BROMAT

BROMAT HOLDINGS LTD.

ANNUAL REPORT 2023

CONTENTS

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 the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made, or reports contained in this annual report.

The contact person for the Sponsor is Ms. Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

CORPORATE **PROFILE**

Established in 1981, Bromat Holdings Ltd. (formerly known as No Signboard Holdings Limited.) (the "**Company**", together with its subsidiaries, the "**Group**") is a leading lifestyle Food and Beverage ("**F&B**") player in Singapore. The Group started out as a Seafood Restaurant chain in its founding years and diversified into other food and beverage concepts.

In 2024, the Group acquired Dining Haus Pte. Ltd. which provides institutional catering services to clients at various industrial sites in Singapore.

The Group has also taken the opportunity to re-brand "nosignboard Shen Jian" to "Shang Society" and has re-opened at a new location at 33 Erskine Road in January 2025.

"Shang Society" is a brand-new lifestyle F&B concept by the Group and will feature the signature items from nosignboard Shen Jian including the signature pan-fried pork bun "Sheng Jian Bao" and "Rainbow Sheng Jian". The "Sheng Jian Bao" is a small hand-made pan-fried pork bun filled with succulent moist minced meat with pork base broth placed raw into an enormous griddle pan and fried on open fire. The buns have a crusty bottom and tender dough.

The Group was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 30 November 2017. For more information, please visit https://bromat.sg/.

LETTER TO **SHAREHOLDERS**

DEAR SHAREHOLDERS,

The Board of Directors of Bromat Holdings Ltd. ("**Company**" or together with its subsidiaries, the "**Group**"), is pleased to present our Annual Report 2023 for the financial year ended 30 September 2023 ("**FY2023**").

Year In Review

FY2023 was an exceptionally challenging year for the Group in various aspects, compounded by the ongoing suspension of the trading of its shares on Singapore Exchange since January 2022.

We are very thankful to our shareholders for their patience throughout this difficult period and for their continued support as the management team, board of directors, together with the assistance of various parties, worked tirelessly towards the trading resumption of our shares.

The Group finally embarks on a new chapter when it resumed trading of its shares on 15 March 2024.

F&B Market Outlook

Looking ahead into 2024 and beyond, there are some key factors at play that will continue to shape and determine the outlook for the F&B industry in Singapore: (1) addressing labour shortages; (2) changing consumer preferences; and (3) managing of cost of raw materials, rental and labour will propel F&B establishments and/or brands to maximize their seating capacity, resume outlet expansion, generate higher table turnover rates and more sales receipts.

Key Priorities Going Forward

The Group is currently focused on expanding its existing businesses.

We remain steadfast in our core strategy to transform the Company into an F&B entity with multiple brands, generating multiple revenue streams. We urge our shareholders to exercise patience, faith and support in our management's vision as we propel the Group into our next era of growth to unlock greater shareholder value moving forward.

Appreciation

The Board would like to thank Mr. Francis Ding and Mr Benjamin Cho, who have stepped down from their role as Independent Directors of the Company, for their many years of service and contributions to the Group. The Board would also like to thank Mr Lim Teck-Ean, who will stepping down as a director and CEO from 13 May 2025 for having successfully led the completion of the Company's trading resumption.

Most importantly, we would like express our heartfelt gratitude to all our valued customers, vendors, creditors and business partners for their continual support throughout the years as we emerge from a difficult period in the Group's history.

LETTER TO **SHAREHOLDERS**

We would also like to take this opportunity to thank all our management and staff for their hard work, relentless commitment and contributions to the Group especially in these tough and challenging times.

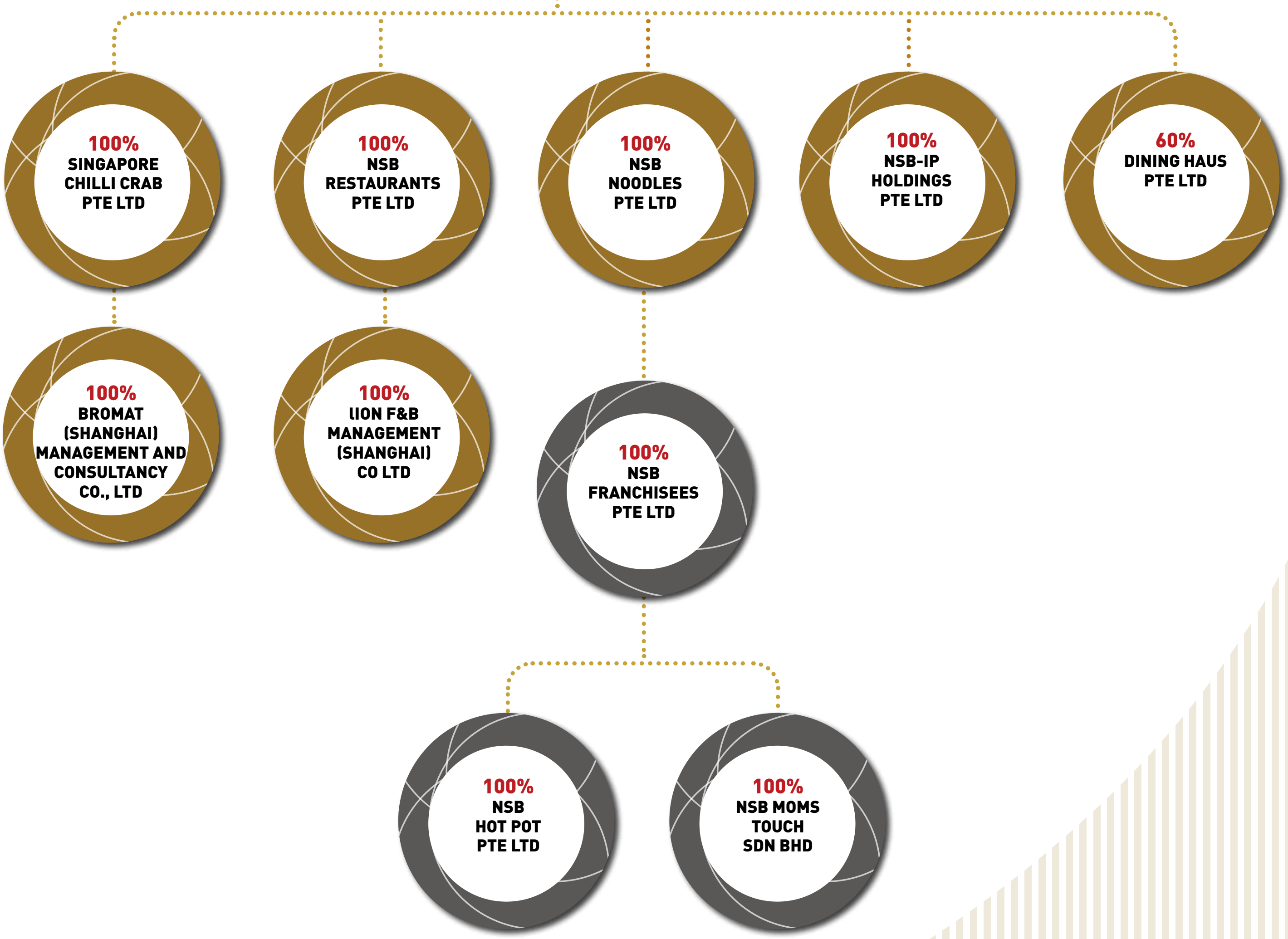
Last but not least, the Board would like to extend our warmest appreciation to our valued shareholders for their unwavering faith and support in the strategic direction of the Group. We will continue to persevere and strive hard to improve their shareholder returns as we build towards a sustainable future.

