rates	(63)	(5)	(8)	(15)	(16)	(107)
At 31 December 2023	2,508	212	222	646	724	4,312
Depreciation	237	28	64	22	41	392
Disposals/Write-off	(50)	-	(13)	(74)	-	(137)
Effect of movements in exchange rates	(132)	9	(6)	10	(22)	(141)
At 31 December 2024	2,563	249	267	604	743	4,426
Carrying amounts						
At 1 January 2023	771	101	199	76	87	1,234
At 31 December 2023	849	93	218	48	82	1,290
At 31 December 2024	826	63	198	191	121	1,399

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

4 Plant and equipment (cont'd)

	Furniture, fittings and office equipment \$'000	Plant and machinery \$'000	Renovations \$'000	Motor vehicles \$'000	Computers \$'000	Total \$'000
Company						
Cost						
At 1 January 2023	331	51	98	314	386	1,180
Additions	96	-	-	-	7	103
Disposals	-	-	-	-	(233)	(233)
At 31 December 2023	427	51	98	314	160	1,050
Additions	-	-	-	121	40	161
Disposals	(3)	-	-	(60)	-	(63)
At 31 December 2024	424	51	98	375	200	1,148
Accumulated depreciation						
At 1 January 2023	188	12	15	242	317	774
Depreciation	40	4	19	24	23	110
Disposals	-	-	-	-	(233)	(233)
At 31 December 2023	228	16	34	266	107	651
Depreciation	40	12	20	20	29	121
Disposals	-	-	-	(60)	-	(60)
At 31 December 2024	268	28	54	226	136	712
Carrying amounts						
At 1 January 2023	143	39	83	72	69	406
At 31 December 2023	199	35	64	48	53	399
At 31 December 2024	156	23	44	149	64	436

5 Leases

Leases as lessee

The Group leases building, office equipment, plant and machinery and motor vehicles. The leases typically run for a period between 1 year to 6 years, with an option to renew the lease after that date. Lease payments are renegotiated based on current market rentals.

The Group leases some warehouses and motor vehicles with contract terms of 1 year or less. These leases are short-term and the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

5 Leases (cont'd)

Leases as lessee (cont'd)

Right-of-use assets

	Buildings \$'000	Office equipment \$'000	Plant and machinery \$'000	Motor vehicles \$'000	Total \$'000
Group					
Cost					
At 1 January 2023	16,455	33	660	3,166	20,314
Additions	2,405	47	112	803	3,367
Derecognition	(3,012)	(33)	(226)	(173)	(3,444)
Effect of movements in exchange rates	(383)	–	14	(97)	(466)
At 31 December 2023	15,465	47	560	3,699	19,771
Additions	2,726	–	119	634	3,479
Derecognition	(468)	–	(11)	(67)	(546)
Effect of movements in exchange rates	(950)	–	(43)	(266)	(1,259)
At 31 December 2024	16,773	47	625	4,000	21,445
Accumulated depreciation					
At 1 January 2023	9,366	29	382	1,403	11,180
Depreciation	3,412	6	117	744	4,279
Derecognition	(2,822)	(33)	(226)	(173)	(3,254)
Effect of movements in exchange rates	(235)	–	17	(62)	(280)
At 31 December 2023	9,721	2	290	1,912	11,925
Depreciation	3,462	9	129	852	4,452
Derecognition	(450)	–	(11)	(67)	(528)
Effect of movements in exchange rates	(678)	–	(33)	(145)	(856)
At 31 December 2024	12,055	11	375	2,552	14,993
Carrying amounts					
At 1 January 2023	7,089	4	278	1,763	9,134
At 31 December 2023	5,744	45	270	1,787	7,846
At 31 December 2024	4,718	36	250	1,448	6,452

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

5 Leases (cont'd)

Leases as lessee (cont'd)

Right-of-use assets (cont'd)

	Buildings \$'000	Office equipment \$'000	Plant and machinery \$'000	Motor vehicles \$'000	Total \$'000
Company					
Cost					
At 1 January 2023	4,397	33	340	67	4,837
Additions	6	47	87	–	140
Derecognition	(2,336)	(33)	(226)	–	(2,595)
At 31 December 2023	2,067	47	201	67	2,382
Additions	–	–	51	–	51
At 31 December 2024	2,067	47	252	67	2,433
Accumulated depreciation					
At 1 January 2023	2,645	29	228	47	2,949
Depreciation	659	6	67	13	745
Derecognition	(2,336)	(33)	(226)	–	(2,595)
At 31 December 2023	968	2	69	60	1,099
Depreciation	623	9	69	7	708
At 31 December 2024	1,591	11	138	67	1,807
Carrying amounts					
At 1 January 2023	1,752	4	112	20	1,888
At 31 December 2023	1,099	45	132	7	1,283
At 31 December 2024	476	36	114	–	626

Lease liabilities

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Non-current	3,230	4,150	195	628
Current	3,496	4,016	473	716
	6,726	8,166	668	1,344

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

5 Leases (cont'd)

Leases as lessee (cont'd)

Terms and debt repayment schedule

Terms and conditions of lease liabilities are as follows:

	Nominal interest rate %	Year of maturity	Face value \$'000	Carrying amount \$'000
Group				
31 December 2024				
Lease liabilities				
Singapore Dollar	2.55 – 5.84	2025 – 2028	683	668
Australian Dollar	4.32 – 8.40	2025 – 2029	2,931	2,691
Hong Kong Dollar	2.55 – 5.84	2025 – 2026	335	322
Malaysia Ringgit	6.00 – 6.60	2025 – 2027	441	417
Korean Won	4.00	2025 – 2029	2,745	2,628
			<u>7,135</u>	<u>6,726</u>
31 December 2023				
Lease liabilities				
Singapore Dollar	2.55 – 5.84	2024 – 2028	1,393	1,344
Australian Dollar	4.03 – 8.58	2024 – 2028	4,119	3,776
Hong Kong Dollar	2.55 – 5.84	2024 – 2025	157	154
Malaysia Ringgit	5.75 – 6.57	2024 – 2026	306	294
Korean Won	4.00	2024 – 2028	2,743	2,598
			<u>8,718</u>	<u>8,166</u>
Company				
31 December 2024				
Lease liabilities				
Singapore Dollar	2.55 – 5.84	2025 – 2028	<u>683</u>	<u>668</u>
31 December 2023				
Lease liabilities				
Singapore Dollar	2.55 – 5.84	2024 – 2028	<u>1,393</u>	<u>1,344</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

5 Leases (cont'd)

Leases as lessee (cont'd)

Amounts recognised in profit or loss

	Group	
	2024	2023
	\$'000	\$'000
Interest expense on lease liabilities	387	446
Expenses relating to short-term leases	1,212	1,004

Amounts recognised in statement of cash flows

	Group	
	2024	2023
	\$'000	\$'000
Total cash outflow for leases	6,080	5,603

Extension options

Some buildings leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group estimated that the potential future lease payments, should it exercise these options, would result in an increase in lease liability of \$1,400,000 (2023: \$2,400,000).

6 Subsidiaries

	Company	
	2024	2023
	\$'000	\$'000
Unquoted equity shares, at cost	2,571	2,571
Loans to subsidiaries	23,299	21,809
Subsidiaries	25,870	24,380
Less: Impairment loss	(2,689)	(2,689)
	23,181	21,691

The loans to subsidiaries are unsecured, interest-free and repayments are neither planned nor likely to occur in the foreseeable future. The Company has classified these loans as investment in subsidiaries as these loans are in substance the Company's investment in the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

6 Subsidiaries (cont'd)

Name of key subsidiaries	Principal activities	Principal place of business/ Country of incorporation	Ownership interest	
			2024 %	2023 %
⁽¹⁾ Filsound Enterprise Pte Ltd	Importing and exporting of automotive spare parts	Singapore	100	100
⁽³⁾ Naga Jaya Automotive Sdn. Bhd. and its subsidiaries	Importing and distribution of automotive spare parts	Malaysia	100	100
⁽¹⁾ Everts Pte. Ltd. and its subsidiaries	Investment holding	Singapore	100	100
⁽³⁾ Top Able Marketing Sdn. Bhd.	Trading in automotive spare parts	Malaysia	100	100
⁽³⁾ MSJ United Sdn. Bhd.	Trading in automotive spare parts	Malaysia	80	80
⁽⁴⁾ Sejong Parts Plus Limited Liability Company	Importing and distribution automotive spare parts	South Korea	100	100
⁽¹⁾ Joining Enterprise Pte. Ltd. and its subsidiary	Trading in automotive spare parts	Singapore	100	100
⁽³⁾ Multiple Parts Supply Sdn. Bhd.	Trading in automotive spare parts	Malaysia	100	100
⁽⁵⁾ TSC Enterprise (HK) Limited	Trading in automotive spare parts	Hong Kong	90	90
⁽¹⁾ Imparts Holdings Pte Ltd and its subsidiary	Investment holding	Singapore	100	100
⁽²⁾ Imparts Automotive Pty Ltd	Distribution of automotive spare parts	Australia	100	100

⁽¹⁾ Audited by KPMG LLP, Singapore.

⁽²⁾ Audited by Grant Thornton Audit Pty Ltd.

⁽³⁾ Audited by RSM Malaysia PLT.

⁽⁴⁾ Audited by Grant Thornton LLC.

⁽⁵⁾ Audited by Ting Ho Kwan & Chan

In addition, the Group has other subsidiaries incorporated in Malaysia, Thailand, Indonesia, Hong Kong/ China, United States of America, Australia and Japan with principal activities of importing, distributing and trading in automotive spare parts.

KPMG LLP is the auditor of all significant Singapore-incorporated subsidiaries. Significant-foreign incorporated subsidiaries are audited by Grant Thornton Audit Pty Ltd, Grant Thornton LLC and RSM Malaysia PLT.

A subsidiary is considered significant as defined under the Singapore Exchange Limited Listing Manual if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits.

There are no subsidiaries with material NCI to the Group.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

7 Other investments

	Group and Company	
	2024	2023
	\$'000	\$'000

Non-current investment

Equity investments – at FVOCI	1,018	1,018
-------------------------------	-------	-------

The investments are not listed in any stock exchange and there were no recent observable arm's length transactions in the shares. The fair value of unquoted equity investments is measured based on the fair value of the investee's assets and liabilities plus an adjustment for NCI. The measurement of fair value is disclosed in Note 22.

Equity investment designated as at FVOCI

The Group designated the investments shown below as equity investments at FVOCI because they represent investments that the Group intends to hold for the long-term strategic purposes.

	Fair value at 31 December		Dividend income recognised during	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Investments in:				
- Gold Choice Food Industries Sdn Bhd	815	815	-	-
- Lintrex (Australia) Pty Ltd	203	203	-	-
	1,018	1,018	-	-

No strategic investment was disposed during 2024 and 2023, and there were no transfers or any cumulative gain or loss within equity relating to these investments.

8 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Group				
Plant and equipment	-	-	(12)	(11)
Provisions	1,585	1,799	-	-
Tax loss carry-forward	30	32	-	-
Deferred tax assets/(liabilities)	1,615	1,831	(12)	(11)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

8 Deferred tax assets and liabilities (cont'd)

Movements in temporary differences during the year

Movements in deferred tax assets and liabilities of the Group (prior to offsetting of balances) during the year were as follows:

	As at 1 January 2023 \$'000	Recognised in profit or loss (Note 18) \$'000	Exchange differences \$'000	As at 31 December 2023 \$'000
Group				
Plant and equipment	(15)	3	1	(11)
Provisions	1,779	48	(28)	1,799
Employee benefits	140	(134)	(6)	–
Tax losses carry-forward	36	(3)	(1)	32
	1,940	(86)	(34)	1,820

	As at 1 January 2024 \$'000	Recognised in profit or loss (Note 18) \$'000	Exchange differences \$'000	As at 31 December 2024 \$'000
Group				
Plant and equipment	(11)	–	(1)	(12)
Provisions	1,799	(99)	(115)	1,585
Tax losses carry-forward	32	(3)	1	30
	1,820	(102)	(115)	1,603

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Tax losses	21,721	21,109	18,521	18,666

The tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which certain subsidiaries operate. The tax losses do not expire under the current tax regulations.

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available for which the Group and Company can utilise the benefits there from.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

9 Loan receivables

	Group and Company	
	2024 \$'000	2023 \$'000
Loan receivables	1,100	1,100
Impairment losses	(1,100)	(1,100)
	-	-

Loan receivables comprise:

- (a) a loan of \$91,000 (2023: \$91,000) made to a relative of one of the directors for his contribution towards the capital of Tye Soon (Xiamen) Co. Ltd., a company established in the People's Republic of China. The loan is secured on the shares in Tye Soon (Xiamen) Co. Ltd.; and
- (b) an unsecured loan of \$1,009,000 (2023: \$1,009,000) to Tye Soon (Xiamen) Co. Ltd. to provide working capital for its operations.

In 2003, the Group and Company has determined the loan receivables to be non-recoverable and recognised a full loss allowance on this balance.

10 Inventories

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Finished goods	112,081	109,100	34,847	36,668
Goods-in-transit	13,149	9,757	3,972	4,030
	125,230	118,857	38,819	40,698

The net realisable value represents management's best estimate of the recoverable amount which involves significant management judgement. In deriving the net realisable value, the management considers the age of these inventories, prevailing market conditions including technological and environmental trends in the automotive parts industry, historical inventory utilisation experience as part of its inventory obsolescence assessment process. The provision required could change significantly if business and market conditions deviate from management's expectations.

The Group's cost of inventories amounted to \$199,270,000 (2023: \$198,434,000) and was recognised as expense and included in cost of purchases and changes in inventories of finished goods.

Included in the Group's other operating expenses is allowance of slow-moving stock of \$728,000 (2023: \$753,000) offset by a reversal of \$131,000 (2023: \$257,000).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

11 Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables (net)	32,309	31,352	10,992	10,656
Trade amounts due from subsidiaries	–	–	14,171	12,077
Non-trade amounts due from subsidiaries	–	–	32,946	29,434
Less: Impairment losses	–	–	(1,582)	(1,582)
	–	–	31,364	27,852
Deposits	2,473	2,303	280	371
Other receivables and advances	1,324	863	389	382
Rebates and discounts receivable from suppliers	823	423	379	224
	36,929	34,941	57,575	51,562
Prepayments	474	407	83	51
	37,403	35,348	57,658	51,613

The non-trade amounts due from a subsidiary of \$8,015,000 (2023: \$8,538,000) bear interest of 3.3% (2023: 3.3%) per annum and is unsecured and repayable on demand. The remaining non-trade amounts due from subsidiaries are unsecured, interest free, and are repayable on demand.

The Group and the Company's exposure to credit and currency risks, and impairment losses for trade and other receivables are disclosed in Note 22.

12 Share capital

	Number of shares	
	2024	2023
	('000)	('000)
Company		
As at 1 January and 31 December	87,265	87,265

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets. All issued shares are fully paid.

Capital management

The policy of the Board of Directors is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as profit after tax divided by total shareholders' equity excluding NCI interests. The Board also monitors the level of dividends to ordinary shareholders.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

12 Share capital (cont'd)

Capital management (cont'd)

The Board of Directors seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Group monitors capital using a net debt ratio to adjusted equity ratio, which is "net debt" divided by "adjusted equity". For this purpose, net debt is defined as total liabilities (as shown in the statement of financial position) less cash and cash equivalent. Adjusted equity comprise all components of equity other than translation reserve.

There were no changes in the Group's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

13 Reserves

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Other capital reserves	3,501	3,501	-	-
Fair value reserve	(105)	(105)	(105)	(105)
Translation reserve	(13,453)	(11,794)	689	757
Retained earnings	34,320	31,383	3,238	2,975
	24,263	22,985	3,822	3,627

Other capital reserves

Other capital reserves comprise of gains on disposal of assets, net of negative goodwill arising on acquisition of subsidiaries under common control.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of equity instrument designated at FVOCI until the assets are derecognised or reclassified.

