



**OILTEK**

优特科技国际有限公司  
OILTEK INTERNATIONAL LIMITED

ANNUAL  
REPORT  
2024

**AGRI-TECHNOLOGY**  
**SUSTAINABLE SOLUTIONS**



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

The contact person for the Sponsor is Ms. Audrey Mok (Telephone: +65 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.





## CORPORATE PROFILE

**Oiltek International Limited** (the “**Company**”, and together with its subsidiaries, the “**Group**”) is an established integrated process technology and renewable energy solutions provider in the vegetable oils industry, providing solutions that cater to all types of vegetable oils, including palm oil, soybean oil and rapeseed oil, which are some of the major agricultural commodities in the world.

The history of the Group can be traced back to our principal operating subsidiary, Oiltek Sdn. Bhd., which was incorporated in Malaysia on 1 December 1980 as a private company limited by shares and started out as a home-grown vegetable and edible oil process engineering company. With over 44 years of industry experience and the Group’s in-house proprietary process technology and know-how, the Group provides a reliable, innovative, diversified and comprehensive range of process and engineering solutions for use across all different sectors of the vegetable oils industry value chain worldwide. The Group has successfully designed, built and commercialised over 650 plants in more than 37 countries across 5 continents.

The Group operates three (3) key businesses – Edible & Non-Edible Oil Refinery segment, Renewable Energy segment, and Product Sales and Trading segment. For more information, please visit the Company’s website at [www.oiltek.com.my](http://www.oiltek.com.my).

Oiltek International Limited was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited on 3 March 2022 (SGX: HQU).

## OUR VISION

Our vision is to be a global leader in providing leading process technology and sustainable solutions in the oils and fats industry, which can create a positive impact for our stakeholders and the environment.

## STATEMENT BY CHAIRMAN AND CEO



*The Oiltek brand has become synonymous with trustworthiness, reputation, quality, and innovation, and we remain steadfast in our commitment to elevating the Company to greater heights with various corporate actions, further expansions into new markets, and the onboarding of new customers in existing markets.*



### DEAR SHAREHOLDERS,

On behalf of the Board of Directors (“**Board**”), we are delighted to present the Annual Report of Oiltek International Limited (“**Oiltek**”, the “**Company**” and together with its subsidiaries, the “**Group**”) for the financial year ended 31 December 2024 (“**FY2024**”).

### Exceptional FY2024 Performance

Despite persistent global economic challenges including rising geopolitical and trade tensions, together with ongoing inflation risks, Oiltek recorded another commendable financial performance for FY2024. Net profit after income tax surged 55.0% to RM29.6 million on the back of a revenue growth of 14.5% to RM230.3 million, setting record highs for both revenue and profit after income tax. The revenue growth was driven by increased business activities across the Edible & Non-Edible Oil Refinery segment and the Product Sales and Trading segment, which was partially offset by a revenue decrease in the Renewable Energy segment. The

commendable profit after income tax of approximately RM29.6 million translates to earnings per share of 20.7 sen and a return on equity of approximately 35.2%.

### Forging Ahead to Greater Heights

The Group’s ability to achieve consistent revenue and profit growth underscores its deep industry expertise spanning over 44 years, coupled with resilient business strategies and operational excellence. The Oiltek brand has become synonymous with trustworthiness, reputation, quality, and innovation, and we remain steadfast in our commitment to elevating the Company to greater heights with various corporate actions, further expansions into new markets, and the onboarding of new customers in existing markets planned for the financial year ending 31 December 2025 (“**FY2025**”).

As part of our growth strategy, on 17 February 2025, the Group submitted an application to transfer from

## STATEMENT BY CHAIRMAN AND CEO

the Catalist Board of the SGX-ST (the “**Catalist**”) to the Mainboard of the SGX-ST (the “**Mainboard**”). The Company has been listed on the Catalist Board since 3 March 2022 and since then, the Group has undergone substantial growth and expanded its global footprint. The Group believes that a Mainboard listing would provide a more suitable platform for its strong and consistent financial performance and enhance Oiltek’s corporate image both locally and overseas. It will also provide Oiltek with a wider platform and more opportunities for future fund raising and provide access to larger and more diverse investors including institutional and overseas investors.

Additionally, on 3 March 2025, the Group announced a proposed bonus share issue on the basis of two Bonus Shares to be credited as fully paid for every one existing ordinary share in the capital of the Company, subject to the requisite approvals. This bonus share issue will increase the Company’s issued share capital to reflect the growth and expansion of its business, reward our loyal shareholders for their support, and increase accessibility and trading liquidity to foster greater participation by investors, thereby broadening the shareholder base of the Company.

We appreciate the stock market’s positive response to our business growth, strong financial performance, and strategic corporate actions, which have collectively led to an approximately five-fold increase in our share price in 2024. This remarkable achievement reflects the trust and confidence our shareholders have placed in us, and we remain committed to driving sustainable growth, creating long-term value, and delivering on our strategic vision.

### Resilient Business Outlook

Notwithstanding an uncertain macroeconomic climate fraught with tariffs and trade war risks, the Group is confident about the long-term outlook of the Edible & Non-Edible Oil Refinery segment, with population growth being the key driver of global consumption of oils and fats. The global fats and oils market size is expected

to hit US\$402.94 billion by 2033, with a compounded annual growth rate of 4.6% between 2024 and 2033<sup>1</sup>. The growing demand for food due to population growth will result in greater corresponding demand for edible and non-edible oils and fats, specifically, vegetable oils. This will benefit the Group as it provides solutions that cater to all types of vegetable oils, including palm oil, soybean oil and rapeseed oil.

In addition, the increasing focus on global environmental sustainability will continue to benefit the Group’s Renewable Energy segment. Indonesia, the world’s biggest palm oil producing country, has raised its mandatory blending of biodiesel from 30% to 35% (B30 to B35) nationwide in 2024. Indonesia’s biodiesel production rose to 11.6 MMt in 2023 from 10.3 MMt in 2022, according to the Indonesia Biofuel Producer Association (“**APROBI**”)<sup>2</sup>, while Indonesia’s Ministry of Energy and Mineral Resources (“**MEMR**”) plans to implement the mandatory blending of biodiesel to 40% (B40) in early 2025<sup>3</sup>, which is expected to further increase biodiesel demand and production capacity requirements. Indonesia’s Ministry of Energy and Mineral Resources (“**ESDM**”) has also targeted to implement mandatory blending of biodiesel to 50% (B50) by 2026<sup>4</sup>.

The world’s second largest palm oil producing country, Malaysia, is also committed to a phased implementation of its biodiesel programme, which is currently at 10% (B10) for the transportation sector and 7% (B7) for industrial use, with a 20% blending ratio (B20) pilot programme in limited areas according to the Malaysian Biodiesel Association (“**MBA**”).<sup>5</sup>

Separately, the aviation industry’s commitment to achieve net zero emissions by 2050 continues to progress with the shift towards using sustainable aviation fuel (“**SAF**”). SAF is estimated to contribute to 65% of the reduction in emissions needed to hit the 2050 target<sup>6</sup>. Both private investment and national commitments are driving global growth for SAF, with a total of approximately S\$25.2 billion invested in SAF projects worldwide<sup>7</sup>. Singapore has also announced plans to require all departing flights to use SAF starting in 2026, with an initial goal of 1%

<sup>1</sup> <https://www.precedenceresearch.com/fats-and-oils-market>

<sup>2</sup> <https://www.hydrocarbonprocessing.com/news/2024/02/indonesia-sees-2024-biodiesel-consumption-rising-to-11-mmt>

<sup>3</sup> <https://gapki.id/en/news/2024/06/27/membr-b40-ready-for-implementation-next-year/>

<sup>4</sup> <https://indonesiabusinesspost.com/insider/indonesia-to-build-additional-biodiesel-plants-for-b50-fuel-production/>

<sup>5</sup> <https://www.spglobal.com/commodity-insights/en/news-research/latest-news/agriculture/030624-interview-malysias-b20-mandate-could-boost-biodiesel-output-by-79-trade-body-head>

<sup>6</sup> <https://www.iata.org/en/pressroom/pressroom-archive/2021-releases/2021-10-04-03/>

<sup>7</sup> <https://biofuels-news.com/news/sustainable-aviation-fuel-industry-takes-flight-with-14-7-billion-global-investment/>



## STATEMENT BY CHAIRMAN AND CEO



SAF, and a target of 3–5% by 2030<sup>8</sup>. The aviation sector's combined planned use of SAF is projected to increase to over 700 thousand barrels per day by 2035, or 8% of the total jet fuel pool. By 2050, world SAF use is projected to reach nearly 2 million barrels per day, accounting for 19% of the global jet fuel pool<sup>9</sup>.

Furthermore, Southeast Asia's feedstocks are projected to supply approximately 12% of global SAF by 2050<sup>10</sup>, and the Group is well positioned for this trend, with its own designed and delivered plants capable of treating and cleansing palm oil mill effluent ("**POME**"), as well as any other vegetable oil-based raw materials in compliance with the International Sustainability & Carbon Certification ("**ISCC**") for use as feedstock in the production and manufacture of hydrogenated vegetable oil ("**HVO**") or renewable diesel, which can subsequently be upgraded to SAF.

Capitalising on this trend, Oiltek has entered into a Heads of Agreement ("**HOA**") with PT Kilang Pertamina Internasional ("**KPI**") on 24 February 2025 to engage in a partnership for the joint development of a Pre Treatment

Unit ("**PTU**") and the supply of feedstock for the PTU. The aim of the PTU is to replace Crude Palm Oil ("**CPO**") with alternative feedstocks so that SAF and HVO products can meet the growing demand of export markets, especially in Western Europe and East Asia. If a definitive agreement is signed, the proposed PTU will be able to generate recurring income for the Group, in line with its business strategy and expansion plans.

### Looking Ahead

The Group's resilient, asset-light business model, strong management team, and excellent engineering capabilities allow it to remain agile and competitive in a rapidly evolving global landscape. With its strong in-house proprietary process technology and expertise, Oiltek is able to deliver a reliable, innovative, diversified and comprehensive range of process and engineering solutions that cater for the entire vegetable oil value chain, from refining to downstream high value-added products such as margarine, shortening, specialty fats, nutraceutical derivatives, phytonutrient products and premium animal feed.

<sup>8</sup> <https://biomassmagazine.com/articles/singapore-to-implement-saf-mandate-starting-in-2026>

<sup>9</sup> <https://www.iata.org/en/pressroom/pressroom-archive/2021-releases/2021-10-04-03/>

<sup>10</sup> <https://biofuels-news.com/news/southeast-asia-primed-to-play-key-role-in-saf-growth-says-boeing/>

## STATEMENT BY CHAIRMAN AND CEO



The Group will continue to focus on larger scale projects in existing and new markets, whilst also expanding to other markets with growth prospects. In addition, the Group is on the constant lookout for growth opportunities that can complement its existing business and/or create consistent and recurring revenue streams via investments, mergers and acquisitions, joint ventures, or strategic alliances.

In FY2024, the Group secured new contracts totalling approximately RM207.0 million, bringing the current total order book to approximately RM354.9 million, which is expected to be fulfilled over the next 18 to 24 months, barring any unforeseen circumstances. Despite macroeconomic volatility, the Group expects its businesses to be driven primarily by the corresponding growth in the industries that it serves, with the overall outlook expected to remain positive. We remain committed to innovation, operational excellence, and customer satisfaction across the global vegetable oil value chain.

### In Appreciation

To express our gratitude to our loyal shareholders, the Board of Directors has recommended a Final Dividend of 1.8 Singapore cents per share for FY2024, subject

to the approval of shareholders at the forthcoming annual general meeting of the Company. Including the Interim Dividend of 0.9 Singapore cents per share paid in September 2024, the total dividend for FY2024 amounts to 2.7 Singapore cents, which represents about 44.4% of the Group's net profit attributable to shareholders of the Company for FY2024 and a 68.8% increase in total dividend compared to the dividend of 1.6 Singapore cents per share declared for FY2023.

We would also like to extend our heartfelt gratitude to our Board of Directors for their invaluable guidance, our management and staff for their dedication, and our valued customers, business associates and suppliers for their continued trust and support. We look forward to another year of strong performance and progress as we strive to position Oiltex as one of the global leading Agri-Tech engineering companies.

### Mr. Hew Koon Chan

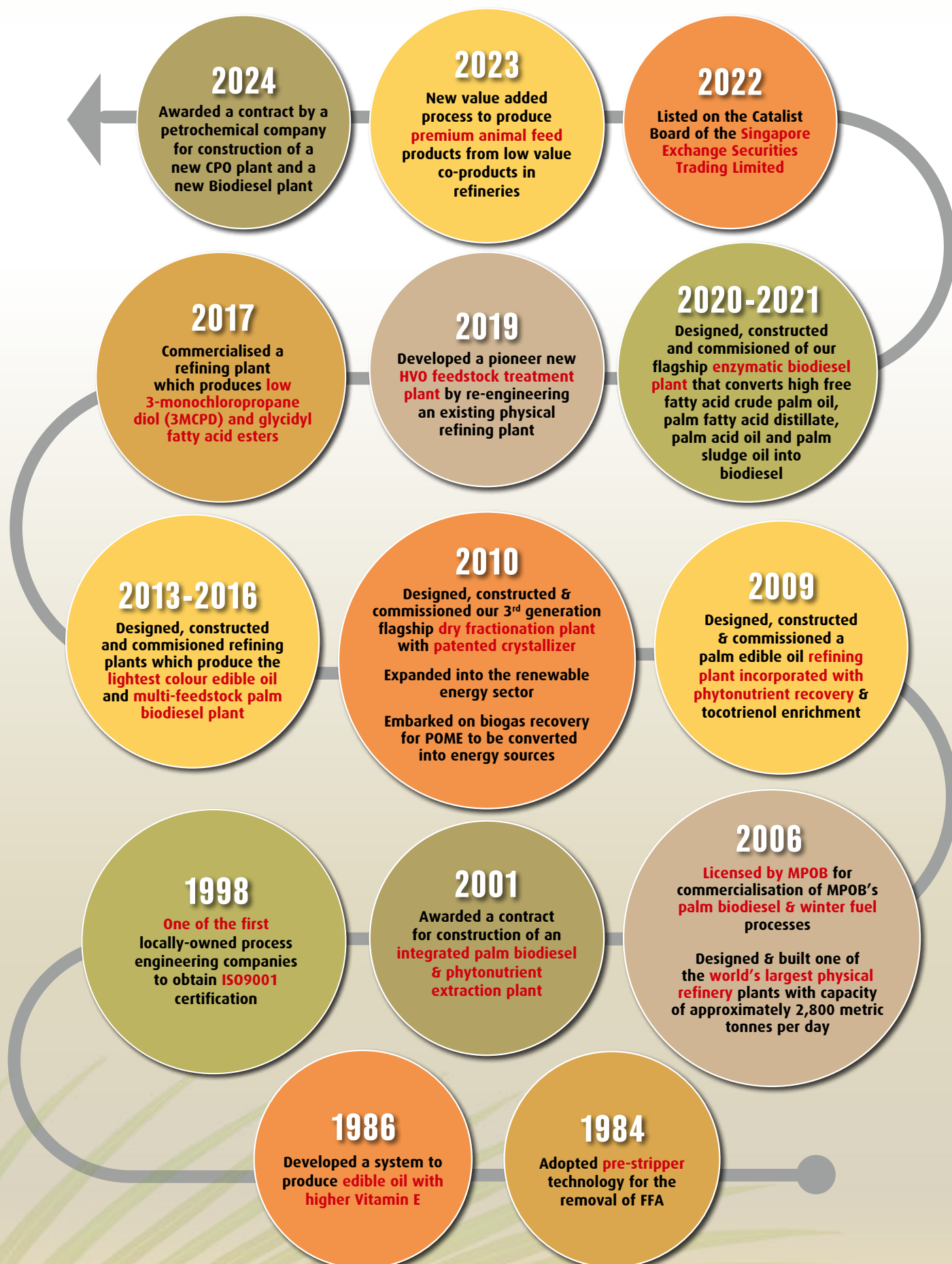
Non-Executive Chairman and Independent Director

### Mr. Henry Yong Khai Weng

Executive Director and Chief Executive Officer



## KEY MILESTONE





# GLOBAL PRESENCE & TRACK RECORD

WE SERVE SOME OF THE WORLD’S LARGEST AGRICULTURAL COMMODITIES MARKETS



Costa Rica  
Honduras  
Mexico  
Nicaragua  
Guatemala  
Panama

Brazil  
Venezuela  
Colombia  
Peru

Algeria  
Benin  
Cameroon  
DR Congo  
Egypt  
Ghana  
Ivory Coast  
Kenya  
Nigeria  
South Africa  
Tanzania  
Togo  
Uganda  
Zaire  
Zambia

Bangladesh  
China  
Indonesia  
Malaysia  
Myanmar  
Pakistan  
Philippines  
Saudi Arabia  
Singapore  
South Korea  
Thailand  
Vietnam

Papua New Guinea

■ International Sales Agents

# BUSINESS OVERVIEW

## OUR BUSINESS

Our Group's key businesses are principally categorised as follows:

### Edible & Non-Edible Oil Refinery segment

- ◆ Engineering, procurement, designing, construction and commissioning (“**EPCC**”) of edible and non-edible oil refining plants, downstream specialty products and processing plants
- ◆ Upgrading and retrofitting of existing facilities
- ◆ Turnkey inside-battery-limits (“**ISBL**”) and outside-battery-limits (“**OSBL**”) infrastructure engineering

### Renewable Energy segment

- ◆ EPCC of multi-feedstock biodiesel, enzymatic biodiesel, winter fuel, HVO feedstock (treated and refined POME oil) and POME biogas methane recovery plants
- ◆ Upgrading and retrofitting of existing facilities
- ◆ Turnkey ISBL and OSBL infrastructure engineering which includes the environmental solutions and integration into steam and power generation

### Product Sales and Trading segment

- ◆ Engineering component sales
- ◆ Agency and distributorship
- ◆ Specialty chemical product trading





## OUR SOLUTIONS AND SERVICES

Our Group specialises in the design, engineering, procuring, constructing and commissioning of facilities and plants to our customers from various sectors of the vegetable oils industry.



### EDIBLE & NON-EDIBLE OIL REFINERY

- Physical/Steam Refining Plants
- Chemical/Alkali Refining Plants
- Neutralisation Plants
- Dry Fractionation Plants
- Detergent Fractionation Plants
- Palm Kernel Oil Fractionation Plants
- Winterisation & Dewaxing Plants
- Hydrogenation Plants
- Chemical/Enzymatic Interesterification Plants
- Texturisation (Margarine & Shortening) Plants
- Pasteurising Plants
- Phytonutrient Extraction Plants
- Spray Cooling Plants
- Premium Specialty Animal Feed Product Processing Plants
- Pilot Plants



### RENEWABLE ENERGY

- Normal Palm Biodiesel Plants
- Winter Fuel Plants
- Multi-Feedstock Biodiesel Plants
- Proprietary Oiltek Biodiesel & Multi-Feedstock Process
- Proprietary Enzymatic Multi-Feedstock Biodiesel Process
- Proprietary Post-Biodiesel Phytonutrient Extraction & Concentration Process
- Acidulation Processes
- Glycerine Refining Process
- HVO feedstock (treated and refined POME oil) Plants
- High Efficiency Biogas Methane Recovery Plants
- Pilot Plants



### PRODUCT SALES AND TRADING

- Engineering Component Sales
- Specialty Chemical Product Trading
- Agency And Distributorship
  - API Schmidt Plate Heat Exchanger
  - TMCI Padovan Chemetator
  - Kieselmann Sanitary Valve, Pipe & Fitting
  - GekaKonus Heating Systems
  - Novozymes Enzymes
- Consumables, Wear And Tear Items In The Process Plants

## OUR PROCESS TECHNOLOGIES

### Patented Process Technologies



#### Apparatus For Dry Fractionation Of Oils And Fats

Our patented hybrid crystalliser provides a well-controlled cooling process with excellent heat transfer efficiency



#### All New Physical Palm Oil Refinery

Our patented All New Physical Palm Oil Refinery is equipped with sensors connected to a centralised computer system to enable automated operation and immediate detection and response to problems in the plant



#### Production Of Refined, Bleached And Deodorised Palm Oil With Low Colour

Our patented process which reduces the colour intensity of the end product to 1.0 - 1.3 Red (R), which matches the colour of soft oils such as soybean, rapeseed and sunflower oils



#### Continuous Deodoriser With Thermosyphon Heat Recovery

Our patent involves a new design of continuous deodoriser for the edible oil refining plant with built-in heat recovery system



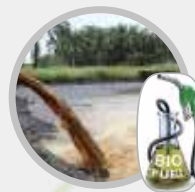
#### Phytonutrients Extraction From Palm Oil

Our process is capable of extracting and concentrating the high value naturally occurring nutrient compounds in the crude palm oil via a downstream refining process. Our Company remains a proprietary vendor of such phytonutrient extraction plants



#### Oil And Fat Fractionation System And Process

Our process provides improvements to the oil and fat fractionation system and process, increasing overall plant operation efficiency



#### Biodiesel Production From Oil And Fatty Acids Via Enzymatic Esterification

Our process is able to convert palm oil mill effluent and high FFA palm oil into biodiesel via the enzymatic biodiesel process

### Patent Pending Process Technology



#### Biogas Continuous Stirred Tank Reactor (CSTR) System And Process

Our CSTR technology enhances the efficiency of the anaerobic digestion process for the treatment of effluents discharged from palm oil mills. The recovered methane biogas is an energy source and can be used for various applications



### Quality Control and Assurance

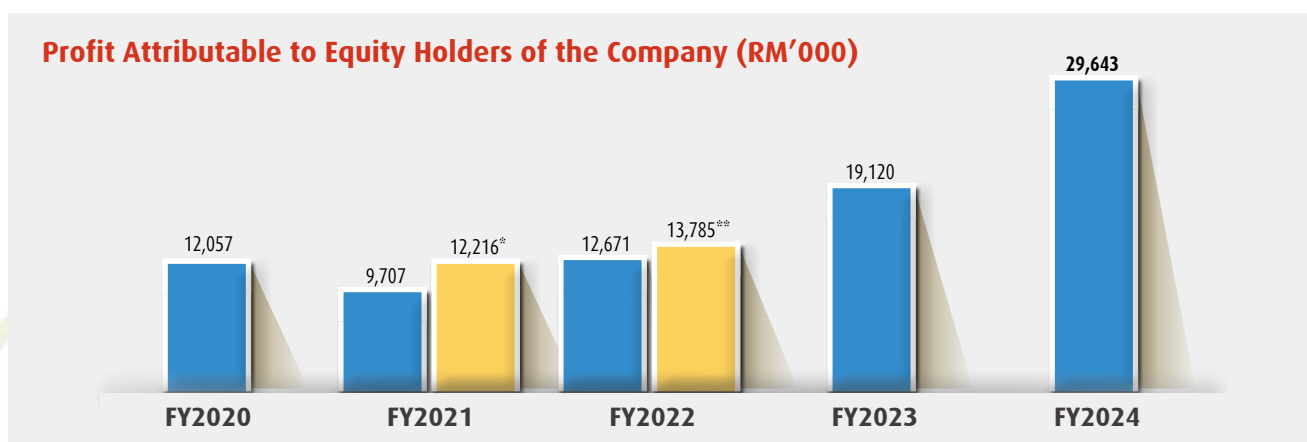
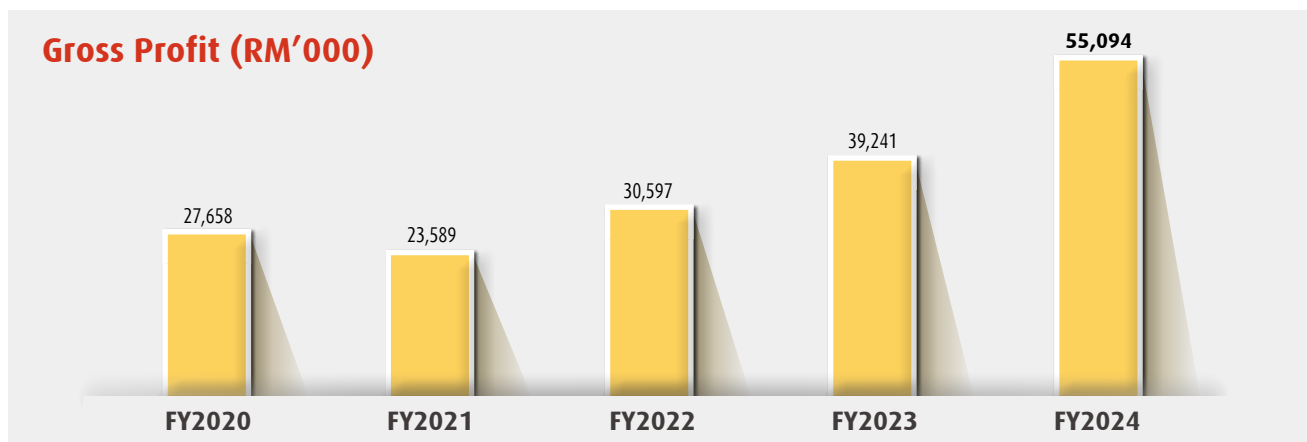
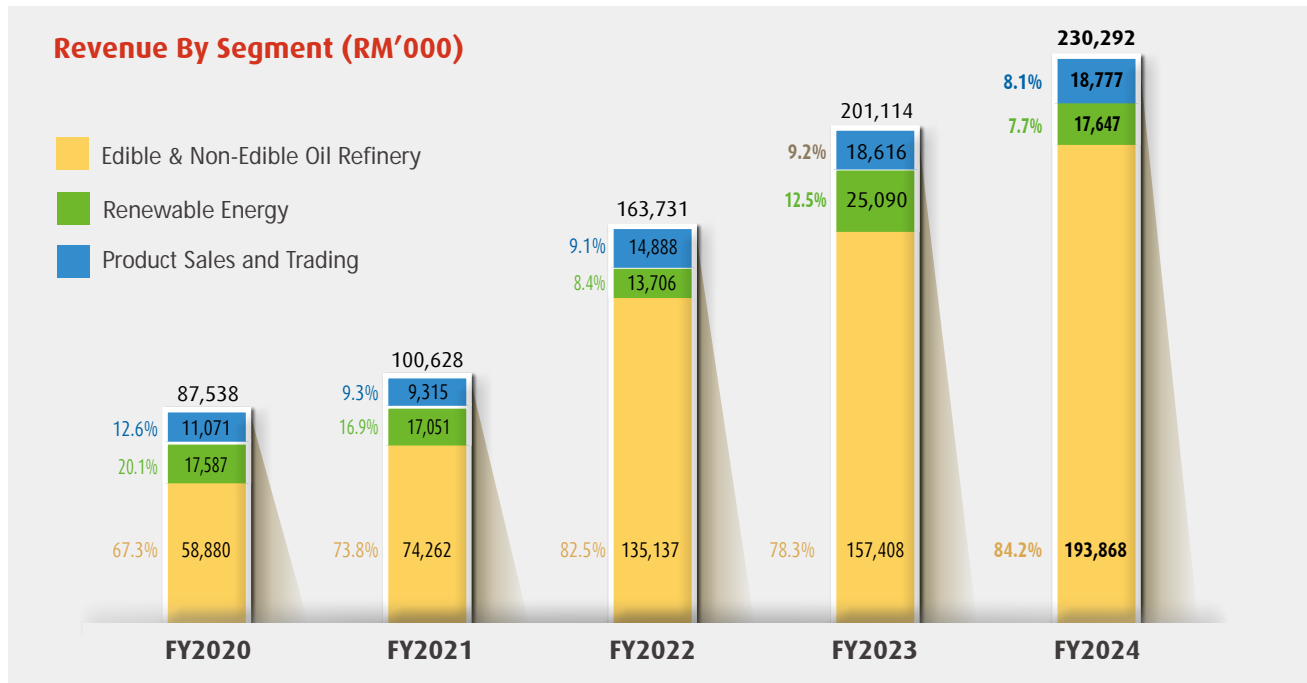
We have in place a quality assurance system for the solutions and services provided by our Group, focusing on the following:

- ◆ Latest and updated designs that address market needs and cater to upcoming market trends and developments
- ◆ Cost-effective engineering designs for most efficient and optimised capital expenditure value and optimised return on capital expenditure investment
- ◆ Efficient designs with lowest utility consumption and high yield and end product quality
- ◆ Usage of various animation, design and 3D-piping software in our projects to generate design, piping and fabrication drawings with high precision
- ◆ Ensuring full compliance with industrial engineering and safety standards
- ◆ Fully automated plants with computerised and programmable logic control systems for easy operation, remote real-time monitoring and data recording
- ◆ Durable and reliable equipment, and components with long shelf-lives and minimum requirements on maintenance
- ◆ Well-trained professional and skilled technical personnel
- ◆ Efficient and prompt support services for both local and overseas customers via physical or online support



# FINANCIAL HIGHLIGHTS

## FINANCIAL PERFORMANCE HIGHLIGHTS



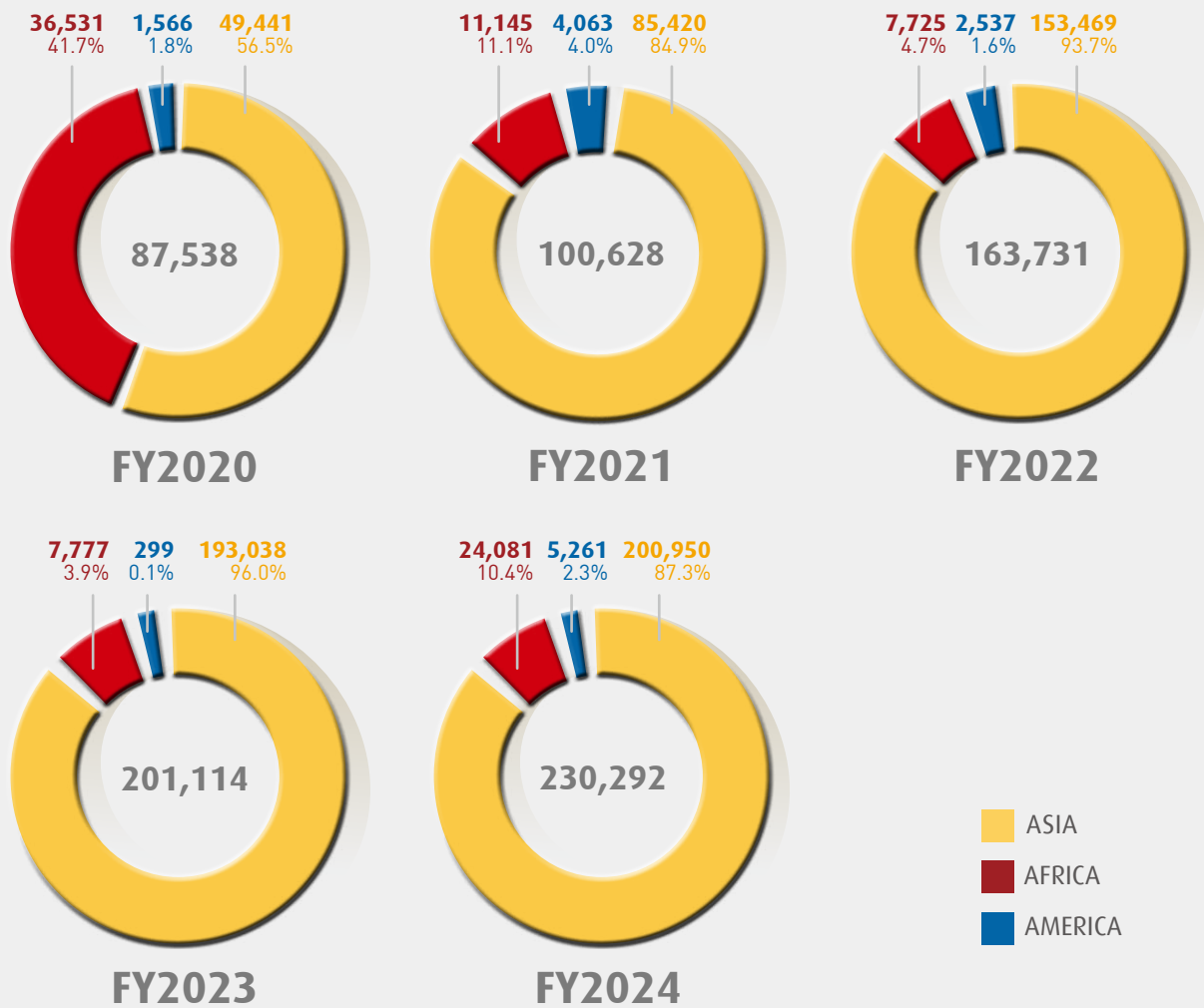
\* Adjusted profit attributable to equity holders of the Company (excluding listing expenses of approximately RM2.51 million which was recognised during FY2021)

\*\* Adjusted profit attributable to equity holders of the Company (excluding listing expenses of approximately RM2.07 million and listing grant income of approximately RM0.96 million which were recognised during FY2022)



## FINANCIAL HIGHLIGHTS

### Revenue By Geography (RM'000)



### BALANCE SHEET

RM'000	FY2020	FY2021	FY2022	FY2023	FY2024
Cash And Bank Balances	51,292	42,896	67,360	132,460	106,143
Total Assets	67,567	82,239	122,472	185,233	216,525
Total Liabilities	33,481	47,876	68,993	117,489	132,238
Total Equity / Net Assets	34,086	34,363	53,479	67,744	84,287

# FINANCIAL & OPERATIONS REVIEW



## REVIEW OF FINANCIAL PERFORMANCE

The Group's revenue increased by approximately RM29.18 million or 14.5% from approximately RM201.11 million in FY2023 to approximately RM230.29 million in FY2024 due to an increase in the Edible & Non-Edible Oil Refinery segment and the Product Sales and Trading segment revenues. This was partially offset by a decrease in the Renewable Energy segment revenue.