By Mr Tan Keng Tiong

Executive Director and Acting CEO

On behalf of the Board

OUR CORPORATE **STRUCTURE**



OUR **BUSINESS**

DINING HAUS

In February 2024, Bromat diversified into the institutional catering business through the acquisition of Dining Haus Pte. Ltd. ("**Dining Haus**").

Dining Haus is an institutional catering and staff cafeteria management company in the provision of institutional catering services to clients at various industrial sites in Singapore, including semiconductor and maritime sites.

OUR BUSINESS

33 Erskine Road #01-13
The Scarlet Hotel
Singapore 069333

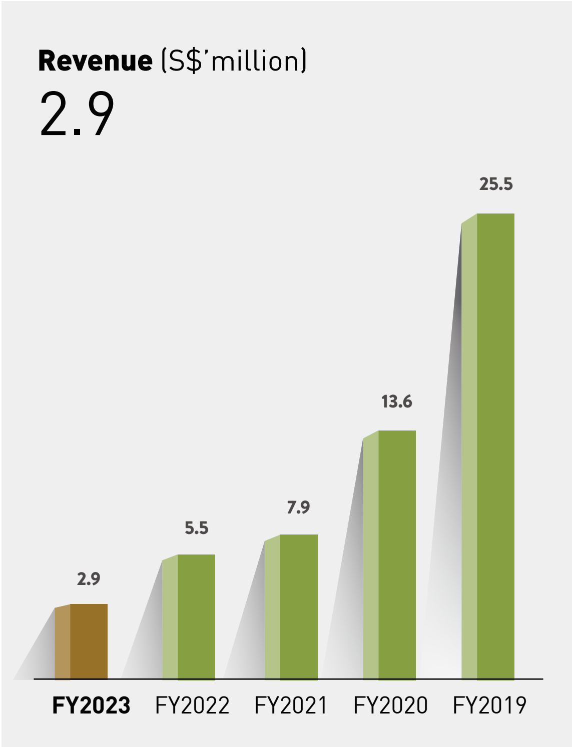
SHANG SOCIETY

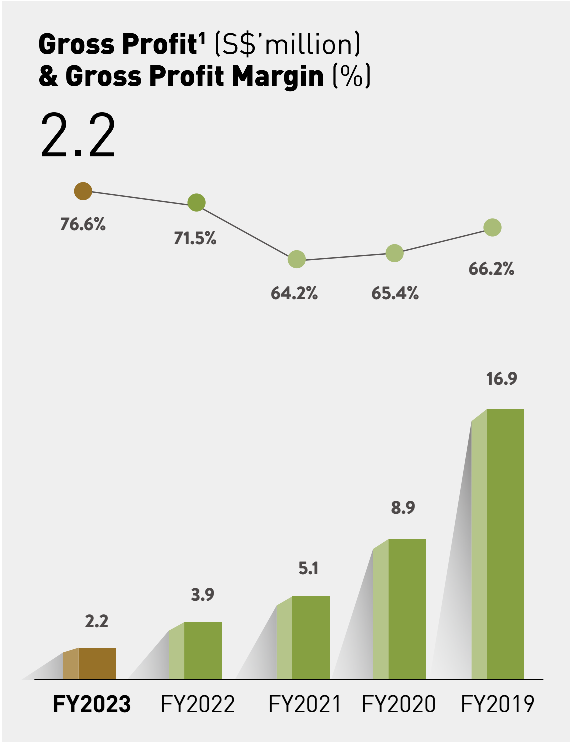
A brand-new lifestyle F&B concept by the Group and it features handcrafted dim sum dishes and the signature items from nosignboard Shen Jian including the signature pan-fried pork bun "Sheng Jian Bao" and "Rainbow Sheng Jian". The "Sheng Jian Bao" is a small hand-made pan-fried pork bun filled with succulent moist minced meat with pork base broth placed raw into an enormous griddle pan and fried on open fire. The buns have a crusty bottom and tender dough.

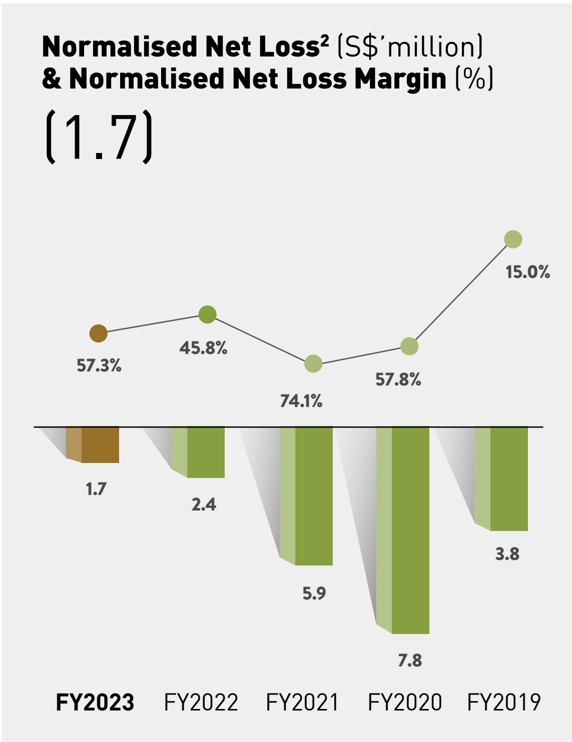
Shang Society will also feature popular Singapore style dishes crafted with the utmost care.