Translation reserve

Translation reserve comprises:

- (i) foreign exchange differences arising from the translation of the financial statements of foreign operations; and
- (ii) foreign exchange differences on translation of monetary items which form part of the Group's net investment in foreign operations.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

13 Reserves (cont'd)

Dividend

	Group and Company	
	2024	2023
	\$'000	\$'000
Paid by the Company to owners of the Company:		
Final tax exempt 2023 dividend of \$0.0085 per share (2023: Final tax exempt 2022 dividend of \$0.0085 per share)	742	742
Interim tax exempt 2024 dividend of \$0.00638 per share (2023: Interim tax exempt 2023 dividend of \$0.00425 per share)	556	371
	1,298	1,113

After the respective reporting dates, the following exempt (one-tier) dividends were proposed by the directors. These exempt (one-tier) dividends have not been provided for in the respective years.

	Group and Company	
	Final – Proposed	
	2024	2023
	\$'000	\$'000
\$0.01275 (2023: \$0.0085) per qualifying share	1,113	742

14 Loans and borrowings

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Non-current liabilities				
Term loans	–	926	–	926
Current liabilities				
Term loans	926	1,173	926	1,173
Unsecured bank loans	38,422	27,731	31,001	22,383
Bills payable and trust receipts	39,548	43,280	32,834	35,673
	78,896	72,184	64,761	59,229
	78,896	73,110	64,761	60,155

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

14 Loans and borrowings (cont'd)

Terms and debt repayment schedule

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

	Nominal interest rate %	Year of maturity	Face value \$'000	Carrying amount \$'000
Group				
31 December 2024				
Term loans				
Singapore dollar	2.00 – 2.50	2025	935	926
Unsecured bank loans				
Singapore dollar	4.48 – 4.93	2025	27,019	26,900
Australian dollar	5.53 – 6.50	2025	4,126	4,101
Malaysia Ringgit	5.22 – 5.46	2025	2,805	2,801
Korean Won	5.82 – 5.94	2025	4,633	4,620
			38,583	38,422
Bills payable and trust receipts				
Singapore dollar	4.08 – 4.98	2025	31,357	31,260
United States dollar	5.75	2025	795	791
Japanese Yen	1.30 – 1.67	2025	785	783
Hong Kong dollar	6.32	2025	56	56
Australian dollar	6.36 – 6.38	2025	3,724	3,698
Malaysia Ringgit	5.27 – 5.60	2025	2,979	2,960
			39,696	39,548
			79,214	78,896
31 December 2023				
Term loans				
Singapore dollar	2.00 – 2.50	2024 – 2025	2,141	2,099
Unsecured bank loans				
Singapore dollar	5.00 – 5.75	2024	12,746	12,700
Australian dollar	5.95 – 6.29	2024	9,035	9,008
Hong Kong dollar	7.35	2024	678	675
Malaysia Ringgit	5.53 – 5.55	2024	2,305	2,298
Korean Won	6.33 – 6.34	2024	3,166	3,050
			27,930	27,731
Bills payable and trust receipts				
Singapore dollar	5.15 – 5.97	2024	27,748	27,609
United States dollar	6.75 – 7.36	2024	6,253	6,238
Japanese Yen	1.15 – 1.70	2024	1,674	1,672
Euro	5.40	2024	155	154
Australian dollar	4.96 – 5.26	2024	5,360	5,338
Malaysia Ringgit	5.48 – 5.49	2024	2,283	2,269
			43,473	43,280
			73,544	73,110

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

14 Loans and borrowings (cont'd)

Terms and debt repayment schedule (cont'd)

	Nominal interest rate %	Year of maturity	Face value \$'000	Carrying amount \$'000
Company				
31 December 2024				
Term loans				
Singapore dollar	2.00 – 2.50	2025	935	926
Unsecured bank loans				
Singapore dollar	4.48 – 4.93	2025	27,019	26,900
Australian dollar	5.53 – 6.50	2025	4,126	4,101
			31,145	31,001
Bills payable and trust receipts				
Singapore dollar	4.08 – 4.98	2025	31,357	31,260
United States dollar	5.75	2025	795	791
Japanese Yen	1.30 – 1.67	2025	785	783
			32,937	32,834
			65,017	64,761
31 December 2023				
Term loans				
Singapore dollar	2.00 – 2.50	2024 – 2025	2,141	2,099
Unsecured bank loans				
Singapore dollar	5.00 – 5.75	2024	12,746	12,700
Australian dollar	5.95 – 6.29	2024	9,035	9,008
Hong Kong dollar	7.35	2024	678	675
			22,459	22,383
Bills payable and trust receipts				
Singapore dollar	5.15 – 5.97	2024	27,748	27,609
United States dollar	6.75 – 7.36	2024	6,253	6,238
Japanese Yen	1.15 – 1.70	2024	1,674	1,672
Euro	5.40	2024	155	154
			35,830	35,673
			60,430	60,155

Intra-group financial guarantees

Intra-group financial guarantees comprise guarantees granted by the Company to banks in respect of banking facilities amounting to \$26,587,000 (2023: \$21,829,000) for its wholly-owned subsidiaries. The Company does not consider it probable that a claim will be made against the amounts under guarantee.

Information about the Group's and the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 22.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

14 Loans and borrowings (cont'd)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Liabilities				Total \$'000
	Lease liabilities \$'000	Unsecured bank loans \$'000	Term loans \$'000	Interest payable \$'000	
Balance at 1 January 2023	9,347	23,019	3,247	218	35,831
Changes from financing cash flows					
Payment of lease liabilities	(4,153)	-	-	-	(4,153)
Repayment of borrowings	-	(40,372)	(1,148)	-	(41,520)
Proceeds from borrowings	-	45,392	-	-	45,392
Interest paid for lease liabilities and unsecured bank loans	-	-	-	(1,698)	(1,698)
Total changes from financing cash flows	(4,153)	5,020	(1,148)	(1,698)	(1,979)
The effect of changes in foreign exchange rates	(634)	(308)	-	(9)	(951)
Other changes					
Interest payable for bills payable and trust receipts	-	-	-	(2,158)	(2,158)
New leases	3,356	-	-	-	3,356
Interest expenses	446	-	-	3,981	4,427
Derecognition of lease liability	(196)	-	-	-	(196)
Total other changes	3,606	-	-	1,823	5,429
Balance at 31 December 2023	8,166	27,731	2,099	334	38,330
Balance at 1 January 2024	8,166	27,731	2,099	334	38,330
Changes from financing cash flows					
Payment of lease liabilities	(4,481)	-	-	-	(4,481)
Repayment of borrowings	-	(73,615)	(1,173)	-	(74,788)
Proceeds from borrowings	-	84,469	-	-	84,469
Interest paid for lease liabilities and unsecured bank loans	(387)	(1,805)	(34)	-	(2,226)
Total changes from financing cash flows	(4,868)	9,049	(1,207)	-	2,974
The effect of changes in foreign exchange rates	(420)	(197)	-	19	(598)
Other changes					
Interest payable for bills payable and trust receipts	-	-	-	(2,074)	(2,074)
New leases	3,479	-	-	-	3,479
Interest expenses	387	1,839	34	1,989	4,249
Derecognition of lease liability	(18)	-	-	-	(18)
Total other changes	3,848	1,839	34	(85)	5,636
Balance at 31 December 2024	6,726	38,422	926	268	46,342

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

15 Trade and other payables

	Note	Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade payables		30,267	27,852	12,551	13,094
Accrued expenses		5,714	5,914	1,399	1,584
Other payables		455	701	282	570
Forward exchange contracts		165	32	165	32
Interest payable		268	334	247	265
Provision for site restoration	(a)	218	223	96	97
Amount due to a director of a subsidiary, non-trade	(b)	77	74	-	-
Amount due to a subsidiary, trade		-	-	782	394
		37,164	35,130	15,522	16,036

(a) A provision is recognised for the costs to be incurred for the restoration of the leased buildings to the condition required by the terms and conditions of the lease.

(b) Amount due to a director of a subsidiary is unsecured, interest-free and is repayable on demand.

The Group and the Company's exposures to currency risks and liquidity risk related to trade and other payables are disclosed in Note 22.

16 Revenue

	Group	
	2024 \$'000	2023 \$'000
Sales of goods	257,164	254,400

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Nature of goods or services	The Group generates revenue from import and export, and distribution of automotive parts.
When revenue is recognised	Revenue is recognised when customers obtain control of the goods and all criteria for acceptance has been accepted by the customer.
Significant payment terms	For cash sales, payment is collected when goods are delivered to the customers. For credit sales, the payment terms range from 1 day to 120 days from invoice date.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

16 Revenue (cont'd)

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets (see Note 23).

	2024 \$'000	2023 \$'000
Primary geographical markets		
Singapore	22,640	25,446
Malaysia	55,219	54,906
Australia	41,603	41,975
Thailand	14,940	15,814
South Korea	78,753	73,010
Others	44,009	43,249
	<u>257,164</u>	<u>254,400</u>

Contract balances

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

		Group		Company	
	Note	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Trade receivables	11	32,309	31,352	25,163	22,733
Contract liabilities		(2,018)	(1,443)	(2,008)	(1,380)

The contract liabilities primarily relate to advance consideration received from customers for sale of goods.

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

		Group		Company	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Revenue recognised that was included in the contract liability balances at the beginning of the year		1,225	1,749	1,172	1,705
Increases due to cash received, excluding amounts recognised as revenue during the year		(1,800)	(1,177)	(1,800)	(1,124)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

17 Finance costs

	Group	
	2024	2023
	\$'000	\$'000
Financial liabilities measured at amortised cost – interest expense:		
- term loans	34	59
- bank loans	1,839	1,652
- bills payable and trust receipts	1,989	2,270
- lease liabilities	387	446
	4,249	4,427

18 Tax expense

	Group	
	2024	2023
	\$'000	\$'000
Current tax		
Current year	1,292	1,411
Changes in estimates related to prior years	(6)	25
Withholding tax	28	28
	1,314	1,464
Deferred tax		
Origination and reversal of temporary differences	157	(13)
Changes in estimates related to prior years	(55)	99
	102	86
Tax expense	1,416	1,550
Reconciliation of effective tax rate		
Profit before tax	5,696	5,870
Tax using the Singapore tax rate of 17% (2023: 17%)	968	998
Effect of tax rates in foreign jurisdictions	424	521
Withholding tax	28	28
Non-deductible expenses	153	137
Tax incentives/exempt income	(200)	(304)
Changes in estimates related to prior years	(61)	124
Current year losses for which no deferred tax asset was recognised	104	46
	1,416	1,550

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

19 Profit for the year

The following items have been included in arriving at profit for the year:

	Note	Group	
		2024	2023
		\$'000	\$'000
Included in staff costs:			
- contributions to defined contribution plans		2,358	2,089
Depreciation of plant and equipment	4	392	377
Depreciation of right-of-use assets	5	4,452	4,279
Included in other operating expenses:			
Audit fees paid to:			
- auditors of the Company and other firms affiliated with KPMG International Limited		225	227
- other auditors		229	220
Non-audit fees paid to:			
- auditors of the Company and other firms affiliated with KPMG International Limited #		10	10
- other auditors		136	111
Sales commission expenses		1,711	1,787
Transportation expenses		4,605	4,067
Utilities expenses		1,830	1,831
Net impairment losses on trade receivables		11	24
Directors' fees		221	271
Allowance for slow-moving stock (net)		597	496
Included in other income:			
Government grants		(18)	(21)
Interest income		(106)	(12)
Gain on disposal of plant and equipment		(6)	(5)

Non-audit fees paid to auditors of the Company, KPMG LLP include audit-related services of \$10,000 (2023: \$10,000).

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

20 Earnings per share

Basic earnings per share

The calculation of basic earnings per share has been based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding.

Profit attributable to ordinary shareholders

	2024 \$'000	2023 \$'000
Profit for the year attributable to ordinary shareholders	4,235	4,253

Weighted-average number of ordinary shares

	2024 Number of shares (‘000)	2023 Number of shares (‘000)
Weighted-average number of ordinary shares at 1 January and 31 December	87,265	87,265

The basic and diluted profit per share are the same for 2024 and 2023 as there were no dilutive instruments in issue as at 31 December 2024 and 31 December 2023.

21 Related parties

Transactions with key management personnel

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The directors, advisers and senior managers of the Company are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Group	
	2024 \$'000	2023 \$'000
Directors' fees	221	271
Short-term employee benefits	1,195	1,142
Post-employment benefits (including contributions to Central Provident Fund)	50	52
	1,466	1,465

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

21 Related parties (cont'd)

Other related party transactions

During the year, other than those as disclosed elsewhere in the financial statements, the following related party transactions are carried out on terms agreed between the parties:

	Group	
	2024 \$'000	2023 \$'000
Related party [#]		
- Sales	167	216

[#] A shareholder company of the Group

22 Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Group has in place an Enterprise Risk Management ("ERM") framework, which governs the risk management process in the Group. The ERM framework enables the identification, prioritisation, assessment, management and monitoring of key risks to the Group's business. Risk management policies and systems are reviewed by the Audit and Risk Committee regularly and reported to the Board of Directors twice a year. Management is responsible for implementing the risk management process as well as a Group-wide system of internal controls.

The Board of Directors reviews the adequacy and effectiveness of the ERM framework against recommended practices in risk management and vis-a-vis the external and internal environment where the Group operates in. The Audit and Risk Committee, assisted by internal audit, reviews the adequacy and effectiveness of internal control measures identified from the ERM framework. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Credit risk

Credit risk is the risk of financial loss to the Group or the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's or Company's receivables from customers and the Company's non-trade amount due from subsidiaries.

The carrying amount of financial assets in the statements of financial position represent the Group and the Company's maximum exposure to credit risk, before taking into account any collateral held. The Group and the Company do not require any collateral in respect of their financial assets.

Impairment losses on financial assets recognised in profit or loss were as follows:

	2024 \$'000	2023 \$'000
Impairment loss on trade receivables	11	24

Risk management policy

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has a credit policy in place which establishes credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed on all customers before the Group's standard payment and delivery terms and conditions are offered. The credit quality of a customer is assessed after taking into account its financial position and past experience with the customer. Customers failing to meet the Group's benchmark creditworthiness may transact with the Group only on a cash basis.

The Group limits its exposure to credit risk from trade receivables by establishing maximum payment periods of 1 day to 120 days for individuals and corporate customers. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or legal entity, trading history with the Group, aging profile and existence of previous financial difficulties.

Concentration of credit risk relating to trade receivables is limited due to the Group's many varied customers. These customers are internationally dispersed, engage in distribution of wide spectrum of automotive parts and sell in a variety of territories. The Group does not require collateral in respect of trade receivables. The Group does not have trade receivables and contract assets for which no loss allowance is recognised because of collaterals.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Risk management framework

Exposure to credit risk

A summary of the Group's and the Company's exposures to credit risk for third party trade receivables were as follows:

	2024		2023	
	Not credit- impaired \$'000	Credit- impaired \$'000	Not credit- impaired \$'000	Credit- impaired \$'000
Group				
Current (not past due)	23,125	–	20,570	–
Past due 1 – 30 days	6,189	–	6,161	–
Past due 31 – 120 days	2,631	3	4,497	33
Past due more than 120 days	493	5,108	247	5,062
Total gross carrying amount	32,438	5,111	31,475	5,095
Loss allowance	(129)	(5,111)	(123)	(5,095)
	32,309	–	31,352	–
Current (not past due)	5,439	–	3,651	–
Past due 1 – 30 days	3,621	–	3,230	–
Past due 31 – 120 days	1,932	–	3,775	–
Past due more than 120 days	–	4,625	–	4,503
Total gross carrying amount	10,992	4,625	10,656	4,503
Loss allowance	–	(4,625)	–	(4,503)
	10,992	–	10,656	–

Expected credit loss assessment for third party trade receivables

The Group identified trade receivables that are credit-impaired to be those where default event(s) has occurred. For such receivables, the Group assessed specifically the probability of recovery to the trade receivables and recognised the difference as impairment loss.