The Group's gross profit increased by approximately RM15.85 million or 40.4% from approximately RM39.24 million in FY2023 to approximately RM55.09 million in FY2024. Gross profit margin increased by 4.4 percentage points from 19.5% in FY2023 to 23.9% in FY2024 mainly due to higher gross profit margin contribution from the Edible & Non-Edible Refinery segment.

The Group's profit after income tax increased by approximately RM10.52 million or 55.0% from approximately RM19.12 million in FY2023 to approximately RM29.64 million in FY2024.

## REVIEW OF FINANCIAL POSITION

The Group's financial position as at 31 December 2024 remains strong and resilient, with a net asset position of approximately RM84.29 million and healthy cash and bank balances of approximately RM106.14 million.

Total assets increased by approximately RM31.29 million or 16.9% from approximately RM185.23 million as at 31 December 2023 to approximately RM216.52 million as at 31 December 2024 mainly due to an increase in trade and other receivables and partially offset by a decrease in contract assets and cash and bank balances. The increase in trade and other receivables mainly due to three significant milestone billings to customers amounting to approximately RM80 million upon satisfaction of performance obligation for our engineering contracts towards the end of the financial year. The receivables from these customers were fully received in January 2025.

Total liabilities increased by approximately RM14.75 million or 12.6% from approximately RM117.49 million as at 31 December 2023 to approximately RM132.24 million as at 31 December 2024 mainly due to an increase in trade and other payables and current income tax liabilities and partially offset by a decrease in contract liabilities.

Overall, the Group's total equity increased by approximately RM16.55 million or 24.4% from approximately RM67.74 million as at 31 December 2023 to approximately RM84.29 million as at 31 December 2024.



## BOARD OF DIRECTORS



### Mr. Hew Koon Chan

Non-Executive Chairman  
& Independent Director

Mr. Hew Koon Chan joined our Group in December 2021 as the Non-Executive Chairman and Independent Director. Mr. Hew began working as a process engineer in 1986 for Texas Instruments Singapore Pte. Ltd., a company that specialises in the manufacturing and sale of memory integrated circuits. In 1988, he was then employed by Venture Services (S.E.A.) Pte Ltd., a company under the South East Asia Venture Investment programme, as an investment analyst and promoted through the years to become an investment director at Seavi Venture Services Pte. Ltd., a venture capital firm established in the South East Asian region and is affiliated with Advent International which is a global private equity firm headquartered in Boston.

Mr. Hew established Integer Capital Pte. Ltd. in 2004 and carried out the role as the managing director providing business consultancy services on corporate mergers and acquisitions. He presently sits on the board of directors of 3 other public listed companies, namely Shopper360 Limited, Resources Global Development Limited and Vibropower Corporation Limited.

Mr. Hew graduated from the National University of Singapore in 1986 with a Bachelor of Engineering (Mechanical). In 1987, he graduated from the Singapore Institute of Management with a Graduate Diploma in Financial Management and obtained his Certified Diploma in Accounting and Finance from the Chartered Association of Certified Accountants (UK) the following year.



### Mr. Henry Yong Khai Weng

Executive Director  
& Chief Executive Officer

Mr. Henry Yong Khai Weng is the Executive Director and CEO of our Company. Mr. Yong has been managing our operations as the managing director since May 2008 and is principally in charge of (a) our Group's overall business policies and strategic direction; and (b) the overall oversight and management of our business operations and development. Mr. Yong has accumulated more than 25 years of experience in the vegetable oils industry.

Mr. Yong started his career with Carotech Sdn. Bhd. in 1997 as a process engineer in charge of overseeing the production for an integrated biodiesel and phytonutrient extraction plant. He then joined Keck Seng (M) Bhd from 2003 to 2005 as the factory manager in charge of overseeing business development, production expansion, and new process and product development for the company. For the period of 2005 to 2008, he was engaged in various capacities (including director, chief operating officer, adviser and chief technical officer) with three (3) private companies (being InteBiotech Sdn. Bhd. (July 2005 to September 2007), NewGen Biofuels Asia Pte. Ltd. (May 2006 to June 2007) and Zurex Corporation Sdn. Bhd. (July 2007 to December 2008)) to oversee the construction and installation of new integrated refinery and biodiesel complexes in Malaysia and Singapore. Whilst serving as our managing director, Mr. Yong was also appointed as a non-executive director and adviser of an investment holding company, Lipid Venture Sdn. Bhd. for the period of 2012 to 2015 and subsequently, from 2016 to 2020, in relation to the formation of FGV Lipid Venture Sdn. Bhd., a joint venture company between Lipid Venture Sdn. Bhd. and FGV Downstream Sdn. Bhd., a wholly-owned subsidiary of what we believe is a notable and one of the largest plantation companies in Malaysia. Mr. Yong was also engaged as a non-executive director and adviser by FGV Lipid Venture Sdn. Bhd. to develop a new integrated phytonutrient complex in Malaysia.

Mr. Yong graduated in 1997 with First Class Honours in Bachelor of Engineering (Chemical) from the University of Malaya and has also been the recipient of entrepreneurial awards in 2013 from Asia Success Inc and 2013, 2015 and 2019 from Asia Excellence Entrepreneur Federation, in recognition of his achievement in business and entrepreneurial experience.

## BOARD OF DIRECTORS



**Mr. Koh Keng Siang**

Non-Executive Director

Mr. Koh Keng Siang is a Non-Executive Director of our Company. Mr. Koh has been a non-executive director of our subsidiaries, Oiltek Sdn. Bhd. and Oiltek Global Energy Sdn. Bhd. since February 2013. Mr. Koh is the Executive Chairman and Group Chief Executive Officer of Koh Brothers Group Limited (which is our ultimate Controlling Shareholder through its shareholding interest in Koh Brothers Eco Engineering Limited). Mr. Koh has been with Koh Brothers Group Limited since 1987 and has held various positions in management, administration, finance and project management.

Mr. Koh is also a Non-Executive and Non-Independent Chairman of our Controlling Shareholder, Koh Brothers Eco Engineering Limited.

Mr. Koh holds a Master of Business Administration from the National University of Singapore and a Bachelor of Engineering with Honours in Civil Engineering from the University of Birmingham. He was conferred the Best Executive Award 1997-1998 by His Excellency, the State Minister of Industry and Trade of the Republic of Indonesia, Mr. Ir. T. Ariefowowo. He was also conferred the Promising SME 500 (Top Business Luminary) in 2014 and was named the Real Estate Personality of the Year 2016. Mr. Koh is a council member of the Teochew Federation Council and Honorary Chairman of the Singapore Khoh Clan Association.



**Mr. Bernard Wong Ee Yu**

Non-Executive Director

Mr. Bernard Wong Ee Yu is a Non-Executive Director of our Company. Mr. Wong has been a non-executive director of our subsidiaries, Oiltek Sdn. Bhd. and Oiltek Global Energy Sdn. Bhd. since May 2013 and September 2017, respectively. Mr. Wong has more than 20 years of engineering and management experience in the property sector.

Mr. Wong currently holds the position of an executive director in the real estate division of Koh Brothers Group Limited, which is our ultimate Controlling Shareholder through its shareholding interest in Koh Brothers Eco Engineering Limited. Prior to that, Mr. Wong was an executive director from 2001 to 2012 at Koh Maju Sdn. Bhd., a real estate investment firm (formerly known as A-Omega Sdn. Bhd., a contractor firm involved in small scale additions and alterations from 2001 to 2004). He was also a special projects manager at Amtek Holdings Berhad, part of the Syed Mohktar group, a conglomerate engaged in various businesses including real estate development, from 1996 to 2000, a project engineer and asset manager at Selangor Properties Sdn. Bhd. (formerly known as Selangor Properties Berhad), a real estate developer from 1990 to 1996 and he started his career as a design / resident engineer with Perunding Hashim & NEH Sdn. Bhd. in 1987.

Mr. Wong holds a Bachelor of Engineering with Honours in Civil Engineering from the University of Birmingham.



**Mr. Lai Wai Kit Andrew**

Independent Director

Mr. Lai Wai Kit Andrew joined our Group in December 2021 as an Independent Director of our Company. Mr. Lai is currently a partner at Lee & Lee, which he joined in 2017.

Mr. Lai started his career in 1995 as an associate in Lee & Lee and relocated to Hong Kong in 1999 to join Baker & McKenzie, an international law firm. He joined Rajah & Tann Singapore LLP as a partner in 2002 and was a partner at Kelvin Chia Partnership from 2005 to 2017. He undertakes both corporate legal advisory and transactional work, and has extensive experience in capital markets, mergers and acquisitions, and regulatory compliance work for listed companies.

Mr. Lai graduated from the National University of Singapore with a Bachelor of Laws (Honours) in 1994. He was admitted as an advocate and solicitor in Singapore in 1995 and has also been admitted to the Roll of Solicitors of England and Wales and the Roll of Solicitors of Hong Kong since 2001. He is currently a member of the Law Society of Singapore, Singapore Academy of Law and Singapore Institute of Directors.

## BOARD OF DIRECTORS



**Ms. Tan Yee Peng**  
Independent Director

Ms. Tan Yee Peng joined our Group in December 2021 as an Independent Director of our Company. She has more than 20 years of accounting and auditing experience, having started her career in 1995 as an auditor and moved to KPMG LLP in 1999 where she provided accounting and advisory services to clients in both private and public sectors. She was a partner in KPMG LLP from 2003 to 2010, managing an audit portfolio of various companies listed on the SGX-ST. She also acted as the reporting accountant and auditor for several companies listed on the SGX-ST.

Since her retirement as a practicing accountant, Ms. Tan has contributed to academia as an adjunct associate professor at the Nanyang Technological University from 2009 to 2018 and has contributed actively to the non-profit sector through her appointments at various charities and government affiliated organisations. Among others, she is presently a director of Singapore Aerospace Manufacturing Pte. Ltd., Accuron Technologies Limited and Sheares Healthcare Group. She also presently sits on the board of directors of First Sponsor Group Limited, which is listed on the SGX-ST.

Ms. Tan graduated with a First Class Honours degree in Accountancy from the Nanyang Technological University, is a Fellow and non-practising member of the Institute of Singapore Chartered Accountants and a member of the Singapore Institute of Directors.



**Ms. Tay Tze Wen**  
(Alternate Director to Mr. Koh Keng Siang)

Ms. Tay Tze Wen was appointed as an Alternate Director to Mr. Koh Keng Siang on 1 March 2023. She has more than 20 years' experience in auditing, accounting and finance. Ms. Tay currently holds the position of Group Financial Controller ("GFC") in Koh Brothers Group Limited (which is our ultimate Controlling Shareholder through its shareholding interest in Koh Brothers Eco Engineering Limited). As the GFC, she oversees Koh Brothers Group Limited's financial affairs including accounting, finance, treasury, taxation as well as risk management.

Prior to joining Koh Brothers Group Limited in 2006, Ms. Tay was an auditor with various international accounting firms. Ms. Tay holds a Bachelor of Commerce in Accounting and Finance from Monash University, Australia. She is also a Chartered Accountant of the Institute of Singapore Chartered Accountants and a member of the CPA Australia.



## EXECUTIVE OFFICERS

### Mr. Goh Chee Yong

Financial Controller

Mr. Goh Chee Yong joined our Group as Financial Controller in March 2021. Mr. Goh is responsible for our Group's financial affairs including but not limited to our accounting, financial administration, analysis and planning, treasury, taxation, compliance and reporting, and internal control and risk management obligations.

Prior to joining our Group, Mr. Goh was at Koh Brothers Eco Engineering Limited, our Controlling Shareholder, from May 2014 to February 2021, where he joined as an accountant and was promoted to assistant account manager and finance manager in April 2016 and April 2018 respectively. During his time at Koh Brothers Eco Engineering Limited, he was responsible for the supervision of the financial matters of the group including maintaining the monthly accounting records, overseeing accounts payable and receivables, managing and forecasting cashflows for the division and ensuring compliance with the financial reporting requirements for a listed company. Right before joining our Group, during January to February 2021, he was tasked to primarily assist in reviewing the accounts of our Group including budgets, project costing, payments and other banking transactions. He started his career as an audit assistant in Yeoh & Company in June 2008 and subsequently worked as an accountant in Jasapadu Industri Sdn. Bhd. from 2009 to 2011 and Koon Holdings Limited from 2011 to 2014.

Mr. Goh is a member of the Institute of Singapore Chartered Accountants and Association of Chartered Certified Accountants. He has an Advanced Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman University of Management and Technology, Malaysia.

### Mr. Yap Ping Sing

Head of Technical

Mr. Yap Ping Sing joined our Group as a project engineer in April 1989 upon graduation from the University of Malaya with a Bachelor of Engineering (Chemical).

As a project engineer, Mr. Yap was in charge of executing project, design and procurement activities. In 1991, he was promoted to a project manager to handle project management and control activities. From 2000 to 2007, he was re-designated as a technical manager to handle project management and design activities for special plants. He was then appointed as the assistant general manager (technical) from 2007 to 2011, where he was in charge of developing new designs and inventions, and the mentoring of engineering staff. From 2011 to 2016, he led the technical division of our Group as the general manager (technical), where he was responsible for the overall management of engineering and technical support activities. Since 2016, as both general manager and general manager (technical), he has been leading both the technical and operations divisions in the overall management of engineering activities and operations systems.

Mr. Yap is registered with the Board of Engineers, Malaysia since November 1989 and joined the Institution of Engineers, Malaysia since March 1990.

### Mr. Tai Cheng Huat

Head of Operations

Mr. Tai Cheng Huat started his career with Federal Metal Printing Sdn. Bhd. in 1992 as a technical research and development assistant where he assisted the company in the automation of its manual can manufacturing production line. Mr. Tai then joined our Group as a technical assistant from 1993 to 1994 and was shortly promoted to a project executive from 1994 to 1996, where he assisted with project improvement and research on pilot plant, and was responsible for preparatory work in relation to the process flow of projects, piping and instrumentation diagrams, equipment and piping layout diagrams, and the design and procurement of items and equipment for projects.

Mr. Tai then left our Group to join InterSonikon Engineering Sdn. Bhd., an edible oil process provider, from 1996 to 2003 as a project engineer where he supervised erection and installation, testing and commissioning and design and procurement of items and equipment for plants. Subsequently, he re-joined our Group in 2003 as a project engineer. He left our Group in 2005 to manage his sole proprietorship while working as a freelance project and commissioning engineer for our Group. In January 2016, he re-joined our Group as general manager (operations), where he now manages the operations division and has overall responsibility of the operations of our Group.

Mr. Tai has a Diploma in Mechanical Engineering from the Federal Institute of Technology, Malaysia.

### Ms. Cheng Cia Cia

Head of Marketing and Sales

Ms. Cheng Cia Cia joined our Group in November 2010 as a project engineer and was responsible for the engineering designs of projects and project coordination. She was then appointed as a sales engineer in 2013 where she assisted our Group with sales support and after-sales services, with a specialisation in texturising plants. In 2018, she was promoted to regional sales manager, where she currently leads the sales team, handles sales for plants and after-sales services in Indonesia and Philippines, and handles sales for texturising plants and after-sales services globally.

Prior to joining our Group, Ms. Cheng started her career at Future NRG Sdn. Bhd., a renewable energy engineering, procurement and construction company as a project engineer.

Ms. Cheng graduated in 2008 with a Bachelor of Engineering (Chemical) from the University of Malaya.

## BOARD STATEMENT

Oiltek International Limited (“**Oiltek**” or the “**Company**”), together with our subsidiaries (the “**Group**”), is pleased to present our sustainability report (“**Report**”) for the financial year ended 31 December 2024 (“**FY2024**”).

At Oiltek, we believe that sustainability is essential to our long-term success. The Board, Executive Director and CEO and Senior Management of Oiltek oversee the identification, management and monitoring of the economic, environmental, social and governance (“**EESG**”) factors of the Group, and take them into consideration in the course of business.

The Board also has oversight over targets and disclosures which include climate-related risks and opportunities, targets and performance, in line with Task Force on Climate-Related Financial Disclosures (“**TCFD**”) recommendations. The Board was involved in the review and approval of this Report and has oversight of the EESG material factors which are reviewed annually to ensure that the factors are relevant and current for the business.

The Board’s oversight is guided by a governance and risk management framework, that is executed by the management level Sustainability Working Group (“**SWG**”). Led by the Executive Director and CEO and consisting of other members of the Senior Management and Head of Departments, the SWG manages and monitors all the material EESG factors and oversees the effectiveness of our sustainability strategy and performance.

In FY2024, we conducted a stakeholder engagement exercise with our internal and external stakeholders to understand their key priorities. We are analysing the results and expect to update the material topics in subsequent years. To determine the material EESG factors for FY2024, the SWG and the Board has reviewed and endorsed that the EESG factors reviewed in FY2023 remain relevant in FY2024. The scope of this Report covers information on material sustainability topics pertaining to our Group’s operations in Singapore and Malaysia from 1 January 2024 to 31 December 2024 unless otherwise specified. We believe this Report sufficiently addresses stakeholders’ concerns in relation to sustainability issues arising from the Group’s major operations.

This Report is prepared with reference to the Global Reporting Initiative (“**GRI**”) Standards as it provides an extensive framework that is widely accepted as a global standard for sustainability reporting. The Report takes into account the latest GRI Universal Standards 2021 and the recommendations of TCFD. This report is also set out on a ‘comply or explain’ basis following **Rule 711B** and **Practice Note 7F** of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (“**Catalist Rules**”). The Company is adopting a phased implementation approach for TCFD recommendations pursuant to Practice Note 7F. This year, Oiltek has identified potential qualitative financial impacts of climate-related risks and opportunities.

Our sustainability reporting process was internally reviewed in FY2024 by a third party internal audit firm in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. The accuracy and veracity of the information presented in this Report has been done in good faith and to the best of our knowledge. While the information provided has been ensured by internal monitoring and verification, this Report has not been externally assured.

This Report offers us a valuable opportunity to engage our stakeholders and respond to issues that are of utmost importance to them and to our business, while at the same time, enhances the Company’s assessment in risk management, strategy development, and stakeholder engagement activities as we work to further focus and prioritise our sustainability and community engagement initiatives. Stakeholders are welcome to send your comments, suggestions or feedback to the Company’s investor relations email at [ir@oiltek.com.my](mailto:ir@oiltek.com.my).

Board of Directors  
**Oiltek International Limited**

# SUSTAINABILITY REPORT

## SUSTAINABILITY GOVERNANCE

The Board of Directors (“**Board**”) of Oiltek is responsible for implementing an effective governance structure to ensure that the entire Group is aligned to sustainability, in order to create positive, long-term impact. By providing overall direction and oversight of all the sustainability practices, it drives the strategy for sustainability and climate-related commitments progressively.

In compliance with SGX-ST’s requirement, all our Board members have completed the mandatory sustainability training.

The SWG reviews the sustainability policy, strategy and frameworks from time to time when the need arises and recommends to the Board on any required changes. It is responsible for assessing and managing climate-related risks and opportunities. It supports the Board on the implementation and supervision of sustainability management processes including facilitating stakeholder engagement sessions, identifying material EESG topics, monitoring and following up on the implementation status of sustainability initiatives and key performance indicators (KPIs).

The SWG gives briefings and updates to the Board on a periodic basis or when there are matters to be highlighted to the Board for information or decision making.

## STAKEHOLDER ENGAGEMENT

Oiltek defines stakeholders as the individuals or groups that the Group’s business has a significant impact on, and those who can significantly impact the Group’s business. To maintain openness and transparency, and according to the principles of Rule 711B and Practice Note 7F of the Catalist Rules, we engage with our internal and external stakeholders regularly to consider and balance their needs. This helps us to decide and prioritise our material topics, while being up-to-date with the current business and physical environments.

Our internal stakeholders consist of the Board, management and employees of the Group. External stakeholders include customers, strategic business partners, regulatory authorities, shareholders, investors, media, analysts, suppliers and vendors. An overview of our approach is shown below, with the rationale. Listed are our stakeholder groups (in alphabetical order), how we have engaged with them (How Do We Listen?), their expectations and concerns (What Are You Telling Us?) which assist us in defining our material topics for management and disclosure, and our responses (What Are We Doing?).





# SUSTAINABILITY REPORT

In FY2024, Oiltek conducted a stakeholder engagement survey to update our understanding of their expectations and concerns. The stakeholder groups included Board of Directors, Employees, Suppliers and Vendors, Customers and Strategic Business Partners. The feedback obtained is valuable for Oiltek to reassess the material topics in subsequent years.

STAKEHOLDERS	HOW DO WE LISTEN?	WHAT ARE YOU TELLING US?	WHAT ARE WE DOING?
<b>CUSTOMERS</b>	<ul style="list-style-type: none"> <li>Regular meetings and site visits</li> <li>Ongoing communication through emails and phone calls</li> <li>Customer satisfaction surveys</li> <li>Company website</li> <li>Exhibitions</li> </ul>	<ul style="list-style-type: none"> <li>Information on new products and services</li> <li>Meet contractual specifications (quality, time and performance)</li> <li>Responsiveness to customer requests and feedback</li> </ul>	<ul style="list-style-type: none"> <li>Implement stringent quality control to ensure our products and services meet customer specifications</li> <li>Creating value in a sustainable and responsible manner</li> </ul>
<b>EMPLOYEES</b>	<ul style="list-style-type: none"> <li>Employee interactions (i.e., employee surveys, performance appraisals)</li> <li>Internal communication and updates</li> <li>Events and functions</li> <li>Seminars and trainings</li> </ul>	<ul style="list-style-type: none"> <li>Remuneration and benefits</li> <li>Manage occupational health and safety</li> <li>Maintain fair and competitive employment practices</li> <li>Ethics and conduct</li> <li>Training &amp; development opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Ensure employment benefits address basic needs, and improve physical and mental health</li> <li>Ensure workplace health and safety to enable employees to work comfortably and safely</li> </ul>
<b>REGULATORY AUTHORITIES</b>	<ul style="list-style-type: none"> <li>Regular updates and communication</li> <li>Periodic meetings with government bodies</li> <li>Regulators' websites</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Contribute to regulatory landscape as a market participant</li> </ul>	<ul style="list-style-type: none"> <li>Establish sustainability governance to manage risk, ensure compliance and operate with integrity</li> <li>Contribute to value-adding economic output</li> </ul>
<b>SHAREHOLDERS, INVESTORS, MEDIA AND ANALYSTS</b>	<ul style="list-style-type: none"> <li>SGX-ST announcements</li> <li>Shareholders meetings</li> <li>Annual reports</li> <li>Company's website</li> <li>Regular updates and communication</li> <li>Designated investors relations email</li> </ul>	<ul style="list-style-type: none"> <li>Long term, sustainable business growth</li> <li>Group's performance against targets</li> <li>Compliance with all relevant requirements</li> <li>Corporate governance &amp; risk management practices</li> </ul>	<ul style="list-style-type: none"> <li>Commitment to deliver economic value to our capital providers through a well-established corporate governance structure as well as a framework for managing material EESG factors and risk</li> <li>Regular and effective communication</li> </ul>
<b>SUPPLIERS, VENDORS</b>	<ul style="list-style-type: none"> <li>Regular meetings</li> <li>Correspondences through emails and phone calls</li> <li>Periodic supplier assessment</li> <li>Site/Plant visits</li> </ul>	<ul style="list-style-type: none"> <li>Ability to meet Company's quality standards and delivery timelines</li> <li>Fair procurement, adherence to contractual terms</li> </ul>	<ul style="list-style-type: none"> <li>Periodic supplier assessments to ascertain quality of products and services acquired</li> <li>Supply chain due diligence to ensure its efficiency</li> </ul>

























# SUSTAINABILITY REPORT

## MATERIALITY ASSESSMENT

Oiltek is committed to considering and balancing the needs and interests of key stakeholders while achieving its strategic goals. In FY2023, Oiltek reviewed the EESG factors through a peer benchmarking exercise and based on our engagement with our internal stakeholders, ensured they were material and current. The top 9 material EESG topics that the Group has identified have been validated and endorsed by the SWG and the Board as these topics remain relevant in FY2024. We conducted a stakeholder engagement survey in FY2024 with key internal and external stakeholder groups. We are analysing the results and expect to update the material topics in subsequent years, which will help to enhance and update our sustainability processes.

The material topics have been grouped under 4 key pillars: (1) Governance (2) Economic (3) Environmental and (4) Social. These pillars that have been formalised by our SWG and approved by the Board, guide us in creating sustainable value for all our stakeholders. The relevant GRI Topic Specific Disclosure(s) used for reporting the performance of each identified material topic is also shown in the table below.

Each GRI Topic Specific Disclosure has been mapped to the corresponding UN Sustainable Development Goals (UN SDGs) according to the mapping criteria given by GRI. This helps Oiltek and its various stakeholders to better appreciate the progress areas with respect to UN SDGs.

Sustainability Focus Areas	Material EESG Factors	GRI Topic Specific Disclosure	UN SDG Goals
Governance	Compliance	2-27	
	Anti-Corruption	205-3	
Economic	Economic Performance	201-1	 
	Product Quality, Customer Health and Safety	416-2	
Environment	Energy and Emissions	302-1, 305-1, 305-2	      
	Water Consumption	303-1, 303-3	 
Social	People and Employment	401-1	  
	Diversity and Opportunity	405-1	 
	Occupational Health and Safety	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9	  

## GOVERNANCE

Oiltek believes that good governance and the upholding of ethical business practices is key to long term sustainability of Oiltek. Regulatory compliance is critically important for Oiltek, serving to protect our integrity and reputation and foster trust among our stakeholders. Observance of all regulatory requirements forms the basis of good corporate governance within the Group. Full details can be found in the Corporate Governance section of our Annual Report 2024.

### Compliance with Laws and Regulations

[GRI 2-27]; [SDG 16]

Oiltek prioritises compliance with the laws and regulations from socio-economic and environmental aspects, in all jurisdictions where we operate, and recognise that such laws and regulations are in place to enable companies to conduct business in a fair and equitable manner. Our Group is strongly committed to responsible conduct and expects our employees to comply with laws and regulations.

All activities are carried out in accordance with established processes and controls developed in compliance with the regulations set out by local government agencies and regulators to avert the occurrence of any potential non-compliance.

In FY2024, we met our FY2024 target of zero cases of environmental non-compliance.

Our performance and targets are shown in the table below:

Performance Indicator	FY2024 Target	Actual Performance	
		FY2023	FY2024
Instances for which significant fines <sup>1</sup> were incurred	We aimed to maintain zero cases of environmental non-compliance	Zero	Zero
Instances for which non-monetary sanctions were incurred		Zero	Zero
Fines in Malaysia Ringgit (RM) for instances of non-compliance with laws and regulations		RM 650 <sup>2</sup>	Zero
Target for FY2025		We aim for zero fines and non-monetary sanctions related to all socio-economic and environmental laws and regulations.	

### Anti-Corruption

[GRI 205-3]; [SDG 16]

Oiltek remains unwavering in our commitment towards zero-tolerance for corruption. We are aware that violation of the relevant anti-corruption laws would result not only in financial losses and criminal penalties, but also reputational harm to the Group. We maintain our integrity through robust policies that include our Anti-Corruption Policy, Code of Conduct and Conflict of Interests Policy.

A Whistle-blowing Policy is in place to support employees and other stakeholders by providing a proper platform to express his or her concerns about any potential malpractice within the Group, in a responsible and effective manner. For reporting of bribery and corruption breaches, our Audit and Risk Committee Chairperson, also the designated party on the matter, can be reached at [whistleblowing@oiltek.com.my](mailto:whistleblowing@oiltek.com.my).

In FY2024, we met our FY2024 target to maintain zero incidents of non-compliance with anti-corruption laws and regulations.

<sup>1</sup> A significant fine is defined as being greater than RM10,000.

<sup>2</sup> This arose from two instances of non-compliance relating to cleanliness and cabin permit application.



# SUSTAINABILITY REPORT

Our performance and targets are shown in the table below:

Performance Indicator	Target FY2024	Actual Performance	
		FY2023	FY2024
Total number and nature of confirmed incidents of corruption	To maintain zero incidents of non-compliance with anti-corruption laws and regulations	Zero	Zero
Number of confirmed incidents in which employees were dismissed or disciplined for corruption		Zero	Zero
Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption		Zero	Zero
Public legal cases regarding corruption brought against the organization or its employees during the reporting period and the outcomes of such cases		Zero	Zero
Target for FY2025		To maintain zero incidents of non-compliance with anti-corruption laws and regulations	

## ECONOMIC

Good economic performance and continued value creation for our stakeholders are essential to our business. Our proprietary process technology and know-how help to provide innovative and reliable processing solutions for use across different sectors of the value chain of the vegetable oils industry. This helps to create sustainable economic growth.

### Economic Performance

[GRI 201-1] ; [SDG 8, SDG 9]

Oiltek's direct economic value generated in terms of revenue calculated on an accrual basis for FY2024 was RM 230.29 million. Oiltek continues to demonstrate strong economic growth in FY2024, registering an increase in revenue by 14.5% compared to the revenue for FY2023 of RM201.11 million.

In FY2024, Oiltek's economic value distributed comprised operating costs<sup>3</sup> of RM178.69 million.

16.2% of Oiltek's revenue was distributed to key stakeholders:

- (a) RM15.09 million or 6.6% to employees as wages and benefits;
- (b) RM9.88 million or 4.3% to the government in countries where we operate via corporate income taxes;
- (c) RM12.10 million or 5.3% as dividend to shareholders;

The economic value retained was RM14.53 million or 6.3% of our revenue.

Our target in FY2024 is to achieve long-term sustainable growth and to increase shareholder value subject to market conditions.

Full details of our economic performance can be found in our Annual Report for FY2024 pages 66 to 111.