The flagship outlet is located at Scarlet Hotel, Singapore and is opened for business in January 2025.

FINANCIAL **HIGHLIGHTS**







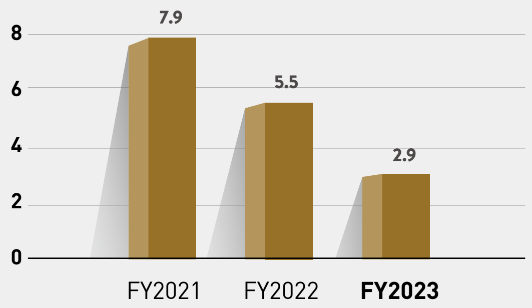
1 Excludes one-off items – impairment of goodwill, intangible assets, other assets, plant and equipment and right-of-use assets.

2 For comparison purpose, without consideration of SFRS(I)16.

* The financial highlights include outlets such as NSB Seafood and Mom's Touch, that have since closed after 30 September 2021.

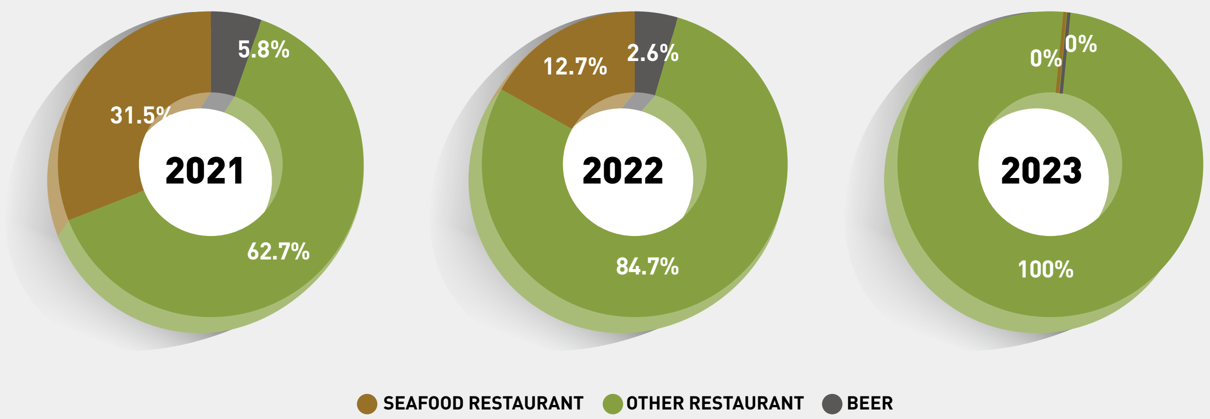
FINANCIAL & **OPERATIONS REVIEW**

Revenue (in S$'million)



Bromat Holdings Limited (formerly known as No Signboard Holdings Limited)(the "**Company**", together with its subsidiaries, the "**Group**") revenue decreased by 47.1% from S$5.5 million for the year ended 30 September 2022 ("**FY2022**") to S$2.9 million for the year ended 30 September 2023 ("**FY2023**"). The Group's overall revenue was impacted by the financial performance across all of its business segments as it right-sized its number of outlets and subsidiaries.

REVENUE CONTRIBUTION

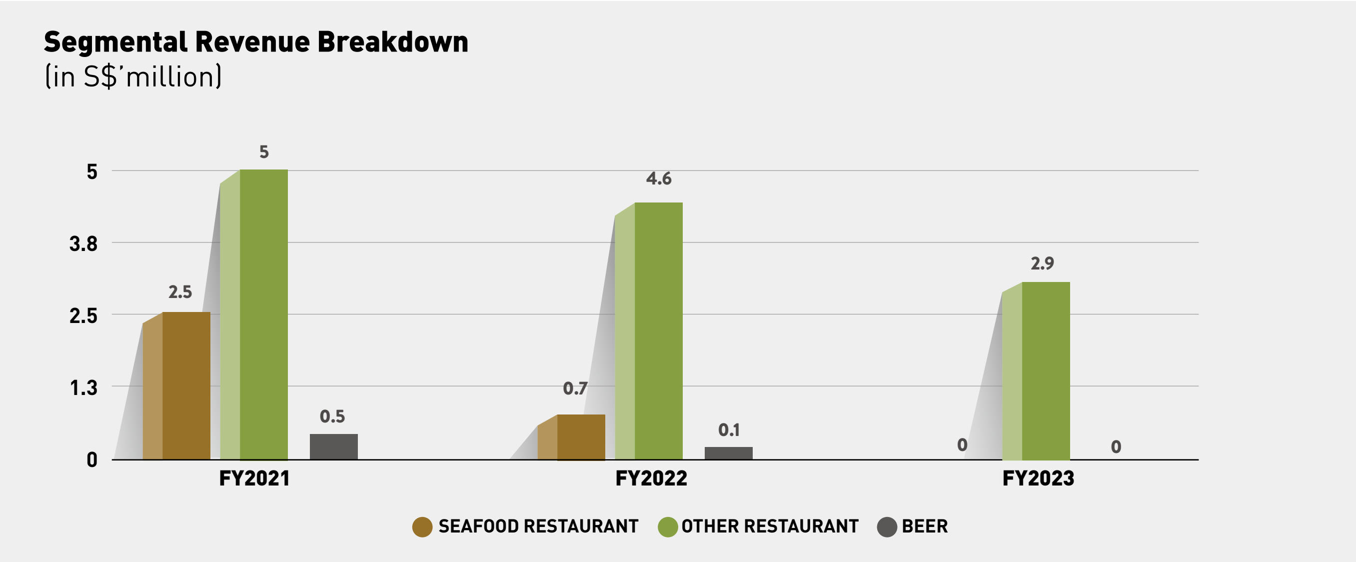


The Seafood Restaurant business contributed Nil of the Group's overall revenue in FY2023, declining from 12.7% in FY2022. This was mainly attributed to the closure of its Vivocity and Esplanade outlets in November 2021 and March 2022 respectively.