The Group uses an allowance matrix to measure the ECLs for the remaining trade receivables which comprises a large customer base with small balances and which are not credit impaired. The loss rates applied to the allowance matrix are calculated based on historical credit loss experience in the past 5 years for current conditions and the Group's view of economic conditions over the expected lives of the receivables only if these factors have a significant impact to the credit loss.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Expected credit loss assessment for third party trade receivables

The following tables provide information about the exposure to credit risk and ECLs for third party trade receivables.

	Weighted average loss rate %	Gross carrying amount \$'000	Impairment loss allowance \$'000
Group			
31 December 2024			
Current (not past due)	0.19	23,125	(44)
Past due 1 – 30 days	0.06	6,189	(4)
Past due 31 – 120 days	1.08	2,634	(28)
Past due more than 120 days	92.20	5,601	(5,164)
		<u>37,549</u>	<u>(5,240)</u>
31 December 2023			
Current (not past due)	0.24	20,570	(49)
Past due 1 – 30 days	0.06	6,161	(3)
Past due 31 – 120 days	1.61	4,530	(73)
Past due more than 120 days	95.93	5,309	(5,093)
		<u>36,570</u>	<u>(5,218)</u>
Company			
31 December 2024			
Current (not past due)	0.00	5,439	–
Past due 1 – 30 days	0.00	3,621	–
Past due 31 – 120 days	0.00	1,932	–
Past due more than 120 days	100.00	4,625	(4,625)
		<u>15,617</u>	<u>(4,625)</u>
31 December 2023			
Current (not past due)	0.00	3,651	–
Past due 1 – 30 days	0.00	3,230	–
Past due 31 – 120 days	0.00	3,775	–
Past due more than 120 days	100.00	4,503	(4,503)
		<u>15,159</u>	<u>(4,503)</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Movements in allowance for impairment in respect of third party trade receivables

The movement in the allowance for impairment losses in respect of third party trade receivables during the year was as follows:

	Group		Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January	5,218	5,946	4,503	5,172
Impairment loss recognised	11	24	–	–
Amount written off	(102)	(658)	–	(601)
Effect of movements in exchange rates	113	(94)	122	(68)
Balance at 31 December	5,240	5,218	4,625	4,503

Trade amounts due from subsidiaries

There is no allowance for doubtful debts arising from these outstanding balances. The Company uses an allowance matrix to measure the ECLs for trade amounts due from subsidiaries. The loss rates applied to the allowance matrix are calculated based on historical credit loss experience in the past 5 years for current conditions and the Group's view of economic conditions over the expected lives of the receivables only if these factors have a significant impact to the credit loss.

Non-trade amounts due from subsidiaries

The Company held non-trade amounts due from its subsidiaries which were extended to subsidiaries to meet their funding requirements. The loss allowance was measured at an amount equal to 12-month ECLs unless the credit risk has increased significantly and for such receivables, the loss allowance was measured at an amount equal to lifetime expected credit losses. The Company assessed specifically the probability of recovery to these balances and recognised the difference as impairment loss.

The movement in the allowance for impairment losses in respect of non-trade amounts due from subsidiaries during the year were as follows:

	Lifetime ECL- credit impaired \$'000
Company	
As at 1 January 2023	1,678
Reversal of impairment loss	(96)
As at 31 December 2023	1,582
As at 1 January 2024 and 31 December 2024	1,582

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Deposits and other receivables

Impairment on these balances have been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant.

Guarantees

The Company's policy is to provide financial guarantees only to wholly-owned subsidiaries. As at 31 December 2024 and 31 December 2023, the Company has issued a guarantee to certain banks in respect of credit facilities granted to subsidiaries (see Note 14). These guarantees are subject to impairment assessment under SFRS(I)9. The Company has assessed that the subsidiaries have the financial capacity to meet the contractual cash flow obligations in the near future and hence, does not expect significant credit losses from these guarantees. The Company's assessment is based on qualitative and quantitative factors that are indicative of the risk of default (including but not limited to audited financial statements and management accounts).

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of \$14,728,000 and \$3,100,000 respectively at 31 December 2024 (2023: \$13,211,000 and \$3,897,000 respectively). The cash and cash equivalents are held with bank and financial institution counterparties, which are rated Aa1 to Baa3 (2023: Aa1 to Baa3) based on Moody's ratings

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

Liquidity risk

Risk management policy

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. The Group actively engages with various financial institutions to secure sufficient fundings to meet working capital needs and manage the timing differences between receipts of receivables and payments to suppliers. Such arrangements include the use of trade facilities disclosed in Note 14 which is integral to the Group's working capital and liquidity management. Typically, the Group ensures that it has sufficient cash on demand or other trade facilities in place to meet expenditures, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, which may have a material impact on the Group's ability to secure future fundings.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Liquidity risk (cont'd)

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments:

			Cash flows				
	Note	Carrying amount \$'000	Contractual cash flows \$'000	6 months or less \$'000	6 - 12 months \$'000	1 - 2 years \$'000	2 - 5 years \$'000
Group							
2024							
Non-derivative financial liabilities							
Term loans	14	926	(935)	(603)	(332)	-	-
Unsecured bank loans	14	38,422	(38,583)	(38,583)	-	-	-
Bills payable and trust receipts	14	39,548	(39,696)	(39,696)	-	-	-
Lease liabilities	5	6,726	(7,135)	(2,215)	(1,528)	(2,200)	(1,192)
Trade and other payables*	15	36,781	(36,781)	(36,781)	-	-	-
		122,403	(123,130)	(117,878)	(1,860)	(2,200)	(1,192)
Derivative financial liabilities							
Forward exchange contracts (net-settled)	15	165	(165)	(165)	-	-	-
		122,568	(123,295)	(118,043)	(1,860)	(2,200)	(1,192)
2023							
Non-derivative financial liabilities							
Term loans	14	2,099	(2,141)	(603)	(603)	(935)	-
Unsecured bank loans	14	27,731	(27,930)	(27,909)	(21)	-	-
Bills payable and trust receipts	14	43,280	(43,473)	(43,473)	-	-	-
Lease liabilities	5	8,166	(8,718)	(2,285)	(2,053)	(2,564)	(1,816)
Trade and other payables*	15	34,875	(34,875)	(34,875)	-	-	-
		116,151	(117,137)	(109,145)	(2,677)	(3,499)	(1,816)
Derivative financial liabilities							
Forward exchange contracts (net-settled)	15	32	(32)	(32)	-	-	-
		116,183	(117,169)	(109,177)	(2,677)	(3,499)	(1,816)

* Excludes provision for site restoration and forward exchange contracts.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Liquidity risk (cont'd)

Exposure to liquidity risk (cont'd)

			Cash flows				
	Note	Carrying amount \$'000	Contractual cash flows \$'000	6 months or less \$'000	6 - 12 months \$'000	1 - 2 years \$'000	2 - 5 years \$'000
Company							
2024							
Non-derivative financial liabilities							
Term loans	14	926	(935)	(603)	(332)	-	-
Unsecured bank loans	14	31,001	(31,145)	(31,145)	-	-	-
Bills payable and trust receipts	14	32,834	(32,937)	(32,937)	-	-	-
Lease liabilities	5	668	(683)	(385)	(98)	(150)	(50)
Trade and other payables*	15	15,261	(15,261)	(15,261)	-	-	-
Recognised financial liabilities		80,690	(80,961)	(80,331)	(430)	(150)	(50)
Intragroup financial guarantees (unrecognised)		-	(26,587)	(26,587)	-	-	-
		80,690	(107,548)	(106,918)	(430)	(150)	(50)
Derivative financial liabilities							
Forward exchange contracts (net-settled)	15	165	(165)	(165)	-	-	-
		80,855	(107,713)	(107,083)	(430)	(150)	(50)
2023							
Non-derivative financial liabilities							
Term loans	14	2,099	(2,141)	(603)	(603)	(935)	-
Unsecured bank loans	14	22,383	(22,459)	(22,459)	-	-	-
Bills payable and trust receipts	14	35,673	(35,830)	(35,830)	-	-	-
Lease liabilities	5	1,344	(1,393)	(372)	(377)	(458)	(186)
Trade and other payables*	15	15,907	(15,907)	(15,907)	-	-	-
Recognised financial liabilities		77,406	(77,730)	(75,171)	(980)	(1,393)	(186)
Intragroup financial guarantees (unrecognised)		-	(21,829)	(21,829)	-	-	-
		77,406	(99,559)	(97,000)	(980)	(1,393)	(186)
Derivative financial liabilities							
Forward exchange contracts (net-settled)	15	32	(32)	(32)	-	-	-
		77,438	(99,591)	(97,032)	(980)	(1,393)	(186)

* Excludes provision for site restoration and forward exchange contracts.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22. Financial risk management (cont'd)

Liquidity risk (cont'd)

Exposure to liquidity risk (cont'd)

The maturity analyses show the contractual undiscounted cash flows of the Group and the Company's financial liabilities on the basis of their earliest possible contractual maturity.

Except for the cash flow arising from the intra-group financial guarantee, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Risk management policy

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Euro, United States Dollar, Hong Kong Dollar, Japanese Yen, Australian Dollar, Malaysia Ringgit, Thai Baht, and Korean Won.

In respect of monetary assets and liabilities denominated in foreign currencies, the Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Group also enters into forward exchange contracts to mitigate its foreign currency risk exposures.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Market risk (cont'd)

Currency risk (cont'd)

Exposure to currency risk

The Group's and Company's exposures to significant foreign currencies are as follows:

	Euro \$'000	United States Dollar \$'000	Hong Kong Dollar \$'000	Japanese Yen \$'000	Australian Dollar \$'000	Malaysia Ringgit \$'000	Thai Baht \$'000	Korean Won \$'000
Group								
2024								
Trade and other receivables	282	2,170	-	1,963	-	-	-	-
Amounts due from subsidiaries *	-	2,035	4,241	121	11,226	19,808	1,172	2,339
Cash in hand and at bank	379	329	-	143	2	231	6	-
Equity investment at FVOCI	-	-	-	-	203	815	-	-
Unsecured bank loans	-	-	-	-	(4,101)	-	-	-
Bills payable and trust receipts	-	(791)	-	(783)	-	-	-	-
Trade and other payables	(6,035)	(2,407)	-	(3,598)	-	(21)	-	-
Forward exchange contracts	5,029	(2,045)	(4,380)	1,479	(5,868)	(18,998)	(1,112)	(3,973)
	(345)	(709)	(139)	(675)	1,462	1,835	66	(1,634)
2023								
Trade and other receivables	802	1,130	-	1,936	-	-	-	-
Amounts due from subsidiaries *	-	1,973	4,242	33	12,713	14,630	1,080	1,544
Cash in hand and at bank	86	869	-	978	6	8	1	-
Equity investment at FVOCI	-	-	-	-	203	815	-	-
Unsecured bank loans	-	-	(674)	-	(9,007)	-	-	-
Bills payable and trust receipts	(154)	(6,238)	-	(1,672)	-	-	-	-
Trade and other payables	(5,941)	(818)	-	(3,082)	-	-	(309)	-
Forward exchange contracts	3,829	(87)	-	1,247	(2,946)	(12,981)	(1,079)	-
	(1,378)	(3,171)	3,568	(560)	969	2,472	(307)	1,544

* Excluding amounts owing by subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Market risk (cont'd)

Currency risk (cont'd)

Exposure to currency risk (cont'd)

	Euro \$'000	United States Dollar \$'000	Hong Kong Dollar \$'000	Japanese Yen \$'000	Australian Dollar \$'000	Malaysia Ringgit \$'000	Thai Baht \$'000	Korean Won \$'000
Company								
2024								
Trade and other receivables	404	2,170	-	1,963	-	-	-	-
Amounts due from subsidiaries*	-	2,035	4,241	121	11,226	19,808	1,172	2,339
Cash in hand and at bank	379	329	-	143	2	231	6	-
Equity investment at FVOCI	-	-	-	-	203	815	-	-
Unsecured bank loans	-	-	-	-	(4,101)	-	-	-
Bills payable and trust receipts	-	(791)	-	(783)	-	-	-	-
Trade and other payables	(5,691)	(2,173)	-	(3,598)	-	(21)	-	-
Forward exchange contracts	5,029	(2,045)	(4,380)	1,479	(5,868)	(18,998)	(1,112)	(3,973)
	121	(475)	(139)	(675)	1,462	1,835	66	(1,634)
2023								
Trade and other receivables	380	1,130	-	1,936	-	-	-	-
Amounts due from subsidiaries*	-	1,973	4,242	33	12,713	14,630	1,080	1,544
Cash in hand and at bank	86	869	-	978	6	8	1	-
Equity investment at FVOCI	-	-	-	-	203	815	-	-
Unsecured bank loans	-	-	(674)	-	(9,007)	-	-	-
Bills payable and trust receipts	(154)	(6,238)	-	(1,672)	-	-	-	-
Trade and other payables	(5,782)	(514)	-	(3,082)	-	-	(309)	-
Forward exchange contracts	3,829	(87)	-	1,247	(2,946)	(12,981)	(1,079)	-
	(1,641)	(2,867)	3,568	(560)	969	2,472	(307)	1,544

* Excluding amounts owing by subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Market risk (cont'd)

Currency risk (cont'd)

Sensitivity analysis

A strengthening of the Singapore dollar against the following currencies at 31 December would have increased/(decreased) profit or loss before tax and equity by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting year. The analysis assumes that all other variables, in particular interest rates, remain constant.