<sup>3</sup> Operating cost includes cost of sales and administrative and others expenses less employee wages and benefits

## Product Quality, Customer Health and Safety

[GRI 416-2]; [SDG 16]

Oiltek prides itself in providing high quality products and services and 'best-in-class' engineering solutions. We have been certified ISO 9001: 2015 for quality management system since 1998, prioritising product quality through state-of-the-art designs that are also cost-effective and efficient, while meeting the latest market trends and customer needs. We ensure full compliance with industrial engineering standards and design our products with the lowest carbon emissions possible while generating high yield. Our equipment, being durable and reliable, have components with a long shelf-life to minimise maintenance.

Environmental impact is a key consideration that drives the design and provision of our products and services, and we seek to use technology and innovation to reduce the environmental impact of our products and services.

Our products and services are designed to prioritise high level of automation to minimise dependency on manpower coupled with the highest energy efficiency. Our flagship processes are capable of converting waste into energy, i.e., the transformation of sludge oil and high free fatty acids ("FFA") oil into biofuels. Our waste-to-energy solutions help our customers generate clean energy while diverting their waste from landfills which would otherwise contribute to methane emissions.

Our dedicated professional and skilled technical personnel serve our customers in a timely and efficient way while our customer support services are efficient and prompt, available through both physical and online channels.

We aim to ensure the highest standard of safety for our products and services and that all our products are in full compliance with industrial engineering standards.

In FY2024, we met our FY2024 target of zero incidents of non-compliance with regulations and/or voluntary codes with respect to customer health and safety.

Our performance and targets are shown in the table below:

Performance Indicator	Target FY2024	Actual Performance	
		FY2023	FY2024
Incidents of non-compliance with regulations and/or voluntary codes with respect to customer health and safety.	Zero incidents of non-compliance with regulations and/or voluntary codes with respect to customer health and safety.	Zero	Zero
<b>Target for FY2025</b>	Zero incidents of non-compliance with regulations and/or voluntary codes with respect to customer health and safety.		

## ENVIRONMENT

Oiltek is sensitive to the environmental impact across our business operations and is committed to taking steps to reduce our impact, in particular, energy consumption and associated greenhouse gas ("GHG") emissions arising from our activities. We also aim to minimise our water consumption as we see water as a precious resource to be conserved. The Group views climate change as a significant challenge, and is aware of the pressing need to move towards a low-carbon economy and reduce GHG emissions. As this is Oiltek's third sustainability report, we are adopting a phased approach towards TCFD Disclosures.

## Energy and Emissions

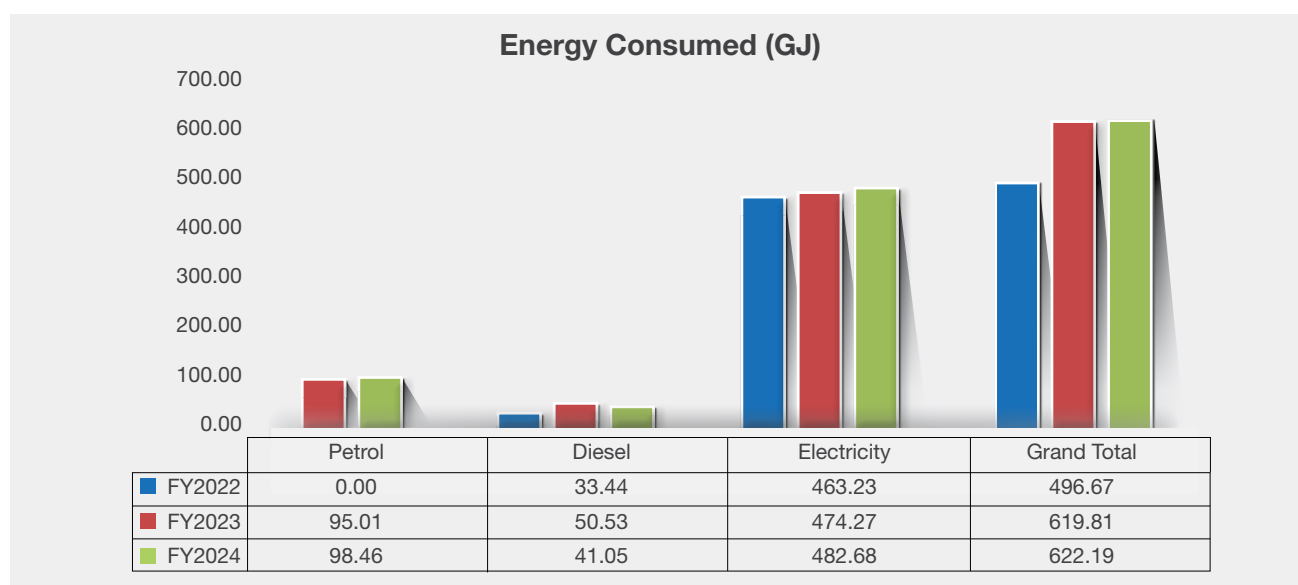
[GRI 302-1, 305-1, 305-2]; [SDG 3, SDG 7, SDG 8, SDG 12, SDG 13, SDG 14, SDG 15]

Oiltek is conscious of its electricity and fuel consumption and has been closely monitoring efforts to minimise any unnecessary energy consumption throughout the years. We educate our employees about energy conservation so that they also play a part in energy conservation such as by turning off electrical appliances when not in use.

# SUSTAINABILITY REPORT

The Group's fuel consumption is mainly from operating the forklift and motor vehicles<sup>4</sup>. This has shown a marginal decline from 145.54 GJ<sup>5</sup> in FY2023 to 139.51 GJ in FY2024. The energy consumption arising from purchased electricity relates to our factory-cum-office building located in Shah Alam, Malaysia. Energy consumption from electricity comprises approximately 77.6% of our total energy consumption. This has shown a marginal increase from 474.27GJ in FY2023 to 482.68GJ in FY2024.

Overall, the total energy consumed has been stable over the previous reporting period, with a marginal increase from 619.81 GJ in FY2023 to 622.19 GJ in FY2024.



Our performance and targets are shown in the table below:

Performance Indicator	Target FY2024	Actual Performance		
		FY2022	FY2023	FY2024
Fuel consumption (Petrol and Diesel)	To maintain current levels of fuel and electricity consumption and to maximise our energy conservation efforts	33.44 GJ <sup>6</sup>	145.54 GJ	139.51 GJ
Electricity consumption		463.23 GJ	474.27 GJ	482.68 GJ
Target FY2025		To maintain current levels of fuel and electricity consumption and to maximise our energy conservation efforts.		

In FY2024, our total Scope 1 and 2 GHG emissions<sup>7</sup> were 100.25 tCO<sub>2</sub>e, a 1.6% increase from FY2023. Approximately 89.7% of our GHG emissions was from our Scope 2 emissions, arising from electricity used at our factory-cum-office building located in Shah Alam, Malaysia. Scope 1 emissions, which made up about 10.3% of our total GHG emissions, were largely from fuel consumed by forklift and motor vehicles.

<sup>4</sup> Petrol for FY2022 is shown as zero because the consumption of petrol from the use of company car was included only from FY2023.

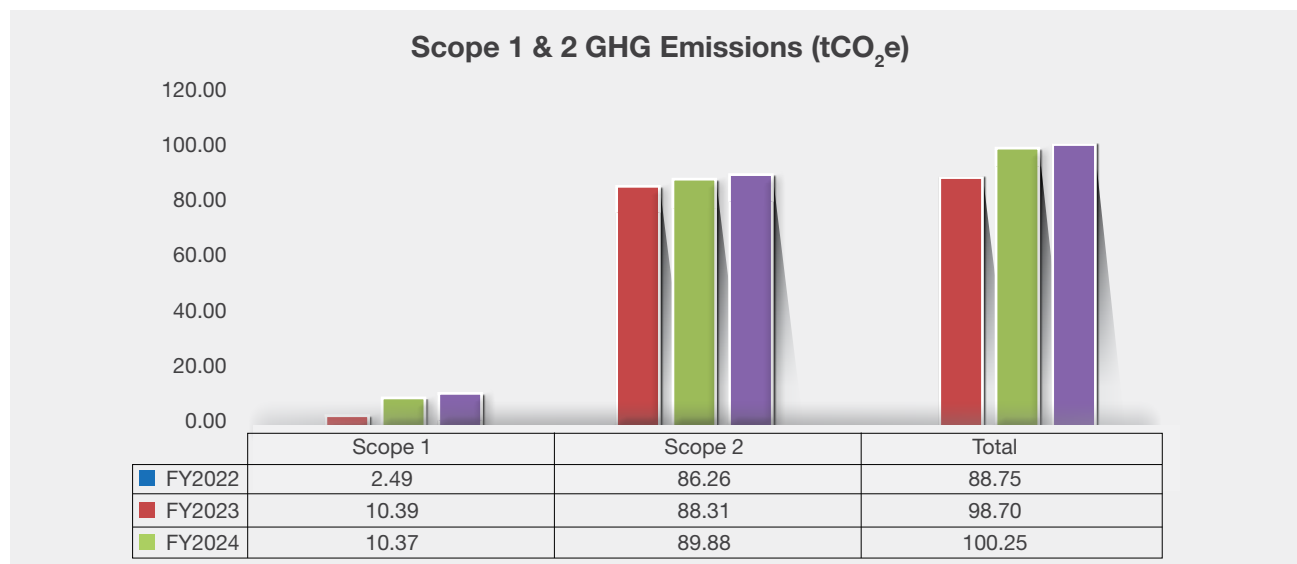
<sup>5</sup> Conversion factors are based on Emission Factors for Cross Sector Tools V2.0 March 2024 – IPCC 2006.

<sup>6</sup> Petrol data was not included in FY2022 calculations.

<sup>7</sup> The calculations are aligned with the principles of the GHG Protocol. Emission factors (FY2024) for the above table are based on Emission Factors for Cross Sector Tools V2.0 March 2024. Grid Emission Factors are sourced from Singapore Energy Market Authority (EMA) and IGES Institute for Global Environmental Strategies (2024), List of Grid Emission Factors, version 11.4.



The nature of our business is not energy intensive, but we will continue to track and monitor our total GHG emissions. We aim to identify opportunities for improvement to make our processes more efficient and transition to a lower carbon economy.



Our performance and targets are shown in the table below:

Performance Indicator	Target FY2024	Actual Performance		
		FY2022	FY2023	FY2024
Scope 1 emissions	To continue to monitor current levels of emissions from diesel, petrol and energy consumption and to maximise our energy conservation efforts	2.49 tCO <sub>2</sub> e	10.39 tCO <sub>2</sub> e	10.37 tCO <sub>2</sub> e
Scope 2 emissions		86.26 tCO <sub>2</sub>	88.31 tCO <sub>2</sub>	89.88 tCO <sub>2</sub>
Target for FY2025		To continue to monitor current levels of emissions from diesel, petrol and energy consumption and to increase our energy conservation efforts.		

## Task Force for Climate Related Financial Disclosures (TCFD)

Climate change has impacted the world in recent years through rising sea levels, floods, erratic weather patterns, and in other ways that cause irreparable damage on agriculture and industrial outputs.

Oiltek is acutely aware of the impacts of global warming and the part that each business has to play in bringing it within limits. The Group has identified its key climate related risks and opportunities, and the potential qualitative financial impacts, as summarised in the table below. In FY2025, Oiltek is committed to conducting a scenario analysis to reassess the climate-related risks and opportunities, and its qualitative financial impact. Oiltek will be working on integrating these into the overall enterprise risk management framework to develop the necessary action plans.

The following table consisting of climate-related risks and opportunities and potential financial impact, contains forward-looking statements based on current assumptions and projections about climate-related risks and opportunities, which are subject to uncertainties and may differ from actual outcomes. Stakeholders should note that the projections and assumptions in climate-related risks and opportunities are non-exhaustive and subject to change based on evolving climate-related factors and external uncertainties.

# SUSTAINABILITY REPORT

Climate Risk	Types of Climate Risk	Climate-related risk	Potential Financial Impact
<b>Transition Risks</b>	<b>Policy and Legal</b>	Mandates on and regulation of existing products and services may result in products and services being unable to comply with regulations on limits of GHG (e.g. carbon footprint) and pollutants.	Operational costs may increase, potentially reducing business profitability, due to the implementation of compliance obligations for products and services.
	<b>Technology</b>	Substitution of existing products and services (processes) with lower emission may be preferred by our customers who are trying to reduce their overall emissions to meet their emission targets, hence there may be a need for us to enhance the design of our equipment so that it is more energy efficient.	Costs may escalate for redesigning products.
	<b>Market</b>	Changing customer behaviour may result in a push for environmentally friendly products with lower energy consumption, especially from steam, electricity and fuel.  Changes in customer preferences may also result in reduced demand for traditional offerings.  Customers may also shift loyalty to brands which are more aligned to their sustainability goals/agenda.	Costs may escalate for redesigning products and upgrading systems to meet new energy efficiency standards.  Revenue may potentially go down from shifting consumer preferences while costs may increase for innovation and repositioning.
	<b>Reputation</b>	Increased stakeholder concern or negative stakeholder feedback.	Revenue may reduce if demand for goods/services goes down. Higher costs may ensue for reputation management and implementing corrective actions.
<b>Physical Risks</b>	<b>Acute</b>	Increased severity of extreme weather events may lead to increased insurance premiums and potential for reduced availability of insurance on assets in “high risk” locations; it may also lead to operational downtime and financial losses.  Floods may disrupt operations and fires from lightning can also pose risks to operations, facilities and supply chain.	Operating costs may potentially rise due to higher insurance premiums or lack of coverage for assets in high risk locations, as well as costs arising from disruptions to operations, facilities and supply chain.
	<b>Chronic</b>	Changes in precipitation patterns (rainfall) and extreme variability in weather patterns could cause a disruption in production of palm oil and impacting demand for refining capacities.	Revenue may go down from under-utilisation of production capacities. Operational costs may rise with resumption of production after disruptions.

Climate Opportunities	Types of Climate Opportunities	Climate-related Opportunities	Potential Financial Impact
Opportunities	Energy Source	Use of new technologies may present us with innovation opportunities and lead to competitive advantages in the market. We can also work with our customers to generate steam and electricity from biogas (renewable fuel) instead of diesel (non-renewable fuel).	Cost savings may arise, along with an increase in income due to new revenue streams, enhanced market competitiveness and customer partnerships.
	Products and Services	Development of low emissions goods and services, as well as development of new products or services through R&D and innovation allows us to diversify our business activities.	Revenue may potentially increase through new revenue streams, enhanced market share, and result in improved long-term profitability.
	Markets	Access to new markets which may allow us to expand into the renewable energy market (low carbon) also presents growth opportunities.	Revenue growth may potentially ensue with enhanced brand value from low-carbon solutions.
	Resilience	Participation in renewable energy programs and adoption of energy efficiency measures.  Diversifying resource inputs also makes a business more adaptable to changing market conditions and availability.	Energy efficiency measures may reduce operational costs and contribute to long-term financial stability.  Costs may stabilise by reducing supply chain risks and changing market conditions.

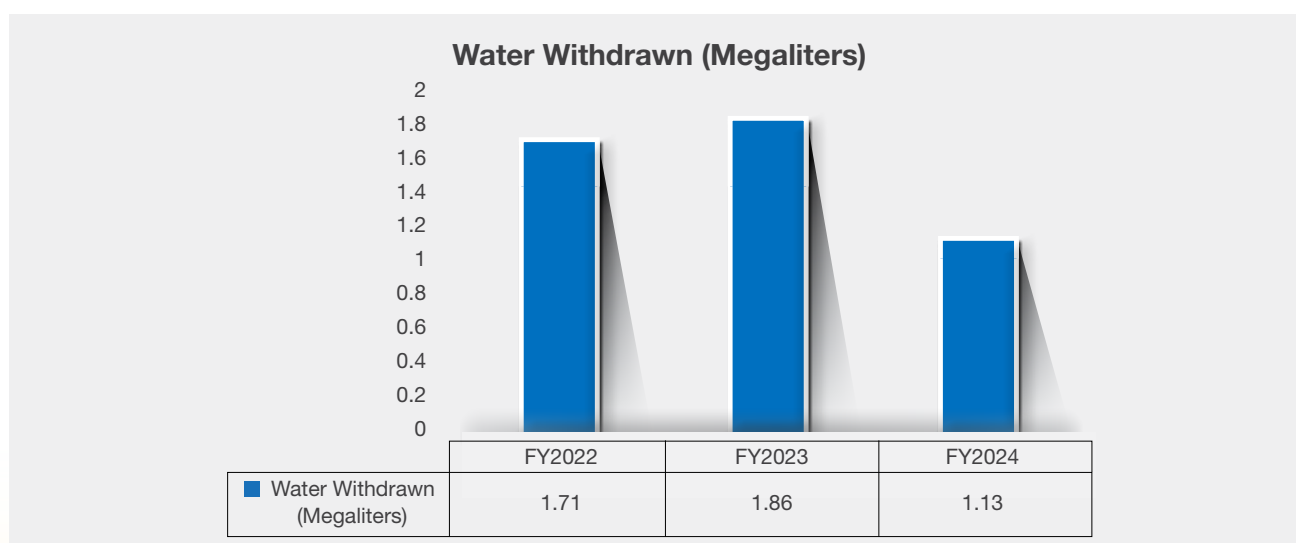
Please see Table after GRI Content Index for the “**Summary of our response to TCFD recommendations**”.

## Water Consumption

[GRI: 303-1, 303-3]; [SDG 6, SDG 12]

At Oiltek, we are committed to managing our water consumption responsibly and sustainably. Our water consumption relates to our factory-cum-office building located in Shah Alam, Malaysia. We cultivate environmental awareness among our employees spanning all departments. Our objective is to instil practices that encourage reuse, recycling and reduction in the consumption of natural resources including water, and to reduce unnecessary wastage. We conduct routine checks to ensure that there is no leaking or burst of water pipes within the premises.

During FY2024, the Group withdrew 1.13 megaliters<sup>8</sup> of water compared to 1.86 megaliters in FY2023 and 1.71 megaliters in FY2022. The reduction is due to the repairs done to fix a burst pipe that caused a bigger withdrawal reported for FY2023.



<sup>8</sup> Based on WRI Water Aqueduct Tool, the area where water is withdrawn is not in a water stress area.



# SUSTAINABILITY REPORT

Our performance and targets are shown in the table below:

Performance Indicator	Target FY2024	Actual Performance		
		FY2022	FY2023	FY2024
Water withdrawn (Megaliters)	To monitor current level of annual water consumption and to maximise our water conservation efforts	1.71	1.86	1.13
<b>Target for FY2025</b>	To monitor current level of annual water consumption and to increase our water conservation efforts.			

## SOCIAL

At Oiltek, in order to achieve our vision to be a global leader in providing leading process technology and sustainability solutions in the oils and fats industry, our employees are key. Talent is actively sought after at various levels of our employment from junior to middle to senior management, in order to develop the range of solutions necessary to meet the needs of our customers. The Group believes in fostering a culture of respect, inclusion and continuous development, and prioritises the well-being and professional growth of our employees through the creation of a positive, safe and conducive work environment, where all employees can thrive, grow and contribute to the Company's success.

### People and Employment

[GRI 2-7, 401-1]; [SDG 5, SDG 8, SDG 10]

At the heart of the Group's philosophy is the commitment to nurturing talent and fostering the long-term growth of individuals within the 'Oiltek family'.

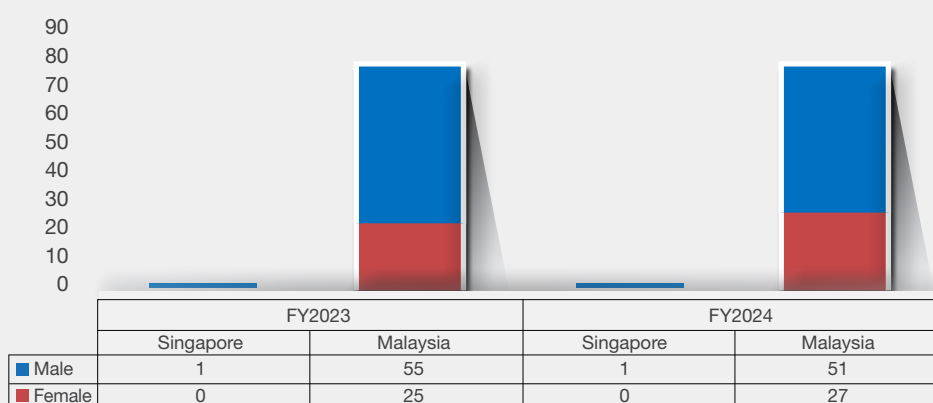


# SUSTAINABILITY REPORT

Our Human Resources policies prioritise the provision of fair and progressive opportunities for our team members. We aim to retain individuals who seamlessly integrate into the 'Oiltek family' culture by adopting a performance-based employment approach. This involves conducting annual performance appraisals to identify strengths and weaknesses, paving the way for continuous improvement. Our ultimate goal is to facilitate the progressive career growth of our employees, ensuring they thrive within our work environment.

Oiltek has 79 full-time employees as at end FY2024, comprising 78 in Malaysia and 1 in Singapore, all of whom are permanent staff. 27 out of 79 employees, or 34.2% of the workforce, comprise females.

**Total Number of Employees, by Gender and Region**



**Total number of Employees by Employment Type (by Gender and Region)**



During FY2024, our new hire rate as a percentage of total number of employees stands at 12.7%, a decrease from 25.9% in FY2023. The new hires rate by gender in FY2024 is 7.6% males and 5.1% females.

# SUSTAINABILITY REPORT

The turnover number of employees was 11 in FY2024 as compared to 8 in FY2023, resulting in a higher turnover rate of 14.0% in FY2024 as compared to 9.8% in FY2023. The higher turnover rate is due to the shortage of engineers, who are being actively sought after by the industry. The employee turnover rate of 14.0% for FY2024 was made up of 11.5% males and 2.5% females. The turnover in FY2024 was largest in employees of age group under 30 years old (7.6%), followed by those between 30-50 years old (5.1%) and those over 50 years old (1.3%).

Our performance and targets are shown in the table below:

Total No. of New Hires and Turnover, by Gender and Age Group	FY2023				FY2024			
	New Hires		Turnover		New Hires		Turnover	
	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)
Male	15	18.5%	4	4.9%	6	7.6%	9	11.5%
Female	6	7.4%	4	4.9%	4	5.1%	2	2.5%
<b>Total</b>	<b>21</b>	<b>25.9%</b>	<b>8</b>	<b>9.8%</b>	<b>10</b>	<b>12.7%</b>	<b>11</b>	<b>14.0%</b>
Under 30 years old	14	17.3%	3	3.7%	7	8.9%	6	7.6%
30-50 years old	7	8.6%	4	4.9%	2	2.5%	4	5.1%
Over 50 years old	0	0.0%	1	1.2%	1	1.3%	1	1.3%
<b>Total</b>	<b>21</b>	<b>25.9%</b>	<b>8</b>	<b>9.8%</b>	<b>10</b>	<b>12.7%</b>	<b>11</b>	<b>14.0%</b>

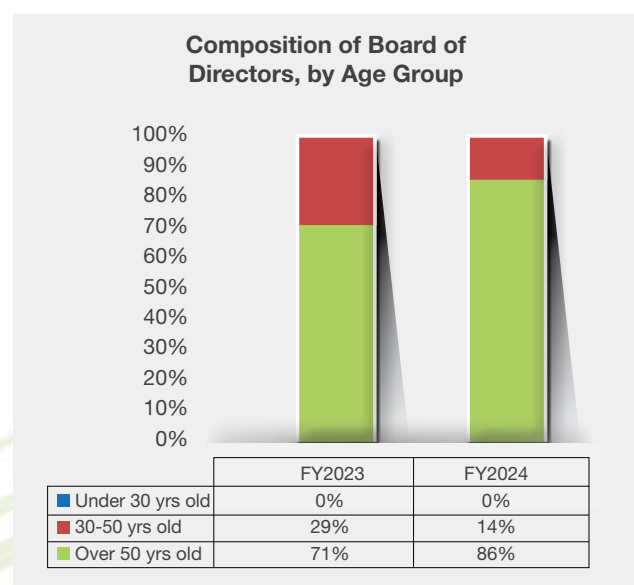
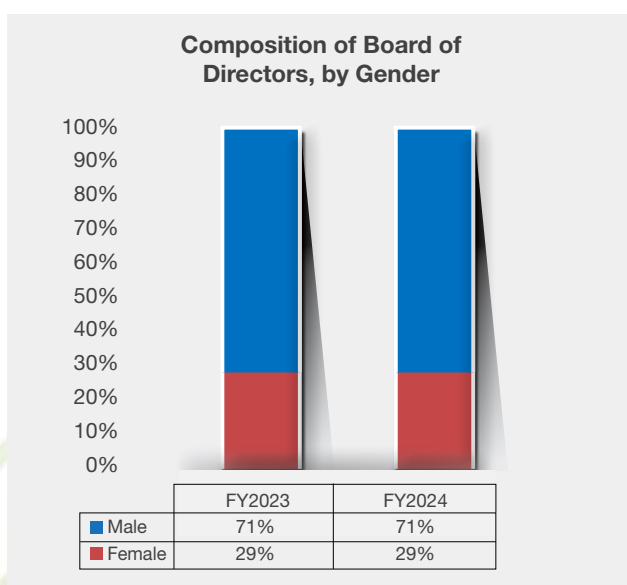
<b>Target for FY2025</b>	To maintain a low employee turnover rate
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## Diversity and Equal Opportunities [GRI 405-1]; [SDG 5, SDG 8]

At Oiltek, we are committed to fair labour practices for every employee as stated in our Human Resources policies. We ensure compliance with the applicable laws and regulations and strive to achieve fair and equal working rights.

In FY2024, Oiltek's Board of Directors (including the Alternate Director) comprised 71% males and 29% females with 86% of our Board aged 50 years and above.

Our performance and targets are shown in the charts below:

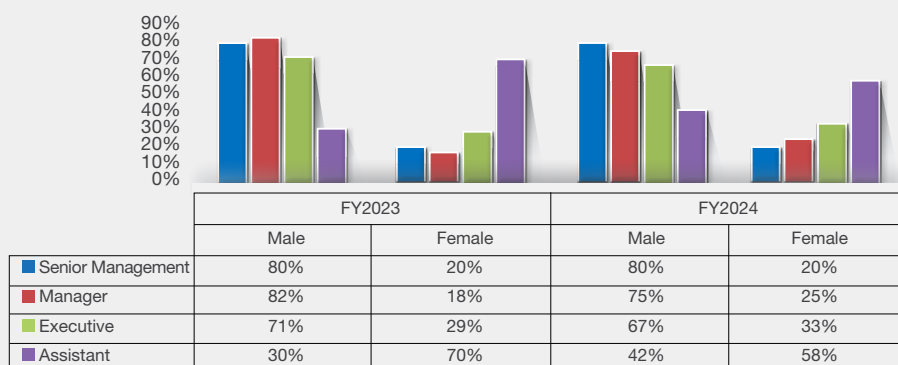




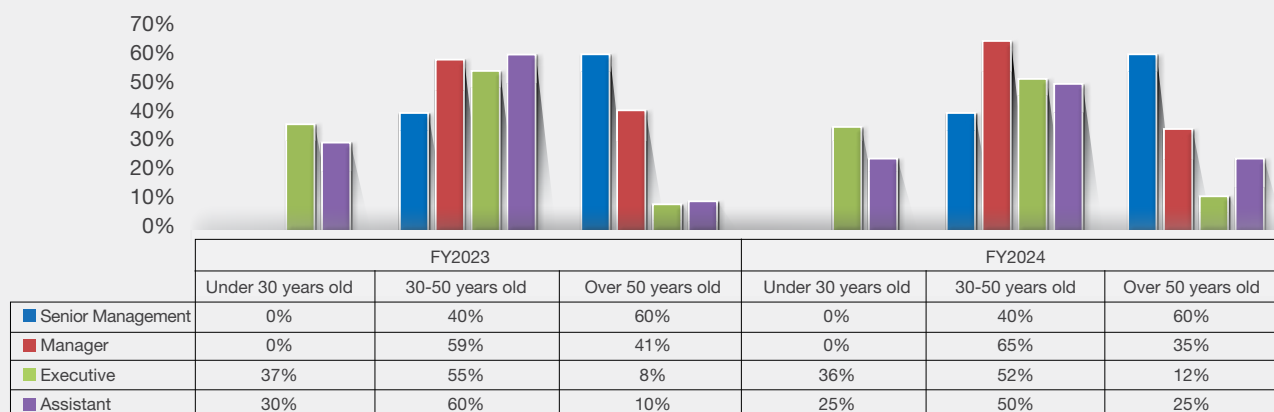
As at end of FY2024, we had a total of 79 employees, of which 66% were male and 34% were female. 20% of the Senior Management team is represented by females.

At Oiltek, we also believe that older employees can be an asset to an organisation because they value-add with their experience, knowledge, and wisdom. They have gained valuable skills and insights that they can share with others and can also be mentors to younger employees and help them develop their skills. 60% of Senior Management and 35% of Managers are employees aged over 50 years old.

**Percentage of Employees per Employee Category, by Gender**



**Percentage of Employees per Employee Category, by Age Group**



In FY2025, we aim to enhance a culture of diversity, equity and inclusion in the workplace. Subject always to the principle of meritocracy that we believe in, we shall focus on increasing diversity of our mid-to-senior level colleagues which will help in establishing a diverse talent base in leadership roles, and to build a diverse talent pipeline for the future.

## Target for FY2025

To ensure adequate female representation in Senior Management and Management levels

# SUSTAINABILITY REPORT

## Occupational Health and Safety

[GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9]; [SDG 3, SDG 8, SDG 16]

Oiltek is committed to ensuring a safe and healthy work environment for all employees. The Group adheres to stringent health and safety regulations, conducts regular risk assessments, and has implemented robust safety protocols. Regular training and awareness programs ensure that our employees are equipped with the knowledge and resources to prioritise their own safety and the safety of their colleagues. We invite officers from government agencies to conduct safety talks, from time to time as necessary, to increase awareness of safety, health and welfare of our employees. We also provide a panel doctor and medical check-up for all new probation employees. Oiltek also ensures employee participation in health and safety committees, which meet every quarter.

The Group conducts fire drills and emergency response training, in line with local requirements, to prepare our employees for emergency situations. Our fire safety equipment is properly maintained, with the engagement of external suppliers. Additionally, we enhance workplace safety by mandating employees and subcontractors operating machinery to obtain relevant licences and training, ensuring adherence to proper safety procedures during machinery operation and maintenance. Proficiency in identifying and avoiding safety hazards will enhance the efficiency of these employees.

If employees were to find themselves in hazardous situations, they are instructed to stop work immediately and report to their Head of Department, who will in turn bring it to the safety committee. We had zero reportable cases of work-related injury in FY2024 due to our processes and systems in place. In case of any possible accident, Oiltek follows the process of first reporting to the Department of Occupational Safety and Health (DOSH). This is followed by establishing an investigation team to gather information, analyse the finding and set up corrective and preventative action.

Our performance and targets<sup>9</sup> are shown in the table below:

Performance Indicator	Target FY2024	Actual Performance		
		FY2022	FY2023	FY2024
Cases of reportable work-related injury	To maintain zero reportable cases of work-related injury	Zero	Zero	Zero

<b>Target for FY2025</b>	To maintain zero reportable cases of work-related injury
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<sup>9</sup> Total manhours for FY2024 are 156,848. It is calculated based on [Number of working days x 8 hours per day x number of employees based on Year End Headcount for each entity].