Revenue contribution from the Group's key revenue driver, Other Restaurant business continued to grow from 84.7% in FY2022 to 100% in FY2023 as the Group continued pivoting its Food and Beverage ("**F&B**") focus towards other concept businesses – Hotpot and Sheng Jian restaurants. The Group embarked on a journey in late 2018 to diversify into multiple restaurants and brands that aimed to generate multiple income streams and to lower its cost structure.

Following the Voluntary Creditors' Liquidation ("**VCL**") of the Beer business in March 2022, this segment contributed Nil of the Group's revenue in FY2023, down from 2.6% in FY2022.

FINANCIAL & OPERATIONS REVIEW



Other Restaurant

The Group generated a revenue of S$2.9 million in FY2023 for its Other Restaurant business, a decrease of S$1.7 million or 37.0% as compared to S$4.6 million in FY2022 mainly due to the lower consumer demand for the existing outlets, being Little Sheep Hotpot at Orchard Gateway and nosignboard Shen Jian at Northpoint [1].

Seafood Restaurant

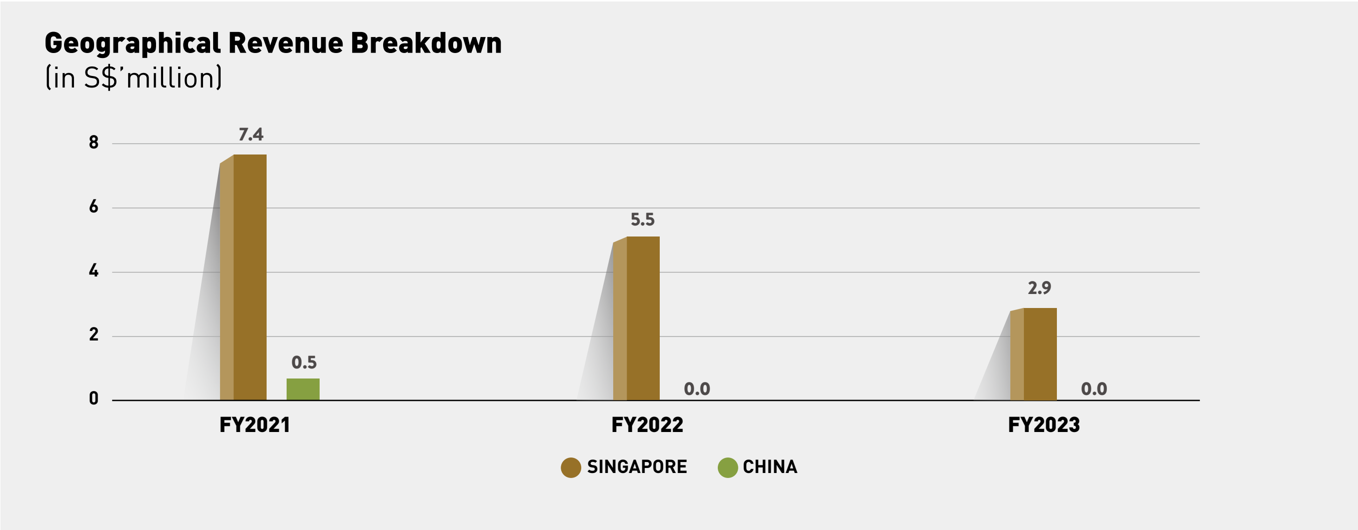
Revenue contribution from the Group's Seafood Restaurant business was down to Nil million in FY2023 versus S$0.7 million in FY2022 as a result of the closure of both its Vivocity and Esplanade outlets in November 2021 and March 2022 respectively.

Beer

The Group's Beer business contributed revenue of S$Nil revenue in FY2023 versus S$0.1 million in FY2022 as Danish Breweries Pte Ltd was put under creditors' liquidation in March 2022.

(1) The 2 outlets are closed with effect from September 2024.

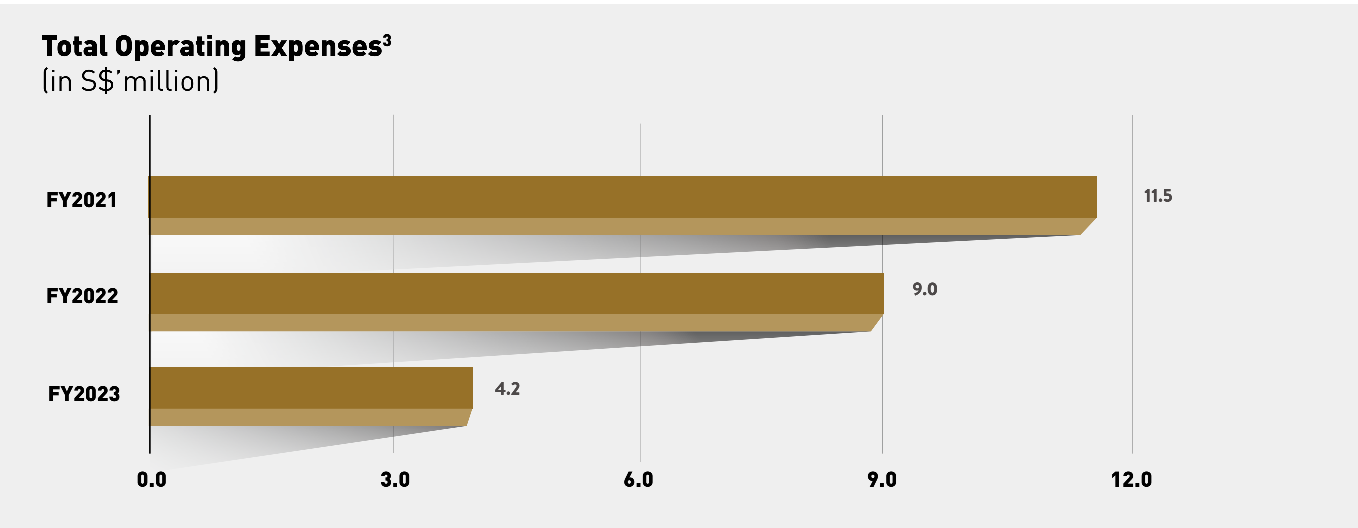
FINANCIAL & OPERATIONS REVIEW



In FY2023 and FY2022, the Group derived 100.0% of its revenue operating F&B businesses in Singapore only as the Group has closed all its overseas operations.