		Group		Company	
		Profit or loss \$'000	Equity \$'000	Profit or loss \$'000	Equity \$'000
2024					
Euro	10%	34	–	(12)	–
United States Dollar	10%	71	–	48	–
Hong Kong Dollar	10%	14	–	14	–
Japanese Yen	10%	67	–	67	–
Australian Dollar	10%	(126)	(20)	(126)	(20)
Malaysia Ringgit	10%	(102)	(81)	(102)	(81)
Thai Baht	10%	(7)	–	(7)	–
Korean Won	10%	163	–	163	–
2023					
Singapore Dollar	10%	1	–	–	–
Euro	10%	138	–	164	–
United States Dollar	10%	317	–	287	–
Hong Kong Dollar	10%	(357)	–	(357)	–
Japanese Yen	10%	56	–	56	–
Australian Dollar	10%	(77)	(20)	(77)	(20)
Malaysia Ringgit	10%	(165)	(82)	(165)	(82)
Thai Baht	10%	31	–	31	–
Korean Won	10%	(154)	–	(154)	–

A weakening of the Singapore dollar against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

The Group's and the Company's exposure to changes in interest rates relates primarily to lease liabilities and loans and borrowings.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Market risk (cont'd)

Interest rate risk (cont'd)

Profile

At the reporting date, the interest rate profile of the interest-bearing financial instruments was:

	Group		Company	
	Carrying amount		Carrying amount	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Fixed rate instruments				
Lease liabilities	6,726	8,166	668	1,344
Loans and borrowings	78,896	73,110	64,761	60,155
	85,622	81,276	65,429	61,499

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss and equity.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Accounting classifications and fair values

Fair value versus carrying amounts

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount					Fair value			
Group	Note	Mandatorily at FVTPL \$'000	Financial assets at amortised costs \$'000	Equity investment at FVOCI \$'000	Other financial liabilities \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
31 December 2024										
Financial assets not measured at fair value										
	11	-	36,929	-	-	36,929				
		-	14,728	-	-	14,728				
		-	51,657	-	-	51,657				
Financial asset measured at fair value										
	7	-	-	1,018	-	1,018	-	-	1,018	1,018
Financial liabilities not measured at fair value										
	14	-	-	-	926	926				
	14	-	-	-	38,422	38,422				
	14	-	-	-	39,548	39,548				
	15	-	-	-	36,781	36,781				
		-	-	-	115,677	115,677				
Financial liabilities measured at fair value										
	15	165	-	-	-	165	-	165	-	165

[#] Excludes prepayments

^{*} Excludes provision for site restoration and forward exchange contracts

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Accounting classifications and fair values (cont'd)

Fair value versus carrying amounts (cont'd)

		Carrying amount					Fair value			
		Financial assets at	Equity investment	Other financial						
		amortised costs	at FVOCI	liabilities	Total					
Note		\$'000	\$'000	\$'000	\$'000	Level 1	Level 2	Level 3	Total	
Group						\$'000	\$'000	\$'000	\$'000	
31 December 2023										
Financial assets not measured at fair value										
	11	-	34,941	-	-	34,941				
		-	13,211	-	-	13,211				
		-	48,152	-	-	48,152				
Financial asset measured at fair value										
	7	-	-	-	-	1,018		1,018	1,018	
Financial liabilities not measured at fair value										
	14	-	-	-	2,099					
	14	-	-	-	27,731					
	14	-	-	-	43,280					
	15	-	-	-	34,875					
		-	-	-	107,985					
Financial liabilities measured at fair value										
	15	32	-	-	-	-	32	-	-	32

Excludes prepayments

* Excludes provision for site restoration and forward exchange contracts

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Accounting classifications and fair values (cont'd)

Fair value versus carrying amounts (cont'd)

Company	Note	Carrying amount				Fair value			
		Mandatorily at FVTPL	Financial assets at amortised costs	Equity investment at FVOCI	Other financial liabilities	Total	Level 1	Level 2	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2024									
Financial assets not measured at fair value									
Trade and other receivables [#]	11	-	57,575	-	-	57,575	-	-	57,575
Cash and cash equivalents		-	3,100	-	-	3,100	-	-	3,100
		-	60,675	-	-	60,675	-	-	60,675
Financial asset measured at fair value									
Equity investment – at FVOCI	7	-	-	1,018	-	1,018	-	1,018	1,018
Financial liabilities not measured at fair value									
Term loans	14	-	-	-	926	926	-	-	926
Unsecured bank loans	14	-	-	-	31,001	31,001	-	-	31,001
Bills payable and trust receipts	14	-	-	-	32,834	32,834	-	-	32,834
Trade and other payables [*]	15	-	-	-	15,261	15,261	-	-	15,261
		-	-	-	80,022	80,022	-	-	80,022
Financial liabilities measured at fair value									
Derivative financial liabilities	15	165	-	-	-	165	-	165	165

[#] Excludes prepayments

^{*} Excludes provision for site restoration and forward exchange contracts

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Accounting classifications and fair values (cont'd)

Fair value versus carrying amounts (cont'd)

Company	Note	Carrying amount				Fair value			
		Mandatorily at FVTPL	Financial assets at amortised costs	Equity investment at FVOCI	Other financial liabilities	Total	Level 1	Level 2	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
31 December 2023									
Financial assets not measured at fair value									
Trade and other receivables #	11	-	51,562	-	-	51,562	-	-	51,562
Cash and cash equivalents		-	3,897	-	-	3,897	-	-	3,897
		-	55,459	-	-	55,459	-	-	55,459
Financial asset measured at fair value									
Equity investment - at FVOCI	7	-	-	1,018	-	1,018	-	1,018	1,018
Financial liabilities not measured at fair value									
Term loans	14	-	-	-	2,099	2,099	-	-	2,099
Unsecured bank loans	14	-	-	-	22,383	22,383	-	-	22,383
Bills payable and trust receipts	14	-	-	-	35,673	35,673	-	-	35,673
Trade and other payables *	15	-	-	-	15,907	15,907	-	-	15,907
		-	-	-	76,062	76,062	-	-	76,062
Financial liabilities measured at fair value									
Derivative financial liabilities	15	32	-	-	-	32	-	32	32

Excludes prepayments

* Excludes provision for site restoration and forward exchange contracts

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Measurement of fair values

(i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Equity investment at FVOCI	Adjusted net asset method (Note 7)	Net asset value of the investee	The estimated fair value would increase/ (decrease) if net asset value for unquoted equity security was higher/ (lower).
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at reporting date.	Not applicable	Not applicable

(ii) Transfer between Level 1, Level 2 and Level 3

There were no transfers between Level 1, Level 2 and Level 3 during 2024 and 2023.

(iii) Level 3 recurring fair value

The following table shows a reconciliation from the opening balances to the ending balances for Level 3 fair value:

	Group		Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
At 1 January and 31 December	1,018	1,018	1,018	1,018

Financial instruments not measured at fair value

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, bills payable and trust receipts and trade and other payables) are assumed to approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

22 Financial risk management (cont'd)

Measurement of fair values (cont'd)

Level 3 recurring fair value

Sensitivity analysis

For the fair value of equity investment – FVOCI, reasonably possible changes at the reporting date to the net asset value of the investee by 10% (2023: 10%) for the Group and Company, holding other inputs constant, would have the following effects:

	Group and Company	
	Increase by 10%	Decrease by 10%
	\$'000	\$'000
2024		
Equity investment at FVOCI		
OCI	102	(102)
2023		
Equity investment at FVOCI		
OCI	102	(102)

23 Operating segments

Segment information is presented in respect of the Group's business segments, which reflect the Group's internal reporting structure that is regularly reviewed by the Executive Directors Committee for the purpose of allocating resources to the respective segments and performance assessment.

The Group is principally engaged in a single business line and in one segment which relates to the distribution of automotive parts.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2024

23 Operating segments (cont'd)

Geographical information

In presenting information on the basis of geographical segment, segment revenue is based on geographical location of the customers which the sales are made to regardless of where the sales originate. Segment assets are based on the geographical location of the assets.

	Singapore \$'000	Malaysia \$'000	Australia \$'000	Thailand \$'000	South Korea \$'000	Others \$'000	Total \$'000
2024							
Total revenue from external customers	22,640	55,219	41,603	14,940	78,753	44,009	257,164
Non-current assets ⁽ⁱ⁾	1,062	712	2,780	–	3,064	318	7,936
2023							
Total revenue from external customers	25,446	54,906	41,975	15,814	73,010	43,249	254,400
Non-current assets ⁽ⁱ⁾	1,682	465	3,895	–	3,035	150	9,227

⁽ⁱ⁾ Non-current assets presented consist of plant and equipment, right-of-use assets and goodwill.

Major customer

For the years ended 31 December 2024 and 2023, there was no single customer that contributed to 10% or more of the Group's revenue.

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE REPORT

The board of directors ("Board") of Tye Soon Limited (the "Company" and together with its subsidiaries, the "Group") is committed to setting and maintaining a high standard of corporate governance to protect and enhance long-term shareholders' value.

This Report sets out the Company's corporate governance practices which were in place during the financial year ended 31 December 2024 ("FY2024"), with reference made to the principles and provisions of the Code of Corporate Governance 2018 (last revised on 11 January 2023) ("Code").

The Company has adhered to the principles and provisions as set out in the Code and any deviations with explanations will be specified in this Report.

BOARD MATTERS

The Board's Conduct of Affairs

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

The primary roles and responsibilities of the Board, apart from its statutory responsibilities, include:

- providing entrepreneurial leadership;
- setting strategic aims;
- ensuring that the necessary financial and human resources are in place for the Company and its subsidiaries (collectively the "Group") to meet its objectives;
- establishing a framework of prudent and effective controls which enables risks to be assessed and managed, including the safeguarding of shareholders' interests and the Group's assets;
- reviewing Management's performance;
- setting the Group's values and standards (including ethical standards), and ensuring proper accountability within the Group;
- considering sustainability issues such as environmental and social factors as part of its strategic formulation; and
- assuming responsibility for corporate governance.

All directors are expected to exercise due diligence and independent judgement in the best interests of the Company. Every director is required to declare any conflict of interest in a transaction or proposed transaction with the Company as soon as practicable after the relevant facts have come to his or her knowledge. On an annual basis, each director is also required to submit details of his or her associates for the purpose of monitoring interested person transactions. No member of the Board participates in any deliberation or decision if he/she is directly or indirectly interested in respect of any matter to be resolved by the Board.

A formal letter is sent to newly-appointed directors upon their appointment explaining their duties and obligations as a Board director. Newly appointed directors are briefed by Management on the Group's business activities, strategic directions, policies and the regulatory environment in which it operates, as well as their statutory and other duties and responsibilities as directors. When required, the Group provides appropriate training and education program for the new and existing directors.

CORPORATE GOVERNANCE REPORT

A new director appointed to the Board who has no prior experience as a director of a listed company, will be required to attend specific modules of the Listed Entity Director (“LED”) Programme conducted by the Singapore Institute of Directors (“SID”) in order to acquire the relevant knowledge of what is expected of a listed company director, which is a mandatory requirement under the listing manual of the Singapore Exchange Securities Trading Limited (“SGX-ST”) (“Listing Manual”). On 20 November 2024, Mr Angus Robert McKay was appointed as a non-executive non-independent director to the Board and as disclosed in the announcement on his appointment, does not have any prior experience as a director of an issuer listed on the SGX-ST. The Company will make arrangements for Mr McKay to attend mandatory training on the roles and responsibilities of a director of a listed issuer as prescribed under the Listing Manual.

To ensure that the directors keep pace with regulatory changes that have important bearing on the Company’s or directors’ disclosure obligations, the directors are briefed on such changes during Board meetings or specially convened sessions by professionals. All directors are updated regularly concerning any changes in major Company policies. The non-executive directors can also request further explanations, briefings or informal discussions on any aspect of the Company’s operations or business issues from Management. The executive directors will make the necessary arrangements for the briefings, informal discussions or explanations required.

To assist in the execution of its responsibilities, the Executive Directors Committee (“EC”), the Audit and Risk Committee (“ARC”) and the Nomination and Remuneration Committee (“NRC”) were established by the Board with clearly defined written terms of reference, which are set out in the Appendix to this Report. These terms are and will be reviewed on a regular basis, along with the committee structures and membership, to ensure their continued relevance, taking into consideration the changes in the governance and legal environment. Any change to the terms of reference for any board committee requires the specific written approval of the Board.

The composition, authority, responsibilities and activities of the EC, ARC and NRC (collectively known as Board Committees) set out in their respective terms of reference are provided under the various principles in this Report.

The Group has adopted internal guidelines governing matters that require Board approval that include:

- material investment and divestment proposals;
- major corporate or financial restructuring;
- key operational initiatives;
- major fund-raising exercises;
- announcement of financial statements and audited financial statements;
- recommendation of dividends; and
- authorisation of material interested person transactions.

The directors receive a timely regular supply of complete and accurate information from Management about the Group so that they are equipped to participate at Board meetings, make informed decisions and discharge their duties and responsibilities. Detailed Board papers are prepared for each Board meeting and are circulated in advance of each meeting. The Board papers include sufficient information on financial, business and corporate issues to enable the directors to be properly briefed on issues to be considered at the Board meetings. The Board receives monthly reports from Management providing updates on the Group’s results and financial position.

All directors have unrestricted access to the Group’s records and information. The directors may also liaise with Management as and when required to seek additional information. In addition, the directors have separate and independent access to Management and the advice and services of the Company Secretary. The Company Secretary attends Board and Committees’ meetings. The appointment and removal of the Company Secretary is a decision of the Board as a whole.

CORPORATE GOVERNANCE REPORT

Should a director seek independent professional advice concerning any aspect of the Group's operations or undertakings in order to fulfil his duties and responsibilities as a director, the Board will appoint a professional adviser to assist such director at the Company's expense.

The Board meets at least twice a year and ad-hoc meetings are convened as and when they are deemed necessary. In addition to these meetings, corporate events and actions requiring Board approval were discussed over the telephone and resolutions passed by way of directors' resolutions in writing. Board and Board Committees also hold informal meetings and discussions amongst themselves and/or with Management from time to time. The Company's Constitution ("Constitution") provides for telephone and video conference meetings.

The number of Board and committees' meetings held during FY2024 and the attendances of the directors at these meetings are set out below:

Board Committees

	Board Committees							
	Board		ARC		NRC		EC	
Name of Directors	A	B	A	B	A	B	A	B
David Chong Tek Yew	4	4	2*	2*	3*	3*	13	13
Ong Eng Chian, Kelvin	4	4	2*	2*	3*	3*	13	13
Chen Timothy Teck Leng @ Chen Teck Leng	4	4	2	2	3	3	–	–
Chua Kwee Huay, Genevieve	4	4	2	2	3	3	–	–
Noel Anthony Meehan ⁽¹⁾	4	0	2	0	3	0	–	–
Margaret Anne Haseltine ⁽²⁾	4	3	2*	2*	3	2	–	–
Angus Robert McKay ⁽³⁾	4	1	2*	1*	3*	1*	–	–

Notes: A – represents number of meetings held

B – represents number of attendances

* – by invitation

(1) – resigned with effect from 5 February 2024

(2) – resigned on 20 November 2024

(3) – appointed on 20 November 2024 as Board member and appointed on 21 November 2024 as a member of the ARC and NRC

Board Composition and Guidance

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

As at 31 December 2024, the Board comprised two executive directors, one non-executive non-independent director and two independent directors (one of whom is the Chairman of the Board). This is in compliance with Provision 2.3 of the Code, with the non-executive directors making up a majority of the Board. The independent directors also make up more than one-third of the Board. This is following the changes during FY2024 where:

- Mr Noel Anthony Meehan resigned with effect from 5 February 2024 as a non-executive non-independent director and a member of the ARC;
- On 20 November 2024, Ms Margaret Anne Haseltine resigned as a non-executive non-independent director and a member of the NRC; and
- On 20 November 2024, Mr Angus Robert McKay was appointed as a non-executive non-independent director and on 21 November 2024 he was appointed as a member of the ARC and NRC.

CORPORATE GOVERNANCE REPORT

The Board considers that there are sufficient independent elements to ensure that objective judgment is exercised on affairs of the Company, enabling decisions to be made in the best interests of the Company. Matters requiring the Board's approval are discussed and deliberated among the members and decided upon by the Board as a whole, in accordance with the Company's constitution.

The Board comprises suitably-qualified directors of professional backgrounds who provide the Company with a good balance of accounting, finance and management's expertise and experience, complemented by sound industry knowledge.

The Board has two independent directors, namely, Mr Chen Timothy Teck Leng @ Chen Teck Leng and Ms Chua Kwee Huay, Genevieve. The Board considers an "independent" director as one who is independent in conduct, character and judgement, and has no relationship with the Company, its related companies, 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 has carried out its annual evaluation of the independence of both independent directors, taking into account whether the directors are independent in character and judgement and are free from relationships or circumstances which are likely to affect, or could appear to affect, the directors' judgement.

The non-executive non-independent director and independent directors that make up three out of five directors do not exercise any management functions in the Company or any of its subsidiaries. Although all the directors have equal responsibility for the performance of the Group, the role of the non-executive director and independent directors are particularly important in ensuring that the strategies proposed by Management are fully discussed and rigorously examined and take account of the long-term interests, not only of the shareholders of the Company ("Shareholders"), but also of the employees, customers and suppliers. Where necessary, the non-executive director and/or independent directors may meet without the presence of Management or executive directors to consider matters that must be raised privately. The chairman or chairperson of such meetings provides feedback to the Board as appropriate.

The Board considers its independent directors to be of sufficient calibre and numbers, and their views to be of sufficient weight that no individual or small group can dominate the Board's decision-making processes. The independent directors have no financial or contractual interests in the Group other than by way of their fees. Their service is not pensionable.