## Summary of our response to TCFD recommendations

RECOMMENDATIONS	KEY POINTS
<b>GOVERNANCE: Disclose the organisation's governance around climate-related risks and opportunities</b>	
(a) Describe the Board's oversight of climate-related risks and opportunities	The SWG provides support and guidance for the organisational ESG strategies and programs that enable Oiltek to address climate-related risks and opportunities. As of 31 December 2024, the SWG comprised Oiltek's Executive Director and CEO, and other members of the Senior Management and Heads of Department. (Refer to Board Statement, page 19)
(b) Describe management's role in assessing and managing climate-related risks and opportunities	The SWG spearheads the identification and assessment process for potential climate-related risks and opportunities every few years. The SWG also executes, monitors and reports on the sustainability efforts, including climate-related risks. In FY2024, an exercise was done by SWG to identify the action plan related to these climate-related risks and opportunities, which is currently in progress.
<b>STRATEGY: Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is critical</b>	
(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	A qualitative exercise was conducted in FY2023 to identify and assess Oiltek's climate-related transition and physical risks, as well as corresponding opportunities. Operational leaders across key functional business units were engaged to establish an understanding of how these climate-related risks and opportunities could impact on Oiltek's business objectives. This is disclosed on pages 28 to 29 [refer to TCFD table].  Oiltek is working progressively towards identifying climate-related risks and opportunities in FY2025 and shall be assessing them based on the following time horizons: 2030 (short term), 2050 (medium term) and 2100 (long term).
(b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning	In FY2024, Oiltek has described the qualitative financial impact of its climate-related risks and opportunities on the organisation's business in terms of the effect on revenue, operating costs and asset valuations, with a view to informing its strategy and business planning. Oiltek is committed to reassessing its climate-related risks and opportunities over the short, medium and long term, by conducting a scenario analysis in FY2025.
(c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Oiltek is committed to strengthening its resilience by reassessing its climate-related risks over the short, medium and long term. Plans are underway to conduct a scenario analysis in FY2025 including a 2°C or lower scenario. The results shall then be incorporated into the organisation's strategy to increase resilience.



# SUSTAINABILITY REPORT

<b>RISK MANAGEMENT: Disclose how the organisation identifies, assesses and manages climate-related risks</b>		
(a)	Describe the organisation's processes for identifying and assessing climate-related risks	<p>A structured three-step process has been established to systematically identify and assess climate-related risks:</p> <ol style="list-style-type: none"> <li><u>1. Review and Analysis of Climate-Related Risks</u> Climate-related projections and transition trends were extracted and analysed through a review of publicly available resources and peer practices. This ensured that identified risks and opportunities were aligned with current climate projections.</li> <li><u>2. Engagement with Key Stakeholders</u> Workshops with operational leaders across key functional business units were conducted to understand how physical or transition climate risks could impact on Oiltek's business. Opportunities were also identified in this workshop. This engagement ensured alignment with business priorities and provided insights into climate-related risk perceptions across various departments.</li> <li><u>3. Risk Prioritisation</u> Identified risks were assessed and prioritised among the key functional business units and then subsequently validated and reviewed by the Board and Senior Management.</li> </ol>
(b)	Describe the organisation's processes for managing climate-related risks	Oiltek is committed to doing a scenario analysis in FY2025, the results of which will assist in integrating the climate-related risks into the organisation's enterprise risk management.
(c)	Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Following the planned scenario analysis exercise in FY2025, Oiltek intends to do a risk ranking of its climate-related risks and opportunities and to integrate them into the overall risk management framework.
<b>METRICS AND TARGETS: Disclose the metrics and targets used to assess and manage relevant climate- related risks and opportunities where such information is material</b>		
(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	We have identified different metrics to evaluate our exposure to physical and transition climate-related risks and opportunities. Transition risk metrics include energy consumption, energy efficiency and greenhouse gas emissions, while physical risk metrics focus on our water consumption and electricity consumption from the grid. Please refer to pages 25-27, 29.
(b)	Disclose Scope 1 and 2, and if appropriate Scope 3 GHG emissions and related risks	Our Scope 1 and Scope 2 GHG emissions are reported on pages 26-27.
(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Oiltek commits to setting quantitative targets on energy consumption intensity and emissions intensity with a view to managing its climate-related risks.

## GRI CONTENT INDEX

<b>Statement of Use</b>	Oiltek has reported the information cited in this GRI content index for the period from 1 January 2024 to 31 December 2024 with reference to GRI Standards
<b>GRI 1 used</b>	GRI 1: Foundation 2021

<b>GRI Standard</b>	<b>Disclosure</b>	<b>Page Reference</b>	<b>UN SDG Goals</b>
<b>GRI 2 General Disclosures (2021)</b>	2-1 : Organisational details	7-11	
	2-2 : Entities included in the organisation's sustainability report	19	
	2-3 : Reporting period, frequency and contact point	19	
	2-4 : Restatement of information	n.a.	
	2-5 : External Assurance	19	
	2-7 : Employees	30-33	SDG 8, SDG 10
	2-27 : Compliance with Laws and Regulations	23	
<b>GRI3 Material Topics (2021)</b>	3-1 : Process to determine material topics	21-22	
	3-2 : List of material topics	22	
	3-3 : Management of material topics	22	
<b>GRI 201 Economic Performance (2016)</b>	201-1 : Direct economic value generated and distributed	24	SDG 8, SDG 9
<b>GRI 205 Anti-Corruption (2016)</b>	205-3 : Anti-Corruption	23	SDG 16
<b>GRI 302 Energy (2016)</b>	302-1 : Energy Consumption within the organisation	25-26	SDG 7, SDG 12, SDG 13
<b>GRI 303 Water and Effluents (2018)</b>	303-1 : Interactions with water as a shared resource	29	SDG 6
	303-3 : Water withdrawal	29	SDG 6, SDG 12
<b>GRI 305 Emissions (2016)</b>	305-1 : Direct (Scope 1) GHG emissions	26-27	SDG 3, SDG 12, SDG 13, SDG 14, SDG 15
	1-2 : Energy indirect (Scope 2) GHG emissions	26-27	
<b>GRI 401 Employment (2016)</b>	401-1 : New employee hires and employee turnover	30-33	SDG 5, SDG 8, SDG 10
<b>GRI 403 Occupational Health and Safety (2018)</b>	403-1 : Occupational health and safety management system	34	SDG 3, SDG 8
	403-2 : Hazard identification, risk, and incident investigation	34	
	403-3 : Occupational health services	34	
	403-4 : Worker participation, consultation, and communication on occupational health and safety	34	
	403-5 : Worker training on occupational health and safety	34	
	403-6 : Promotion of worker health	34	SDG 3
	403-7 : Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	34	SDG 8, SDG 16
	403-9 : Work-related injuries	34	
<b>GRI 405: Diversity and Equal Opportunity (2016)</b>	405-1 : Diversity of governance bodies and employees	32-33	SDG 5, SDG 8
<b>GRI 416: Customer Health &amp; Safety (2016)</b>	416-2 : Incidents of non-compliance concerning the health and safety impacts of products and services	25	SDG 16

# CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**” or the “**Directors**”) and the management (“**Management**”) of Oiltek International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) are committed to maintaining a high standard of corporate governance and have always recognised the importance of good corporate governance to enhance shareholders’ value, corporate performance, accountability and protection of stakeholders’ interests.

The Board has taken steps to align the Group’s corporate governance framework with the principles and provisions set out in the Code of Corporate Governance 2018 (the “**Code**”) since the Company’s listing on the Catalist Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 3 March 2022. Under Rule 710 of the Listing Manual Section B: Rules of Catalist of the SGX-ST (“**Catalist Rules**”), the Company is required to describe in its annual report its corporate governance practices with specific reference to the principles and the provisions of the Code. This Report describes the corporate governance framework and practices of the Company that were in place for the financial year ended 31 December (“**FY**”) 2024, with specific reference to the provisions of the Code included at the end of the relevant paragraphs. Where there are deviations from any provision of the Code, an explanation has been provided in this Report, which includes the reason for the variation, as well as the practices adopted which are consistent with the relevant principle of the Code. The Board will continue to assess the needs of the Company and implement appropriate practices accordingly.

## (A) BOARD MATTERS

### Board's Conduct of its 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.***

As at the date of this Report, the Board of Directors comprises one (1) Executive Director, two (2) Non-Executive Directors, three (3) Independent Directors and an Alternate Director, all possessing the right core competencies and diversity of experience which enabled them to effectively contribute to the Group. The Board comprises the following members:

Mr. Hew Koon Chan (Non-Executive Chairman and Independent Director)  
Mr. Henry Yong Khai Weng (Executive Director and Chief Executive Officer) (the “**CEO**”)  
Mr. Koh Keng Siang (Non-Executive Director)  
Mr. Bernard Wong Ee Yu (Non-Executive Director)  
Mr. Lai Wai Kit Andrew (Independent Director)  
Ms. Tan Yee Peng (Independent Director)  
Ms. Tay Tze Wen (Alternate Director to Mr. Koh Keng Siang)

The Board is involved in the supervision of the management of the Group’s operations. It reviews strategies, policies and financial performance and assesses key risks as well as the adequacy and effectiveness of internal controls and risk management of the Group. Day-to-day management and implementation of business strategies are delegated to the CEO and Management.

Directors are fiduciaries who act objectively in the best interests of the Group and hold Management accountable for performance. The Board has put in place a code of conduct and ethics, sets an appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Group. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict. All Directors exercise due diligence and independent judgement in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interest of the Group. (Provision 1.1 of the Code)



The Board's role is to, *inter alia*:

- (a) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
- (b) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Group's assets;
- (c) monitor and review Management's performance towards achieving the set organisational objectives and goals;
- (d) review and approve corporate plans, annual budgets, investment and divestment proposals, major funding initiatives, merger and acquisition activities and financial plans of the Group;
- (e) set the Group's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met;
- (f) consider sustainability issues (including matters in the Sustainability Report), e.g. environmental and social factors, as part of its strategic formulation;
- (g) ensure accurate and timely release of information to shareholders of the Company ("**Shareholders**"), in compliance with the requirements of the Catalist Rules;
- (h) ensure the Group's compliance with laws, regulations, policies and guidelines; and
- (i) review and approve interested persons transactions and material transactions, and announcements thereof, in compliance with the requirements of the Catalist Rules.

### **Training of Directors**

The Directors understand the Company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense. Directors are also provided with updates on changing commercial risks in the Group's operating environment through regular presentations and meetings with Management to gain a better understanding of business operations. The Company works closely with its professional advisers to provide its Directors with updates on changes affecting the Group. (Provision 1.2 of the Code)

During FY2024, some of the Directors attended courses organised by the Singapore Institute of Directors. The courses include:

1. Board's role in driving innovative culture
2. Whistleblowers: The Directors' Ally
3. Behind Closed Doors: Key decisions and insights from NRCs
4. Directors Conference 2024

The Company does not have a formal training program for new Directors. However, to assist the Board in discharging its duties, newly appointed Directors will be briefed on the business operations and regulatory issues relating to the Group to ensure that they are familiar with the Group's business and governance practices and will be provided with a formal letter setting out the Director's duties and obligations. The Board encourages its new members to participate in seminars and receive training to improve themselves in the discharge of their duties as Directors. First-time Directors who have no prior experience as a director of a company listed on the SGX-ST will also undergo training in the roles and responsibilities of a director of a listed company as prescribed by the SGX-ST pursuant to Rule 406(3)(a) of the Catalist Rules. Ms. Tay Tze Wen was appointed as the Alternate Director to Mr. Koh Keng Siang on 1 March 2023. She does not have prior experience as a director of a public listed company in Singapore but has been briefed on the roles and responsibilities of a director of a listed company in Singapore. She completed modules LED7 and LED8 conducted by the Singapore Institute of Directors as part of the Listed Entity Directors Programme in July 2024, thereby fulfilling all the prescribed training modules as at the date of this Annual Report.

## **Matters Requiring Board Approval**

The Company has prepared a document with guidelines setting forth the matters reserved for the Board's decision and clear directions to Management on matters that must be approved by the Board. These matters relate, *inter alia*, to: (Provision 1.3 of the Code)

- (a) the Group's strategic direction, goals and targets;
- (b) matters that involve a conflict of interest of a Controlling Shareholder or a Director or persons connected to such Shareholder or Director;
- (c) material acquisitions and disposals of assets which are outside the ordinary course of business;
- (d) corporate restructuring, mergers and acquisitions, investments and divestments;
- (e) capital structure or fundraising exercises;
- (f) matters concerning the sustainability report;
- (g) announcements to be released via SGXNET, including interim and full year financial results announcements;
- (h) share issuance, interim and final dividends and other returns to Shareholders;
- (i) bank facilities and provision of corporate guarantees;
- (j) appointment, removal, re-designation and remuneration packages of the Directors and the Executive Officers;
- (k) any matters relating to the Company's Annual General Meeting, Board and Board Committees; and
- (l) operating budgets, annual and interim reports, financial statements, Directors' statements and annual reports, and sustainability reports.

In addition, there is a formalised delegation of authority matrix that sets out financial approval limits for the Board and the Management of the Group regarding operational expenditure, capital expenditure, sales matters, finance matters and cheque signatory arrangements.

All other matters are delegated to Board Committees whose actions are reported to and monitored by the Board. The Board does not abdicate its responsibility for such delegations of authority.

## **Board Processes**

To assist in the execution of its responsibilities, the Board has established a Nominating Committee (hereinafter referred to as "**NC**"), a Remuneration Committee (hereinafter referred to as "**RC**") and an Audit and Risk Committee (hereinafter referred to as "**ARC**") with clear written terms of reference setting out their authorities and duties, including reporting back to the Board. More details on each of the Board Committees, including the names of the Committee members, the terms of reference, any delegation of the Board's authority to make decisions and a summary of their activities, are set out in the subsequent sections of this Report. The effectiveness of each Committee is constantly monitored. The Board has also established a framework for the management of the Group, including a system of internal controls and risks management. (Provision 1.4 of the Code)

The Board currently plans to hold a minimum of three (3) scheduled meetings each financial year. It also holds additional meetings at such other times as may be necessary to address any specific significant matters that may arise. In addition to holding meetings, important matters regarding the Group are also put to the Board for decision making by way of written resolutions. The Constitution of the Company provides for telephonic and video-conference meetings. The agenda for meetings usually include the Management's report, financial reports, strategic matters, governance, business risk issues and compliance, amongst other matters. Executive Officers of the Group may, from time to time, be invited to attend Board meetings to provide updates on operational matters.

The Board conducts an annual review of its processes to ensure that it is able to carry out its functions in the most effective manner.

## Board and Board Committee Meetings held during the financial year ended 31 December 2024 ("FY2024")

For FY2024, the attendance of each Director at the Board and Board Committee meetings are as follows: (Provision 1.5 of the Code)

Name	Board		ARC		NC		RC	
	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended	No. of meetings held	No. of meetings attended
Hew Koon Chan (Non-Executive Chairman and Independent Director)	3	3	3	3	1	1	1	1
Henry Yong Khai Weng (Executive Director and Chief Executive Officer)	3	3	3	3*	1	1*	1	1*
Koh Keng Siang (Non-Executive Director)**/ Tay Tze Wen (Alternate Director to Koh Keng Siang)	3	3	3	3	1	1	1	1
Bernard Wong Ee Yu (Non-Executive Director)	3	3	3	3	1	1	1	1
Lai Wai Kit Andrew (Independent Director)	3	3	3	3	1	1	1	1
Tan Yee Peng (Independent Director)	3	3	3	3	1	1	1	1

\* By invitation

\*\* Koh Keng Siang was kept informed of the discussions for the Board and Board Committee meetings that were attended by Tay Tze Wen as his Alternate Director

While some of the current Board members are on multiple boards, the NC is satisfied that currently the Directors have been able to devote sufficient time and attention to the affairs of the Group and that they are able to satisfy their duties as Directors of the Company. Currently, the Board does not limit the maximum number of listed company board representations and principal commitments its Board members may hold as long as each of the Board members is able to commit his/her time and attention to the affairs of the Company and adequately carry out his/her duties as a Director. The Board believes that each individual Director is best placed to determine and ensure that he/she is able to devote sufficient time and attention to discharge his/her duties and responsibilities as a Director of the Company, bearing in mind his/her other commitments. The Board and the NC will review the requirement to determine the maximum number of listed company board representations and principal commitments as and when they deem fit. (Provisions 1.5 and 4.5 of the Code)

## Access to Information

Management provides Directors with complete, adequate and timely information prior to meetings and on an ongoing basis to enable them to make informed decisions and discharge their duties and responsibilities. Directors are entitled to request from Management and would be provided with such additional information as needed to make informed decisions so that they are equipped to play as full a part as possible in Board meetings. Detailed Board papers will be prepared for each meeting of the Board. The Board papers include sufficient information from Management on financial, business and corporate issues to enable Directors to be properly briefed on issues to be considered at Board meetings. Information provided includes background or explanatory information relating to matters to be brought before the Board, copies of disclosure documents, budgets, forecasts and internal financial statements, including explanations for any material variance between projections and actual results. (Provision 1.6 of the Code)

All Directors have unrestricted access to the Group's records and information and receive detailed financial and operational reports from Management during the year to enable them to carry out their duties. Directors also liaise with Management as required, and may consult with other employees and seek additional information on request.



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

The Company Secretary will administer, attend and prepare minutes of Board meetings, assist the Independent Non-Executive Chairman in ensuring that Board procedures are followed and reviewed so that the Board functions effectively, and ensures that the Company's Constitution and relevant rules and regulations, including those of the Companies Act 1967 (the "**Companies Act**") and the SGX-ST, are complied with. The Company Secretary ensures the quality, quantity and timeliness of the flow of information within the Board and its Board Committees and between Management and Non-Executive Directors, advises the Board on all corporate governance matters, facilitates orientation and assists with professional development as and when required.

Should Directors, whether as a group or individually, need independent professional and expertise advice in the furtherance of their duties, the cost of such advice will be borne by the Company.

### 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 the date of this Annual Report, the Board comprises six (6) Directors and an Alternate Director, of which three (3) are Independent Directors. The three (3) Independent Directors are Mr. Hew Koon Chan, Mr. Lai Wai Kit Andrew and Ms. Tan Yee Peng. The criterion of independence is based on the definition given in Provision 2.1 of the Code, the Practice Guidance 2 to the Code and Rule 406(3)(d) of the Catalist Rules.

The Board and the NC consider a Director to be "independent" if he is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its Substantial Shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of that Director's independent business judgement in the best interests of the Company. After due assessment, the Board and the NC are of the opinion that the Independent Directors satisfy these criteria.

Lee & Lee, at which the Company's Independent Director Mr. Lai Wai Kit Andrew is a partner, had during FY2024 provided legal services in the ordinary course of business to, and received customary fees from, certain companies which are part of the Koh Brothers Entities (as defined herein). For the purposes of this Annual Report, "**Koh Brothers Entities**" means, collectively, Koh Brothers Group Limited (the Company's ultimate Controlling Shareholder through its shareholding interest in Koh Brothers Eco Engineering Limited), Koh Brothers Eco Engineering Limited, its subsidiaries, associated companies and/or affiliates (excluding the Group). The NC has assessed the independence of Mr. Lai Wai Kit Andrew under the Code and is satisfied that the relationship described above will not interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of the Group, taking into account, among others: (i) Lee & Lee did not provide any legal services to, and has not received any fees from the Group in any FY from FY2022 to FY2024; (ii) Mr. Lai Wai Kit Andrew has not provided any legal services to the Koh Brothers Entities while being a partner of Lee & Lee; and (iii) the aggregate fees paid collectively by the Koh Brothers Entities to Lee & Lee in FY2024 is below the threshold of S\$200,000 for payments which are deemed significant under the Code. As at the date of this Report, there are no Independent Directors of the Company who sit on the board of any of the Company's principal subsidiaries. (Provision 2.1 of the Code)

The Non-Executive Chairman is an Independent Director. As such, it is not necessary for Independent Directors to make up a majority of the Board. Nevertheless, at the date of this Report, Independent Directors make up half of the Board. Moreover, the number of Non-Executive Directors make up the majority of the Board. (Provisions 2.2 and 2.3 of the Code)

The composition of the Board is determined in accordance with the following principles:

- The Board and its Board Committees are of an appropriate size and comprise Directors who as a group provide an appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. They also provide core competencies such as accounting or finance, business or management experience, legal, industry knowledge, strategic planning experience and customer-based experience or knowledge (this number may be increased where it is felt that additional expertise is required in specific areas, or when an outstanding candidate is identified); (Provision 2.4 of the Code)

- The Board should comprise a majority of Non-Executive Directors, with at least half of the Board made up of Independent Non-Executive Directors; and
- The Board should have enough Directors to serve on various committees of the Board without overburdening the Directors or making it difficult for them to fully discharge their responsibilities.

With three (3) out of six (6) Directors deemed to be independent, the Board is able to exercise independent judgement on corporate affairs and provide Management with a diverse and objective perspective on issues. Furthermore, the Board will be able to interact and work with Management through a robust exchange of ideas and views to help shape the Group's strategic direction.

The composition of the Board is reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision-making.

Independent members of the Board exercise no management functions in the Company or any of its subsidiaries. Although all the Directors have equal responsibility for the performance of the Group, the Independent Directors' role is particularly important as they review and monitor the performance of Management in meeting the Group's agreed goals and objectives and ensuring that the strategies proposed by the Management are fully discussed and rigorously examined taking into account the Group's long-term interests. The Board considers its Non-Executive and Independent Directors to be of sufficient calibre and number such 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.

The Non-Executive Directors of the Company:

- constructively challenge and help develop proposals on strategy; and
- review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance.

The Independent Directors, led by the Independent Non-Executive Chairman, will meet regularly without the presence of Management, and the Independent Non-Executive Chairman provides feedback to the Board as appropriate. (Provision 2.5 of the Code)

The Company recognises the benefits of having an effective and diverse Board, and views diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. To comply with Rule 710A of the Catalist Rules, the Board has formulated and maintained a formal Board Diversity Policy which takes into consideration criteria such as age, gender, ethnicity, cultural and educational background, professional experience, skills, knowledge and length of service, and any other factors that the Board may consider relevant and applicable from time to time. Specifically, under the Board Diversity Policy, the Board recognises gender as an important aspect of diversity, and will continue to work towards having female directors on the Board, whenever possible. The Board will in any case endeavour to ensure that: (a) female candidates are included for consideration when identifying candidates to be appointed as new Directors; and (b) if external search consultants are engaged to identify candidates for appointment to the Board, the consultants will be asked to present female candidates for consideration. The Company will also work towards having appropriate age diversity on the Board, with a balance of directors from different age groups, whenever possible. The Board is fully committed to promoting age diversity, valuing the contribution of its members regardless of age, and seek to eliminate age stereotyping and discrimination on age. (Provision 2.4 of the Code)

The Board is of the view that its current composition of six (6) Directors and one (1) Alternate Director is appropriate taking into account the scope and nature of the operations of the Company and of the Group, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees. The Board is further of the view that the current members of the Board, collectively as a group, provide an appropriate mix and balance of diversity of skills, experience, independence, gender and age. In arriving at this view, the Board has taken into account: (a) the gender composition of the Board; (b) the range of core competencies and skills, knowledge and experience of the current Directors, as to which please see their profiles on pages 15 to 17 of this Annual Report; and (c) the Board's independence. If a vacancy arises under any circumstances, or where it is considered that the Board would benefit from the services of a new director, the NC will consider the benefits of

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all aspects of diversity including, but not limited to, those described in the Board Diversity Policy and select the appropriate candidate for the position. In light of the foregoing, the Board is of the view that the current Board members comprise persons whose diverse skills, experience, knowledge of the Company and attributes provide for effective direction for the Group.

The following table shows the Company's targets and the progress towards achieving these Board diversity targets:

Diversity Targets	Progress Towards Achieving Targets
<b>Gender</b>	
To have at least 1 female Director on the Board.	<b>Target achieved</b> - there are currently two female members on the Board, Ms. Tan Yee Peng, who is also Chairperson of the Audit and Risk Committee and a member of the Remuneration Committee and Nominating Committee and Ms. Tay Tze Wen, who is the Alternate Director to Mr. Koh Keng Siang.
<b>Skills and Expertise</b>	
<p>To ensure skillset of Directors on the Board with relevant skills and experience. The Board has identified the following core competencies as important:</p> <ul style="list-style-type: none"> <li>(i) Accounting/Finance</li> <li>(ii) Legal/Corporate Governance/Sustainability</li> <li>(iii) Investment/Risk Management/Business and Management experience</li> <li>(iv) Relevant industry knowledge</li> </ul> <p>The Company believes that diversity in skill sets would support the work of the Board and Board Committees and needs of the Company, and that an optimal mix of experience would help shape the Company's strategic objectives and provide effective guidance and oversight of Management and the Company's operations.</p>	<b>Target achieved</b> - For each category of the identified core competencies, there is at least one Director on the Board possessing the relevant skillsets and experience.
<b>Board Independence</b>	
To have a Board with at least 50% Independent Director representation.	<b>Target achieved</b> - Currently the Independent Directors make up 50% of the Board (excluding Ms. Tay Tze Wen, who is the Alternate Director to Mr. Koh Keng Siang).

None of the Independent Directors have served on the Board for more than nine (9) years from the date of his/her first appointment.

Other key information on the individual Directors of the Company is set out in pages 15 to 17 of this Annual Report. Their shareholdings in the Company are also disclosed in the Directors' Statements.

### Chairman and Chief Executive Officer

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

There is a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business. Mr. Hew Koon Chan is the Non-Executive Chairman and Independent Director of the Group and Mr. Henry Yong Khai Weng is the Executive Director and CEO of the Group. (Provision 3.1 of the Code)



The Chairman and CEO of the Group are separate persons and are not related. The roles of the Chairman and the CEO are deliberately kept distinct through a clear division of responsibilities to ensure effective oversight, appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making.

Mr. Hew Koon Chan, as the Independent Non-Executive Chairman, has the overall responsibility for the leadership of the Board. His key roles include:

- (a) leading the Board to ensure its effectiveness on all aspects of its roles and setting its agenda for Board meetings;
- (b) ensuring that the Directors receive accurate, timely and clear information;
- (c) ensuring effective communication with Shareholders;
- (d) encouraging constructive relations between the Board and Management;
- (e) facilitating the effective contribution of Non-Executive Directors;
- (f) promoting high standards of corporate governance; and
- (g) promoting a culture of openness and debate at the Board.

Mr. Henry Yong Khai Weng, the CEO, focuses on managing the operations of the Company and is principally in charge of (a) the Group's overall business policies and strategic direction, and (b) the overall oversight and management of the Group's business operations and development. (Provision 3.2 of the Code)

No lead independent director is required to be appointed as the roles of the Chairman and the CEO are separate and the Chairman is independent. (Provision 3.3 of the Code)

### 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 NC comprises Mr. Lai Wai Kit Andrew as the Chairman and Mr. Hew Koon Chan, Ms. Tan Yee Peng, Mr. Koh Keng Siang and Mr. Bernard Wong Ee Yu as members. Ms. Tay Tze Wen acts as Alternate Director to Mr. Koh Keng Siang. The NC is made up of Non-Executive Directors and the majority (excluding the Alternate Director), including the Chairman of the NC, are Independent Directors. (Provisions 1.4 and 4.2 of the Code)

The Board has approved the written terms of reference of the NC. The NC performs *inter alia* the following functions: (Provisions 1.4 and 4.1 of the Code)

- (a) developing and maintaining a formal and transparent process for the selection, appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board and make recommendations to the Board on the appointment and re-appointment of Directors, taking into consideration each Director's competencies, commitment, contribution and performance (for example, attendance, preparedness, participation and candour) including, if applicable, his/her performance as an Independent Director, as well as appraising the qualifications and experience of any proposed new appointments to the Board and recommending to the Board whether the nomination should be supported; (Provisions 4.1(d) of the Code)
- (b) ensuring that Directors submit themselves for re-nomination and re-election at least once every three (3) years;
- (c) reviewing and approving any new employment of related employees (being employees that are related to the Directors, Executive Officers and/or Substantial Shareholders) and proposed terms of their employment;
- (d) ensuring that Directors disclose their relationships with the Company, related corporations, Substantial Shareholders or officers, which may affect their independence and review such disclosures to highlight these to the Board;

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- (e) determining on an annual basis and as and when circumstances require, whether or not a Director is independent, taking into account the circumstances set forth in the Code of Corporate Governance, the Practice Guidance to the Code of Corporate Governance, the Catalist Rules and any other salient factors;
- (f) reviewing and deciding whether or not a Director is able to and has been adequately carrying out his/her duties as Director;
- (g) in respect of a Director who has multiple board representations on various companies, if any, reviewing and deciding, on an annual basis (or more frequently as the NC deems fit), whether such Director is able to and has been adequately carrying out his/her duties as a Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards and discharging his/her duties towards other principal commitments, and establish guidelines on what a reasonable and maximum number of directorships and principal commitments for each Director (or type of Director) shall be;
- (h) reviewing the training and professional development programmes for the Board and in particular, ensuring that new Directors are aware of their duties and obligations; (Provision 4.1(c) of the Code)
- (i) reviewing succession plans for Directors and Executive Officers; (Provision 4.1(a) of the Code)
- (j) reviewing the composition of the Board annually to ensure that the Board and the Board Committees comprise Directors who as a group provide an appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate, and provide core competencies such as accounting or finance, business or management experience, industry knowledge, strategic planning experience and customer-base experience or knowledge;
- (k) developing a process and criteria for evaluation of the performance of the Board as a whole and its committees, and assessing the contribution of each Director to the effectiveness of the Board; and (Provision 4.1(b) of the Code)
- (l) generally undertaking such other functions and duties as may be required by statute or the Catalist Rules and by such amendments made thereto from time to time.

In the event there is a need to change the structure of the Board, the Chairman of the Company or the membership of the Board Committees, the NC will review the change to be implemented and make recommendations to the Board accordingly. Pursuant to Rule 710A of the Catalist Rules, the Board has put in place a formal Board Diversity Policy which takes into consideration criteria such as age, gender, ethnicity, cultural and educational background, professional experience, skills, knowledge and length of service, and any other factors that the Board may consider relevant and applicable from time to time. For the appointment of new Directors, the NC will, in consultation with the Board, examine the strength and capabilities of the existing Board as well as the skills, knowledge and experience contributed by the existing Directors to the Group and the Board. The NC will take into account the future needs of the Group and together with the Board, it will seek candidates who are able to contribute to the Group. The NC will attempt to seek candidates widely and beyond persons directly known to the existing Directors, which may include the use of external search consultants. The NC then meets with the shortlisted potential candidates with the appropriate profile to assess suitability and to ensure that the candidates are aware of the expectation and the level of commitment required, before recommending suitable candidates to the Board. If such candidates are appointed, announcements relating to their appointment will be released via SGXNET. In the event of cessation of appointment of any Director or Executive Officer, the NC will conduct the exit interviews with such Director or Executive Officer, as the case may be, and announcements relating to such cessation will also be released via SGXNET. (Provision 4.3 of the Code)

The NC determines annually, and as and when circumstances require, if a Director is independent, having regard to the circumstances set forth in Provision 2.1 of the Code. Each Independent Director is required annually to complete a form to confirm his/her independence. Directors disclose their relationships with the Company, its related corporations, its Substantial Shareholders or its officers, if any, which may affect their independence to the Board. As mentioned under Principle 2 above, the Board and the NC are of the opinion that the Independent Directors satisfy the criteria under Provision 2.1 of the Code. (Provision 4.4 of the Code)

All Directors must submit themselves for re-nomination and re-appointment at least once every three (3) years pursuant to Rule 720(4) of the Catalist Rules. The Company's Constitution provides that one-third of the Directors, or if their number is not a multiple of three, the number nearest to but not less than one-third with a minimum of one, shall retire

by rotation at every Annual General Meeting (“AGM”). The Directors who are retiring by rotation pursuant to Regulation 117 of the Constitution of the Company at the forthcoming AGM are Mr. Koh Keng Siang and Mr. Bernard Wong Ee Yu. After assessing their respective contributions and performance, the NC is recommending each of Mr. Koh Keng Siang and Mr. Bernard Wong Ee Yu for re-election at the forthcoming AGM (with Mr. Koh Keng Siang and Mr. Bernard Wong Ee Yu having abstained from deliberation in respect of their own re-elections). The Board has accepted the NC’s recommendation. The details of the Directors seeking for re-election as required under Rule 720(5) of the Catalyst Rules are set out in the “Additional Information on Directors Seeking Re-election” section of this Annual Report.