Other Income

Other income decreased by 92.1% from S$2.6 million in FY2022 to S$0.2 million in FY2023 mainly due to a reduction in one-off gain on liquidation of subsidiaries recognised of S$0.1 million in FY2023 as compared to S$1.6 million recognised in FY2022.



3 Total Operating Expenses = total raw materials and consumables used and changes in inventories + employee benefits expense + other operating expenses + rental expense

FINANCIAL & **OPERATIONS REVIEW**

The Group spent 56.5% lesser in total raw materials and consumables used and changes in inventories of S$0.7 million in FY2023 versus S$1.6 million in FY2022 due a corresponding decrease in revenue.

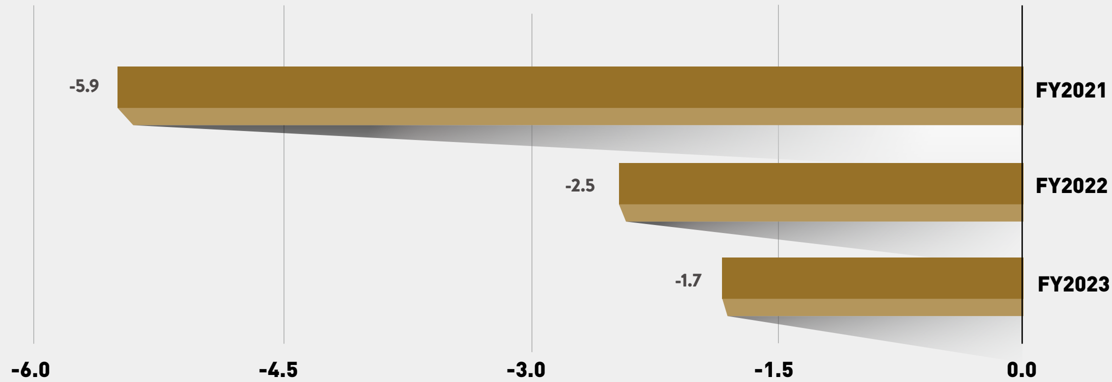
Employee benefits saw a reduction of of 52.0% from S$3.8 million in FY2022 to S$1.8 million in FY2023 due to a decrease in staff headcount and related staff costs as a result of outlets closure.

Other operating expenses decreased by 49.8% from S$3.2 million in FY2022 to S$1.6 million in FY2023 due to decrease in operating expenses from outlets closure and liquidation of subsidiaries.

The Group incurred 66.8% lesser in depreciation and amortisation expense of S$0.5 million in FY2023 as compared to S$1.4 million in FY2022 due to termination and/or expiry of leases, plant and equipment and right-of-use assets that have been fully written down and/or impaired as at the end of FY2022.

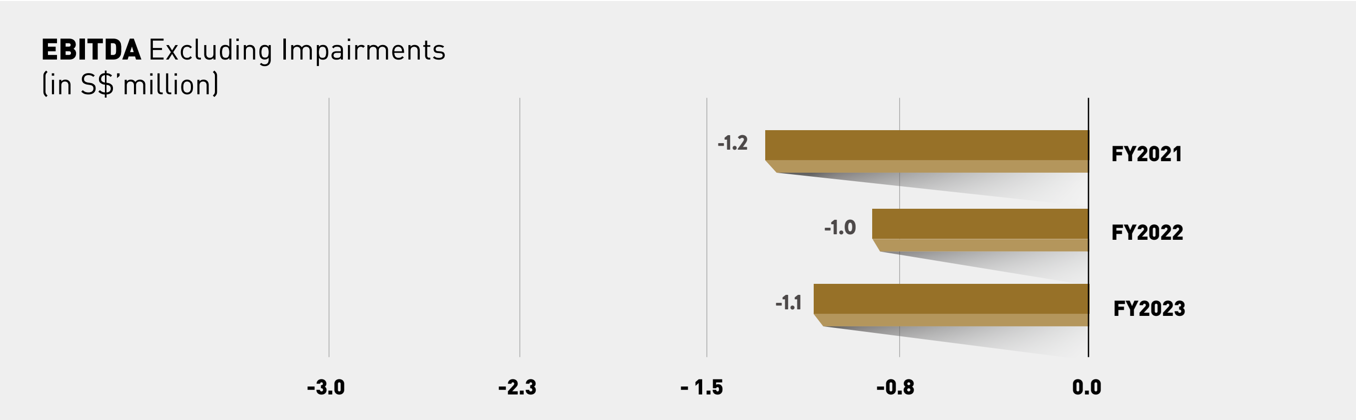
Finance costs went down by 45.9% from S$0.2 million in FY2022 to S$0.1 million in FY2023 mainly attributed to lower interest portion of its lease liabilities.

Net Losses After Tax Excluding Impairments
(in S$'million)