On 11 January 2023, Singapore Exchange Regulation announced the change of listing rules to limit the nine (9) years tenure of independent directors serving on the boards of listed companies and to remove the two-tier vote mechanism for listed companies to retain long-serving independent directors who have served for more than nine years. As a transition, independent directors whose tenure exceeds the nine-year limit can continue to serve as independent directors until the listed companies' annual general meeting held for the financial year ending on or after 31 December 2024. As at 31 December 2024, none of the Independent Directors has served on the Board beyond nine (9) years from the date of first appointment.

The Board has in place the following policy and practices to address board diversity:

- (a) The NRC considers and makes recommendations to the Board on the Board's diversity policy and is responsible for setting objectives for achieving Board diversity, such as the appropriate size and needs of the Board, having regard to the appropriate balance and skill mix, knowledge, experience and other aspects such as gender, age and personal qualities required for the diversity of perspectives, avoiding group think and fostering constructive debate and contributing to the overall effective performance of the Board.

CORPORATE GOVERNANCE REPORT

- (b) The NRC is also responsible for reviewing the Company's progress towards achieving these objectives. The NRC has a review process to assess the Board's performance as a whole and the contributions of the individual directors to the effectiveness of the Board. In undertaking such review, the NRC considers, objectively, a set of quantitative and qualitative performance criteria that includes board size and composition, board independence, board processes, board information and accountability, conduct of directors, and the success in implementing strategic and long-term objectives set by the Board and the effectiveness of the Board in monitoring management's performance against the goals that have been set by the Board.
- (c) The Board is responsible for the implementation of the policy in an effective and practical manner. In recommending candidates to be appointed to the Board, the NRC takes into account the Board's diversity policy.

The Board is of the view that the present combination of skills, talents, experience and diversity of its directors serves the needs and plans of the Company as at 31 December 2024, as follows:

- (i) The Board comprised two executive directors, one non-executive non-independent director and two non-executive independent directors, and the number of independent directors represented more than one-third of the Board. Such Board composition ensures there are sufficient independent elements to ensure objective judgment is exercised on affairs of the Company.
- (ii) The members of the Board are suitably-qualified directors and hail from professional backgrounds who provide the Company with a good balance of expertise and experience in accounting, finance and management as well as relevant industry and business knowledge.
- (iii) The Board acknowledges that the Council for Board Diversity ("CBD") encourages companies listed on the SGX-ST to achieve at least two woman or 25% of its board by 2025 (and 30% by 2030). Following the resignation of Ms Margaret Anne Haseltine as a director in November 2024, the Board has one remaining female director, Ms Chua Kwee Huay, Genevieve, representing 20% of the Board. The Board recognises the long-term goals formulated by the CBD and continues to take into account such goals in its decision-making.

The Board acknowledges that assessments on Board diversity are an ongoing process. The Board is fully committed to continue to ensure that 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. The NRC will continue to monitor that the diversity objectives continue to be met and work with the Board to improve the same, which may include, where the Board considers appropriate, adopting diversity targets and corresponding timelines for meaningful progress in diversity.

Non-Executive Chairman and Managing Director

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

The Group keeps the posts of Non-Executive Chairman and Managing Director separate. Mr Chen Timothy Teck Leng @ Chen Teck Leng is the Non-Executive and Independent Chairman of the Board. Mr David Chong Tek Yew is the Managing Director. There is a clear division of responsibilities between the Non-Executive Chairman and the Managing Director which ensures there is a balance of power and authority at the top tier of the Group.

The Non-Executive Independent Chairman's main responsibility to the Board is to lead the Board to ensure its effectiveness on all aspects of its role and set its agenda and ensure that adequate time is available for discussion of all agenda items, promote a culture of openness and debate at the Board, ensure that the directors receive complete, adequate and timely information, ensure effective communication with Shareholders, encourage constructive relations within the Board and between the Board and Management, facilitate the effective contribution of non-executive directors, in particular, and promote high standards of corporate governance.

CORPORATE GOVERNANCE REPORT

The Managing Director is responsible for the implementation of the Group's strategies and policies and the conduct of the Group's day-to-day business.

As no one individual has unfettered powers of decision-making, the Board is of the view that the objectives of the Code have been met.

Board Membership

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

The NRC comprises two independent directors, Mr Chen Timothy Teck Leng @ Chen Teck Leng (Chairman) and Ms Chua Kwee Huay, Genevieve and one Non-Executive Non-Independent director, Mr Angus Robert McKay.

The responsibilities of the NRC include that of re-nomination of directors, having regard to each director's contribution and performance as well as annual determination of whether or not a director is considered independent for purposes of the Code. Details of the NRC's responsibilities are set out in the Appendix to this Report.

The NRC also considers and makes recommendations to the Board concerning the appropriate size and needs of the Board, having regard to the appropriate balance and skill mix, knowledge, experience and other aspects such as gender, age and personal qualities required for the diversity of perspectives, avoiding group think and fostering constructive debate and contributing to the overall effective performance of the Board.

The NRC considers and makes recommendations to the Board regarding the maximum number of listed company board representations each director may hold, having considered factors such as the director's ability to commit time and effort to the affairs of the Company, the competence of fellow directors, the strength of the management team, the types of listed companies involved, the frequency of meetings and the financial year end of the listed companies involved. The NRC had recommended and the Board had approved, that the maximum number of listed company board representations each director may hold shall not be more than six. All of the directors have complied with this requirement.

The NRC recommends all appointments and retirement of directors and, where applicable, considers candidates to fill new positions created by expansion and vacancies that occur by resignation, retirement or for any other reason. No member of the NRC participated in deliberations or decisions on recommendations for his/her re-nomination to the Board.

Where there is a need to appoint a new director, suitable candidates are sourced through the contacts of the directors or Management or through other external sources. The NRC will then assess the candidate's suitability based on certain objective criteria such as character, judgement, business experience and acumen, and makes its recommendation to the Board. Where a director has multiple board representations, the NRC will evaluate whether or not a director is able to and has been adequately carrying out his or her duties as a director of the Company. Final approval of a candidate is determined by the Board.

In appointing directors, the Board considers the range of skills and experience required in the light of:

- (a) the geographical spread and diversity of the Group's businesses;
- (b) the strategic direction and progress of the Group;
- (c) the current composition of the Board; and
- (d) the need for independence.

CORPORATE GOVERNANCE REPORT

The Company's Constitution provides that at each annual general meeting of the Company, at least one-third of the directors for the time being shall retire from office by rotation. In addition, the Company's Constitution provides for all directors to retire from office at least once every three years. A retiring director is eligible for re-election at the annual general meeting. The NRC has recommended the re-election of Mr Ong Eng Chian, Kelvin and Mr Angus Robert McKay as directors of the Company at the forthcoming annual general meeting.

The Company's Constitution provides that any director appointed by the Board shall hold office until the next annual general meeting and shall then be eligible for re-election but shall not be taken into account in determining the number of directors who are retired by rotation under the above Constitution.

The NRC determines annually, and as and when circumstances require, if a director is independent, having regard to the Code.

In the opinion of the NRC and the Board, Mr Chen Timothy Teck Leng @ Chen Teck Leng and Ms Chua Kwee Huay, Genevieve are considered independent. For those directors who hold multiple board representations in public listed companies, the Board is of the view that such multiple representations will not affect their abilities to carry out their respective duties as directors of the Company.

As at the date of this report, the members of the Board and their details are set out below:

Name of Director	David Chong Tek Yew	Ong Eng Chian, Kelvin	Angus Robert McKay
Brief write-up on background and working experience	Please refer to Group Management Team	Please refer to Group Management Team	Mr McKay is a Non-Executive Non-Independent Director. Currently, he is the Executive chair and CEO of Bapcor Limited
Academic and professional qualifications	Bachelor of Commerce, Chartered Accountant	Bachelor of Engineering	Bachelor of Economics Degree Diploma of Corporate Management
Date of appointment/ (last re-election)	1 July 1998/(26 April 2024)	17 July 2006/(26 April 2023)	20 November 2024
Nature of appointment	Managing Director	Deputy Managing Director	Non-Executive Non-Independent Director
Board committees served	Member of EC	Member of EC	Member of ARC and NRC
Present directorships in listed companies	Tye Soon Limited	Tye Soon Limited	Tye Soon Limited Bapcor Limited
Past years directorships in listed companies	–	–	Skilled Group Limited

CORPORATE GOVERNANCE REPORT

Name of Director	Chen Timothy Teck Leng @ Chen Teck Leng	Chua Kwee Huay, Genevieve
Brief write-up on background and working experience	Mr Chen has more than thirty years of management experience in international finance, insurance, banking and corporate advisory work. He is also a director of several public listed companies.	Ms Chua is an Independent Director. Currently, she is the CEO of OVOL Singapore Pte Ltd.
Academic and professional qualifications	B.Sc. (Banking), MBA (Finance), Certified Corporate Director (ICD.D) Canada	Bachelor of Accountancy. Fellow Chartered Accountant, Singapore
Date of appointment/ (last re-election)	8 December 2016/(26 April 2023)	21 June 2021/(26 April 2024)
Nature of appointment	Independent Director	Independent Director
Board committees served	Chairman of the Board and NRC and Member of ARC	Chairman of ARC and Member of NRC
Present directorships in listed companies	Tye Soon Limited Yanzijiang Financial (Holdings) Ltd.	Tye Soon Limited
Past years directorships in listed companies	TMC Education Corporation Ltd. Tianjin Zhong Xin Pharmaceutical Group Corporation Limited Sysma Holdings Limited Boldtek Holdings Limited Yanzijiang Shipping (Holdings) Ltd.	–

Particulars of interests of directors who held office at the end of the financial year in shares and share options in the Company and its subsidiaries are set out in the Directors' Statement.

Board Performance

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

The Board, through the NRC, has used its best effort to ensure that directors appointed to the Board and the Board Committees, whether individually or collectively, possess the background, experience, knowledge in the business, competencies in finance and management skills critical to the Group's business. The Board has put in place a formal annual evaluation exercise creating a platform for the Board and Board Committees members to provide feedback on the board procedures and processes. The NRC had established a review process to assess the Board's performance as a whole and the contribution by each of its board committees and individual directors to the effectiveness of the Board.

A Board Performance Evaluation Form ("Evaluation Form") has been formulated to seek views on the various aspects of the Board performance. Incorporated into the Evaluation Form, the NRC considers, objectively, a set of quantitative and qualitative performance criteria that includes board size and composition, board independence, board processes, board information and accountability, conduct of directors, and the success in implementing strategic and long-term objectives set by the Board and the effectiveness of the Board in monitoring management's performance against the goals that have been set by the Board. Where appropriate, the Board will review and make changes to the Evaluation Form to align with prevailing regulations and requirements.

CORPORATE GOVERNANCE REPORT

Each individual director's performance is evaluated informally on a continual basis by the NRC and the Chairman of the Board. Some factors taken into consideration by the NRC and the Chairman of the Board include the value of the director's contribution to the development of strategy, availability at board and board committee meetings as well as informal meetings, interactive skills, degree of preparedness and industry and business knowledge each director possesses.

Four of the five Directors had completed the Evaluation Form for FY2024, giving their individual assessment and evaluation of the Board's ability and Board Committees' ability to meet the relevant criteria stated in the Evaluation Form. The forms were submitted to the corporate secretary, DrewCorp Services Pte Ltd for collation. Results of the assessment together with analysis of the results as compared to that of the previous year, was submitted for consideration and review by the NRC. The NRC's recommendations were submitted for endorsement by the Board.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

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

The NRC has three members, comprising two independent directors, Mr Chen Timothy Teck Leng @ Chen Teck Leng and Ms Chua Kwee Huay, Genevieve and one non-executive non-independent director, Mr Angus Robert McKay.

The NRC reviews and approves recommendations on remuneration packages for the Chairman and the other executive directors based on the performance of the Group and the individual director. No director individually decides his or her own remuneration. Details of the NRC's responsibilities are set out in the Appendix to this Report.

The NRC reviews remuneration packages for key executives of the Company. The review covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options and benefits-in-kind. The NRC's recommendations are submitted for endorsement by the Board.

The NRC also reviews 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 NRC aims to be fair and avoid rewarding poor performance.

The NRC has access to information regarding human resource matters within the Group and, if necessary, expert advice from outside the Group. Although no external remuneration consultant had been engaged by the Board, the NRC has full authority to do so, if the need arises.

Level and Mix of Remuneration

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

Annual reviews of the compensation of directors are carried out by the NRC to ensure that the executive directors and senior management are appropriately rewarded, giving due regard to the financial and business needs of the Group. In setting remuneration packages, the Company also takes into account the performance of the Company and the individuals, giving consideration to the competitive situation and the combination of fixed and variable remuneration while aligning the interests of the Company's employees with that of the Shareholders.

CORPORATE GOVERNANCE REPORT

The service contracts of the executive directors do not contain any onerous compensation commitments on the part of the Company in the event of termination. The variable components of the remuneration of the executive directors and key management personnel are not excessive. In view of this, contractual provisions to allow the Company to reclaim variable components of their remuneration paid in prior years have not been put in place. However, the Company will consider such contractual provisions when necessary.

Non-executive directors and independent directors are paid a fixed fee after taking into account the effort, time spent and responsibilities of each such director. The directors' fees are benchmarked against those of comparable listed companies. The directors' fees are recommended for Shareholders' approval at annual general meetings. No member of the NRC participated in deliberations or decisions on recommendations for his/her director's fee.

The remuneration policy is to provide compensation packages at market rates which reward successful performance and attract, retain and motivate senior management of the Group and executive directors of the Company.

The NRC is of the opinion that the executive directors and senior management of the Group are not excessively compensated, taking into consideration their responsibilities, skills, expertise and contributions to the Group's performance. The remuneration for the executive directors and the senior management comprises a basic salary and a variable component, which is the annual bonus. The annual bonus is tied to the performance of the Group and the individual's performance. The Company currently does not have any share-based compensation scheme or any long-term incentive scheme involving the offer of shares or options but the Board recognises the virtue of such schemes and will implement one when the Board considers the circumstances suitable.

Disclosure of Remuneration

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

The structure of the fees payable to the non-executive directors of the Company for FY2024 is as follows:

Appointment	Per Annum (\$)
Board of Directors	
- Chairperson's fees	20,000
- Member's fees	45,000
ARC	
- Chairperson's fees	10,000
- Member's fees	12,000
NRC	
- Chairperson's fees	5,500
- Member's fees	6,500

CORPORATE GOVERNANCE REPORT

Breakdown of the total remuneration of the directors of the Company for FY2024 is set out below:

Name of Director	Salary	Bonus	Director's fees	Allowance and other benefits	Total
	\$	\$	\$	\$	\$
David Chong Tek Yew	332,630	75,119	-	33,000	440,749
Ong Eng Chian, Kelvin	274,097	75,317	-	33,000	382,414
Chen Timothy Teck Leng @ Chen Teck Leng	-	-	89,000	-	89,000
Chua Kwee Huay, Genevieve	-	-	73,500	-	73,500
Angus Robert McKay ⁽¹⁾	-	-	7,082	-	7,082
Margaret Anne Haseltine ⁽²⁾	-	-	45,715	-	45,715
Noel Anthony Meehan ⁽³⁾	-	-	5,466	-	5,466
	606,727	150,436	220,763	66,000	1,043,926

(1) Appointed as a board member on 20 November 2024 and as member of ARC and NRC on 21 November 2024.

(2) Resigned on 20 November 2024.

(3) Resigned on 5 February 2024.

Breakdown of the total remuneration of key Management Personnel of the Group (who are not directors) for FY2024 is set out below:

Name of Key Management Personnel	Salary	Bonus	Allowance and other benefits	Total
	\$	\$	\$	\$
Ng Yoke Yee	198,962	41,935	26,600	267,497
Ong Huat Yew, Peter ⁽⁴⁾	154,428	-	-	154,428
	353,390	41,935	26,600	421,925

(4) Mr Ong Huat Yew, Peter is the father of Mr Ong Eng Chian, Kelvin, the Deputy Managing Director. He acts as an Adviser to the Company's management.