Currently, the Board has one (1) Alternate Director, Ms. Tay Tze Wen, appointed on 1 March 2023, who is Alternate Director to Mr. Koh Keng Siang. The Board takes into consideration the same criteria for selection of alternate director as that of the Directors such as his/her qualifications, competencies and independence.

When new Directors are appointed, the NC also ensures that they are aware of their duties and obligations. The NC also decides if a Director is able to and has been adequately carrying out his/her duties as a Director of the Company. Specifically, the NC will review and decide, on an annual basis (or more frequently as the NC deems fit), whether such Director with competing time commitments is able to and has been adequately carrying out his/her duties as a Director, having regard to the competing time commitments that are faced by the Director when serving on multiple boards and discharging his/her duties towards other principal commitments. The Board has not currently set the maximum number of listed company directorships which a Director may hold. If a Director serves on the board of multiple companies, the NC will consider on a case-by-case basis whether he/she has been able to devote adequate time and attention to the affairs of the Group. In the event there are sufficient grounds for complaint, the Chairman of the Board will, on the advice of the NC, discuss, and if necessary, advise the Director concerned of the issues and the consequences of failure to rectify the situation within the period required. (Provision 4.5 of the Code)

Details of the appointment of each Director, including the date of initial appointment, the date of last re-election, directorships in other listed companies and principal commitments, both current and for the preceding 5 years are set out below: (Provision 4.5 of the Code)

Name of Director	Date of Appointment	Date of Last Re-election	Directorship in Other Listed Companies		Other Principal Commitments
			Present	Past (Preceding 5 Years)	
Hew Koon Chan	30 December 2021	26 April 2024	<ul style="list-style-type: none"> <li>- Vibropower Corporation Limited</li> <li>- Resources Global Development Limited</li> <li>- Shopper360 Limited</li> </ul>	<ul style="list-style-type: none"> <li>- DeClout Limited</li> <li>- Ecowise Holdings Limited</li> <li>- Far East Group Limited</li> </ul>	<ul style="list-style-type: none"> <li>- Managing Director of Integer Capital Pte. Ltd.</li> <li>- Non-Executive Director of Sea Family Trust Pte. Ltd.</li> </ul>
Henry Yong Khai Weng	30 December 2021	26 April 2024	-	-	<ul style="list-style-type: none"> <li>- Director of Oiltek Sdn. Bhd.</li> <li>- Director of Oiltek Global Energy Sdn. Bhd.</li> <li>- Director of Oiltek Global Pte. Ltd.</li> </ul>



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Name of Director	Date of Appointment	Date of Last Re-election	Directorship in Other Listed Companies		Other Principal Commitments
			Present	Past (Preceding 5 Years)	
Koh Keng Siang	22 July 2021	27 May 2022	<ul style="list-style-type: none"> <li>- Koh Brothers Group Limited</li> <li>- Koh Brothers Eco Engineering Limited</li> </ul>	–	<ul style="list-style-type: none"> <li>- Director of Canberra Development Pte Ltd</li> <li>- Director of FEC Skypark Pte Ltd</li> <li>- Director of G &amp; W Industries Pte Ltd</li> <li>- Director of G &amp; W Precast Pte Ltd</li> <li>- Director of G &amp; W Ready-Mix Pte Ltd</li> <li>- Director of KBD Holland Pte. Ltd.</li> <li>- Director of KBD Kosdale Pte Ltd</li> <li>- Director of Koh Brothers Building &amp; Civil Engineering Contractor (Pte) Ltd</li> <li>- Director of Koh Brothers Development Pte Ltd</li> <li>- Director of Koh Brothers Holdings Pte Ltd</li> <li>- Director of Koh Brothers Investment Pte Ltd</li> <li>- Director of Kosland Pte Ltd</li> <li>- Director of Oxford Hotel Pte Ltd</li> <li>- Director of G &amp; W Industries (M) Sdn Bhd</li> <li>- Director of G &amp; W Building Materials Sdn Bhd</li> <li>- Director of Oiltek Global Energy Sdn. Bhd.</li> <li>- Director of Oiltek Sdn. Bhd.</li> <li>- Director of PT Koh Brothers Building Technologies</li> <li>- Director of PT Koh Brothers Indonesia</li> <li>- Director of Koh Maju Sdn. Bhd.</li> <li>- Director of Panareno Sdn Bhd</li> <li>- Director of Koh Brothers Gangnam Limited</li> </ul>

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Name of Director	Date of Appointment	Date of Last Re-election	Directorship in Other Listed Companies		Other Principal Commitments
			Present	Past (Preceding 5 Years)	
Bernard Wong Ee Yu	30 December 2021	27 May 2022	–	–	<ul style="list-style-type: none"> <li>- Director of Atlantic Star Pte. Ltd.</li> <li>- Director of KBD Ventures Pte. Ltd.</li> <li>- Director of KBD Holland Pte. Ltd.</li> <li>- Director of Koh Maju Sdn. Bhd.</li> <li>- Director of Koh Brothers Gangnam Limited</li> <li>- Director of Oiltek Sdn. Bhd.</li> <li>- Director of Oiltek Global Energy Sdn. Bhd.</li> </ul>
Lai Wai Kit Andrew	30 December 2021	24 April 2023	–	–	<ul style="list-style-type: none"> <li>- Director of YY Group Holding Limited</li> <li>- Partner at Lee &amp; Lee</li> </ul>

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Name of Director	Date of Appointment	Date of Last Re-election	Directorship in Other Listed Companies		Other Principal Commitments
			Present	Past (Preceding 5 Years)	
Tan Yee Peng	30 December 2021	24 April 2023	- First Sponsor Group Limited	- City Developments Limited - Dutech Holdings Limited - TDCX Inc. (NYSE)	- Director of Vanguard Health Fund Limited - Director of 1FSS Pte. Ltd. - Director of Dutech Holdings Pte. Ltd. - Director of Hercules Pte. Ltd. - Director of Singapore Aerospace Manufacturing Pte. Ltd. - Director of TTSH Community Fund - Director of Tri Star Security Pte. Ltd. - Director of Hupsteel Pte. Ltd. - Director of Sheares Healthcare International Holdings Pte. Ltd. - Director of Sheares Healthcare China Holdings Pte. Ltd. - Director of Hup Seng Huat Land Pte. Ltd. - Director of Hoe Seng Huat Pte. Ltd. - Director of Ren Ci Hospital - Director of Accuron Technologies Limited - Director of Sheares Healthcare Group Pte. Ltd. - Director of Corporate Monitor Limited
Tay Tze Wen	1 March 2023	-	-	-	- Director of G & W Industries (M) Sdn Bhd - Group Financial Controller, Koh Brothers Group Limited



Specifically, the NC has considered that whilst Mr. Hew Koon Chan, Mr. Koh Keng Siang, Mr. Bernard Wong Ee Yu and Ms. Tan Yee Peng hold multiple directorships: (a) Mr. Hew Koon Chan holds only three (3) other listed directorships, being Resources Global Development Limited, Shopper360 Limited and Vibropower Corporation Limited and his other directorships under his principal commitments outside the Group are in non-listed entities; (b) Mr. Koh Keng Siang holds only two (2) other listed directorships, being Koh Brothers Group Limited and Koh Brothers Eco Engineering Limited (both of which are the Company's Controlling Shareholders), and his other directorships under his principal commitments outside the Group are in non-listed entities and relate primarily to his role as Executive Chairman and Group Chief Executive Officer of Koh Brothers Group Limited; (c) Mr. Bernard Wong Ee Yu's other directorships under his principal commitments outside the Group are in non-listed entities and relate primarily to his role as Executive Director of the real estate division of Koh Brothers Group Limited; and (d) Ms. Tan Yee Peng holds only one (1) other listed directorship, with her remaining other directorships under her principal commitments outside the Group being in non-listed entities and/or the non-profit sector, and she does not hold a full-time position. Taking into account the foregoing, the NC has assessed that each of Mr. Hew Koon Chan, Mr. Koh Keng Siang, Mr. Bernard Wong Ee Yu and Ms. Tan Yee Peng is able to commit his or her time and attention to the affairs of the Company and adequately carry out his/her duties as a Director. (Provisions 1.5 and 4.5 of the Code)

### 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 NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Chairman and each individual Director to the Board. Such performance criteria, which are meant to enhance long-term shareholder value, would not be changed from year to year and where circumstances deem it necessary for any of the criteria to be changed, the Board would justify this decision. (Provision 5.1 of the Code)

The Board evaluation criteria include an evaluation of the size of the Board, the Board's accountability, Board's processes, and Board's performance in relation to the discharge of its principal responsibilities. Each Board Committee's performance is evaluated based on, among other things, its ability to carry out the terms of reference attributed to each Board Committee and its effectiveness in discharging its duties and responsibilities. The evaluation criteria for individual Directors include attendance, level of preparation, participation in discussions and contributions at Board and Board Committee meetings.

The evaluation process involves each Director being required to complete appraisal forms for evaluation in respect of the Board, each Board Committee of which he or she is a member, and himself or herself, based on the parameters mentioned above. The results of the Board appraisal exercise, which is conducted once annually, are circulated to all Directors for information and feedback. The information gleaned from the completed Board appraisal exercise(s) are also taken into consideration by the NC, in determining whether there are any changes needed to the appraisal system, prior to the commencement of the next Board appraisal cycle. (Provision 5.2 of the Code)

The Board has completed its appraisal exercise for FY2024. The NC is satisfied that for FY2024, the Board and Board committees were effective in the discharge of their respective duties and responsibilities.

The Board has not engaged any external consultant to conduct an assessment of the performance of the Board, each Board Committee and each individual Director. Where relevant and when the need arises, the NC will consider such an engagement. (Provision 5.2 of the Code)

## (B) 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 own remuneration.**

The RC comprises Mr. Hew Koon Chan as the Chairman, Mr. Lai Wai Kit Andrew, Ms. Tan Yee Peng, Mr. Koh Keng Siang and Mr. Bernard Wong Ee Yu as members. Ms. Tay Tze Wen acts as Alternate Director to Mr. Koh Keng Siang. The RC is made up of Non-Executive Directors and the majority (excluding the Alternate Director), including the Chairman of the RC, are Independent Directors. (Provisions 1.4 and 6.2 of the Code)

The Board has approved the written terms of reference of the RC. The RC performs *inter alia* the following functions: (Provision 1.4 of the Code)

- (a) reviewing and recommending to the Board for approval a framework of remuneration for the Directors and Executive Officers, as well as specific remuneration packages for each Executive Director and Executive Officer, ensuring that a significant and appropriate proportion of the remuneration is structured so as to link rewards to corporate and individual performance. 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 shall be covered, with the aim to be fair and avoid rewarding poor performance; (Provisions 6.1(a), 6.1(b) and 6.3 of the Code)
- (b) reviewing annually the remuneration, bonuses, pay increase and/or promotions of related employees (being employees that are related to the Directors, Executive Officers and/or Substantial Shareholders) to ensure that their remuneration packages are in line with staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities, and performing an annual review of the remuneration packages in order to maintain their attractiveness to retain and motivate the Directors and the Executive Officers, and to align the interests of the Directors and the Executive Officers with the interests of the Shareholders and other stakeholders and promote the long-term success of the Group;
- (c) ensuring that the remuneration of the Non-Executive Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent and responsibilities;
- (d) reviewing and approving any new employment of related employees (being employees that are related to the Directors, Executive Officers and/or Substantial Shareholders) and the proposed terms of their employment, and reviewing and recommending to the Board of Directors, for endorsement, the specific remuneration packages for each of the Directors and the Executive Officers;
- (e) proposing, for adoption by the Board, measurable, appropriate and meaningful performance targets for assessing the performance of the key management personnel, individual Directors and of the Board as a whole;
- (f) ensuring that the remuneration policies and systems of the Group, as approved by the Board, support the Group's objectives and strategies, and are consistently being administered and being adhered to within the Group;
- (g) reviewing the Group's obligations arising in the event of termination of service contracts entered into between the Group and the Directors or Executive Officers, as the case may be, to ensure that the service contracts contain fair and reasonable termination clauses which are not overly generous; (Provision 6.3 of the Code)
- (h) reviewing and administering the Oiltek Employee Share Option Scheme and Oiltek Performance Share Plan, noting that the total number of Shares issued and/or transferred and issuable and/or transferable in respect of all Options granted under the Oiltek Employee Share Option Scheme shall not exceed 2.5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at 3 March 2022, being a total of 3,575,000 Option Shares, and the total number of Shares which may be issued and/or transferred pursuant to Awards under the Oiltek Performance Share Plan on any date, when added to the number of Award Shares issued and/or transferred or issuable and/or transferable in respect of all Awards granted under the Oiltek Performance Share Plan shall not exceed 2.5% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at 3 March 2022, being a total of 3,575,000 Award Shares;

- (i) if necessary, seeking expert advice within and/or outside the Group on remuneration matters and ensuring that existing relationships, if any, between the Group and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants; and
- (j) generally undertaking such other functions and duties as may be required by statute or the Catalist Rules and by such amendments made thereto from time to time.

During FY2024, the RC did not seek any external professional advice on fixing remuneration packages for the Directors and employees. Where relevant, the RC will consider such engagement and will review the suitability and independence of the external firm before engaging them. (Provision 6.4 of the Code)

The members of the RC do not participate in any decision concerning their own remuneration.

### 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.***

The Group recognises that a competitive remuneration and reward system based on individual performance is important to attract, retain and incentivise the best talents. The Group has adopted a remuneration structure for the Executive Director and key management personnel that promotes the long-term success of the Group. The RC ensures that the Executive Director's and key management personnel's remuneration commensurate with their performance and that of the Group's, taking into consideration the prevailing financial and commercial health, contribution to value creation of the Group and business needs of the Group. (Provision 7.3 of the Code)

The remuneration packages of the Executive Director and key management personnel consist of fixed, variable components and benefits. The fixed component mainly comprises the basic salary and statutory contributions. The variable component is linked to the Group's performance and individual's performance. Such performance-related remuneration is designed to align with the interests of Shareholders and other stakeholders and promote long-term success of the Group. (Provision 7.1 of the Code)

The Company has entered into service agreement with Mr. Henry Yong Khai Weng (the "**Service Agreement**"), the Executive Director and CEO, on 31 December 2021 for an initial period of five (5) years commencing on 3 March 2022 and thereafter the terms and conditions of the Service Agreement shall be negotiated and if agreed, renewed every two (2) years. Either party to the Service Agreement may terminate it by giving not less than six (6) months' notice (after the initial term) in writing to the other, or payment of six (6) months' salary in-lieu of notice to the other party. The remuneration of Mr. Henry Yong Khai Weng comprises (a) a base salary; (b) capped monthly staff welfare expenses on a reimbursement basis; (c) a fixed bonus of one (1) month's salary; (d) an annual performance bonus in respect of each financial year (the "**Performance Bonus**"); (e) a motor vehicle for use during the course of employment; (f) statutory contributions; and (g) such additional bonus payments or benefits and/or participation in schemes provided for in the Company's current remuneration policies. Mr. Henry Yong Khai Weng is also entitled to benefits such as medical benefits and insurance coverage. The Performance Bonus is calculated based on 4.0% of the audited combined total profit after tax (excluding (i) extraordinary/exceptional items, including but not limited to one-off government grants and concessions not in the ordinary course of the Group's business, to be determined based on the discretion of the RC; and (ii) any profit/loss attributable to non-controlling interests and other comprehensive income/loss, if any) of the Group and to be computed with reference to the terms and conditions of the Service Agreement. The Service Agreement does not include the annual Director's fee which shall be determined by the Board with the Remuneration Committee and remain subject to Shareholders' approval.

In determining the remuneration of the Non-Executive Directors, the RC ensures that the level of remuneration is appropriate to the level of contribution, taking into account factors such as effort and time spent and responsibilities of the Non-Executive Directors, subject to Shareholders' approval. Other than the Directors' fees, the Non-Executive Directors do not receive any other forms of remuneration from the Company. The Directors' fees are reviewed annually to ensure that the Independent Directors are not overly compensated to the extent that their independence may be compromised. For FY2024, the RC had recommended to the Board an amount of S\$212,000 as Directors' fees. Such fees, payable quarterly in arrears, had been approved by the Shareholders at the AGM of the Company held on 26 April 2024. No Director or a member of the RC is involved in deciding his/her own remuneration. (Provision 7.2 of the Code)

## Disclosure on Remuneration

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

The Company's procedures for developing remuneration policies, as well as the level and mix of remuneration, have been set out above under Principles 6 and 7. In considering the disclosure of remuneration of the Directors and key management personnel, the Board has taken into account the sensitive nature of such information in a niche business environment, the confidential nature and commercial sensitivity of remuneration matters and the negative impact such disclosure may have on the Group in attracting and retaining talent on a long-term basis, and also considered factors such as competitiveness of the industry of key talents and increased risk of poaching by other competitors in the market.

The following table sets out the Directors' and CEO's remuneration for FY2024:

Name of Directors	Fees (%)	Salary (%)	Bonuses and other variable performance components (%)	Allowances and other benefits (%)	Total (SGD)
Mr. Hew Koon Chan	100.0	–	–	–	44,000
Mr. Henry Yong Khai Weng <sup>(1)</sup>	3.7	39.1	45.9	11.3	749,538
Mr. Koh Keng Siang	100.0	–	–	–	28,000
Mr. Bernard Wong Ee Yu	100.0	–	–	–	28,000
Mr. Lai Wai Kit Andrew	100.0	–	–	–	40,000
Ms. Tan Yee Peng	100.0	–	–	–	44,000

### Note:

- (1) Mr. Henry Yong Khai Weng is the Executive Director and CEO of the Company. The Director's fee of Mr. Henry Yong Khai Weng is paid in Singapore Dollars ("SGD") while the other components of his remuneration are paid in Malaysian Ringgit ("RM"). For the purposes of calculating the breakdown of his remuneration, all the figures have been converted to SGD based on the average exchange rate of SGD1.0000 : RM3.4083 for FY2024.

In addition, the Board believes that full detailed disclosure of the specific remuneration figures of the key management personnel (who are not Directors or the CEO) would be prejudicial to the interests of the Group. The Board has presented such information in remuneration bands no wider than S\$250,000 and believes that such disclosure is sufficient to enable Shareholders to understand the Company's remuneration policies for the key management personnel, and the relationship between remuneration and performance. (Provisions 8.1(a), 8.1(b) and 8.3 of the Code)

In this regard, the Company has provided an aggregate figure for the four (4) key management personnel in light of the confidential nature and commercial sensitivity of remuneration matters as mentioned above. The aggregate total remuneration paid to the four (4) key management personnel for FY2024 is approximately RM2,330,000.

The Group only has four (4) key management personnel who are not Directors or the CEO. The remuneration of the key management personnel are all less than or equal to S\$250,000 per annum. The breakdown of remuneration of key management personnel are not disclosed nor have these key management personnel been named as the Board is of the view that the disclosure of the remuneration of individual key management personnel would be disadvantageous to the Company's business interests, taking into consideration the competitive pressures in the talent market and the sensitivity of remuneration matters given the small management team.

There are no termination or retirement benefits, as well as post-employment benefits that are granted to the Directors and key management personnel. (Provision 8.3 of the Code)



Ms. Tan Law Law, sister-in-law of the Executive Director and CEO, Mr. Henry Yong Khai Weng, had received remuneration during FY2024 of between S\$100,000 and S\$150,000. Save as aforementioned, none of the employees in the Group (excluding the Executive Director and CEO), and whose remuneration exceeds S\$100,000 during the year is a Substantial Shareholder of the Company or an immediate family member of a Director or a Substantial Shareholder of the Company. (Provision 8.2 of the Code)

### ***Oiltek Employee Share Option Scheme***

On 11 February 2022, the Shareholders approved a share scheme which is known as the Oiltek Employee Share Option Scheme, the rules of which are set out in Appendix H titled “Rules of the Oiltek Employee Share Option Scheme” to the Offer Document dated 18 February 2022.

The objectives of the Oiltek Employee Share Option Scheme are as follows:

- (a) to motivate participants to optimise their performance standards and efficiency and to maintain a high level of contribution of the Group;
- (b) to retain key employees whose contributions are essential to the long-term growth and profitability of the Group;
- (c) to instil loyalty to, and a stronger identification by participants with the long-term prosperity of, the Group;
- (d) to attract potential employees with relevant skills to contribute to the Group and to create value for the Shareholders; and
- (e) to align the interests of participants with the interests of the Shareholders.

The purpose of adopting the Oiltek Employee Share Option Scheme in addition to the Oiltek Performance Share Plan is to give us greater flexibility to align the interests of our employees, especially key executives, with interests of Shareholders.

The Oiltek Employee Share Option Scheme is administered by the RC, which has absolute discretion to determine, among others, the following:

- (a) persons to be granted Options;
- (b) number of Options to be offered; and
- (c) recommendations for modifications to the Oiltek Employee Share Option Scheme.

However, in compliance with the requirements of the Catalist Rules, a participant who is a member of the RC shall not be involved in any deliberation or decision in respect of any Options to be granted to or held by that participant.

The Oiltek Employee Share Option Scheme allows for participation by full-time employees of the Group (including the Executive Director(s)), who have been confirmed in his/her employment with the Group and attained the age of 21 years on or before the relevant date of grant of the Option, provided that none of them shall be an undischarged bankrupt or have entered into a composition with his/her creditors.

As at the date of this Annual Report, no Options have been granted under the Oiltek Employee Share Option Scheme.

The full details of the Oiltek Employee Share Option Scheme can be found in the Offer Document dated 18 February 2022.

### ***Oiltek Performance Share Plan***

On 11 February 2022, the Shareholders approved a share scheme which is known as the Oiltek Performance Share Plan, the rules of which are set out in Appendix I titled “Rules of the Oiltek Performance Share Plan” to the Offer Document dated 18 February 2022.

The objectives of the Oiltek Performance Share Plan are as follows:

- (a) to provide an opportunity for participants of the Oiltek Performance Share Plan to participate in the equity of the Company, thereby inculcating a stronger sense of identification with the long-term prosperity of the Group and promoting organisational commitment, dedication and loyalty of participants towards the Group;
- (b) to motivate participants to strive towards performance excellence and to maintain a high level of contribution to the Group;
- (c) to give recognition to contributions made or to be made by participants by introducing a variable component into their remuneration package; and
- (d) to make employees remuneration sufficiently competitive to recruit new participants and/or to retain existing participants whose contributions are important to the long-term growth and profitability of the Group.

The Oiltek Performance Share Plan is administered by the RC, which has the absolute discretion to determine persons who will be eligible to participate in the Oiltek Performance Share Plan. However, in compliance with the requirements of the Catalist Rules, a participant who is a member of the RC shall not be involved in any deliberation or decision in respect of any Awards to be granted to or held by that participant.

The Oiltek Performance Share Plan allows for participation by full-time employees of the Group (including the Executive Director(s)) who have been confirmed in his/her employment with the Group and attained the age of 21 years and above on or before the relevant date of grant of the award, provided that none shall be an undischarged bankrupt or have entered into a composition with his/her creditors.

As at the date of this Annual Report, no Awards have been granted under the Oiltek Performance Share Plan.

The full details of the Oiltek Performance Share Plan can be found in the Offer Document dated 18 February 2022.

### (C) ACCOUNTABILITY AND AUDIT

#### Accountability

The Company announces its half year and full year financial results and other information via SGXNET in accordance with the Catalist Rules. The Company aims to provide the Shareholders with a detailed analysis, explanation and assessment of the Group's financial position and prospects. Since the third quarter of FY2024 ("3Q2024"), the Company has established that it will be announcing its business updates in the first and third quarters, so as to provide Shareholders with greater insights and transparency on the financial performance of the Group.

Management provides all members of the Board with management accounts and such explanation and information on a quarterly basis and as the Board may require from time to time to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

#### 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 determines the Group's levels of risk tolerance and risk policies, and oversees the Management in the design, implementation and monitoring of the Group's risk management and internal control systems.

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 or loss.

The ARC, on behalf of the Board, determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. Management reviews all the significant control policies and procedures and highlight all significant findings to the Directors and the ARC for further discussion. The Board and the ARC also work with the external auditors on their recommendations and institutes and executes relevant controls with a view to managing business risks. (Provision 9.1 of the Code)

The Board and the ARC regularly review the adequacy and effectiveness of the Group's risk management and internal control systems, including financial, operational, compliance and information technology controls. Based on the internal controls established and maintained by the Group, work performed by the external auditors as well as the internal auditors, and reviews performed by Management, the Board, with the concurrence of the ARC, is of the opinion that the system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems put in place by Management is adequate and effective to address the financial, operational, compliance and information technology risks of the Group.

The Board has also received the following assurance from: (Provisions 9.2(a) and 9.2(b) of the Code)

- (a) the CEO and the Financial Controller, that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) the CEO and the four (4) key management personnel who are responsible, that the Group's risk management and internal controls system are adequate and effective.

### Audit and Risk Committee

#### ***Principle 10: The Board has an Audit and Risk Committee which discharges its duties objectively.***

The ARC comprises Ms. Tan Yee Peng as the Chairperson, Mr. Hew Koon Chan, Mr. Lai Wai Kit Andrew, Mr. Koh Keng Siang and Mr. Bernard Wong Ee Yu as members. Ms. Tay Tze Wen acts as Alternate Director to Mr. Koh Keng Siang. The ARC is made up of Non-Executive Directors and the majority (excluding the Alternate Director), including the Chairperson of the ARC, are Independent Directors. At least two (2) members, including the ARC Chairperson, have recent and relevant accounting or related financial management expertise or experience. Accordingly, the ARC is appropriately qualified to discharge its responsibilities. (Provisions 1.4 and 10.2 of the Code)

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

The ARC will assist the Board in discharging its responsibility to safeguard the assets, maintain adequate accounting records, and develop and maintain effective systems of internal controls, with the overall objective of ensuring that Management creates and maintains an adequate and effective control environment in the Group. The ARC will provide a channel of communication between the Board, Management and the external auditors and the internal auditors of the Group on matters relating to audit.

The Board has approved the written terms of reference of the ARC. Specifically, the ARC's duties include *inter alia* the following: (Provisions 1.4 and 10.1 of the Code)

- (a) assisting the Board in the discharge of its responsibilities on financial and reporting matters;
- (b) reviewing the relevance and consistency of accounting standards, the significant reporting issues, recommendations and judgements made by external auditors so as to ensure the integrity of the financial statements of the Group; (Provision 10.1(a) of the Code)
- (c) reviewing, with the internal and external auditors, the audit plans, scope of work, their evaluation of the system of internal accounting controls, their management letter and the Management's response, and results of the audits compiled by the internal and external auditors, and reviewing at regular intervals with the Management on the implementation by the Group of the internal control recommendations made by the internal and external auditors;

- (d) reviewing the periodic financial statements and results announcements of the Company before submission to the Board for approval, focusing, in particular, on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with financial reporting standards as well as compliance with the Catalyst Rules and any other statutory or regulatory requirements, concerns and issues arising from their audits, including any matters which the auditors may wish to discuss in the absence of the Management, where necessary;
- (e) reviewing the assurance from the Executive Director and CEO and the Financial Controller on the financial records and financial statements of the Group; (Provision 10.1(c) of the Code)
- (f) reviewing the adequacy, effectiveness and independence of the external auditors and internal audit function of the Group; (Provision 10.1(e) of the Code)
- (g) reviewing the risk management structure and oversight of the risk management process and activities;
- (h) reviewing and reporting to the Board, at least annually, the effectiveness and adequacy of the internal controls and procedures (addressing financial, operational, information technology, compliance risks) and risk management systems (such review to be carried out internally or with the assistance of any competent third parties) and discuss issues and concerns, if any, prior to the incorporation of the Directors' comments in annual report; (Provision 10.1(b) of the Code)
- (i) appraising and reporting to the Board on the audits undertaken by the external auditors and internal auditors and the adequacy of disclosure of information;
- (j) making recommendations to the Directors on establishing an adequate, effective and independent internal audit function (which can be in-house or outsourced to a reputable accounting/auditing firm or corporation), and ensuring that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience and that the internal auditors comply with the standards set by nationally or internationally recognised professional bodies;
- (k) recommending to the Board on the proposals to Shareholders on the appointment or re-appointment and removal of the external auditors, and the remuneration and terms of engagement of the external auditors; (Provision 10.1(d) of the Code)
- (l) considering the independence of the external auditor, taking into account the non-audit services provided by the external auditor and the fees paid for such non-audit services, if any;
- (m) considering the appointment or re-appointment of the internal auditors, the level of their remuneration and matters relating to resignation or dismissal of the internal auditors;
- (n) considering the appointment or re-appointment of a qualified tax adviser to ensure that the Group remains in compliance with applicable tax regulations and having oversight of issues and concerns raised by the tax adviser, if any, to prevent recurrence of non-compliance with tax regulations;
- (o) meeting with the external auditors and the internal auditors and in each case without the presence of Management, at least once annually and reviewing the cooperation given by the Management to the internal and external auditors;
- (p) where applicable, ensuring that the internal audit function has unfettered access to all the Group's documents, records, properties and personnel, including the ARC, and has appropriate standing within the Group;
- (q) given the Group's overseas operations and expansion plans, reviewing and discussing with the internal and external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations (including overseas jurisdictions) which has or is likely to have a material impact on the Group's operating results or financial position and the management's response, and at appropriate times, report the matter to the Board and to the Sponsor;



- (r) reviewing the financial risk areas, with a view to providing an independent oversight of the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, if the findings are material, to be immediately announced via SGXNET;
- (s) reviewing the risk profile of the Group and the appropriate steps to be taken to mitigate and manage risks at acceptable levels determined by the Board;
- (t) reviewing policies and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, ensuring that such policies and arrangements continue to be in place for independent investigation and appropriate follow-up, and ensuring that the Group publicly discloses, and clearly communicates, to employees the existence of a whistle-blowing policy and the procedures for raising such concerns; (Provision 10.1(f) of the Code)
- (u) reviewing and establishing procedures for receipt, retention and treatment of complaints received by the Group, among others, criminal offences involving the Group or its employees, questionable accounting, auditing, business, safety or other matters that negatively impact the Group, and ensuring that arrangements are in place for the independent investigations of such matter and for appropriate follow-up;
- (v) reviewing and approving transactions falling within the scope of Chapter 9 of the Catalist Rules, including the review of any interested person transactions under the section "Interested Person Transactions and Conflicts of Interest – Guidelines and Review Procedures for Ongoing and Future Interested Person Transactions" of the Offer Document dated 18 February 2022;
- (w) reviewing any actual or potential conflicts of interest and set out a framework to resolve or mitigate any potential conflict of interest and monitor compliance with such framework;
- (x) reviewing and approving transactions falling within the scope of Chapter 10 of the Catalist Rules (if any);
- (y) reviewing and approving all hedging policies and instruments (if any) to be implemented by the Group and conducting periodic reviews of the hedging policies together with the transactions and hedging activities undertaken by the Group;
- (z) reviewing the Group's transactions with Asia Oil Products Sdn. Bhd<sup>1</sup>. on an internal voluntary basis, to ensure that such transactions are carried out on commercial terms and on arm's length basis;
- (aa) reviewing the job scope and level of responsibility of related employees (being employees that are related to the Directors, Executive Officers and/or Substantial Shareholders) and resolving or mitigating any actual or potential conflicts of interest that may arise from the involvement of such related employees in the relevant job functions;
- (bb) generally undertaking such other functions and duties as may be required by statute or the Catalist Rules, and by such amendments made thereto from time to time; and
- (cc) undertaking such other reviews and projects as may be requested by the Board and reporting to the Board its findings from time to time on matters arising therefrom and which require the attention of the ARC.

The ARC is authorised to conduct or authorise investigations into any matter within its terms of reference, and has full access to Management and resources which are necessary to enable it to discharge its functions properly. It also has full discretion to invite any Executive Director or Executive Officer to attend its meetings.