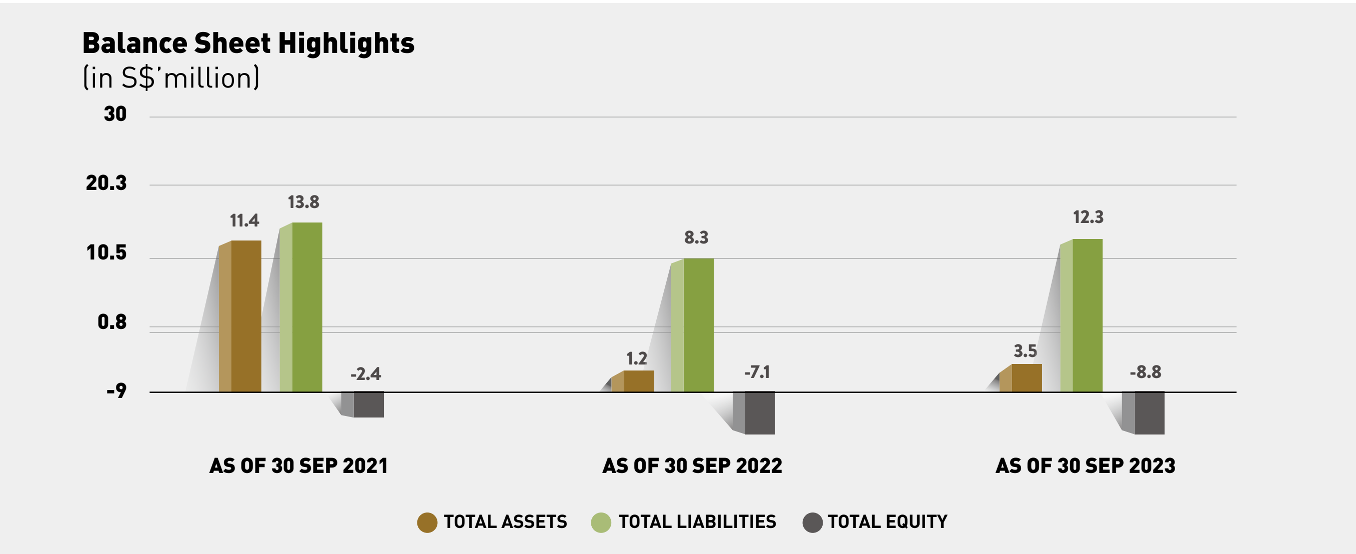


On a positive note, the Group managed to reduce its net loss after tax excluding impairments from S$2.5 million in FY2022 to S$1.7 million in FY2023.

FINANCIAL & **OPERATIONS REVIEW**



The Group's negative EBITDA remain fairly constant at S$1.0 million in FY2022 vs S$1.1 million in FY2023.



Current assets increased from S$0.5 million as at 30 September 2022 to S$3.2 million as at 30 September 2023, mainly due to the increase in cash and bank balances arising from the advance deposits received from the Gazelle Ventures Pte Ltd ("**Gazelle**"), which has been used for working capital purposes.

Total non-current assets decreased from S$0.7 million as at 30 September 2022 to S$0.4 million as at 30 September 2023, mainly due to depreciation on the right-of-use ("**ROU**") assets of S$0.4 million and depreciation in plant and equipment of S$0.1 million.

As a result of the above, total assets increased from S$1.2 million as at 30 September 2022 to S$3.5 million as at 30 September 2023.

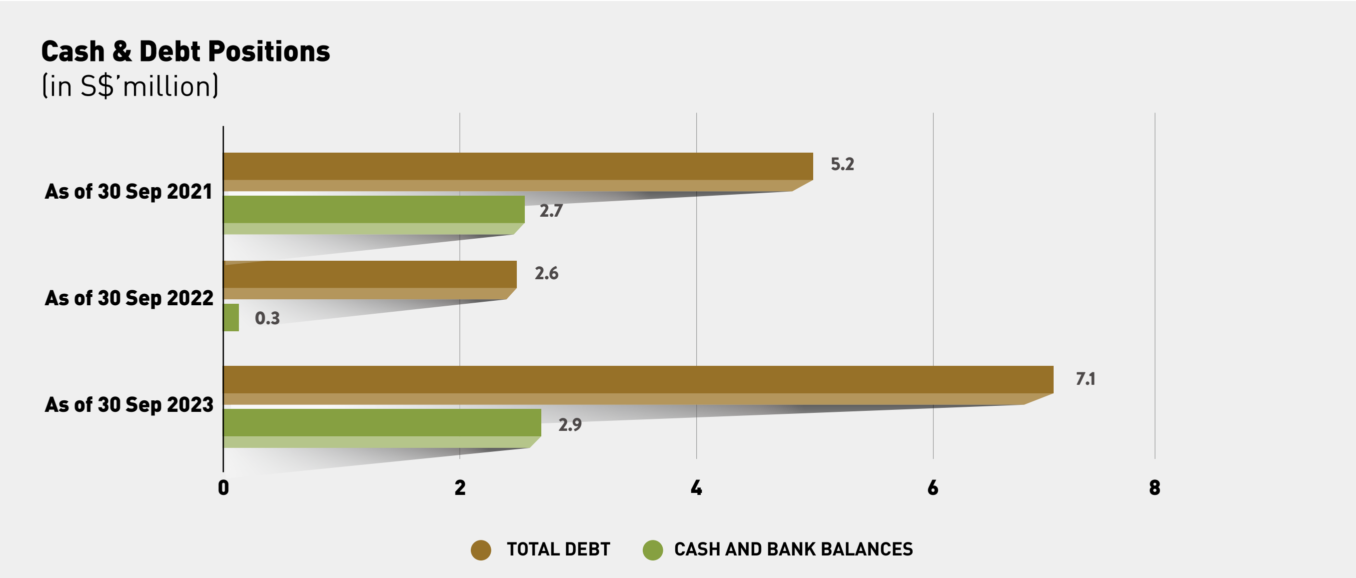
Total current liabilities increased from S$7.1 million as at 30 September 2022 to S$12.1 million as at 30 September 2023, mainly due to increases in: (i) borrowings of S$4.55 million arising from advance deposits received from Gazelle which has been accounted for as current borrowings, and (ii) trade and other payables by S$0.4 million.

Total non-current liabilities decreased from S$1.2 million as at 30 September 2022 to S$0.2 million as at 30 September 2023 mainly attributable to decrease in non-current lease liabilities of S$1.0 million due to payments made during the year.