- The fees payable to Mr McKay, Ms Haseltine and Mr Meehan are prorated according to the period they are members of the board and committees.
- the salary and bonus amounts shown are inclusive of Singapore Central Provident Fund (CPF) contributions.
- No stock options, share-based incentives and awards and other long-term incentives were granted.

The Company has disclosed the remuneration of only two key executives, as these are the only two executives (who are also not directors) whom the Company has identified as key management personnel.

Mr Ong Huat Yew, Peter is the father of Mr Ong Eng Chian, Kelvin (Deputy Managing Director). Save as disclosed above, there are no other employees who are substantial shareholders of the Company or are immediate family members of a director, the Managing Director or a substantial shareholder and whose remuneration exceeded S\$100,000 during the financial year ended 31 December 2024.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

The Board is responsible for the governance of risks and sets the tone and direction for the Company in the way risks are being managed and the ARC is established to assist in its oversight of risk management. Details of the functions and responsibilities of the ARC are set out below.

The Group has in place an Enterprise Risk Management (“ERM”) Framework, which governs the risk management process in the Group. The ERM Framework enables the identification, prioritisation, assessment, management and monitoring of key risks to the Group’s business. Using a matrix, the significant operational, financial and compliance risks of the Group have been established and mapped against existing strategies, policies, people and processes together with internal control systems including financial, operational, compliance and information technology controls and reporting mechanisms.

The ownership of key risks lies with respective Heads of Corporate/Business Units who are responsible for implementing a Group-wide system of internal controls, which includes the Code of Conduct, documented policies and procedures, proper segregation of duties, approval procedures and authorities, as well as checks-and-balances built into the business processes. The Group has implemented a control self-assessment program for its major business units. Risk owners of these business units carry out control self-assessments of key internal controls that mitigate key risks. Self-assessments of internal control are based on a set of qualitative assessment criteria. Internal audit conducts separate audits that involve testing the adequacy and effectiveness of internal controls to validate the risk owner’s rating of the strength of internal controls.

The key risks, risk appetite and parameters, and key risk indicators of the Group are reviewed and deliberated by the ARC on a regular basis and reported to the Board twice a year. The ARC, through the internal audit, reviews the adequacy and effectiveness of internal control measures identified by the ERM Framework. The Board reviews the adequacy and effectiveness of the ERM framework against recommended practices in risk management and vis-à-vis the external and internal environment that the Group operates in.

To ensure that risk management processes and internal controls are adequate and effective, the Board is further assisted by various independent professionals. External audit considers internal controls relevant to the preparation of financial statements to ensure they give a true and fair view. Independent audits are conducted by internal auditors to assess the effectiveness of the Group’s internal financial controls. The ARC has the responsibility for reviewing audit findings along with the adequacy of actions taken by Management in addressing the matters raised in the auditors’ recommendations. Material findings are then reported to the Board.

In addition, the Board also received assurance from the Managing Director and the Group Financial Controller 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 that the Company’s risk management and internal control systems are adequate and effective.

Based on the framework established, control self-assessments by management and reviews by both the internal and external auditors during the year, together with assurance from the Managing Director and the Group Financial Controller, the Board, with the concurrence of the ARC, is of the opinion that the Group’s risk management system and internal controls are adequate and effective in addressing the financial, operational, compliance and information technology control needs that the Group considers relevant and material to its operations. The Board is of the opinion that there were no material weaknesses identified in the Group’s internal controls or risk management systems in FY2024.

CORPORATE GOVERNANCE REPORT

The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost-effective 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 provide only reasonable and not absolute assurance against material misstatement, loss or poor judgement in decision-making.

Audit and Risk Committee ("ARC")

Principle 10: The Board has an Audit Committee, which discharges its duties objectively.

As at 31 December 2024, the ARC has three members, comprising two independent directors, Ms Chua Kwee Huay, Genevieve (who is the chairperson of the ARC) and Mr Chen Timothy Teck Leng @ Chen Teck Leng, and one non-executive non-independent director, Mr Angus Robert McKay. During FY2024:

- (a) Mr Noel Anthony Meehan resigned as a non-executive non-independent director and also stepped down as a member of the ARC with effect from 5 February 2024; and
- (b) Mr Angus Robert McKay was appointed as non-executive non-independent director on 20 November 2024 and as a member of the ARC on 21 November 2024.

Details of the functions and responsibilities of ARC are set out below.

Details of the ARC's responsibilities in the terms of reference are set out in the Appendix to this Report. Below is a summary of the ARC's key responsibilities:

- (a) having all the functions, duties, powers and responsibilities described in Section 201B of the Companies Act 1967 ("Companies Act"), including without limitation, to review with the external auditors, the audit plan, the evaluation of the system of internal accounting controls, the audit report, the assistance given by the Company's officers to the external auditors, the scope and results of the internal audit procedures and the financial statements and consolidated financial statements of the Company.
- (b) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the Company's financial statements and any announcements relating to the Company's financial performance.
- (c) reviewing the adequacy and effectiveness of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems and providing a statement on the Board's comment on the adequacy and effectiveness of the Company's internal controls.
- (d) reviewing audit plans and reports of the external auditors and internal auditors, and consider the results, significant findings and recommendations, together with the effectiveness of actions taken by management on the recommendations and observations.
- (e) 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.
- (f) reviewing the adequacy and effectiveness, independence, scope and results of the external audit and the Company's internal audit function.
- (g) taking into consideration all factors as may be specified in the Code and the accompanying Practice Guidance when carrying out the ARC's duties.

CORPORATE GOVERNANCE REPORT

The Board is of the view that the members of the ARC are appropriately qualified, and possess recent and relevant accounting or related financial management expertise and experiences to discharge their responsibilities. None of the members of the ARC were former partners or directors of the Company's auditing firm within the previous two years commencing on the date of their ceasing to be a partner or director and holds any financial interest in the auditing firm.

The ARC is authorised to investigate any matter within its terms of reference, and has full access to Management and also full discretion to invite any director or executive officer to attend its meetings, as well as reasonable resources to enable it to discharge its function properly.

The ARC is satisfied that internal audit function is effective, independent and adequately resourced. The internal audit function assists the Board in assessing key internal controls through a structured review and assessment program. The Company has established an in-house internal audit function led by an experienced internal auditor. The internal auditor directly reports and has unrestricted access to the ARC. Administratively, the internal auditor reports to the Managing Director of the Company.

The internal auditor operates within the terms of reference stated in the Internal Audit Master Plan which is approved by the ARC annually. During the financial year, the internal auditor reviewed the adequacy and effectiveness of controls over the Group's key risks, including financial, operational and compliance controls. Any control weaknesses identified, together with recommendations for improvement are reported to the ARC. The follow up actions by Management to improve the control weaknesses are closely monitored.

The ARC meets periodically with the Group's external and internal auditors and Management to review accounting, auditing and financial reporting matters so as to ensure that an effective control environment is maintained in the Group. The external and internal auditors have unrestricted access to the ARC. The ARC members also meet at least once each year on their own to discuss matters concerning the Company, without Management being present.

During the financial year, the ARC performed independent review of the financial statements of the Company before the announcement of the Company's financial results for the first half and full financial year. In the process, the ARC reviewed the key areas of management judgement applied for adequate provisioning and disclosure, critical accounting policies and any significant changes made that would have a material impact on the financials and relevant disclosures. The following key audit matters impacting the financial statements were also discussed with the management and the external auditors and were reviewed by the ARC:

Key audit matters	Reviews and comments by the ARC
Valuation of inventories Refer to note 3.6 and note 10 to the financial statements	<p>The ARC reviewed and discussed with the management and external auditors on the approach and methodology applied in assessing the valuation of inventories.</p> <p>The ARC reviewed the reasonableness of the judgement applied in arriving at the estimate of write-down of inventories considering the age of the inventories, the prevailing market conditions in the automotive parts industry and historical provisioning experience.</p>

The Group has put in place a whistle-blowing policy which sets out the arrangements by which the staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. Details of the whistle-blowing policy, together with the dedicated whistle-blowing email address have been disseminated to all employees and made available via the Company's corporate webpage (www.tyesoon.com/whistleblowing). Complaints are to be lodged with the ARC Chairperson through a dedicated email address, to maintain confidentiality of the complainant and the report, and all reports will be promptly investigated and appropriate action will be taken. No retaliatory action will be taken against such employee. The ARC is responsible for ensuring the maintenance, regular review and updating of the whistle-blowing policy and procedure.

CORPORATE GOVERNANCE REPORT

The Company is committed to ensuring that whistle-blowers will be treated fairly, and protected against detrimental or unfair treatment for whistle-blowing in good faith. Should the ARC receive reports relating to serious offences and/or criminal activities in the Group, the ARC and the Board have access to the appropriate external advice where necessary.

The ARC has kept abreast of accounting standards and issues that could potentially impact financial reporting through briefing sessions, regular updates and advice from internal and external auditors, and attended seminars conducted by relevant institutes.

The ARC reviewed the independence and objectivity of the external auditors through discussions with them, confirmation by them, as well as nature and extent of non-audit services provided by the external auditors during the financial year under review. During the year, a non-audit fee of \$10,000 was paid to KPMG LLP.

The ARC has recommended to the Board the nomination of KPMG LLP for re-appointment as external auditors of the Company at the forthcoming annual general meeting.

With regard to the appointment of external auditors, the Company has complied with the requirements under Rules 712 and 715 of the SGX Listing Manual.

Annually, the ARC meets with the internal auditors and the external auditors separately, without the presence of management. This is to review the adequacy of audit arrangements, with particular emphasis on the scope and quality of their audits, the independence and objectivity of the external auditors and the observations of the auditors.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

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

The Company believes in treating all shareholders fairly and equitably. The Company will keep all shareholders sufficiently informed of changes in the Company or its business which would likely materially affect the price or value of the Company's shares. Shareholders of the Company have the opportunity to participate effectively in and vote at general meetings, where relevant information of the rules, including voting procedures, that govern such meetings will be clearly communicated.

In presenting the financial statements for the first half and the full financial year to Shareholders, it is the aim of the Board to provide Shareholders with a balanced assessment of the Group's financial performance and position and prospects. The Board takes adequate steps to ensure compliance with legislative and regulatory requirements, including requirements under the listing rules of the Singapore Exchange Securities Trading Limited ("SGX-ST").

Separate resolutions are proposed at general meetings for each distinct issue. The Company will put all resolutions to vote by poll and make an announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages.

All directors, including the Chairperson of the ARC and the Chairman of the NRC are present at all general meetings to address questions at general meetings. External auditors are also present to assist the directors in addressing any queries by Shareholders.

CORPORATE GOVERNANCE REPORT

The Company's Constitution allows Shareholders to appoint up to two proxies to attend and vote at general meetings.

Minutes of general meetings of the Company are available to Shareholders upon request. The Company will publish minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

The Company does not have a formal dividend policy. In the Company's results announcement for FY2024 on 26 February 2025, the Board has recommended an exempt (one-tier) final dividend for the year ended 31 December 2024 of S\$0.01275 per share. An interim tax exempt one-tier dividend of \$0.00638 per share for financial year ended 31 December 2024 was paid to the shareholders in FY2024.

Engagement with Shareholders

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

The Company believes in timely and accurate dissemination of information to Shareholders. The Board makes every effort to comply with continuous disclosure obligations of the Company under the listing rules of the SGX-ST and the Companies Act 1967. The Company does not practise selective disclosure of material information. Material information is excluded from briefings with investors or analysts, unless it has been publicly released either before or concurrently with, such meetings. Communication to Shareholders is normally made through:

- (a) annual reports that are prepared and issued to all Shareholders;
- (b) semi-annual financial results containing a summary of the financial information and affairs of the Group for the period;
- (c) quarterly update on the Company's trading performance;
- (d) notices and explanatory memoranda for annual general meetings and extraordinary general meetings;
- (e) disclosures to the SGX-ST; and
- (f) the Group's website at <http://www.tyesoon.com> at which Shareholders can access information on the Group.

In addition, Shareholders are encouraged to attend general meetings of the Company to ensure a high level of accountability. The annual general meeting represents the principal forum for dialogue and interaction with Shareholders. The Company recognises the value of feedback from Shareholders. The Company has taken steps to solicit and understand the views of the Shareholders, especially during the annual general meetings, Shareholders are given ample time and opportunities to air their views and concerns.

The Company has in place an investor relations policy which allow for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders. To enhance and encourage communication with shareholders and investors, the Company provides the contact information in its website. Shareholders and investors can send their enquiries through email.

CORPORATE GOVERNANCE REPORT

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

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

The Company believes its stakeholders play a vital role in the formulation of the Group's business operation and long-term strategy. Through effective communication, the Company understands the concerns of its stakeholders and take them into consideration when making business decisions. Stakeholders have been identified based on the extent to which they affect or are affected by the Group's business activities and include the following:

- Investors,
- customers,
- employees,
- communities,
- government and regulators, and
- suppliers.

The Group actively engages stakeholders through regular meetings and timely updates of information, including organisation policies, financial results and announcements, business developments, press releases, and relevant disclosures on SGXNet and the Group's website. It strives to develop various channels of communication and continue meaningful dialogue with key stakeholders.

The Group has a process in place to determine the environmental, social and governance (ESG) issues which are important to these stakeholders. These issues form the materiality matrix upon which targets, performance and progress are reviewed and endorsed by the Board.

2 INTERESTED PERSON TRANSACTIONS

No interested person transactions of S\$100,000 or more were entered into during the financial year ended 31 December 2024.

3. MATERIAL CONTRACTS

There was no material contract entered into by the Company or any of its subsidiary companies involving the interest of the directors, or controlling shareholder during the financial year ended 31 December 2024.

CORPORATE GOVERNANCE REPORT

4. DEALINGS IN SECURITIES

During the financial year under review, the Company has complied with Rule 1207(19) of the listing manual of the SGX-ST with respect to dealings in securities.

The Company has an internal policy to provide guidance to its directors, officers, executives, and any other persons as determined by Management that may possess unpublished material price-sensitive information of the Group ("Applicable Persons"), setting out inter alia, the following:

- (a) the implications of insider trading;
- (b) advising Applicable Persons not to trade in the Company's securities on short term considerations; and
- (c) a black out period for trading in the Company's securities commencing one month before the release of the Company's half year and full year financial results and ending on the date of the announcement of the relevant financial results.

The Company's internal policy is in line with the best practices on dealing in securities provided in Rule 1207(19) of the listing manual of the SGX-ST.

APPENDIX TO CORPORATE GOVERNANCE REPORT BOARD COMMITTEES – RESPONSIBILITIES NOMINATION AND REMUNERATION COMMITTEE ("NRC")

Nomination matters

1. Making recommendations to the Board on relevant matters relating to:
 - (a) the review of Board succession plans for Directors, in particular, the appointment and/or replacement of the Chairman and the Chief Executive Officer, and key management personnel;
 - (b) the process and objective performance criteria for the evaluation of the performance and effectiveness of the Board as a whole, each board committee separately, the contribution by the Chairman and each individual Director;
 - (c) the review of training and professional development programs for the Board, its board committees and the Directors; and
 - (d) the appointment and re-appointment of Directors (including alternate directors, if any), including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates.
2. Reviewing annually whether the Board and the board committees are of:
 - (a) an appropriate size;
 - (b) 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; and
 - (c) an appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as gender and age, so as to avoid group think and foster constructive debate.
3. Reviewing and determining annually, and as and when circumstances require, whether or not a Director is independent having regard to the requirements of the listing rules of the SGX-ST, the Code and the accompanying Practice Guidance (as each may from time to time be amended, modified or supplemented).