The ARC has reviewed the Group's financial reporting function, internal controls and processes and is satisfied with the adequacy and quality of the same. The ARC is satisfied with the adequacy of the Group's financial statements and financial reporting resources and the performance of the Group's finance department.

<sup>1</sup> The spouse of Mr. Henry Yong Khai Weng, the Executive Director and CEO of the Company, Mdm. Tan Law Yong, is a non-executive director and 20% shareholder of Asia Oil Products Sdn. Bhd., a customer of the Group.

### **Whistle-blowing Policy**

From time to time, the ARC reviews the policy and arrangements by which the employees of the Group and any other persons may, in confidence, raise concerns about the possible improprieties in matters of financial reporting or other matters within the Group, with the objectives of ensuring that arrangements are put in place for such concerns to be raised and independently investigated and for appropriate follow-up action to be taken as and when the need arises. As at the date of this Annual Report, the Group has put in place a whistle-blowing policy for this purpose. The whistle-blowing policy has been made available on the Company's website and has been made known to employees. (Provision 10.1(f) of the Code)

The ARC has the responsibility of overseeing the Company's whistle-blowing policy and compliance by all employees. The ARC Chairperson, being the Designated Party (as defined in the Company's whistle-blowing policy) at the date of this Annual Report, will review and assess the seriousness of all complaints promptly and determine, in consultation with others, if necessary, the manner in which complaints will be investigated. The Designated Party may, among other things, determine whether to instruct relevant members of Management, the internal auditors or other independent party to investigate any complaint made in good faith, or take such other action as may be in the best interests of the Company. If upon initial assessment of the complaint it appears that the complaint could materially affect the financial statements of the Company or the integrity of Company's system of internal controls, the Designated Party will advise the ARC. It is anticipated that in the ordinary course, the Designated Party will complete their assessment of each complaint generally within ten business days of receiving such complaint.

Further to the Company's whistle-blowing policy, the Company is fully committed to maintaining procedures for the anonymous and confidential reporting of complaints by staff. All reports of complaints (including the identity of the whistle-blower) will be treated on a confidential basis. Generally, a report of a complaint will only be disclosed to those persons who have a need to know in order to properly carry out an investigation of such complaint. In addition, there will be no retaliation or other action (including any detrimental or unfair treatment) taken against any staff who, in good faith, reports a complaint. Anyone engaging in retaliatory conduct will be subject to disciplinary action by the Company, which may include termination.

There were no reported incidents pertaining to whistle-blowing which fell under the scope and purview of the whistle-blowing policy for FY2024.

### **External Audit**

The external auditor of the Company is PricewaterhouseCoopers LLP and Mr. Lee Chian Yorn is the current audit partner in charge. During FY2024, the amount of audit fees paid/payable to the external auditors for audit related work was approximately S\$79,000 (exclusive of GST and other related taxes). There was no non-audit service provided by the external auditors to the Group during FY2024. Having reviewed, amongst others, the scope and quality of the audit and their independence, the ARC is satisfied that the external auditors' independence has not been impaired during their engagement for FY2024.

The ARC also has full access to the external auditors without the presence of Management and is authorised to have full and unrestricted access to Management and all personnel, records, operations, properties and other informational sources of the Group as required or desirable to properly discharge its responsibilities.

The ARC intends to and will meet with the external auditors separately, at least once a year, without the presence of the Management. The ARC has met with the external auditors at least once without the presence of Management to discuss audit matters for FY2024. (Provision 10.5 of the Code)

Having regard to the adequacy of the resources and experience of the auditing firm and the audit engagement partner assigned to the audit, the firm's other audit engagements, the size and complexity of the Group being audited, and the number and experience of supervisory and professional staff assigned to the particular audit, the Board and the ARC are of the opinion that a suitable auditing firm has been appointed to meet the Group's auditing obligations. The Company thereby complies with Rules 712 and 715 of the Catalist Rules.

The ARC has recommended to the Board the nomination of PricewaterhouseCoopers LLP for re-appointment as external auditors at the forthcoming AGM of the Company.

## Internal Audit

The internal auditors' primary line of reporting is to the ARC and the ARC Chairperson. The ARC also decides and approves the appointment, termination, evaluation and remuneration of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced. The internal auditors have unfettered access to all the Group's documents, records, properties and personnel, including access to the ARC, and has appropriate standing within the Group. (Provision 10.4 of the Code)

The Company has outsourced its internal audit function to KPMG Services Pte. Ltd. ("**KPMG**"), a certified public accounting firm. The internal auditors are a member of the Singapore branch of the Institute of Internal Auditors ("**IIA**"), an international professional association which has its headquarters in the United States. The audit work carried out is guided by the International Standards for the Professional Practice of Internal Auditing laid down in the International Professional Practices Framework issued by the IIA.

KPMG completed the reviews on human resource and payroll, fixed asset management, and intellectual property management processes in FY2024 in accordance with the internal audit plan as approved by the ARC. The internal audit report, which includes the findings and recommendations of KPMG, Management's responses and Management's implementation of remedial actions have been reviewed and approved by the ARC.

The ARC has assessed and is satisfied that KPMG is independent, effective and adequately resourced, taking into consideration that KPMG is staffed with persons with the relevant qualifications and experience and carries out its function according to the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The ARC will be appointing KPMG to conduct an internal audit for the Group for the financial year ending 31 December 2025. The ARC will annually assess and ensure the adequacy of the internal audit function.

During FY2024, the ARC also commissioned an independent, third-party firm to conduct a cybersecurity assessment which included a review of system vulnerabilities. The Company is following up on the recommendations made.

## Key Audit Matter

The ARC has reviewed the following key audit matter ("**KAM**") presented by the external auditors and concurred with the identification of the KAM:

KAM	ARC's comments
Accounting for engineering contracts	<p>The ARC reviewed the basis on which Management has recognised contract revenue on its engineering contracts.</p> <p>The ARC considered the audit procedures and audit findings of the external auditors to address this key audit matter, including obtaining an understanding of the on-going engineering contracts through discussions with management and project teams, assessed the appropriateness of the method selected to measure progress of individual projects and to recognise the contract revenue, and examined project documentation.</p> <p>The ARC is satisfied with the basis and reasonableness of the key estimates used in determining the contract progress and associated revenue recognised during the year.</p> <p>The external auditor has included this item as a key audit matter in its audit report for FY2024. Please refer to page 70 of this Annual Report.</p>

## (D) 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 facilitates the exercise of ownership rights by all Shareholders. In particular, Shareholders have the right to be timely and sufficiently informed of changes in the Company or its business which would be likely to materially affect the price or value of the Company's shares.

The Company provides Shareholders with the opportunity to participate effectively in and vote at general meetings of Shareholders. Shareholders are informed of the rules, including voting procedures, that govern general meetings of Shareholders. (Provision 11.1 of the Code)

The Company tables separate resolutions at general meetings of Shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting. Each item of special business included in the notice of the meeting is accompanied, where appropriate, by an explanation for the proposed resolution. (Provision 11.2 of the Code)

The Constitution of the Company currently allows a Shareholder of the Company to appoint up to two proxies to attend and vote in his stead at general meetings, and Shareholders who are a "relevant intermediary" (as defined under section 181 of the Companies Act) may also appoint multiple proxies pursuant to the Companies Act. As the authentication of Shareholder identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax. (Provision 11.4 of the Code)

The notice of general meetings of Shareholders are announced to Shareholders on SGXNET, together with explanatory notes or a circular on items of special business, at least 14 clear days (for ordinary resolutions) or 21 clear days (for special resolutions) before the meeting. Physical copies of the notice of general meetings are also sent to Shareholders. The Board welcomes questions from Shareholders who have an opportunity to raise issues either informally or formally before or at the general meetings of Shareholders.

All Directors attended the AGM of the Company held on 26 April 2024. All Directors normally attend the general meetings of Shareholders. The Chairperson of the ARC, Chairman of the RC and Chairman of the NC are normally available at the meeting to answer those questions relating to the work of these Committees. The Company's external auditors will also be present to assist the Directors in addressing queries by Shareholders about the conduct of audit and the preparation and content of the auditors' report. (Provision 11.3 of the Code)

The Company Secretary prepares minutes of general meetings that include substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting and responses from the Board and Management thereto. These minutes are published on SGXNET as well as the Company's corporate website as soon as practicable, and in any event no later than one (1) month from the date of AGM. (Provision 11.5 of the Code)

The Company puts all resolutions to vote by poll and makes an announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages.

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends that the Directors may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by the Directors: (Provision 11.6 of the Code)

- (a) the Group's retained profits and cash flow;
- (b) the Group's actual and projected business and financial performance;
- (c) the Group's projected levels of capital expenditure and other investment plans;



- (d) the Group's working capital requirements and general financial condition;
- (e) the ability of the subsidiaries to declare and pay any dividends to the Company;
- (f) restrictions on payment of dividends imposed on the Group (such as by the banking facilities); and
- (g) the general economic and business conditions in countries in which the Group operates.

However, subject to the above factors, the Directors intend to recommend and distribute dividends of not less than 40.0% of the net profit of the Group attributable to the Shareholders of the Company for FY2024 (the “**Proposed Dividend**”) as the Company wishes to reward the Shareholders for participating in the Group's growth. The foregoing statement on the Proposed Dividend is merely a statement of the Company's present intention and shall not constitute a legally binding obligation on the Company or a legally binding statement in respect of its future dividends and may be subject to modification (including reduction or non-declaration thereof) in the Directors' sole and absolute discretion. Notwithstanding the foregoing, any pay-out of dividends would be clearly communicated to Shareholders via announcements released on SGXNET.

The Board has recommended the payment of a final cash dividend of 1.80 Singapore cents per share for FY2024, subject to the approval of the Shareholders at the upcoming AGM, which together with the interim dividend of 0.90 Singapore cents per share paid in September 2024, amounts to a total dividend of 2.70 Singapore cents per share for FY2024, represents about 44.4% of the Group's net profit attributable to the Shareholders of the Company for 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.***

In line with continuous disclosure obligations of the Company, pursuant to the Catalist Rules and the Companies Act, the Board's policy is to ensure that Shareholders are informed of all major developments that impact the Group. In disclosing information, the Company will be as descriptive, detailed and forthcoming as possible and avoid boilerplate disclosures.

The Company currently does not have a formalised written investor relations policy but has in place designated investor relations personnel and considers advice from its legal counsel, external investor relations consultants and professionals on appropriate disclosure requirements and regularly conveys pertinent information to Shareholders to allow for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders. (Provision 12.2 of the Code)

Shareholders may contact the Company with questions and the Company may respond to such questions via the Company's investor relations email at [ir@oiltek.com.my](mailto:ir@oiltek.com.my) (Provision 12.3 of the Code)

Information is communicated to Shareholders on a timely basis through SGXNET and other information channels, including a well-maintained and updated corporate website. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly as promptly as possible. The Board has established regular dialogue with Shareholders, to gather views or inputs, and address Shareholders' concerns. Communication is made through: (Provision 12.1 of the Code)

- annual reports that are prepared and made accessible to all Shareholders. The Board makes every effort to ensure that the annual reports include all relevant information about the Group, including disclosures required by the Companies Act and the relevant accounting standards;
- interim financial statements containing a summary of the financial information and affairs of the Group for the relevant financial period;
- notices of and explanatory memoranda for AGMs and extraordinary general meetings;
- press and results briefings for the Group's annual results as well as other briefings, as appropriate;

- press releases on major developments of the Group;
- disclosures to the SGX-ST; and
- the Company's website at URL <https://www.oiltek.com.my> at which Shareholders can access information on the Group. The website provides, *inter alia*, information on the Group's products and the corporate profile of the Group.

Shareholders have the opportunity to participate effectively in and to vote at general meetings of Shareholders to ensure a high level of accountability and to stay informed of the Group's strategy and goals. (Provision 12.1 of the Code)

### (E) MANAGING STAKEHOLDERS RELATIONSHIPS

***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 Group has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationship with such groups. The Group identifies stakeholders as groups that have an impact, or have the potential to be impacted by the Group's business, as well as external organisations that have expertise in aspects that the Group considers material. The feedback the Group receives from stakeholders helps to determine the Group's material topics and identify focus areas. Stakeholders of the Company include, but are not limited to, customers, employees, suppliers and vendors, community and Shareholders and investors. (Provision 13.1 of the Code)

Please refer to the Sustainability Report on pages 19 to 37 for more details on the Company's strategy and key focus areas in relation to the management of stakeholder relationships during FY2024. (Provision 13.2 of the Code)

The Company maintains a current corporate website at URL <https://www.oiltek.com.my> to communicate and engage with stakeholders. (Provision 13.3 of the Code)

### (F) DEALING IN SECURITIES

The Company adopts the following policies in relation to dealings in its securities:

- Officers are not to deal in its securities during the period commencing one (1) month before the announcement of the Group's half year and full year financial results, and ending on the date of the announcement of the relevant results.
- The Company will also ensure that Officers are not to deal in its securities during the period commencing two (2) weeks before the announcement of the Group's business updates for the first and third quarters, and ending on the date of the announcement of the relevant business update, if any.
- The Company reminds its Directors and officers that it is an offence under the Securities and Futures Act 2001 of Singapore for a listed issuer or its officers to deal in the listed issuer's securities as well as securities of other listed issuers when the listed issuer and its officers are in possession of unpublished material price- or trade-sensitive information in relation to those securities. The Company reminds its officers to observe the laws on insider trading at all times, even when dealing in its securities within the permitted trading period.
- The Company's internal compliance code provides guidance to its officers with regard to dealings by the Company and its officers in its securities and requires that its officers should not deal in the Company's securities on short term considerations.

The Board confirms that the Company has complied with Rule 1204(19) of the Catalyst Rules.

## (G) MATERIAL CONTRACTS

There were no material contracts of the Company or its subsidiaries involving the interest of any Director or Controlling Shareholders subsisting at the end of the FY2024, or if not then subsisting, entered into since the end of the previous financial year.

## (H) INTERESTED PERSON TRANSACTIONS

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

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a)(i) of the Catalist Rules.

There were no interested person transactions entered into during FY2024 with a value equal to or more than S\$100,000.

## (I) NON-SPONSORSHIP FEES

SAC Capital Private Limited is the current continuing sponsor of the Company. With reference to Rule 1204(21) of the Catalist Rules, no non-sponsor fees were paid to SAC Capital Private Limited for FY2024.

## (J) USE OF IPO PROCEEDS

As at the date of this Report, the utilisation of net proceeds from the IPO are as follows:

Use of Proceeds	Net IPO Proceeds (S\$'000)	Utilisation (S\$'000)
Working capital to expand our business operations through securing more projects and projects of a larger scale	2,634	–
Expansion of our business through investments, mergers and acquisitions, joint ventures and/or strategic alliances	1,000	–
<b>Total</b>	<b>3,634</b>	<b>–</b>

## DIRECTORS' STATEMENT

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*For the financial year ended 31 December 2024*

The directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2024 and the balance sheet and statement of changes in equity of the Company as at 31 December 2024.

In the opinion of the directors,

- (a) the balance sheet and statement of changes in equity of the Company and the consolidated financial statements of the Group as set out on pages 73 to 111 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group and the changes in equity of the Company for the financial year covered by the consolidated financial statements; 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.

### **Directors**

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

Henry Yong Khai Weng  
Koh Keng Siang  
Bernard Wong Ee Yu  
Hew Koon Chan  
Tan Yee Peng  
Lai Wai Kit Andrew  
Tay Tze Wen (Alternate Director to Koh Keng Siang)

### **Arrangements to enable directors to acquire shares and debentures**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.



## DIRECTORS' STATEMENT

For the financial year ended 31 December 2024

### Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director or nominee		Holdings in which director is deemed to have an interest	
	At 31.12.2024	At 1.1.2024	At 31.12.2024	At 1.1.2024
<b>The Company</b>				
<u>Ordinary shares</u>				
Henry Yong Khai Weng	9,020,323	9,020,323	–	–
Koh Keng Siang	–	–	97,445,805	97,445,805
Tay Tze Wen	25,000	25,000	–	–
<b>Immediate holding corporation</b>				
<b>- Koh Brothers Eco Engineering Limited</b>				
<u>Ordinary shares</u>				
Henry Yong Khai Weng	10,000,000	11,002,000	–	–
Koh Keng Siang	15,254,800	13,120,000	1,544,629,607	1,544,629,607
<b>Ultimate holding corporation</b>				
<b>- Koh Brothers Group Limited</b>				
<u>Ordinary shares</u>				
Henry Yong Khai Weng	60,000	60,000	–	–
Koh Keng Siang	39,181,189	30,272,535	60,020,000	60,020,000
<u>S\$22.75 million 6.5% fixed rate notes due 2026</u>				
Koh Keng Siang	S\$750,000	S\$750,000	S\$500,000	S\$500,000

The directors' interests in the ordinary shares and debentures of the Company as at 21 January 2025 were the same as those as at 31 December 2024.

### Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiaries.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares of the Company under option at the end of the financial year.

## DIRECTORS' STATEMENT

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*For the financial year ended 31 December 2024*

### **Audit and Risk Committee**

The members of the Audit and Risk Committee at the end of the financial year are as follows:

Tan Yee Peng (Chairperson)  
Hew Koon Chan  
Lai Wai Kit Andrew  
Koh Keng Siang  
Bernard Wong Ee Yu  
Tay Tze Wen (Alternate Director to Koh Keng Siang)

All members of the Audit and Risk Committee are non-executive directors. Tan Yee Peng, Hew Koon Chan and Lai Wai Kit Andrew are independent directors.

The Audit and Risk Committee carried out its functions in accordance with Section 201B(5) of the Companies Act 1967. In performing those functions, the Committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet and statement of changes in equity of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2024 before their submission to the Board of Directors, as well as the Independent Auditor's Report on the balance sheet and statement of changes in equity of the Company and the consolidated financial statements of the Group.

The Audit and Risk Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

### **Independent Auditor**

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

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Henry Yong Khai Weng  
Director

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Koh Keng Siang  
Director

21 March 2025

## Report on the Audit of the Financial Statements

### Our Opinion

In our opinion, the accompanying consolidated financial statements of Oiltek International Limited ("the Company") and its subsidiaries ("the Group") and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)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, consolidated cash flows of the Group and the changes in equity of the Company for the financial year ended on that date.

### *What we have audited*

The financial statements of the Company and the Group comprise:

- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2024;
- the balance sheets of the Group and the Company as at 31 December 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the statement of changes in equity of the Company for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence*

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.

### Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

### *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 for the financial year ended 31 December 2024. 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 AUDITOR'S REPORT

To the Members of Oiltek International Limited

## Our Audit Approach (continued)

### Key Audit Matters (continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><b>Accounting for engineering contracts</b> Refer to Note 3(a) and Note 4</p> <p>During the financial year ended 31 December 2024, revenue from engineering contracts amounted to RM211.5 million and it represented 92% of the total revenue of the Group.</p> <p>The Group uses the input method (i.e. "cost-to-cost" method) to measure project progress and recognise contract revenue in accordance with SFRS(I) 15 Revenue from Contracts with Customers. This requires significant judgement in estimating the total contract costs which affects the accuracy of revenue recognition based on percentage-of-completion and completeness of provision for onerous contracts.</p> <p>We focused on the accuracy of revenue recognition and recoverability of contract assets due to the significant management judgement required in determining the total contract sum and the total contract costs.</p>	<p>We obtained an understanding of the on-going engineering contracts through discussions with management and project teams, assessed the appropriateness of the method selected for individual projects to measure progress and to recognise the contract revenue, and examined project documentation (including contracts, correspondences with customers on delays).</p> <p>In relation to total contract sums for on-going engineering contracts, our audit procedures included the following on a sampling basis:</p> <ul style="list-style-type: none"> <li>• agreed total contract sums to contract entered into by the Group and its customers;</li> <li>• inspected correspondences with customers and supporting documents relating to variation orders included in total contract sums;</li> <li>• inspected progress billings to customers subsequent to year end and compared amounts to contract asset balances at year end; and</li> <li>• assessed the adequacy of the amount of liquidated damages to be net off against contract sums, based on our understanding of the contracts.</li> </ul> <p>In relation to total contracts costs, we have obtained the estimated budgeted costs for all on-going contracts as at year end, and our audit procedures included the following on a sampling basis:</p> <ul style="list-style-type: none"> <li>• traced the cost to complete for each project by substantiating costs that have been committed to quotations and contracts entered;</li> <li>• tested the reasonableness of the cost to complete for selected projects, focusing on those with significant activities during the year; and</li> <li>• assessed the reasonableness of cost incurred against our understanding of the project.</li> </ul> <p>Based on the audit procedures performed above, we have assessed management's estimates to be reasonable.</p> <p>We then recomputed the percentage of completion based on actual cumulative contract cost incurred as a portion of total contract costs, cumulative contract revenue and the contract revenue recognised for the current financial year as well as the amount of provision for onerous contract (where relevant) for each project, and traced to the accounting records and found it to be appropriate.</p> <p>We have also assessed the adequacy of the disclosures of the key accounting estimates and the sensitivity and found the disclosures in the financial statements to be appropriate.</p>



## Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report ("the Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

## 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.

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

# INDEPENDENT AUDITOR'S REPORT

*To the Members of Oiltek International Limited*

## **Auditor's Responsibilities for the Audit of the Financial Statements** (continued)

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

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

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

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

## **Report on Other Legal and Regulatory Requirements**

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

The engagement partner on the audit resulting in this independent auditor's report is Lee Chian Yorn.

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 21 March 2025

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	Note	2024 RM'000	2023 RM'000
Revenue	4	230,292	201,114
Cost of sales	7	(175,198)	(161,873)
Gross profit		55,094	39,241
Other income			
- Interest	5	3,206	1,295
- Others	5	181	36
Other gains - net	6	2,613	1,383
Expenses			
- (Allowance for)/reversal of impairment of trade receivables and contract assets	7	(2,990)	228
- Administrative and others	7	(18,578)	(16,684)
Profit before income tax		39,526	25,499
Income tax expense	9(a)	(9,883)	(6,379)
<b>Profit after income tax</b>		<b>29,643</b>	<b>19,120</b>
<b>Profit attributable to:</b>			
Equity holders of the Company		<b>29,643</b>	<b>19,120</b>
<b>Earnings per share for profit attributable to the equity holders of the Company:</b>			
- Basic and diluted earnings per share (in sen)	10	<b>20.73</b>	13.37
<b>Profit after income tax</b>		<b>29,643</b>	<b>19,120</b>
<b>Other comprehensive (loss)/income:</b>			
<i>Item that may be reclassified subsequent to profit or loss:</i>			
Currency translation differences arising from consolidation		(1,004)	997
<b>Other comprehensive (loss)/income, net of tax</b>		<b>(1,004)</b>	<b>997</b>
<b>Total comprehensive income</b>		<b>28,639</b>	<b>20,117</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the Company		<b>28,639</b>	<b>20,117</b>

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

## BALANCE SHEETS

As at 31 December 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and bank balances	11	106,143	132,460	13,730	12,401
Trade and other receivables	12	87,260	26,862	9,227	9,802
Contract assets	4(b)	18,114	21,434	–	–
Inventories	13	939	573	–	–
Income tax receivables	9(b)	–	127	–	–
		<b>212,456</b>	<b>181,456</b>	<b>22,957</b>	<b>22,203</b>
<b>Non-current assets</b>					
Investments in subsidiaries	14	–	–	92,002	97,495
Property, plant and equipment	15	3,626	3,293	–	–
Deferred tax assets	9(c)	443	484	–	–
		<b>4,069</b>	<b>3,777</b>	<b>92,002</b>	<b>97,495</b>
<b>Total assets</b>		<b>216,525</b>	<b>185,233</b>	<b>114,959</b>	<b>119,698</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	17	55,286	36,807	475	329
Contract liabilities	4(b)	72,939	78,956	–	–
Current income tax liabilities	9(b)	4,013	1,726	25	35
		<b>132,238</b>	<b>117,489</b>	<b>500</b>	<b>364</b>
<b>Total liabilities</b>		<b>132,238</b>	<b>117,489</b>	<b>500</b>	<b>364</b>
<b>NET ASSETS</b>		<b>84,287</b>	<b>67,744</b>	<b>114,459</b>	<b>119,334</b>
<b>EQUITY</b>					
<b>Capital and reserves attributable to equity holders of the Company</b>					
Share capital	18	98,566	98,566	98,566	98,566
Merger reserve	19	(81,436)	(81,436)	–	–
Currency translation reserve	20	724	1,728	6,286	13,168
Retained profits		66,433	48,886	9,607	7,600
<b>Total equity</b>		<b>84,287</b>	<b>67,744</b>	<b>114,459</b>	<b>119,334</b>

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



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

	Note	Attributable to equity holders of the Company				
		Share capital RM'000	Merger reserve RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000
<b>Group</b>						
<b>Balance at 1 January 2024</b>		98,566	(81,436)	1,728	48,886	67,744
Profit for the financial year		–	–	–	29,643	29,643
Other comprehensive loss for the financial year		–	–	(1,004)	–	(1,004)
Total comprehensive income for the financial year		–	–	(1,004)	29,643	28,639
Transactions with owners, recognised directly in equity – dividend	21	–	–	–	(12,096)	(12,096)
<b>Balance at 31 December 2024</b>		<b>98,566</b>	<b>(81,436)</b>	<b>724</b>	<b>66,433</b>	<b>84,287</b>
<b>Balance at 1 January 2023</b>		98,566	(81,436)	731	35,618	53,479
Profit for the financial year		–	–	–	19,120	19,120
Other comprehensive income for the financial year		–	–	997	–	997
Total comprehensive income for the financial year		–	–	997	19,120	20,117
Transactions with owners, recognised directly in equity – dividend	21	–	–	–	(5,852)	(5,852)
<b>Balance at 31 December 2023</b>		<b>98,566</b>	<b>(81,436)</b>	<b>1,728</b>	<b>48,886</b>	<b>67,744</b>

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

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

	Note	Attributable to equity holders of the Company			
		Share capital RM'000	Currency translation reserve RM'000	Retained profits RM'000	Total RM'000
<b>Company</b>					
<b>Balance at 1 January 2024</b>		98,566	13,168	7,600	119,334
Profit for the financial year		–	–	14,103	14,103
Other comprehensive loss for the financial year		–	(6,882)	–	(6,882)
Total comprehensive income for the financial year		–	(6,882)	14,103	7,221
Transactions with owners, recognised directly in equity – dividend	21	–	–	(12,096)	(12,096)
<b>Balance at 31 December 2024</b>		<b>98,566</b>	<b>6,286</b>	<b>9,607</b>	<b>114,459</b>
<b>Balance at 1 January 2023</b>		98,566	6,439	3,408	108,413
Profit for the financial year		–	–	10,044	10,044
Other comprehensive income for the financial year		–	6,729	–	6,729
Total comprehensive income for the financial year		–	6,729	10,044	16,773
Transactions with owners, recognised directly in equity – dividend	21	–	–	(5,852)	(5,852)
<b>Balance at 31 December 2023</b>		<b>98,566</b>	<b>13,168</b>	<b>7,600</b>	<b>119,334</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

	Note	Group 2024 RM'000	2023 RM'000
<b>Cash flows from operating activities</b>			
Profit after income tax		29,643	19,120
Adjustments for:			
- Income tax expense	9(a)	9,883	6,379
- Depreciation of property, plant and equipment	15	353	180
- Property, plant and equipment written off		1	1
- Interest income	5	(3,206)	(1,295)
- Gain on disposal of property, plant and equipment		(102)	(14)
- Unrealised translation loss/(gain)		948	(1,495)
		<b>37,520</b>	<b>22,876</b>
Changes in working capital:			
- Trade and other receivables		(60,445)	(15,424)
- Inventories		(366)	29
- Contract assets and liabilities		(2,697)	72,373
- Trade and other payables		18,479	(5,960)
Cash (used in)/generated from operations		<b>(7,509)</b>	<b>73,894</b>
Interest received		3,253	1,249
Income tax paid	9(b)	(7,425)	(6,380)
<b>Net cash (used in)/provided by operating activities</b>		<b>(11,681)</b>	<b>68,763</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(687)	(317)
Proceed from disposal of property, plant and equipment		102	14
<b>Net cash used in investing activities</b>		<b>(585)</b>	<b>(303)</b>
<b>Cash flows from financing activity</b>			
Dividends paid		(12,096)	(5,852)
<b>Net cash used in financing activity</b>		<b>(12,096)</b>	<b>(5,852)</b>
<b>Net change in cash and bank balances</b>		<b>(24,362)</b>	<b>62,608</b>
Beginning of financial year		132,460	67,360
Effect of currency translation on cash and bank balances		(1,955)	2,492
<b>End of financial year</b>	11	<b>106,143</b>	<b>132,460</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

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

## 1. General information

### 1.1 General information

Oiltek International Limited (the “Company”) was incorporated on 19 March 2021 under the Singapore Companies Act as a private company limited by shares under the name of Oiltek International Pte. Ltd. and is domiciled in Singapore. The Company was converted into a public company limited by shares and its name was change to Oiltek International Limited on 11 February 2023. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) on 3 March 2023. The address of its registered office is 15 Genting Road, Singapore 349493.

The principal activities of the Company is an investment holding company. The Company together with its subsidiaries (together, the “Group”) are principally engaged in the supply and provision of engineering design and commissioning of oil extraction equipment and plant.

The principal activities of its significant subsidiaries are disclosed in Note 14 of the financial statements.

## 2. Material accounting policy information

### 2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS(I)s”) under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

#### Interpretations and amendments to published standards effective in 2024

On 1 January 2024, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.



## 2. Material accounting policy information (continued)

### 2.2 Revenue recognition

#### (a) *Contract revenue*

The Group provides engineering services to customers through fixed-price contracts. Contract revenue is recognised when the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

For these contracts, revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method"). Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

In some circumstances such as in the early stages of a contract where the Group may not be able to reasonably measure its progress but expects to recover the contract costs incurred, contract revenue is recognised only to the extent of the contract costs incurred until such time when the Group can reasonably measure its progress.

Contract modifications that do not add distinct goods or services are accounted for as a continuation of the original contract and the change is recognised as a cumulative adjustment to revenue at the date of modification.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The period between the transfer of the promised services and customer payment may exceed one year. For such contracts, there is no significant financing component present as the payment terms is an industry practice to protect the customers from the performing entity's failure to adequately complete some or all of its obligations under the contract. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The customer is invoiced on a milestone payment schedule. If the value of the goods transferred by the Group exceed the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised.

For costs incurred in fulfilling the contract which are within the scope of another SFRS(I) (eg. Inventories), these have been accounted for in accordance with those other SFRS(I). If these are not within the scope of another SFRS(I), the Group will capitalise these as contract costs assets only if (i) these cost relate directly to a contract or an anticipated contract which the Group can specifically identify; (ii) these cost generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

#### (b) *Sale of goods*

Revenue from sale of goods is recognised at a point in time when the Group has delivered the products to the customer and the customer has accepted the products.

#### (c) *Interest income*

Interest income is recognised using the effective interest rate method.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 2. Material accounting policy information (continued)

### 2.3 Group accounting

#### (a) *Subsidiaries*

##### (i) *Consolidation*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

##### (ii) *Acquisitions*

Except for common control transactions which are accounted for using the pooling of interests method, the acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 2. Material accounting policy information (continued)

### 2.3 Group accounting (continued)

#### (a) *Subsidiaries* (continued)

##### (iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained profits if required by a specific Standard.

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

#### (b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

### 2.4 Property, plant and equipment

#### (a) *Measurement*

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

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

#### (b) *Depreciation*

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	<u>Useful lives</u>
Leasehold land	92 years
Factory building	50 years
Motor vehicles	5 years
Office equipment and computers	5 – 8 years
Furniture, fittings and renovation	6 – 8 years
Machinery and equipment	4 – 6 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 2. Material accounting policy information (continued)

### 2.4 Property, plant and equipment (continued)

#### (c) *Subsequent expenditure*

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

#### (d) *Disposal*

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

### 2.5 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

### 2.6 Impairment of non-financial assets

*Property, plant and equipment*

*Right-of-use ("ROU") asset*

*Investments in subsidiaries*

Property, plant and equipment, ROU asset and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

Management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

A provision for impairment recognised for goodwill is not reversed in a subsequent period.