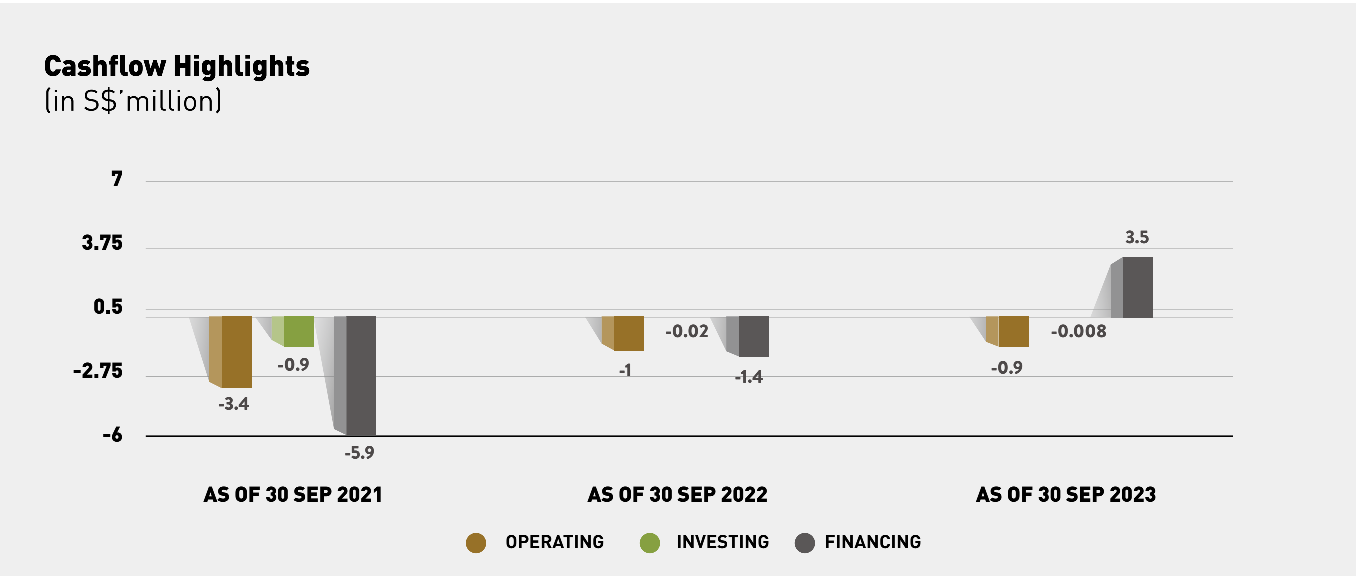
Overall, total liabilities were higher at S$12.3 million as at 30 September 2023 as compared to S$8.3 million as at 30 September 2022.

Group's total equity deteriorated from negative S$7.1 million as at 30 September 2022 to negative S$8.8 million as at 30 September 2023 due to the Group's loss incurred for the year.

FINANCIAL & OPERATIONS REVIEW



As of 30 September 2023, the Group cash and bank balances was S$2.9 million while loan and borrowing stood at S$7.1 million.



The Group's net cash used in operating activities as of 30 September 2023 amounted to S$0.9 million was mainly attributable to working capital usage for the Group.

The Group's net cash used in investing activities amounted to S$8,154 as of 30 September 2023, mainly due to purchase of plant and equipment.

The Group's net cash generated from financing activities amounted to S$3.5 million as of 30 September 2023, mainly due to the advance deposits received from Gazelle of S$4.6 million which is offset by payments of lease liabilities of S$0.9 million.

CORPORATE **INFORMATION**

REGISTERED OFFICE

Company Registration No:
201715253N
18 Sin Ming Lane
#06-26 MidView City
Singapore 573960
Tel: (65) 6749 9959
Fax: (65) 6749 7768

Website
www.bromat.sg

BOARD OF DIRECTORS

Mr Frank Liu Tao
Non-Executive and Non-Independent Director
(appointed on 6 January 2025)

Mr Lim Teck-Ean
Executive Director and Chief Executive Officer (resigned and will cease to be the Executive Director and Chief Executive Officer on 13 May 2025)

Mr Tan Keng Tiong
Executive Director and Acting Chief Executive Officer (appointed as the Acting Chief Executive Officer on 27 January 2025)

Mr Lo Kim Seng
Lead Independent Director

Mr Low See Lien
Independent Director (appointed on 15 October 2024)

Mr Yuan Wang
Independent Director (appointed on 24 January 2025)

NOMINATING COMMITTEE

Mr Lo Kim Seng (Chairman)
Mr Low See Lien
Mr Yuan Wang

AUDIT COMMITTEE

Mr Low See Lien (Chairman)
Mr Lo Kim Seng
Mr Yuan Wang

REMUNERATION COMMITTEE

Mr Yuan Wang (Chairman)
Mr Lo Kim Seng
Mr Low See Lien

COMPANY SECRETARIES

Ms Ong Beng Hong
Ms Lee Yuan

SPONSOR

SAC Capital Private Limited
1 Robinson Road
#21-01 AIA Tower
Singapore 048542
Tel: (65) 6232 3210
Registered professional:
Ms. Tay Sim Yee

INDEPENDENT AUDITORS

PKF-CAP LLP
6 Shenton Way
OUE Downtown 1 #38-01
Singapore 068809

Partner-in-charge: Ang Kok Keong
(Appointed with effect from the financial year ended 30 September 2022)

SHARE REGISTRAR

In.Corp Corporate Services Pte. Ltd.
36 Robinson Road
City House #20-01
Singapore 068877

BOARD OF **DIRECTORS**

MR FRANK LIU TAO

Non-Executive and Non-Independent Director

Appointed on 6 January 2025

Mr. Frank Liu Tao ("**Mr. Liu**") joined Stone Container Corporation, world leading manufacturer of container board, as the Chief Representative of China in 1987. In 1991, he was made CEO of Greater China. He was later recruited by An Hui An He International Trust & Investment Corp in 1992 as the President. An He International was the first financial joint venture of its kind in mainland China during the early 90s era. Mr. Liu started his own investment company and led a few successful investments, including Fushouyuan (HK01448) and "789" a popular hotpot chain in China. In 2000, Mr. Liu set up Gao Sheng Investment Corporation to acquire a commercial property in the heart of People's Square of Shanghai. He then further invested into a few other well-known Unicorn of its time, such as the popular book and music web application "Himalaya" in China.

Mr. Liu graduated from Beijing Union University with a degree in Business Administration in 1987. He furthered his education at Columbia University Graduate School of Business and graduated as a member of Columbia Senior Executive Program in 1999.

MR YUAN WANG

Independent Director

Appointed on 24 January 2025

Mr. Yuan Wang ('**Mr. Wang**") is an architect by profession. Upon graduation, he joined PTW Architects in Sydney. Over the years, he collaborated with renowned architects like Jean Nouvel and Norman Foster, completing multiple Sydney landmarks and winning many international awards. Mr. Wang is passionate about public building design, he returned to China and joined Perkins Will, a top North American design firm. There, he led the expansion and design of educational and healthcare projects in the Greater China region.