CORPORATE GOVERNANCE REPORT

4. Ensuring that Directors disclose their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence and review such disclosures from the Directors and highlight these to the Board as required.
5. Reviewing the training and professional development programs for the Board, in particular to ensure that new Directors are aware of their duties and obligations.
6. Reviewing and determining if a Director is able to and has been adequately carrying out his/her duties as a director of the Company. In respect of a Director who holds a significant number of listed company directorships and principal commitments which involve significant time commitment, providing a reasoned assessment of the ability of the Director to diligently discharge his/her duties.
7. Setting the objectives for achieving board diversity and reviewing the Company's progress towards achieving these objectives.
8. Reviewing the statements relating to the following matters in the Company's annual reports with a view to achieving clear disclosure of the same:
 - (a) the induction, training and development provided to new and existing Directors;
 - (b) the Company's process for selection, appointment and re-appointment of Directors to the Board, criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates;
 - (c) the Directors' relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence and the reasons of the Board in determining that such directors are independent notwithstanding the existence of such relationships;
 - (d) the listed company directorships and principal commitments of each Director, and the Board's and NRC's reasoned assessment of the Director's ability to diligently discharge his/her duties;
 - (e) how the assessments of the Board, the 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 the Directors; and
 - (f) the board diversity policy and progress made towards implementing the board diversity policy, including objectives.
9. In carrying out its duties as the nomination committee, taking into consideration all factors as may be specified in the Code and the accompanying Practice Guidance (as each may be from time to time amended, modified or supplemented).

Remuneration matters

10. Reviewing and recommending to the Board and in consultation with the Chairman of the Board, a framework of remuneration and guidelines for remuneration of the Directors and such other persons having authority and responsibility for planning, directing and controlling the activities of the Company ("Key Management Personnel").
11. Reviewing and recommending to the Board specific remuneration packages for each Director and Key Management Personnel.

CORPORATE GOVERNANCE REPORT

12. Considering all aspects of remuneration (including but not limited to directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits-in-kind and termination payments), including termination terms, to ensure they are fair and that the level and structure of remuneration are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the Company's strategic objectives.
13. Administering any share schemes which may be approved by the shareholders.
14. Reviewing the succession and leadership development plans for key positions.
15. Reviewing the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation and the statements in the Company's annual report with a view to achieving clear disclosure of the same.
16. In carrying out its duties as a remuneration committee, taking into consideration all factors as may be specified in the Code and accompanying Practice Guidance (as each may be from time to time amended, modified or supplemented), including without limitation, the following:
 - (a) A significant and appropriate proportion of the executive Directors and Key Management Personnel is structured so as to link rewards to corporate and individual performance and performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.
 - (b) The remuneration of non-executive Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent and responsibilities.
 - (c) The remuneration is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and Key Management Personnel to successfully manage the Company for the long term.
 - (d) The use of contractual provisions should be considered to allow the Company to reclaim incentive components of remuneration from executive Directors and Key Management Personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company.
 - (e) To review 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.

General responsibilities as the NRC

17. Reviewing the NRC's terms of reference annually and recommend any proposed changes to the Board for approval.
18. Assuming such other duties (if any) that may be assigned to a nomination committee and/or a remuneration committee of a Singapore-listed company under the Listing Rules of the Singapore Exchange Securities Trading Limited and/or the Code.

CORPORATE GOVERNANCE REPORT

AUDIT AND RISK COMMITTEE ("ARC")

1. To have all the functions, duties, powers and responsibilities described in Section 201B of the Companies Act, including without limitation, to review with the auditor, the audit plan, the evaluation of the system of internal accounting controls, the audit report, the assistance given by the Company's officers to the auditor, the scope and results of the internal audit procedures and the financial statements and consolidated financial statements of the Company.
2. To review the significant financial reporting issues and judgements so as to ensure the integrity of the Company's financial statements and any announcements relating to the Company's financial performance.
3. To review at least annually the adequacy and effectiveness of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems and, where necessary and appropriate, provide a statement on the Board's comment on the adequacy and effectiveness of the Company's internal controls.
4. To review audit plans and reports of the external auditors and internal auditors, and consider the results, significant findings and recommendations, together with the effectiveness of actions taken by management on the recommendations and observations.
5. Where necessary, to commission an independent audit on internal controls and risk management systems for the ARC's assurance, or where it is not satisfied with the Company's systems of internal controls and risk management.
6. To review (i) the assurance from the Chief Executive Officer ("CEO") and the Chief Finance Officer ("CFO") on the financial records and financial statements of the Company and (ii) assurance from the CEO and other key management personnel on the adequacy and effectiveness of the Company's risk management and internal control systems.
7. To make 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.
8. To review the adequacy and effectiveness, independence, scope and results of the external audit and the Company's internal audit function.
9. To commission and review 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.
10. To review the Company's policy and arrangements for concern 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.
11. To be the primary reporting line of the internal audit function and ensure that the internal audit function has direct and unrestricted access to the Chairman of the Board and the ARC.
12. To ensure that the internal audit function is independent, effective and adequately resourced. The internal audit function should be staffed with persons with the relevant qualifications and experience. To decide on the appointment, termination and remuneration of the head of the internal audit function.

CORPORATE GOVERNANCE REPORT

13. To meet with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually and to review the co-operation extended to the internal auditors and the external auditors.
14. To review the nature, extent and costs of non-audit services performed by the external auditors, to ensure their independence and objectivity.
15. To review interested person transactions (including where required under any general mandate as may from time to time be approved by shareholders of the Company pursuant to the Listing Rules of the Singapore Exchange Securities Trading Limited ("Listing Rules") 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 Listing Rules, as well as all conflicts of interest to ensure that proper measures to mitigate such conflicts of interest have been put in place, in relation to interested person transactions.
16. To recommend the appointment of an independent financial adviser ("IFA") where necessary under the Listing Rules and its fees in respect of any transaction, matter or any other corporate action taken by the Company where such IFA is required.
17. To review the statements to be included in the Company's annual report concerning the adequacy and effectiveness of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems, with a view to achieving clear disclosure of the same.
18. To review and make recommendations to the Board on (i) significant or potentially significant risks which the Company is willing to take in achieving its strategic objectives and value creation; (ii) risk limits consistent with the Company's significant risks and risk appetite; (iii) delegation of authority on risk limits; and (iv) the Company's risk management framework with its management and whether there are any changes in the material business or enterprise risks the Company faces and to ensure they remain within the risk appetite set by the Board.
19. To review and approve the adequacy of the Company's risk management framework and policies relevant for managing risks of the Company, as well as adequacy of resources for the risk management function, such as manpower, financial and technology.
20. To monitor the Company's management performance on ensuring that risk considerations are incorporated into strategic and business planning and provide updates and make recommendations to the Board in relation thereto.
21. To consider and advise on risk matters referred to it by the Company's management or the Board.
22. In carrying out its duties, to take into consideration all factors as may be specified in the Code and the accompanying Practice Guidance (as each may be from time to time amended, modified or supplemented).
23. To review the ARC's terms of reference annually and recommend any proposed changes to the Board for approval.
24. To assume such other duties (if any) that may be assigned to an audit committee and/or a risk committee of a Singapore-listed company under the Companies Act, the Listing Rules and/or the Code (as each may from time to time be amended, modified or supplemented).

SHAREHOLDING STATISTICS

As at 14 March 2025

Number of issued ordinary shares	:	87,265,029
Issued and paid-up capital	:	S\$38,057,146.05
Number of treasury shares held	:	Nil
Number of subsidiary holdings	:	Nil
Class of shares	:	Ordinary shares each with equal voting rights

Range of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	141	4.10	7,021	0.01
100 - 1,000	1,657	48.24	1,117,085	1.28
1,001 - 10,000	1,374	40.00	4,685,476	5.37
10,001 - 1,000,000	252	7.34	18,087,935	20.73
1,000,001 and above	11	0.32	63,367,512	72.61
	3,435	100.00	87,265,029	100.00

Shareholdings Held in Hands of Public

Based on information available to the Company as at 14 March 2025, approximately 28.48% of the issued ordinary shares (excluding treasury shares) of the Company is held by the public. Rule 723 of the SGX-ST Listing Manual is complied with.

TOP 20 SHAREHOLDERS

No.	Name of Shareholders	No. of Shares	%
1	OBG & SONS PTE LTD	23,248,102	26.64
2	UOB KAY HIAN PTE LTD	21,816,257	25.00
3	DBS NOMINEES PTE LTD	2,855,739	3.27
4	ONG HUAT YEW PETER	2,746,767	3.15
5	ONG HUAT CHOO	2,684,100	3.08
6	HSBC (SINGAPORE) NOMINEES PTE LTD	2,377,466	2.72
7	ONG HUAT KEE	2,150,067	2.46
8	ABEL ENG WAHY ONG	1,653,447	1.89
9	ONG YUU KOCK	1,552,666	1.78
10	ONG ENG KENG MICHAEL	1,202,301	1.38
11	WONG HUAY SHIEN (HUANG HUIXIAN)	1,080,600	1.24
12	KELVIN ONG ENG CHIAN (KELVIN WANG RONGJIAN)	854,608	0.98
13	LEE SECK YEE	784,666	0.90
14	CHUA THIAM CHOK	720,000	0.82
15	TAN YONG PING (CHEN YONGBIN)	706,666	0.81
16	ONG ENG MIEN MALCOLM	671,187	0.77
17	DAVID CHONG TEK YEW	611,866	0.70
18	ONG LAY MAY APPLE	600,000	0.69
19	HOBEE PRINT PTE LTD	600,000	0.69
20	CHUA WEE LIONG (CAI WEILONG)	589,700	0.68
		69,506,205	79.65

SHAREHOLDING STATISTICS

As at 14 March 2025

Substantial Shareholders as at 14 March 2025

(as shown in the Company's Register of Substantial Shareholders)

Name	Direct Interest	%	Deemed Interest	%
OBG & Sons Pte Ltd	23,248,102	26.64	–	–
Bapcor Asia Pte. Ltd.	21,816,257	25.00	21,816,257	25.00
Bapcor International Pty Ltd ¹	–	–	21,816,257	25.00
Bapcor Finance Pty Ltd ²	–	–	21,816,257	25.00
Bapcor Limited ³	–	–	21,816,257	25.00

Notes:

- 1 Bapcor International Pty Ltd ("**Bapcor International**") is the holding company of Bapcor Asia Pte. Ltd. ("**Bapcor Asia**"). Accordingly, Bapcor International is deemed to have an interest (directly or indirectly) in all the shares held by Bapcor Asia.
- 2 Bapcor Finance Pty Ltd ("**Bapcor Finance**") is the holding company of Bapcor International. Accordingly, Bapcor Finance is deemed to have an interest in all the shares (directly or indirectly) held by Bapcor International.
- 3 Bapcor Limited ("**Bapcor Limited**") is the holding company of Bapcor Finance. Accordingly, Bapcor Limited is deemed to have an interest in all the shares (directly or indirectly) held by Bapcor Finance.

NOTICE OF 69TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 69th Annual General Meeting (the “**AGM**”) of Tye Soon Limited (the “**Company**”) will be held at The Chevrans, 48 Boon Lay Way, Singapore 609961 on Thursday, 24 April 2025 at 10:00 a.m. for the following purposes:

As Ordinary Business

Ordinary Resolution No.

- | | | |
|----|---|----------------|
| 1. | To receive and adopt the directors’ statement and audited financial statements for the financial year ended 31 December 2024, together with the auditors’ report thereon. | (Resolution 1) |
| 2. | To approve directors’ fees of S\$221,000 payable by the Company for the financial year ended 31 December 2024 (2023: S\$271,000). | (Resolution 2) |
| 3. | To re-elect the following directors who are retiring under Regulations 104 and 108 of the Company’s constitution (the “ Constitution ”) and who, being eligible, offer themselves for re-election: | |
| | (a) Mr Kelvin Ong Eng Chian | (Resolution 3) |
| | (b) Mr Angus Robert McKay | (Resolution 4) |
| 4. | To declare a final tax exempt one-tier dividend of S\$0.01275 per ordinary share for the financial year ended 31 December 2024. | (Resolution 5) |
| 5. | To re-appoint KPMG LLP as auditors of the Company for the financial year ending 31 December 2025 and to authorise the directors to fix their remuneration. | (Resolution 6) |
| 6. | To transact any other ordinary business that may properly be transacted at an annual general meeting. | |

As Special Business

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

- | | | |
|----|--|----------------|
| 7. | <u>Authority to allot and issue shares</u> | (Resolution 7) |
|----|--|----------------|

That, authority be and is hereby given to the directors of the Company to:

- | | | |
|-----|------|--|
| (a) | (i) | issue shares in the capital of the Company (the “ Shares ”) whether by way of rights, bonus or otherwise; and/or |
| | (ii) | make or grant offers, agreements, or options (collectively, the “ Instruments ”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible or exchangeable into Shares, |
| | | at any time and upon such terms and conditions and for such purposes and to such persons as the directors may in their absolute discretion deem fit; and |
| (b) | | (notwithstanding that 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 while this resolution was in force, |

NOTICE OF 69TH ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of Shares to be issued under this resolution (including Shares to be issued in pursuance of the Instruments made or granted under this resolution) does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted under this resolution) does not exceed 20% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation and adjustments as may be prescribed by the Singapore Exchange Securities Trading Limited (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 shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of convertible securities;
 - (b) new Shares arising from the exercise of share options or vesting of share awards, provided the options or awards were granted in compliance with the Listing Manual of the SGX-ST; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares,provided further that adjustments in accordance with sub-paragraphs (2)(a) and (2)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this resolution;
- (3) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Companies Act 1967, the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier.

By Order of the Board of Directors

EVELYN WEE KIM LIN
WU SIYING
Joint Company Secretaries
Tye Soon Limited

9 April 2025
Singapore

NOTICE OF 69TH ANNUAL GENERAL MEETING

Explanatory Notes:

Resolution 3

The proposed Resolution 3 is to re-elect Mr Kelvin Ong Eng Chian who will be retiring by rotation pursuant to Regulation 104 of the Constitution.

If re-elected, Mr Kelvin Ong Eng Chian will remain as member of the Executive Directors' Committee of the Company.

Resolution 4

The proposed Resolution 4 is to re-elect Mr Angus Robert McKay who will be retiring by rotation pursuant to Regulation 108 of the Constitution.

If re-elected, Mr Angus Robert McKay will remain as a member of the Audit and Risk Committee (the "**ARC**") and the Nomination and Remuneration Committee (the "**NRC**"). He is considered a non-independent director.

Detailed information on these directors (including information as set out in Appendix 7.4.1 of the Listing Manual of the SGX-ST) can be found on pages 91 to 92 and pages 113 to 119 of the Company's Annual Report 2024.

Resolution 7

The proposed Resolution 7, if passed, will empower the directors, from the date of the AGM until the next annual general meeting of the Company, to issue Shares and/or Instruments up to an aggregate number not exceeding 50% of the total number of issued Shares excluding treasury shares and subsidiary holdings, if any, with a sub-limit of 20% for Shares issued other than on a *pro rata* basis to members.

NOTES:

1. The Chairman of the 69th AGM will be exercising his right under regulation 70 of the Company's Constitution to demand a poll in respect of each of the resolutions to be put to the vote of members at the 69th AGM and at any adjournment thereof. Accordingly, each resolution at the 69th AGM will be voted on by way of poll.
2. The members of the Company are invited to **attend physically** at the 69th AGM. There will be no option for members to participate virtually.
3. Members (including Central Provident Fund Investors Schemes and/or Supplementary Retirement Scheme) may participate in the AGM by:
 - (a) attending the AGM in person;
 - (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or
 - (c) voting at the AGM
 - (i) themselves personally; or
 - (ii) through their duly appointed proxy(ies).

Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process and are advised not to attend the AGM if they are feeling unwell. Members are strongly encouraged to exercise social responsibility to rest at home and consider appoint a proxy(ies) to attend the meeting. We encourage members to mask up when attending the AGM.