## 2. Material accounting policy information (continued)

### 2.7 Financial assets

#### (a) Classification and measurement

The Group classifies its financial assets as held at amortised cost. The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

#### At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial assets, except for financial assets at fair value through profit or loss which are recognised at fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### At subsequent measurement

##### *Debt instruments*

Debt instruments mainly comprise cash and bank balances and trade and other receivables.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

#### (b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 22(b) details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by the SFRS(I) 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

#### (c) Recognition and derecognition

Regular way purchases and sale of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 2. Material accounting policy information (continued)

### 2.8 Leases - when the Group is the lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract 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. Reassessment is only required when the terms and conditions of the contract are changed.

#### (a) *ROU asset*

The Group recognises a ROU asset and lease liability at the date which the underlying asset is available for use. ROU asset is measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the ROU asset.

The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

The ROU asset is presented within "Property, plant and equipment".

#### (b) *Lease liabilities*

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payment (including in-substance fixed payments), less any lease incentive receivables;
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amount expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

For contract that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease component. The Group has elected to not separate lease and non-lease component for property leases and account these as one single lease component.

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise an extension option; or
- There are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 2. Material accounting policy information (continued)

### 2.8 Leases - when the Group is the lessee (continued)

#### (c) *Short term and low value leases*

The Group has elected to not recognise ROU assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

#### (d) *Variable lease payments*

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that triggered those lease payments. There are no variable lease payments for the Group.

### 2.9 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

### 2.10 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

### 2.11 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred tax liability is recognised on temporary differences arising on investments in subsidiaries and associated companies, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 2. Material accounting policy information (continued)

### 2.11 Income taxes (continued)

Deferred tax is measured:

- (a) at the tax rates that are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (b) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

### 2.12 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

#### *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund and the Employees Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

### 2.13 Currency translation

#### (a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Malaysian Ringgit, while the functional currency of the Company is Singapore Dollar. As the major subsidiaries of the Group operate in Malaysia, management has assessed that Malaysian Ringgit is a suitable presentation currency.

#### (b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses impacting profit or loss are presented in the income statement within Note 6 "Other gains – net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.



## 2. Material accounting policies (continued)

### 2.13 Currency translation (continued)

#### (c) *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

### 2.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the members of the management and the chief operating decision makers who are responsible for allocating resources and assessing performance of the operating segments.

### 2.15 Cash and bank balances

For the purpose of presentation in the consolidated statement of cash flows, cash and bank balances include cash on hand and deposits with financial institutions which are subject to an insignificant risk of changes in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and bank balances.

### 2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital.

### 2.17 Dividends

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

## 3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### (a) *Estimation of contract costs for engineering contracts*

The Group has significant ongoing engineering contracts as at 31 December 2024 that are non-cancellable. For these contracts, revenue is recognised over time by reference to the Group's progress towards completion of the contract. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs ("input method" or "cost to cost method").

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 3. Critical accounting estimates, assumptions and judgements (continued)

#### (a) *Estimation of contract costs for engineering contracts (continued)*

Management has to estimate the total contract sum and total contract costs to complete, which are used in the input method to determine the Group's recognition of revenue. When it is probable that the total contract costs will exceed the total contract revenue, a provision for onerous contracts is recognised immediately.

Significant judgements are used to estimate the total contract costs which affect the accuracy of revenue recognition based on the percentage-of-completion and completeness of provision for onerous contracts recognised. In making these estimates, management has relied on past experience.

If the remaining estimated contract costs increase by 1% from management's estimates, the Group's profit before income tax will decrease by approximately RM948,000 (2023: RM712,000).

#### (b) *Measurement of expected credit loss allowances for trade receivables and contract assets*

The loss allowances for trade receivables and contract assets [Note 22(b)] are determined based on management's assumptions on risk of default and expected loss rates. Management has applied judgement in making those assumptions and selecting inputs in estimating the expected credit loss using the Group's past history, existing market conditions, as well as forward-looking information at the balance sheet date.

#### (c) *Critical judgement in determination of functional currency of Oiltek Sdn. Bhd.*

The functional currency of the Group's major subsidiary, Oiltek Sdn. Bhd. is Malaysian Ringgit. In determining the appropriate functional currency for this subsidiary, management has considered (i) the currency that mainly influences sales prices for goods and services, (ii) the currency that mainly influences cost of sales, (iii) the currency in which funds from financing activities are generated and (iv) the currency in which operating activities are usually retained in.

### 4. Revenue

#### (a) Disaggregation of revenue from contracts with customers

	Group	
	2024	2023
	RM'000	RM'000
Contract revenue – over time	211,515	182,498
Sales of goods – at a point in time	18,777	18,616
<b>Total</b>	<b>230,292</b>	<b>201,114</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 4. Revenue (continued)

#### (b) Contract assets and liabilities

	<b>Group</b>	
	<b>31 December</b>	<b>1 January</b>
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Contract assets</b>		
<i>Current</i>		
Engineering contracts	<b>20,016</b>	21,434
Less: Allowance for impairment of contract assets	<b>(1,902)</b>	–
	<b>18,114</b>	39,524
<b>Contract liabilities</b>		
<i>Current</i>		
Engineering contracts	<b>72,160</b>	77,368
Advance payment from customers for sale of goods	<b>779</b>	1,588
	<b>72,939</b>	26,081

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date on engineering contracts. The change in contract assets was mainly due to timing difference between recognition of revenue upon satisfaction of performance obligation and timing of milestone billing to the customers as set out in the customer contract.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for engineering contracts. The decrease in contract liabilities was mainly due to the satisfaction of performance obligation for existing engineering contract for which advanced payments were previously collected.

#### (i) *Revenue recognised in relation to contract balances*

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Revenue recognised in current period that was included in the contract liability balance at the beginning of the period		
- Engineering contracts	<b>61,078</b>	21,710
- Sales of goods	<b>1,588</b>	2,996

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 4. Revenue (continued)

#### (b) Contract assets and liabilities

##### (ii) *Unsatisfied performance obligations*

	Group	
	2024	2023
	RM'000	RM'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 December		
- Engineering contracts	<b>354,932</b>	360,966

Management expects that the aggregate amount of the transaction price allocated to unsatisfied performance obligations as of 31 December 2024 will be recognised as revenue as the Group continues to perform to complete the projects, which is expected to occur over the next two (2023: two) years up to 2026 (2023: 2025). The amount disclosed above does not include variable consideration which may be subject to significant risk of reversal.

#### (c) Trade receivables from contracts with customers

	Group		
	31 December		1 January
	2024	2023	2023
	RM'000	RM'000	RM'000
<b>Current assets</b>			
Trade receivables from contracts with customers	<b>88,030</b>	25,444	9,725
Less: Allowance for impairment	<b>(1,380)</b>	(292)	(520)
	<b>86,650</b>	25,152	9,205

### 5. Other income

	Group	
	2024	2023
	RM'000	RM'000
Interest income from bank deposits	<b>3,206</b>	1,295
Gain on disposal of property, plant and equipment	<b>102</b>	14
Other income	<b>79</b>	22
	<b>3,387</b>	1,331

### 6. Other gains - net

	Group	
	2024	2023
	RM'000	RM'000
Net foreign exchange gain	<b>2,613</b>	1,383



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 7. Expenses by nature

	Group	
	2024	2023
	RM'000	RM'000
Purchases of raw material, equipment, consumables and subcontractor costs	169,152	154,605
Changes in inventories	(366)	29
Allowance for/(reversal of) impairment of trade receivables and contract assets	2,990	(228)
Sales commission expenses	2,742	2,743
Depreciation of property, plant and equipment (Note 15)	353	180
Employee compensation (Note 8)	15,091	13,831
Freight, shipping, transport and travelling expenses	3,670	4,496
Legal and professional fees	1,203	1,147
Other expenses	1,931	1,526
	<b>196,766</b>	<b>178,329</b>

## 8. Employee compensation

	Group	
	2024	2023
	RM'000	RM'000
Salaries, bonus and other costs	13,532	12,408
Employer's contribution to defined contribution plans	1,559	1,423
	<b>15,091</b>	<b>13,831</b>

Compensation to key management personnel, including directors' remuneration is separately disclosed in Note 23(b).

## 9. Income taxes

### (a) Income tax expense

	Group	
	2024	2023
	RM'000	RM'000
Tax expense attributable to profit is made up of:		
- Current income tax [Note 9(b)]	9,918	6,639
- Deferred tax [Note 9(c)]	41	(174)
	<b>9,959</b>	<b>6,465</b>
Over provision in prior financial year		
- Current income tax [Note 9(b)]	(76)	(86)
	<b>9,883</b>	<b>6,379</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 9. Income taxes (continued)

#### (a) Income tax expense (continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the respective domestic standard rates of income tax as follows:

	Group	
	2024	2023
	RM'000	RM'000
Profit before income tax	39,526	25,499
Tax calculated at domestic rates applicable to profit in countries where the Group operates	9,582	6,210
Effects of:		
Tax incentives	(12)	(42)
Expenses not deductible for tax purposes	448	342
Income not subject to tax	(67)	(52)
Over provision in prior financial years	(76)	(86)
Others	8	7
Tax charge	9,883	6,379

#### (b) Movement in net current income tax liabilities

	Group	
	2024	2023
	RM'000	RM'000
Balance as at 1 January	1,599	1,426
Currency translation differences	(3)	–
Income tax paid	(7,425)	(6,380)
Tax expense [Note 9(a)]	9,918	6,639
Over provision in prior financial year [Note 9(a)]	(76)	(86)
Balance at 31 December	4,013	1,599

The amounts shown on the balance sheet as follows:

	Group	
	2024	2023
	RM'000	RM'000
Income tax receivables	–	(127)
Current income tax liabilities	4,013	1,726
Net current income tax liabilities	4,013	1,599

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 9. Income taxes (continued)

### (c) Deferred tax

The movement in the net deferred tax account is as follows:

	Group	
	2024	2023
	RM'000	RM'000
Balance at 1 January	(484)	(310)
Charged/(credited) to profit or loss [Note 9(a)]	41	(174)
Balance at 31 December	<u>(443)</u>	<u>(484)</u>

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

### (d) Movement in deferred tax

The amounts, determined after appropriate offsetting, are shown on the balance sheet as follows:

	Group	
	2024	2023
	RM'000	RM'000
Deferred tax assets	<u>443</u>	<u>484</u>

Movements in the Group's deferred tax assets and liabilities (prior to offsetting of the balances within the same tax jurisdiction) during the financial year are as follows:

#### *Deferred tax assets*

Group	Unrealised foreign exchange differences	Timing difference in taxation of contract profits	Total
2024	RM'000	RM'000	RM'000
Balance as at 1 January	(205)	(324)	(529)
Charged/(credited) to profit or loss	664	(651)	13
Balance at 31 December	<u>459</u>	<u>(975)</u>	<u>(516)</u>
<b>2023</b>			
Balance as at 1 January	(86)	(254)	(340)
Credited to profit or loss	(119)	(70)	(189)
Balance at 31 December	<u>(205)</u>	<u>(324)</u>	<u>(529)</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 9. Income taxes (continued)

#### (d) Movement in deferred tax (continued)

*Deferred tax liabilities*

<b>Group</b>	<b>Accelerated tax depreciation RM'000</b>	<b>Total RM'000</b>
<b>2024</b>		
Balance as at 1 January	45	45
Charged to profit or loss	28	28
Balance at 31 December	<b>73</b>	<b>73</b>
<b>2023</b>		
Balance as at 1 January	30	30
Charged to profit or loss	15	15
Balance at 31 December	<b>45</b>	<b>45</b>

### 10. Earnings per share

#### (a) Basic earnings per share

Basic earnings per share is calculated by dividing net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2024	2023
Net profit attributable to equity holders of the Company (RM'000)	29,643	19,120
Weighted average number of ordinary shares outstanding for basic earnings per share ('000)	143,000	143,000
Basic earnings per share (in sen)	20.73	13.37

#### (b) Diluted earnings per share

There is no dilution of earnings per share for the financial years ended 31 December 2024 and 2023 as there were no potential dilutive ordinary shares.



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 11. Cash and bank balances

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

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	76,762	88,132	2,229	213
Fixed deposits	29,381	44,328	11,501	12,188
	<b>106,143</b>	<b>132,460</b>	<b>13,730</b>	<b>12,401</b>

### 12. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Trade receivables from non-related parties	88,030	25,444	–	–
Less: Allowance for impairment of trade receivables	(1,380)	(292)	–	–
Trade receivables - net	86,650	25,152	–	–
Non-trade amount due from a subsidiary	–	–	9,211	9,779
Deposits	38	78	–	–
Advance payment to suppliers	497	1,481	–	–
Other receivables from non-related parties	75	151	16	23
	<b>87,260</b>	<b>26,862</b>	<b>9,227</b>	<b>9,802</b>

The non-trade amount due from a subsidiary is unsecured, interest-free and repayable within 12 months.

### 13. Inventories

	Group	
	2024	2023
	RM'000	RM'000
Finished goods	939	573

The cost of inventories recognised as an expense and included in “cost of sales” amounts to RM5,798,000 (2023: RM5,590,000).

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 14. Investments in subsidiaries

	Company	
	2024 RM'000	2023 RM'000
<i>Unquoted equity shares, at cost</i>		
Balance at 1 January	97,495	91,888
Foreign currency translation difference	(5,493)	5,607
Balance at 31 December	<b>92,002</b>	97,495

Details of the Group's subsidiaries as at 31 December 2024 and 2023 are as follows:

Name	Country of incorporation and business	Principal activities	Effective interest held by Group	
			2024 %	2023 %
<b><i>Held by the Company</i></b>				
Oiltek Sdn. Bhd. <sup>(1)</sup>	Malaysia	Specialist engineers	100	100
Oiltek Global Energy Sdn. Bhd. <sup>(1)</sup>	Malaysia	Specialist engineers in the renewable energy segment	100	100
Oiltek Global Pte. Ltd. <sup>(2)</sup>	Singapore	Engineering design and consultancy activities	100	100

<sup>(1)</sup> Audited by PricewaterhouseCoopers PLT, Malaysia.

<sup>(2)</sup> Audited by PricewaterhouseCoopers LLP, Singapore.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 15. Property, plant and equipment

	Leasehold land and buildings RM'000	Machinery and equipment RM'000	Furniture, fittings and renovation RM'000	Motor vehicles RM'000	Office equipment and computers RM'000	Total RM'000
<b>Group</b>						
<b>Cost</b>						
At 1 January 2024	3,611	206	755	594	831	5,997
Currency translation differences	-	-	-	-	(2)	(2)
Additions	-	3	20	600	64	687
Disposals	-	-	-	(478)	-	(478)
Write-off	-	-	(2)	-	(43)	(45)
At 31 December 2024	3,611	209	773	716	850	6,159
<b>Accumulated depreciation</b>						
At 1 January 2024	977	57	511	594	565	2,704
Currency translation differences	-	-	-	-	(2)	(2)
Disposals	-	-	-	(478)	-	(478)
Write-off	-	-	(2)	-	(42)	(44)
Depreciation charge (Note 7)	49	41	47	137	79	353
At 31 December 2024	1,026	98	556	253	600	2,533
Net book value at 31 December 2024	2,585	111	217	463	250	3,626
<b>Group</b>						
<b>Cost</b>						
At 1 January 2023	3,611	106	705	594	761	5,777
Currency translation differences	-	-	-	-	1	1
Additions	-	168	50	-	99	317
Disposals	-	(68)	-	-	-	(68)
Write-off	-	-	-	-	(30)	(30)
At 31 December 2023	3,611	206	755	594	831	5,997
<b>Accumulated depreciation</b>						
At 1 January 2023	928	106	471	594	521	2,620
Currency translation differences	-	-	-	-	1	1
Disposals	-	(68)	-	-	-	(68)
Write-off	-	-	-	-	(29)	(29)
Depreciation charge (Note 7)	49	19	40	-	72	180
At 31 December 2023	977	57	511	594	565	2,704
Net book value at 31 December 2023	2,634	149	244	-	266	3,293

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 15. Property, plant and equipment (continued)

- (i) ROU asset acquired under leasing arrangements is presented together with the owned assets of the same class. Details of such leased asset is disclosed in Note 16.
- (ii) The Group's major property included in property, plant and equipment is as follows:

Name and location	Description	Tenure
Lot 6 Jalan Pasaran 23/5, Kawasan MIEL, Shah Alam, Selangor Darul Ehsan, Malaysia	Factory-cum-office building	99 years from 15 August 1997

### 16. Leases – The Group as a lessee

Nature of the Group's leasing activities

#### Leasehold land

The Group leases leasehold land from a non-related party under a non-cancellable lease agreement, for which the Group has prepaid upfront in full. The leasehold land is recognised within property, plant and equipment (Note 15).

There is no externally imposed covenant on the lease arrangement.

- (a) Carrying amounts of ROU asset classified within Property, plant and equipment

	2024 RM'000	2023 RM'000
Leasehold land	1,943	1,970

- (b) Depreciation charge during the year

	2024 RM'000	2023 RM'000
Leasehold land	27	27

### 17. Trade and other payables

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Trade payables to non-related parties	49,959	32,515	–	–
Non-trade amounts due to subsidiaries	–	–	–	94
Other payables to non-related parties	601	705	2	–
Accrued operating expenses	4,726	3,587	473	235
	55,286	36,807	475	329

The non-trade amount due to subsidiaries were unsecured, interest-free and repaid during the year.



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 18. Share capital

	No. of ordinary shares		Amount	
	2024 '000	2023 '000	2024 RM'000	2023 RM'000
<u>Group and Company</u>				
Balance at 1 January and 31 December	<b>143,000</b>	143,000	<b>98,566</b>	98,566

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

### 19. Merger reserve

	Group	
	2024 RM'000	2023 RM'000
Balance at 1 January and 31 December	<b>(81,436)</b>	(81,436)

The merger reserve represents the difference between the consideration paid and the aggregate of share capital of the entities acquired under common control accounted for using the pooling the interests method by applying the principles of merger accounting.

Merger reserve is not available for dividend distribution.

### 20. Foreign currency reserve

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Balance at 1 January	<b>1,728</b>	731	<b>13,168</b>	6,439
Net exchange difference on translation to presentation currency	–	–	<b>(6,882)</b>	6,729
Net currency translation differences of financial statements of foreign subsidiaries	<b>(1,004)</b>	997	–	–
Balance at 31 December	<b>724</b>	1,728	<b>6,286</b>	13,168

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 21. Dividends

	Group	
	2024	2023
	RM'000	RM'000
Ordinary dividends paid:		
Interim dividend of SGD0.009 [equivalent to RM0.029] per share in respect of the financial year ended 31 December 2024	4,128	–
Final dividend of SGD0.016 [equivalent to RM0.056] per share in respect of the financial year ended 31 December 2023 (2023: Final dividend of SGD0.012 [equivalent to RM0.041] per share in respect of the financial year ended 31 December 2022)	7,968	5,852
	<b>12,096</b>	<b>5,852</b>

At the forthcoming Annual General Meeting, a final cash dividend of 1.8 Singapore cents (equivalent to 6.1 Malaysia Ringgit sens) per share amounting to a total of S\$2,574,000 (equivalent to RM8,773,000) will be recommended. These financial statements do not reflect these dividends, which will be accounted for in shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2025.

## 22. Financial risk management

### Financial risk factors

The Group's activities expose it to market risks (including currency risks), credit risks and liquidity risks. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance. Where possible, the Group seeks to match assets and liabilities of the same currency.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

There have been no changes to the Group's exposure to these financial risks or the manner in which it manages and measures these risks. Market risk exposures are measured using sensitivity analysis indicated below.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 22. Financial risk management (continued)

#### (a) Market risk

##### (i) Currency risk

The Group operates mainly in Asia with operations mainly in Malaysia. Entities in the Group transact predominantly in their respective functional currencies.

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as Singapore Dollar ("SGD"), Euro ("EUR") and United States Dollar ("USD"). The Group monitors the foreign currency exchange rate movements closely to ensure that its exposure is minimised.

The Group's currency exposure is as follows:

	MYR RM'000	SGD RM'000	EUR RM'000	USD RM'000	Total RM'000
<b>At 31 December 2024</b>					
<b>Financial assets</b>					
Cash and bank balances	62,002	14,114	179	29,848	106,143
Trade and other receivables	16,381	17	509	69,856	86,763
Intra-group balances	9,525	–	–	–	9,525
	<b>87,908</b>	<b>14,131</b>	<b>688</b>	<b>99,704</b>	<b>202,431</b>
<b>Financial liabilities</b>					
Trade and other payables	(33,909)	(1,037)	(16,973)	(3,367)	(55,286)
Intra-group balances	(9,525)	–	–	–	(9,525)
	<b>(43,434)</b>	<b>(1,037)</b>	<b>(16,973)</b>	<b>(3,367)</b>	<b>(64,811)</b>
Net financial assets/ (liabilities)	<b>44,474</b>	<b>13,094</b>	<b>(16,285)</b>	<b>96,337</b>	<b>137,620</b>
Less: Net assets denominated in the respective entities' functional currency	<b>(44,474)</b>	<b>(13,481)</b>	<b>–</b>	<b>–</b>	<b>(57,955)</b>
<b>Net currency exposure</b>	<b>–</b>	<b>(387)</b>	<b>(16,285)</b>	<b>96,337</b>	<b>79,665</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 22. Financial risk management (continued)

#### (a) Market risk (continued)

##### (i) Currency risk (continued)

	MYR RM'000	SGD RM'000	EUR RM'000	USD RM'000	Total RM'000
<b>At 31 December 2023</b>					
<b>Financial assets</b>					
Cash and bank balances	59,531	12,753	5,853	54,323	132,460
Trade and other receivables	10,600	25	389	14,367	25,381
Intra-group balances	9,715	–	–	–	9,715
	<u>79,846</u>	<u>12,778</u>	<u>6,242</u>	<u>68,690</u>	<u>167,556</u>
<b>Financial liabilities</b>					
Trade and other payables	(28,051)	(519)	(5,061)	(3,176)	(36,807)
Intra-group balances	(9,715)	–	–	–	(9,715)
	<u>(37,766)</u>	<u>(519)</u>	<u>(5,061)</u>	<u>(3,176)</u>	<u>(46,522)</u>
Net financial assets	42,080	12,259	1,181	65,514	121,034
Less: Net assets denominated in the respective entities' functional currency	(42,080)	(12,385)	–	–	(54,465)
<b>Net currency exposure</b>	<u>–</u>	<u>(126)</u>	<u>1,181</u>	<u>65,514</u>	<u>66,569</u>

If the USD, EUR and SGD change against the RM by 6%, 6% and 6% respectively with all other variables including tax rate held constant, the effects arising from the net financial assets and liabilities position on profit after income tax will be as follows:

	2024 RM'000	2023 RM'000
<b>Group</b>		
USD against RM		
- Strengthened	4,393	2,987
- Weakened	<u>(4,393)</u>	<u>(2,987)</u>
EUR against RM		
- Strengthened	(743)	54
- Weakened	<u>743</u>	<u>(54)</u>
SGD against RM		
- Strengthened	(18)	(6)
- Weakened	<u>18</u>	<u>6</u>

The Company has insignificant exposure to currency risk.

##### (ii) Interest rate risk

The Group and the Company has insignificant exposure to interest rate risk.

##### (iii) Price risk

The Group and the Company are not exposed to price risk.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 22. Financial risk management (continued)

### (b) Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing only with:

- Customers of appropriate credit standing and history, where cash term, advance payments, bankers' guarantees and performance bonds are required for customers of lower credit standing; and
- High credit quality counterparties.

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

The Group has no significant concentration of credit risk with any single customer.

The credit risk for trade receivables from non-related parties based on the information provided to key management is as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><i>By geographical areas</i></b>		
Malaysia	<b>16,322</b>	8,698
Indonesia	<b>70,162</b>	14,919
Thailand	<b>4</b>	517
Philippines	<b>–</b>	132
South Korea	<b>–</b>	812
Africa	<b>162</b>	74
	<b>86,650</b>	25,152

The movement in credit loss allowance for trade receivables and contract assets are as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><i>Trade receivables from non-related parties</i></b>		
Balance at 1 January	<b>292</b>	520
Loss allowance recognised in profit or loss during the year on:		
- Asset acquired/originated	<b>1,380</b>	8
- Reversal of unutilised amount	<b>(292)</b>	(236)
Balance at 31 December	<b>1,380</b>	292

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><i>Contract assets</i></b>		
Balance at 1 January	<b>–</b>	–
Loss allowance recognised in profit or loss during the year on:		
- Asset acquired/originated	<b>1,902</b>	–
Balance at 31 December	<b>1,902</b>	–

The Group's other receivables are subject to immaterial credit loss.

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 22. Financial risk management (continued)

#### (b) Credit risk (continued)

##### Trade receivables and contract assets

In measuring the expected credit losses ("ECL"), trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate mainly to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts.

The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers, and adjusts for forward-looking macroeconomic data. The Group has identified the gross domestic product ("GDP") growth of the countries in which it sells goods and services to be the most relevant factor, and accordingly adjusted the historical loss rates based on expected changes in this factor.

The Group considers a financial asset to be in default when the counterparty fails to make contractual payments for a prolonged period of time when they fall due, and the Group may also consider internal and external information, such as significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation. Financial assets are written off when there is no reasonable expectation of recovering the contractual cash flow, such as a debtor failing to engage in a repayment plan with the Group and it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Management has assessed and concluded that the expected credit loss rate for trade receivables and contract assets past due less than 1 year approximates nil and is immaterial, while the expected credit loss rate for trade receivables past due more than 1 year approximates 50% to 100%, except for specific cases where management has assessed that the amount is still fully recoverable.

The Group's and the Company's credit risk exposure in relation to trade receivables and contract assets under SFRS(I) 9 are set out in the provision matrix as follows:

		Past due			
	Current	1 to 6	7 to 12	Over 12	Total
	RM'000	months	months	months	RM'000
		RM'000	RM'000	RM'000	
<b>2024</b>					
<b>Group</b>					
Contract assets	20,016	–	–	–	20,016
Trade receivables	84,038	2,528	–	1,464	88,030
Loss allowance for trade receivables and contract assets	(1,902)	(1,380)	–	–	(3,282)
<b>2023</b>					
<b>Group</b>					
Contract assets	21,434	–	–	–	21,434
Trade receivables	6,360	17,391	1,401	292	25,444
Loss allowance for trade receivables	–	–	–	(292)	(292)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 22. Financial risk management (continued)

### (c) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities. At the balance sheet date, assets held by the Group and the Company for managing liquidity risk included cash and bank balances as disclosed in Note 11.

The Group's financial liabilities due within one year as at 31 December 2024 is RM55,286,000 (2023: RM36,807,000).

The Company's financial liabilities due within one year as at 31 December 2024 is RM475,000 (2023: RM329,000).

### (d) Capital risk

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

The Group is in a net cash position as it has no borrowings.

The Group is not subject to any externally imposed capital requirements for the financial years ended 31 December 2024 and 2023.

### (e) Financial instruments by category

The aggregate carrying amounts of financial assets and liabilities at amortised cost are as follows:

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Financial assets at amortised cost	192,906	157,841	22,957	22,203
Financial liabilities at amortised cost	55,286	36,807	475	329

## 23. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

### (a) Purchases of services

	Group	
	2024	2023
	RM'000	RM'000
Rental of premise from a related corporation	13	12

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 23. Related party transactions (continued)

### (b) Key management personnel compensation

Key management personnel compensation is analysed as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Salaries and other short-term employee benefits	<b>4,994</b>	4,359
Employer's contribution to defined contribution plans	<b>518</b>	446
	<b>5,512</b>	4,805

Included in the above was total directors' fees to directors of the Company amounting to RM723,000 (2023: RM680,000).

## 24. Segment information

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer ("CEO") that are used to make strategic decisions. The CEO is the Group's chief operating decision-maker.

The CEO considers the business from a business segment perspective. Management manages and monitors the business in three main business segments which are "Edible & Non-Edible Oil Refinery", "Renewable Energy" and "Product Sales and Trading". The "Others" segment relates to corporate activities which are not allocated to the business segments.

The Edible & Non-Edible Oil Refinery segment provides services for edible and non-edible oil industries including (i) the engineering, procurement, design, construction and commissioning of edible and non-edible oil refining plants, downstream specialty products and processing plants, (ii) upgrading and retrofitting the existing facilities, and (iii) turnkey inside-battery-limits ("ISBL") and outside-battery-limits ("OSBL") infrastructure engineering.

The Renewable Energy segment provides services for renewable energy industries including (i) the engineering, procurement, designing, construction and commissioning of multi-feedstock biodiesel, enzymatic biodiesel, winter fuel, HVO feedstock (treated and refined POME oil) and palm oil mill effluent ("POME") biogas methane recovery plants, (ii) upgrading and retrofitting the existing facilities, and (iii) turnkey ISBL and OSBL infrastructure engineering which includes the environmental solutions and integration into steam and power generation.

The Product Sales and Trading segment derives revenue from the sale of specialty chemical products and engineering components.

CEO assesses the performance of these business segments based on segment revenue, segment results, segment assets and segment liabilities.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly other income, other gains - net, depreciation of property, plant and equipment, income tax expense, cash and bank balances, property, plant and equipment, current income tax receivables/liabilities and deferred tax assets.



## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 24. Segment information (continued)

#### (a) Analysis by Reportable Segment

The segment information provided to the CEO for the reportable segments for the financial year ended 31 December 2024 and 2023 are as follows:

Group (RM'000)	Edible & Non-Edible Oil Refinery	Renewable Energy	Product Sales and Trading	Others	Total
<b>2024</b>					
<b>Revenue</b>					
External	193,868	17,647	18,777	–	<u>230,292</u>
<b>Cost of Sales</b>	(145,232)	(15,554)	(14,412)	–	<u>(175,198)</u>
<b>Results</b>					
Segment results	31,088	254	2,537	–	33,879
Other income					3,387
Other gains - net					2,613
Depreciation of property, plant and equipment					<u>(353)</u>
Profit before income tax					39,526
Income tax expense					<u>(9,883)</u>
<b>Profit after income tax</b>					<u>29,643</u>
<b>Assets</b>					
Segment assets	85,692	16,934	3,602	85	106,313
<u>Unallocated assets:</u>					
Cash and bank balances					106,143
Property, plant and equipment					3,626
Deferred tax assets					443
<b>Total assets</b>					<u>216,525</u>
<b>Liabilities</b>					
Segment liabilities	103,871	16,111	3,032	5,211	128,225
<u>Unallocated liabilities:</u>					
Current income tax liabilities					4,013
<b>Total liabilities</b>					<u>132,238</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 24. Segment information (continued)

#### (a) Analysis by Reportable Segment (continued)

Group (RM'000)	Edible & Non-Edible Oil Refinery	Renewable Energy	Product Sales and Trading	Others	Total
<b>2023</b>					
<b>Revenue</b>					
External	157,408	25,090	18,616	–	<u>201,114</u>
<b>Cost of Sales</b>	(126,753)	(21,634)	(13,486)	–	<u>(161,873)</u>
<b>Results</b>					
Segment results	18,164	1,465	3,336	–	22,965
Other income					1,331
Other gains - net					1,383
Depreciation of property, plant and equipment					<u>(180)</u>
Profit before income tax					25,499
Income tax expense					<u>(6,379)</u>
<b>Profit after income tax</b>					<u>19,120</u>
<b>Assets</b>					
Segment assets	40,034	3,970	4,706	159	48,869
<u>Unallocated assets:</u>					
Cash and bank balances					132,460
Income tax receivables					127
Property, plant and equipment					3,293
Deferred tax assets					<u>484</u>
<b>Total assets</b>					<u>185,233</u>
<b>Liabilities</b>					
Segment liabilities	95,230	12,823	3,945	3,765	115,763
<u>Unallocated liabilities:</u>					
Current income tax liabilities					<u>1,726</u>
<b>Total liabilities</b>					<u>117,489</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 24. Segment information (continued)

#### (b) Geographical Information

The Group operates in several main geographical areas: Asia, America and Africa.

The following table presents sales information for the main geographical areas for the financial years ended 31 December 2024 and 2023.

Group	Total revenue	
	2024 RM'000	2023 RM'000
Asia:		
- Indonesia	123,820	156,492
- Malaysia	72,228	26,142
- Pakistan	963	6,101
- Philippines	1,210	1,827
- South Korea	1,877	508
- Thailand	795	1,930
- Others	57	38
	200,950	193,038
America	5,261	299
Africa:		
- Algeria	206	–
- Benin	14,512	1,429
- Kenya	2,635	1,900
- Nigeria	185	1,720
- Republic of the Congo	6,437	2,168
- South Africa	–	556
- Zambia	89	–
- Others	17	4
	24,081	7,777
	<b>230,292</b>	<b>201,114</b>

The Group's non-current assets comprise mainly property, plant and equipment and are located in Malaysia. Accordingly, no geographical analysis for non-current assets is presented.

#### (c) Information about major customers

Revenue of approximately 33% (2023: 37%) are derived from two (2023: three) major customers. Major customers are defined as customers that contributed 10% or more of the Group's revenue. These revenue are mainly attributable to the Edible & Non-Edible Oil Refinery and Renewable Energy segments.

### 25. Immediate and ultimate holding corporation

The Company's immediate holding corporation is Koh Brothers Eco Engineering Limited, incorporated in Singapore. The Company's ultimate holding corporation is Koh Brothers Group Limited, incorporated in Singapore.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 26. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2025 and which the Group has not early adopted.

### **SFRS(I) 18 – Presentation and Disclosure in Financial Statements**

*(effective for annual periods beginning on or after 1 January 2027)*

SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though SFRS(I) 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance (comprising of the statement of profit or loss and other comprehensive income) and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of SFRS(I) 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:
  - Foreign exchange differences currently aggregated in the line item 'other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.
- The Group does not expect significant changes in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosure required for:
  - (a) Management-defined performance measures;
  - (b) A break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  - (c) For the first annual period of application of SFRS(I) 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying SFRS(I) 18 and the amounts previously presented applying SFRS(I) 1-1.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with SFRS(I) 18.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

## 26. New or revised accounting standards and interpretations (continued)

### **SFRS(I) 19 – Subsidiaries without Public Accountability: Disclosures** (effective for annual periods beginning on or after 1 January 2027)

SFRS(I) 19 allows for certain eligible subsidiaries of parent entities that report under SFRS(I) Accounting Standards to apply reduced disclosure requirements. This new standard works alongside other SFRS(I). An eligible subsidiary applies the requirements in other SFRS(I) except for the disclosure requirements; and it applies instead the reduced disclosure requirements in SFRS(I) 19.

SFRS(I) 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:

- It does not have public accountability; and
- It has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with SFRS(I) Accounting Standards.

The Group does not expect this standard to have an impact on its financial statements.

## 27. Reclassification of accounts

Certain comparative amounts in trade and other payables and contract liabilities have been reclassified for consistency with the presentation of the consolidated financial statements for the financial year ended 31 December 2024.

### **BALANCE SHEET**

Group	As at 31 December 2023		
	As previously reported RM'000	Reclassification RM'000	Restated RM'000
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	38,395	(1,588)	36,807
Contract liabilities	77,368	1,588	78,956
Group	As at 1 January 2023		
	As previously reported RM'000	Reclassification RM'000	Restated RM'000
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	44,355	(2,996)	41,359
Contract liabilities	23,085	2,996	26,081

## 28. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Oiltek International Limited on 21 March 2025.

## STATISTICS OF SHAREHOLDINGS

As at 17 March 2025

### ISSUED AND FULLY PAID CAPITAL

Number of shares issued	:	143,000,000
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share
Number of treasury shares and subsidiary holdings	:	Nil

### DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	0	0.00	0	0.00
100 - 1,000	81	18.79	63,500	0.04
1,001 - 10,000	227	52.67	1,219,200	0.86
10,001 - 1,000,000	115	26.68	10,394,800	7.27
1,000,001 and above	8	1.86	131,322,500	91.83
<b>TOTAL</b>	<b>431</b>	<b>100.00</b>	<b>143,000,000</b>	<b>100.00</b>

### TWENTY LARGEST SHAREHOLDERS

NO.	NAME OF SHAREHOLDERS	NO. OF SHARES	%
1	KOH BROTHERS ECO ENGINEERING LIMITED	97,445,805	68.14
2	DBS NOMINEES PTE LTD	13,145,623	9.19
3	OCBC SECURITIES PRIVATE LTD	7,664,200	5.36
4	UOB KAY HIAN PTE LTD	5,162,049	3.61
5	LAI WENG KAY	2,756,600	1.93
6	MAYBANK SECURITIES PTE. LTD.	2,178,400	1.52
7	TAN HUN TEE	1,968,323	1.38
8	PHILLIP SECURITIES PTE LTD	1,001,500	0.70
9	RAFFLES NOMINEES (PTE) LIMITED	924,400	0.65
10	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	872,500	0.61
11	CHU CHEE KEONG (ZHU ZHIQIANG)	708,800	0.50
12	IFAST FINANCIAL PTE LTD	474,400	0.33
13	CGS INTERNATIONAL SECURITIES SINGAPORE PTE LTD	467,300	0.33
14	CITIBANK NOMINEES SINGAPORE PTE LTD	432,100	0.30
15	ONG KOK HUA	393,000	0.28
16	MORGAN STANLEY ASIA (S) SECURITIES PTE LTD	370,400	0.26
17	SENG HONG NOI	347,600	0.24
18	LIEW KUO HUEI	285,300	0.20
19	LEE YAT THIM	250,000	0.17
20	ABN AMRO CLEARING BANK N.V.	230,800	0.16
		<b>137,079,100</b>	<b>95.86</b>

## STATISTICS OF SHAREHOLDINGS

As at 17 March 2025

### SUBSTANTIAL SHAREHOLDERS

(As recorded in the Company's Register of Substantial Shareholders)

NAME OF SUBSTANTIAL SHAREHOLDERS	DIRECT INTEREST		DEEMED INTEREST	
	NO. OF SHARES	%	NO. OF SHARES	%
KOH BROTHERS ECO ENGINEERING LIMITED	97,445,805	68.14	–	–
HENRY YONG KHAI WENG <sup>(1)</sup>	9,020,323	6.31	–	–
KOH BROTHERS GROUP LIMITED <sup>(2)</sup>	–	–	97,445,805	68.14
PENTA-OCEAN CONSTRUCTION CO., LTD. <sup>(2)</sup>	–	–	97,445,805	68.14
KOH KENG SIANG <sup>(3)</sup>	–	–	97,445,805	68.14

#### Notes:

- <sup>(1)</sup> Henry Yong Khai Weng holds 9,020,323 ordinary shares of the Company through a nominee account under DBS Nominees Pte. Ltd.
- <sup>(2)</sup> Koh Brothers Group Limited and Penta-Ocean Construction Co., Ltd. are the Controlling Shareholders of Koh Brothers Eco Engineering Limited holding 54.81% and 28.74% respectively, and are deemed interested in shares held by Koh Brothers Eco Engineering Limited by virtue of Section 4 of the SFA.
- <sup>(3)</sup> Koh Keng Siang has direct and deemed interest in Koh Brothers Eco Engineering Limited of approximately 0.54% and 54.81% respectively. His deemed interest in Koh Brothers Eco Engineering Limited is by virtue of shares held by his spouse and by Koh Brothers Group Limited. Accordingly, Koh Keng Siang is deemed to have interest in all shares held by Koh Brothers Eco Engineering Limited by virtue of Section 4 of the SFA.

### SHAREHOLDINGS HELD BY PUBLIC

Based on the information available to the Company as at 17 March 2025, approximately 25.53% of the Company's issued ordinary shares are held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual Section B : Rules of Catalist issued by SGX-ST.

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Oiltek International Limited (the “**Company**”) will be held at Rose Room I & II, Level 1, York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516 on Friday, 25 April 2025 at 2 p.m. for the following purposes:

### AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Auditors’ Report thereon. **(Resolution 1)**
2. To declare a final tax-exempt one-tier dividend of 1.80 Singapore cents per ordinary share for the financial year ended 31 December 2024. **(Resolution 2)**
3. To re-elect Mr. Koh Keng Siang (“**Mr. Koh**”) as Director of the Company who will be retiring pursuant to Regulation 117 of the Company’s Constitution.

*Mr. Koh will, upon re-election as a Director of the Company, remain as a Non-Executive Director of the Company and a member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee. Detailed information of Mr. Koh required pursuant to Rule 720(5) of the Listing Manual (Section B: Rules of Catalyst) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (the “**Catalist Rules**”) can be found in the section entitled “Additional Information on Directors Seeking Re-election” of the Annual Report.* **(Resolution 3)**

4. To re-elect Mr. Bernard Wong Ee Yu (“**Mr. Wong**”) as Director of the Company who will be retiring pursuant to Regulation 117 of the Company’s Constitution.

*Mr. Wong will, upon re-election as a Director of the Company, remain as a Non-Executive Director of the Company and a member of the Audit and Risk Committee, Nominating Committee and Remuneration Committee. Detailed information of Mr. Wong required pursuant to Rule 720(5) of the Catalyst Rules can be found in the section entitled “Additional Information on Directors Seeking Re-election” of the Annual Report.* **(Resolution 4)**

5. To approve the payment of Directors’ fees of S\$224,000 for the financial year ending 31 December 2025 (financial year ended 31 December 2024: S\$212,000), payable quarterly in arrears. **(Resolution 5)**
6. To re-appoint PricewaterhouseCoopers LLP as the Auditors of the Company, and to authorise the Directors of the Company to fix their remuneration. **(Resolution 6)**
7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

### AS SPECIAL BUSINESS

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

8. **Authority to issue shares under the Oiltek Employee Share Option Scheme**

That pursuant to Section 161 of the Companies Act 1967 of Singapore, the Directors of the Company be authorised and empowered to grant options (the “**Options**”) in accordance with the provisions of the Oiltek Employee Share Option Scheme (“**ESOS**”) and to allot and issue from time to time such number of fully paid-up shares in the capital of the Company as may be required to be allotted and/or issued pursuant to the exercise of the Options (the “**Option Shares**”) provided that the total number of Option Shares which may be issued and/or transferred pursuant to the exercise of the Options to be granted pursuant to the ESOS on any date when added to the number of Option Shares issued and/or transferred and issuable and/or transferable in respect of all Options granted under the ESOS shall not exceed 2.5% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at 3 March 2022, being a total of 3,575,000 Option Shares. **(Resolution 7)**

*[See Explanatory Note (i)]*



9. **Authority to issue shares under the Oiltek Performance Share Plan**

That pursuant to Section 161 of the Companies Act 1967 of Singapore, the Directors of the Company be authorised and empowered to grant awards ("**Awards**") in accordance with the provisions of the Oiltek Performance Share Plan ("**PSP**") and to allot and issue from time to time such number of fully paid-up shares in the capital of the Company as may be required to be allotted and/or issued pursuant to the vesting of the Awards (the "**Award Shares**") provided that the total number of Award Shares which may be issued and/or transferred pursuant to Awards granted under the PSP on any date, when added to the number of Award Shares issued and/or transferred or issuable and/or transferable in respect of all Awards granted under the PSP shall not exceed 2.5% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at 3 March 2022, being a total of 3,575,000 Award Shares. **(Resolution 8)**

*[See Explanatory Note (ii)]*

10. **Proposed Bonus Issue**

- (a) That the proposed bonus issue of up to 286,000,000 new ordinary shares in the capital of the Company (the "**Bonus Shares**") on the basis of two (2) Bonus Shares to be credited as fully paid for every one (1) existing ordinary share in the capital of the Company (the "**Shares**") held by shareholders of the Company as at 5 p.m. on 9 May 2025 (or such other time and date as may be determined by the Directors) ("**Record Date**"), fractional entitlements to be disregarded (the "**Proposed Bonus Issue**"); and
- (b) That the Directors of the Company and each of them be and are hereby authorised to complete and do all such acts and things and to negotiate, amend, sign, execute and deliver such documents as they or he may consider necessary, desirable, expedient to give effect to the Proposed Bonus Issue. **(Resolution 9)**

*[See Explanatory Note (iii)]*

By Order of the Board

Tan Swee Gek  
Joint Company Secretary

Singapore  
10 April 2025

# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory Notes on Resolutions to be passed:

- (i) The Ordinary Resolution 7 proposed in item 8 above, if passed, will authorise the Directors of the Company, effective 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 or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to grant Options in accordance with the ESOS and to allot and issue from time to time Option Shares pursuant to the exercise of the Options provided that the total number of Option Shares which may be issued and/or transferred pursuant to the exercise of the Options to be granted pursuant to the ESOS on any date when added to the number of Option Shares issued and/or transferred and issuable and/or transferable in respect of all Options granted under the ESOS shall not exceed 2.5% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at 3 March 2022, being a total of 3,575,000 Option Shares. Please refer to the Company's Offer Document dated 18 February 2022 for further information on the ESOS.
- (ii) The Ordinary Resolution 8 proposed in item 9 above, if passed, will authorise the Directors of the Company, effective 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 or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to grant Awards in accordance with the PSP and to allot and issue from time to time Award Shares in the capital of the Company as may be required to be issued pursuant to the vesting of the Awards provided that total number of Award Shares which may be issued and/or transferred pursuant to Awards granted under the PSP on any date, when added to the number of Award Shares issued and/or transferred or issuable and/or transferable in respect of all Awards granted under the PSP shall not exceed 2.5% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at 3 March 2022, being a total of 3,575,000 Award Shares. Please refer to the Company's Offer Document dated 18 February 2022 for further information on the PSP.
- (iii) The Ordinary Resolution 9 proposed in item 10 above, if passed, will authorise the Directors of the Company to issue the Bonus Shares and the Company's enlarged share capital will increase up to 429,000,000 Shares after the completion of the Proposed Bonus Issue. The Bonus Shares will be allotted and issued as fully paid at nil consideration to entitled shareholders without capitalisation of the Company's reserves. The Bonus Shares, when allotted and issued, will rank *pari passu* in all respects with the existing Shares, except that the Bonus Shares will not be entitled to any dividends, rights, allotments or other distributions, the Record Date of which falls on a date before the date on which the Bonus Shares are allotted and issued. Please refer to the Company's Circular dated 10 April 2025 for further information on the Proposed Bonus Issue.

## Notes:

1. The members of the Company are invited to attend physically at the Annual General Meeting (the "**Meeting**" or "**AGM**"). **There will be no option for shareholders to participate virtually.** Printed copies of the Annual Report and the Circular to members (in relation to Resolution 9)(the "**Circular**") will NOT be sent to members. Members should complete the request form ("**Request Form**") and return the Request Form to the Company as indicated on the Request Form by 17 April 2025, should the members wish to receive a physical copy of the Annual Report and/or the Circular. This Notice, Proxy Form, Request Form, Annual Report and Circular are available to members by electronic means via publication on SGXNET at the URL <https://www.sgx.com/securities/company-announcements> or at the Company's website at the URL <https://www.oiltek.com.my/>. A member will need an internet browser and PDF reader to view these documents. A physical copy of this Notice, Proxy Form and Request Form will be sent to the members of the Company.

## 2. Arrangements for participation in the AGM physically

Members (including CPFIS and SRS investors) may participate in the AGM by:

- (a) attending the AGM in person;
- (b) submitting questions to the Chairman of the Meeting in advance of, or at, the AGM; and/or
- (c) voting at the AGM
  - (i) themselves personally; or
  - (ii) through their duly appointed proxy(ies).

CPFIS and SRS investors who wish to appoint the Chairman of the Meeting (and not third party prox(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes. Please see item 6 below for details.

## NOTICE OF ANNUAL GENERAL MEETING

### 3. Relevant Intermediary

- (a) A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead at the AGM. The appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
- (b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in the Company in relation to which each proxy has been appointed.

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

- 4. A proxy need not be a member of the Company.
- 5. A member can appoint the Chairman of the Meeting as his/her/its proxy, **but** this is **not mandatory**.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

- 6. CPFIS/SRS investors who hold Shares through CPF Agent Banks/SRS Operators:
  - (a) may vote at the Meeting if they are appointed as proxies by their respective CPF Agent Banks/SRS Operators, and should contact their respective CPF Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Meeting, in which case they should approach their CPF Agent Banks/SRS Operators to submit their votes at least 7 working days prior to the date of AGM i.e. by 5 p.m. on 14 April 2025.
- 7. Submission of instrument of proxy(ies) (“**Proxy Form**”) – **by 2 p.m. on 22 April 2025**

The Proxy Form must be submitted through any one of the following means:

- (a) if submitted by post, be deposited at the Registered Office of 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 sent via email to [main@zicoholdings.com](mailto:main@zicoholdings.com).

in either case, not less than seventy-two (72) hours before the time appointed for holding the Meeting i.e. by 2 p.m. on 22 April 2025, and failing which, the Proxy Form will not be treated as valid.

- 8. The Company shall be entitled to, and will, treat any valid Proxy Form which was delivered by a member to the Company **before 2 p.m. on 22 April 2025** as a valid instrument as the member’s proxy to attend, speak and vote at the Meeting if:
  - (a) the member had indicated how he/she/it wished to vote for or vote against or abstain from voting on each resolution; and
  - (b) the member has not withdrawn the appointment by 2 p.m. on 22 April 2025. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
- 9. If the member is a corporation, the instrument appointing the proxy must be under seal or the hand of an officer or attorney duly authorised.
- 10. Completion and return of the Proxy Form by a member will not prevent him/her/it from attending, speaking and voting at the Meeting if he/she/it so wishes. The appointment of the proxy(ies) for the Meeting will be deemed to be revoked if the member attends the Meeting in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the Meeting.

## NOTICE OF ANNUAL GENERAL MEETING

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11. Submission of questions by members in advance of the Meeting – **by 17 April 2025.**
- (a) Members may also submit questions related to the resolutions to be tabled for approval at the Meeting. All questions, together with the members' full names, identification numbers, contact numbers and email addresses and manner in which they hold Shares, must be submitted by 17 April 2025 by email to [main@zicoholdings.com](mailto:main@zicoholdings.com) or by post to B.A.C.S. Private Limited at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896.
  - (b) The Company will publish the responses to substantial and relevant questions on the SGX website at <https://www.sgx.com/securities/company-announcements> or at the Company's website at the URL at <https://www.oiltek.com.my/> by 2 p.m. on 20 April 2025.
  - (c) The Company endeavours to address (i) subsequent clarifications sought; (ii) follow-up questions; or (iii) subsequent substantial and relevant questions which are received after its responses referred to at (b) above, at the Meeting itself. Where substantially similar questions are received, we will consolidate such questions and consequently not all questions may be individually addressed.
  - (d) Minutes of AGM – The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGXNET, and the minutes will include the responses to the questions which are addressed during the AGM, if any.
12. Important reminder. Any changes to the manner of conducting the AGM will be announced by the Company on SGXNET. Members are advised to check SGXNET regularly for any further updates.

### Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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

*The contact person for the Sponsor is Ms. Audrey Mok (Telephone: +65 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.*



## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr. Koh Keng Siang and Mr. Bernard Wong Ee Yu are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened and held on Friday, 25 April 2025 at 2 p.m., (“**AGM**”) (collectively, the “**Retiring Directors**” and each a “**Retiring Director**”).

Pursuant to Rule 720(5) of the Catalist Rules of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7F to the Catalist Rules of the SGX-ST is set out below:

Name of Director	Koh Keng Siang
Date of first appointment	22 July 2021
Date of last re-appointment	27 May 2022
Age	63
Country of principal residence	Singapore
The Board’s comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr. Koh Keng Siang for re-appointment as Non-Executive, Non-Independent Director of the Company. The Board has reviewed and concluded that Mr. Koh Keng Siang possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive, Non-Independent Director  Member of Remuneration Committee, Audit and Risk Committee and Nominating Committee
Professional qualifications	Bachelor of Engineering (Honours in Civil Engineering), University of Birmingham Master of Business Administration, National University of Singapore
Working experience and occupation(s) during the past 10 years	From 1994 to present, Managing Director and Group Chief Executive Officer of Koh Brothers Group Limited From 2013 to present, Non-Executive and Non-Independent Chairman of Koh Brothers Eco Engineering Limited
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest in 97,445,805 shares
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Koh Keng Siang
<p>Other Principal Commitments* Including Directorships#</p> <p>* "Principal Commitments" has the same meaning as defined in the Code.</p> <p># These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)</p>	<p><u>Past (for last 5 years)</u></p> <p>Director of KBD Flora Pte Ltd            Director of Metax Eco Solutions Pte Ltd            Director of Dalian Megacity Trading Co. Ltd            Director of Megacity Investment Pte Ltd            Director of KBD Westwood Pte. Ltd. (In Liquidation – Members' Voluntary Winding Up)</p> <p><u>Present</u></p> <p>Executive Chairman and Group CEO of Koh Brothers Group Limited            Non-Executive and Non-Independent Chairman of Koh Brothers Eco Engineering Limited            Director of Canberra Development Pte Ltd            Director of FEC Skypark Pte Ltd            Director of G &amp; W Industries Pte Ltd            Director of G &amp; W Precast Pte Ltd            Director of G &amp; W Ready-Mix Pte Ltd            Director of KBD Holland Pte. Ltd.            Director of KBD Kosdale Pte Ltd            Director of Koh Brothers Building &amp; Civil Engineering Contractor (Pte) Ltd            Director of Koh Brothers Development Pte Ltd            Director of Koh Brothers Holdings Pte Ltd            Director of Koh Brothers Investment Pte Ltd            Director of Kosland Pte Ltd            Director of Oxford Hotel Pte Ltd            Director of G &amp; W Industries (M) Sdn Bhd            Director of G &amp; W Building Materials Sdn Bhd            Director of Oiltek Global Energy Sdn. Bhd.            Director of Oiltek Sdn. Bhd.            Director of PT Koh Brothers Building Technologies            Director of PT Koh Brothers Indonesia            Director of Koh Maju Sdn. Bhd.            Director of Panareno Sdn Bhd            Director of Koh Brothers Gangnam Limited</p>
<p><b>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.</b></p>	
<p>(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?</p>	<p>No</p>

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Koh Keng Siang
(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?	Yes. Please refer to the Section entitled “General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders” of the Offer Document of the Company dated 18 February 2022 for the relevant disclosure.
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Koh Keng Siang
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:- (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or (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 (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,  in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	Yes. Please refer to the section entitled “General and Statutory Information – Information on Directors, Executive Officers and Controlling Shareholders” of the Offer Document of the Company dated 18 February 2022 for the relevant disclosure.
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No



## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Bernard Wong Ee Yu
Date of first appointment	30 December 2021
Date of last re-appointment	27 May 2022
Age	60
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr. Bernard Wong Ee Yu for re-appointment as Non-Executive, Non-Independent Director of the Company. The Board has reviewed and concluded that Mr. Bernard Wong Ee Yu possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive, Non-Independent Director  Member of Remuneration Committee, Audit and Risk Committee and Nominating Committee
Professional qualifications	Bachelor of Engineering with Honours in Civil Engineering from the University of Birmingham
Working experience and occupation(s) during the past 10 years	From March 2012 to present, Executive Director (Real Estate Division) of Koh Brothers Group Limited
Shareholding interest in the listed issuer and its subsidiaries	No
Any relationship (including immediate family relationships with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Bernard Wong Ee Yu
<p>Other Principal Commitments* Including Directorships#</p> <p>* "Principal Commitments" has the same meaning as defined in the Code.</p> <p># These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)</p>	<p><u>Past (for last 5 years)</u>            Director of Daeryun Koh Brothers PFV Co., Ltd. (Dissolved – Members' Voluntary Winding Up)            Director of KBD Flora Pte. Ltd. (Dissolved – Members' Voluntary Winding Up)            Director of KBD Westwood Pte. Ltd. (In Liquidation – Members' Voluntary Winding Up)</p> <p><u>Present</u>            Director of Atlantic Star Pte. Ltd.            Director of KBD Ventures Pte. Ltd.            Director of KBD Holland Pte. Ltd.            Director of Koh Maju Sdn. Bhd.            Director of Koh Brothers Gangnam Limited            Director of Oiltek Sdn. Bhd.            Director of Oiltek Global Energy Sdn. Bhd.</p>
<p><b>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.</b></p>	
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
(c) Whether there is any unsatisfied judgment against him?	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

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

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Bernard Wong Ee Yu
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–</p> <ul style="list-style-type: none"> <li>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</li> <li>(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</li> <li>(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</li> <li>(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,</li> </ul> <p>in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No.
<p>(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?</p>	No



# OILTEK INTERNATIONAL LIMITED

Company Registration No. 202109778W  
(Incorporated in the Republic of Singapore)

## PROXY FORM

(Please see notes overleaf before completing this Form)

### IMPORTANT:

1. The Annual General Meeting ("AGM") will be held physically at Rose Room I & II, Level 1, York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516. Members have no option to participate virtually.
2. For CPF Investors/SRS Investors who have used their CPF/SRS monies to buy the Company's shares, this Proxy Form is not valid to use by CPF Investors/SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF Investors/SRS Investors should contact their respective Agent Banks/SRS Operators if they have any queries regarding their appointment as proxies.
3. Please read the notes overleaf which contains instructions on, *inter alia*, the appointment of proxy(ies).

I/We\*, \_\_\_\_\_ (Name)

\_\_\_\_\_ (NRIC/Passport Number/Company Registration Number)

of \_\_\_\_\_ (Address)

being a member/members\* of Oiltek International Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	(%)
Address			

and/or\*

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	(%)
Address			

or failing the person, or either or both of the persons referred to above, the Chairman of the Annual General Meeting ("AGM") as my/our proxy/proxies\* to attend, speak or vote for me/us\* on my/our\* behalf at the AGM of the Company to be held physically at Rose Room I & II, Level 1, York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516 on Friday, 25 April 2025 at 2 p.m. and at any adjournment thereof.

\*I/We direct \*my/our \*proxy/proxies to vote for, against or abstain the Resolutions proposed at the AGM as indicated hereunder.

If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid. All resolutions put to the vote at the AGM shall be decided by way of poll.

**(If you wish to exercise all your votes "For", "Against" or "Abstain", please tick [x] within the box provided. Alternatively, please indicate the number of votes as appropriate.)**

No.	Resolutions relating to:	No. of Votes For	No. of Votes Against	No. of Votes Abstained
	<b>Ordinary Business</b>			
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2024			
2	Declaration of a final tax-exempt one-tier dividend of 1.80 Singapore cents per share for the financial year ended 31 December 2024			
3	Re-election of Mr. Koh Keng Siang as a Director			
4	Re-election of Mr. Bernard Wong Ee Yu as a Director			
5	Approval of Directors' fees of S\$224,000 for the financial year ending 31 December 2025, payable quarterly in arrears			
6	Re-appointment of PricewaterhouseCoopers LLP as Auditors and to authorise the Directors of the Company to fix their remuneration			
	<b>Special Business</b>			
7	Authority to issue shares under the Oiltek Employee Share Option Scheme			
8	Authority to issue shares under the Oiltek Performance Share Plan			
9	Proposed Bonus Issue			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

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

\_\_\_\_\_  
Signature of Shareholder(s)  
or, Common Seal of Corporate Shareholder

\*Delete where inapplicable



**Notes:**

1. Each of the resolutions to be put to the vote of members at the AGM (and at any adjournment thereof) will be voted on by way of poll.
2. Please insert the total number of shares of the Company (“Shares”) held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
3. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. A proxy need not be a member of the Company.
4. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named. The proxy form will be sent to the members of the Company in physical copies and may also be accessed on the SGX website.
5. A member who is a relevant intermediary entitled to attend the meeting and vote is entitled to appoint more than two (2) proxies to attend and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

“Relevant intermediary” means:

- (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

CPFIS/SRS Investors who wish to vote at the AGM should approach their respective agent banks to submit their votes at least seven (7) working days before the date of the AGM (i.e. 5 p.m. on 14 April 2025). CPFIS/SRS Investors should contact their respective agent banks for any queries they may have with regard to the appointment of proxy for the AGM.

6. The instrument appointing a proxy(ies) (“**Proxy Form**”) must be submitted to the Company in the following manner:-
  - (a) if submitted by post, be deposited at the Registered Office of 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 sent via email to [main@zicoholdings.com](mailto:main@zicoholdings.com),in either case, not less than seventy-two (72) hours before the time appointed for holding the AGM, that is by 2 p.m. on 22 April 2025, failing which, the Proxy Form will not be treated as valid.
7. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the 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 person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
8. The Proxy Form must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
9. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.

**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 AGM dated 10 April 2025.

**General:**

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

# CORPORATE INFORMATION

## REGISTERED OFFICE

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15 Genting Road  
Singapore 349493  
Tel: (65) 6845 7265  
www.oiltek.com.my

## PRINCIPAL PLACE OF BUSINESS

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Lot 6, Jalan Pasaran 23/5  
Kawasan MIEL Phase 10  
Section 23, 40300 Shah Alam  
Selangor Darul Ehsan  
Malaysia

## BOARD OF DIRECTOR

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**Hew Koon Chan**

(Non-Executive Chairman and Independent Director)

**Henry Yong Khai Weng**

(Executive Director and CEO)

**Koh Keng Siang**

(Non-Executive Director)

**Bernard Wong Ee Yu**

(Non-Executive Director)

**Lai Wai Kit Andrew**

(Independent Director)

**Tan Yee Peng**

(Independent Director)

**Tay Tze Wen**

(Alternate Director to Koh Keng Siang)

## AUDIT AND RISK COMMITTEE

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**Tan Yee Peng** (Chairperson)

**Hew Koon Chan**

**Lai Wai Kit Andrew**

**Koh Keng Siang**

**Bernard Wong Ee Yu**

**Tay Tze Wen** (Alternate Director to Koh Keng Siang)

## NOMINATING COMMITTEE

---

**Lai Wai Kit Andrew** (Chairman)

**Hew Koon Chan**

**Tan Yee Peng**

**Koh Keng Siang**

**Bernard Wong Ee Yu**

**Tay Tze Wen** (Alternate Director to Koh Keng Siang)

## REMUNERATION COMMITTEE

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**Hew Koon Chan** (Chairman)

**Lai Wai Kit Andrew**

**Tan Yee Peng**

**Koh Keng Siang**

**Bernard Wong Ee Yu**

**Tay Tze Wen** (Alternate Director to Koh Keng Siang)

## JOINT COMPANY SECRETARIES

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**Ong Beng Hong**

**Tan Swee Gek**

## AUDITOR

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**PricewaterhouseCoopers LLP**

7 Straits View, Marina One

East Tower, Level 12

Singapore 018936

Partner-in-charge

**Lee Chian Yorn**

(appointed during the financial year ended 31 December 2021)

## SHARE REGISTRAR

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**B.A.C.S Private Limited**

77 Robinson Road

#06-03 Robinson 77

Singapore 068896

## SPONSOR

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**SAC Capital Private Limited**

1 Robinson Road

#21-01 AIA Tower

Singapore 048542

## INVESTOR RELATIONS

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**Cogent Media Pte Ltd**

203B Henderson Road

#12-08 Singapore 159546

Contact Person: Gerald Woon

Tel: (65) 6704 9287



**OILTEK**

优特科技国际有限公司

**OILTEK INTERNATIONAL LIMITED**

Company Registration Number: 202109778W  
(Incorporated in the Republic of Singapore)

15 Genting Road, Singapore 349493

Tel: (65) 6845 7265

[www.oiltek.com.my](http://www.oiltek.com.my)