4.
 - (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

5. A proxy need not be a member of the Company.
6. For investors who hold shares through relevant intermediaries, including Central Provident Fund Investors Schemes (the "**CPF Investors**") and/or Supplementary Retirement Scheme (the "**SRS Investors**") should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least 7 working days before the AGM. CPF/SRS Investors should contact their respective CPF Agent Banks or SRS Operators for any queries they may have with regard to the appointment of proxy for the AGM.

NOTICE OF 69TH ANNUAL GENERAL MEETING

7. The instrument appointing a proxy(ies) must be submitted in the following manner:
- (a) if submitted by post, be deposited at the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted electronically, be submitted, via email to the Company's Share Registrar at main@zicoholdings.com.
- In any case, the instrument must be submitted not less than 72 hours before the time appointed for holding the AGM (i.e. by **10:00 a.m. on 21 April 2025**).
8. The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument.
9. Members and Investors can submit questions relating to the business of the AGM in advance by **10:00 a.m. on 17 April 2025** via email at investor_relations@tyesoon.com and provide their particulars: (1) the member's full name; and (2) his/her/its identification/registration number, contact for verification purposes, failing which the submission will be treated as invalid; or the questions may be submitted by post and lodged at the office of the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.

The Company will endeavour to respond to substantial and relevant questions received from Members and Investors during the AGM.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxy(ies) 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 or service provider) to comply with any applicable law, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) for the Purposes, and (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request.

Special Note: Dress Code

Please be informed that the 69th AGM shall be held at The Chevrans, 48 Boon Lay Way, Singapore 609961 and Shareholders (and their respective proxies) are requested NOT to wear singlets, running shorts and slippers. Your co-operation in complying with the dress code is greatly appreciated.

NOTICE OF RECORD DATE AND PAYMENT DATE FOR FINAL DIVIDEND

NOTICE IS ALSO HEREBY GIVEN that, subject to the approval by the shareholders of the final dividend (the "**Dividend**") at the 69th Annual General Meeting (the "**AGM**"), the Register of Members and the Transfer Books of the Company will be closed at 5:00 p.m. on 7 May 2025 (the "**Record Date**") for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrars, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 up to 5:00 p.m. on the Record Date will be registered to determine shareholders' entitlements to the Dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Limited (the "**CDP**"), the Dividend will be paid by the Company to CDP which will, in turn, distribute the Dividend entitlements to the CDP account-holders in accordance with its normal practice.

The Dividend, if so approved by shareholders at the forthcoming AGM, will be paid on 16 May 2025.

DISCLOSURE OF INFORMATION ON DIRECTORS WHO OFFER THEMSELVES FOR RE-ELECTION

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the retiring Directors as set out in Appendix 7.4.1 of the Listing Rule of the SGX-ST is disclosed below:

Name of Director	Angus Robert McKay	Kelvin Ong Eng Chian @ Kelvin Wang Rongjian
Date of Appointment	20 November 2024	17 July 2006
Date of last re-appointment (if applicable)	N.A.	26 April 2023
Age	60	49
Country of principal residence	Australia	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	Angus Robert McKay (Mr McKay) was nominated by Bapcor Limited, a controlling shareholder of the Company. The re-election of Mr McKay as a Non-Executive Non-Independent Director was recommended by the NRC and the Board has accepted the recommendation, after taking into consideration his qualifications and past experience.	The re-election of Mr Kelvin Ong as the Deputy Managing Director was recommended by the NRC and the Board has accepted the recommendation, after taking into his qualifications, past experience and overall contribution since to the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive Director	Executive Director
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive Non-Independent Director	Deputy Managing Director and a member of the Executive Directors' Committee
Professional qualifications	<ol style="list-style-type: none"> Bachelor of Economics Diploma of Corporate Management 	<ol style="list-style-type: none"> Bachelor of Engineering
Working experience and occupation(s) during the past 10 years	<ol style="list-style-type: none"> Chief Executive Officer and Managing Director – Skilled Group Ltd (2015 – 2016) Chief Executive Officer – Convenience Group Holdings Pty Ltd (7-Eleven) (2016 – 2024) Executive Chair and Chief Executive Officer – Bapcor Ltd (2024 – Present) 	<p><u>2014 to current:</u> Deputy Managing Director of Tye Soon Limited</p> <p><u>2012 to 2014:</u> Executive Director of Tye Soon Limited</p>
Shareholding interest in the listed issuer and its subsidiaries	None	854,608 ordinary shares in Tye Soon Limited
Familial relationship with any director and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr McKay is nominated by Bapcor Limited. Mr McKay is also the Executive Chair and Chief Executive Officer of Bapcor Limited.	Ong Huat Yew Peter: Father, Adviser
Conflict of interest (including any competing business)	Mr McKay is the Executive Chair and Chief Executive Officer of Bapcor Limited, a controlling shareholder of the Company.	No

DISCLOSURE OF INFORMATION ON DIRECTORS WHO OFFER THEMSELVES FOR RE-ELECTION

Name of Director	Angus Robert McKay	Kelvin Ong Eng Chian @ Kelvin Wang Rongjian
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments including Directorships		
Past (for the last 5 years)	<ol style="list-style-type: none"> 1. Convenience Group Holdings Pty Ltd 2. Convenience Holdings Pty Ltd 3. Convenience Holdings Nominees Pty Ltd 4. Convenience Properties (Holdings Pty Ltd) 5. Convenience Properties Pty Ltd 6. Convenience Properties (Operations) Pty Ltd 7. Convenience Sub-Holdings Pty Ltd 8. Cremorne Strategic Holdings Pty Ltd 9. Independent Claims Pty Ltd 10. Independent WCP Pty Ltd 11. Sea Plant & Equipment Pty Ltd 12. Strasburger Enterprises (Properties) Pty Ltd 13. Tipple Group Holdings Pty Ltd 14. 7 Holdings Pty Ltd 15. 7-Eleven Australia Pty Ltd 16. 7-Eleven Stores Pty Ltd 	<ol style="list-style-type: none"> 1. Tye Soon Limited 2. TSC Compartments Pte. Ltd. 3. TS Motorsport Pte. Ltd. 4. Everts Pte. Ltd. 5. Imparts Holdings Pte Ltd 6. Joining Enterprise Pte. Ltd. 7. Filsound Enterprise Pte Ltd 8. Tokyo Motor Pte Ltd 9. TSC Enterprise (HK) Limited 10. TSC Trading (Shenzhen) Co Ltd 11. Edaran PAL Sdn Bhd 12. Naga Jaya Automotive Sdn Bhd 13. MSJ United Sdn Bhd 14. Poweris Enterprise (M) Sdn Bhd 15. NJA Marketing Sdn Bhd 16. Poweris Marketing (M) Sdn Bhd 17. Imparts Automotive Pty Ltd 18. Imparts Distribution Pty Ltd 19. Automotive Partners Asia Pty Ltd 20. Sejong Parts Plus Limited Liability Company 21. PT Malindo Makmur 22. MMI Vehicle System Inc 23. Pal Everts Co, Ltd 24. JP Parts Express Corporation KK
Present	<ol style="list-style-type: none"> 1. Bapcor Limited 2. AADI Australia Pty Ltd 3. A&F Drive Shaft Repair Queensland Pty Ltd 4. Aftermarket Network Australia Pty Ltd 5. Australian Automotive Electrical Wholesale Pty Ltd 6. Bapcor Australia Pty Limited 7. Bapcor Automotive Limited 8. Bapcor Finance Pty Ltd 	Refer to the list above

DISCLOSURE OF INFORMATION ON DIRECTORS WHO OFFER THEMSELVES FOR RE-ELECTION

Name of Director	Angus Robert McKay	Kelvin Ong Eng Chian @ Kelvin Wang Rongjian
	9. Bapcor International Pty Ltd 10. Bapcor Logistics Services Pty Ltd 11. Bapcor New Zealand Limited 12. Bapcor Retail Pty Ltd 13. Bapcor Services New Zealand Limited 14. Bapcor Services Pty Ltd 15. Baxters Pty Ltd 16. Bapcor Asia Pte. Ltd. 17. Benequity Properties, LLC 18. Blacktown Auto Engineers Pty Ltd 19. Brake & Transmission NZ Limited 20. Burson Automotive Pty. Ltd. 21. Car Bitz & Accessories Pty. Ltd. 22. Commercial Parts Pty Ltd 23. Commercial Spares Pty. Ltd. 24. Diesel Distributors Australia Pty Limited 25. Diesel Distributors Limited 26. Don Kyatt Spare Parts (QLD) Pty. Ltd. 27. Federal Batteries Qld Pty Limited 28. HCB Technologies Limited 29. HDRJ Holdings Pty Ltd 30. He Knows Truck Parts Pty Ltd 31. Hellaby Resource Services Limited 32. I Know Parts and Wrecking Pty Ltd 33. JAS Oceania Pty. Ltd 34. Low Voltage Pty Limited 35. Midas Australia Pty. Ltd. 36. MTQ Engine Systems (Aust) Pty Ltd 37. Precision Equipment New Zealand Ltd 38. Premier Auto Trade Pty Ltd 39. Renouf Corporation International 40. Ryde Batteries (Wholesale) Pty. Limited 41. Specialist Wholesalers Pty Ltd	

DISCLOSURE OF INFORMATION ON DIRECTORS WHO OFFER THEMSELVES FOR RE-ELECTION

Name of Director		Angus Robert McKay	Kelvin Ong Eng Chian @ Kelvin Wang Rongjian
		42. Car Bitz Asia Co. Ltd 43. Carey Baptist Grammar School Limited 44. Coorabah Pty Ltd	
Information required 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	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c)	Whether there is any unsatisfied judgment against him?	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS WHO OFFER THEMSELVES FOR RE-ELECTION

Name of Director		Angus Robert McKay	Kelvin Ong Eng Chian @ Kelvin Wang Rongjian
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS WHO OFFER THEMSELVES FOR RE-ELECTION

Name of Director		Angus Robert McKay	Kelvin Ong Eng Chian @ Kelvin Wang Rongjian
(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	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	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	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	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 warnings, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No

DISCLOSURE OF INFORMATION ON DIRECTORS WHO OFFER THEMSELVES FOR RE-ELECTION

Name of Director	Angus Robert McKay	Kelvin Ong Eng Chian @ Kelvin Wang Rongjian
Information required Disclosure applicable to the 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. 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).	N.A.	N.A.

SUSTAINABILITY REPORT SUMMARY

Tye Soon Limited's Sustainability Report for the year ended 31 December 2024 (the "**Report**") is prepared in accordance with the Global Reporting Initiative and complies with Rules 711A and 711B and Practice Note 7F of the Listing Manual of the Singapore Exchange Securities Trading Limited for sustainability reporting. The Report aligns with the recommendations of the Task Force on Climate-related Financial Disclosures.

The Report will be published as a standalone report and is scheduled for release by 30 April 2025. It will provide a comprehensive overview of the Company's environmental, social, and governance ("**ESG**") initiatives, highlighting key achievements, challenges, and progress towards sustainability goals.

The Board of Directors of Tye Soon Limited is committed to integrating ESG considerations into the Group's long-term business strategy. The Sustainability Steering Committee, comprising key executives across the Group, closely manages current and emerging ESG risks and impacts.

As part of the Group's sustainability commitment, steps have been taken to refresh materiality assessment and expand disclosures to reflect the evolving landscape of sustainability issues and to meet the growing expectations of stakeholders. This approach underscores the Group's aim to enhancing transparency and aligning with emerging regulatory requirements.

In preparation for the requirements issued by the International Sustainability Standards Board, the Group is also taking proactive steps to build reporting capabilities. The Group is committed to strengthening its sustainability reporting framework to ensure it is well-positioned for future regulatory expectations.

TYE SOON LIMITED
Registration No. 195700114W
(Incorporated in the Republic of Singapore)

69TH ANNUAL GENERAL MEETING

PROXY FORM

IMPORTANT

1. A relevant intermediary (as defined in section 181 of the Companies Act 1967) may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.

2. This Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or is purported to be used by Central Provident Fund (CPF) and Supplementary Retirement Scheme (SRS) investors who hold the Company's shares through CPF Agent Banks/SRS Operators). CPF/SRS investors who wish to vote should approach their respective CPF Agent Bank/SRS Operators to submit their instructions at least seven (7) working days before the date of the AGM.

3. PLEASE READ THE NOTES TO THE PROXY FORM.

I/We, _____ (Name)

_____ (*NRIC/Passport No./ Company Registration No.)
of _____ (Address)
being a *member/members of TYE SOON LIMITED (the “**Company**”), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of shares	%
and/or (delete as appropriate)				

or failing *him/her/them, the Chairman of the 69th Annual General Meeting (the “**AGM**”) of the Company as *my/our *proxy/proxies to attend and vote for *me/us on *my/our behalf, at the AGM of the Company, to be held at The Chevrans, 48 Boon Lay Way, Singapore 609961 on **Thursday, 24 April 2025 at 10:00 a.m.** and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the 69th AGM 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 AGM and at any adjournment thereof.

No.	Resolutions	For [^]	Against [^]	Abstain [^]
Ordinary Business				
1.	To receive and adopt the Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2024, together with the auditors’ report thereon.			
2.	To approve the directors’ fees for the year ended 31 December 2024.			
3.	To re-elect Mr Kelvin Ong Eng Chian as a director.			
4.	To re-elect Mr Angus Robert McKay as a director.			
5.	To declare the final dividend for the financial year ended 31 December 2024.			
6.	To re-appoint KPMG LLP as auditors and to authorise the directors to fix their remuneration.			
Special Business				
7.	General authority to the directors to issue shares and/or Instruments.			

* Delete accordingly.

[^] If you wish your proxy/proxies to cast all your votes “For” or “Against” a resolution, please tick “X” in the “For” or “Against” box provided in respect of that resolution. Alternatively, please insert the relevant number of shares “For” or “Against” in the “For” or “Against” box provided in the respect of that resolution. If you wish your proxy/proxies to abstain from voting on a resolution, please indicate with a tick “X” in the “Abstain” box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the “Abstain” box provided in the respect of that resolution. In any other case, the proxy/proxies may vote or abstain as the proxy/proxies deems fit on any of the resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this _____ day of _____ 2025.

Signature(s) of member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	
Total	



NOTES TO PROXY FORM:

1. If the member has shares entered against his/her/its name in the Depository Register (maintained by the Central Depository (Pte) Limited), he should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.
2.
 - (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

3. A proxy need not be a member of the Company.
4. The instrument appointing a proxy(ies) must be deposited at the Company's Share Registrar, B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896 not less than 72 hours before the time appointed for holding the AGM (i.e. by **10:00 a.m. on 21 April 2025**).
5. A member who wishes to submit an instrument appointing a proxy(ies) by post or via email must complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the Company's Share Registrar at main@zicoholdings.com by 10:00 a.m. on 21 April 2025.
6. Completion and submission of the instrument appointing a proxy(ies) does not preclude a member from attending and voting at the AGM. The appointment of a proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any persons appointed under the relevant instrument appointing a proxy(ies) to attend the AGM.
7. The instrument appointing a proxy(ies) must, if submitted by post or electronically via email, be signed under the hand of the appointor or of his/her attorney duly authorized in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must, if submitted by post or electronically via email, be executed either under the common seal or under the hand of its attorney or a duly authorised officer.
8. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted 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. The Company shall be entitled to reject the instrument appointing a proxy(ies) which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) if the member, being the appointor, 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, as certified by The Central Depository (Pte) Limited to the Company.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the 69th AGM dated 9 April 2025.

Special Note: Dress Code

Please be informed that the 69th AGM shall be held at The Chevrans, 48 Boon Lay Way, Singapore 609961 and the members of the Company (and their respective proxies) are requested NOT to wear singlets, running shorts and slippers. Your co-operation in complying with the dress code is greatly appreciated.

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