With dual registration from The Royal Australian Institute of Architects ("RAIA") in Australia and The Royal Institute of British Architects ("RIBA") in UK, Mr. Wang has over 14 years of project experience across Australia, China, and other Asian countries. In 2016, he founded EVA Architects. Since then, the firm has won prestigious awards, including being named an A&D 40 under 40 architect in Asia and among China's top 50 talented firms. EVA Architects aims to be client - centric, balancing aesthetics and budgets. He is experienced in project management, finance, critical thinking and strategic business planning.

Mr. Wang graduated as an Architect from University of Sydney. He furthered his education at Harvard Business School as a member of the Senior Executive Leadership Program 17.

LIM TECK-EAN

Executive Director and Chief Executive Officer

Appointed on 14 June 2022 (resigned and will cease to be the Executive Director and Chief Executive Officer on 13 May 2025)

Mr. Lim is responsible for the turnaround of the Group, and formulation the overall strategies for the Group. He is the a major shareholder of the Gazelle group of companies since 2006, and also a director of various privately-held companies under the Gazelle Group., a family office investment company, which has investments internationally ranging from property development to power generation.

Prior to his appointment, he served as an Executive Director of a SGX Mainboard listed company in charge of Business Development. Mr. Lim holds a Bachelor of Law (Honours) from University of Nottingham and a Bachelor of Commerce from University of Sydney.

TAN KENG TIONG

Executive Director and Acting Chief Executive Officer

Appointed on 14 June 2022 and re-designated as Acting Chief Executive Officer on 27 January 2025

Mr. Tan is responsible for the growth, sustainable investment strategies, and overseeing the day-to-day management of the group. He started his career early in 1987, managing and operating restaurants in Perth, Australia. Over the years, he branched out to successfully develop businesses in the manufacturing of equipment, marine offshore oil & gas and property investments. He is experienced in overseas business development, capital fundraising, corporate policy formulation, setting company goals, investment strategy, M&A deals and ensuring the profitability of the companies. Prior to Bromat, Mr. Tan was the Senior Vice President of a SGX Mainboard company.

Mr. Tan holds a Bachelor of Business degree from Curtin University of Technology. In 2010, he was awarded the Spring Singapore grant to pursue his Advance Management Programme. Mr. Tan completed his Master of Business Administration from Nanyang Technological University, Singapore and Advance Management Programme from Haas School of Business, University of California Berkeley, in November 2011.

LOW SEE LIEN

Independent Director

Appointed on 15 October 2024

Mr. Low See Lien ("**Mr Low**") is currently a partner at Baker Tilly TFW LLP. Mr. Low has more than 20 years of professional experience in audit and assurance-related projects, which includes clients in food and beverage sector, technology, media, manufacturing, and entertainment. He has also been involved in Initial Public Offerings as well as public debt offerings. Mr. Low graduated from Nanyang Technological University with a Bachelor's degree in accountancy and he is a fellow Chartered Accountant from the Institute of Singapore Chartered Accountants.

He is also the audit committee chairperson at Miyoshi Limited & Fuxing China Group Limited.

LO KIM SENG

Lead Independent Director

Appointed on 24 June 2020

Mr. Lo Kim Seng ("**Mr Lo**") is currently a Director of Bayfront Law LLC. His practice areas include capital markets, mergers and acquisitions, corporate and commercial law, serving primarily Singapore listed companies. Mr. Lo is admitted as an Advocate and Solicitor of Singapore and holds Master of Laws degrees from both National University of Singapore and London University. He was a trainer in the Corporate Governance Module of the Listed Company Directors Programme organized by the Singapore Institute of Directors.

Mr. Lo is also currently an Independent Director of Miyoshi Limited, Karin Technology Holdings Limited and Sevens Atelier Limited.

KEY MANAGEMENT

LOK PEI SAN

Group Chief Financial Officer

Ms. Lok was appointed as the Group Chief Financial Officer on 30 September 2019. In this role, she oversees the investors relation, corporate finance, treasury, financial reporting, tax, legal and risk management across the Group's businesses. She plays a key role in shaping the financial strategy and driving growth for the Group.

With extensive leadership experience in both listed and private companies, Ms. Lok has held senior financial leadership roles across diverse industries, with a strong focus in investment strategy, M&A, and capital markets transactions. Before joining the Group, she was the Corporate Controller at Zuellig Pharma's Regional Office. Prior to that, she served as Chief Financial Officer at Dnata Singapore Pte Ltd and Goodpack Limited, a company formerly listed on the Main Board of the SGX-ST.

Ms Lok graduated from National Technological University with a Bachelor of Accountancy and is a Chartered Accountant of Singapore (CA Singapore).

FINANCIAL **CONTENTS**

CORPORATE **GOVERNANCE REPORT**

The Board of Directors ("**Board**" or "**Directors**") of Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.) ("**Company**", and together with its subsidiaries, the "**Group**") is committed to high standards of corporate governance and has adopted the principles set out in the Code of Corporate Governance 2018 ("**Code**") and the accompanying practice guidance, which forms part of the continuing obligations of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

This report describes the corporate governance practices adopted by the Company for the financial year ended 30 September 2023 ("**FY2023**"). The Company has complied substantially with the requirements of the Code and the Catalist Rules, where they are applicable. The Company will continue to review its practices on an ongoing basis and has provided an explanation for any deviation from the Code, where applicable.

The Company will also continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure compliance with the Catalist Rules.

<u>BOARD MATTERS</u>

THE BOARD'S CONDUCT OF AFFAIRS

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

The Directors are fiduciaries who act objectively in the best interests of the Company and hold Management accountable for performance. The Board has an internal code of conduct and ethics, aims to set an appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company and guidelines are generally set out in the employee handbook of the Company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

Provision 1.1 of the Code

The Company is headed by an effective Board, comprising individuals with diversified backgrounds and who collectively bring with them a wide range of experience, to lead and control the Group. The Board is responsible for the overall business and management of the Group, and to protect and enhance the long-term value and returns for its shareholders. The Board's roles include:

(1) providing entrepreneurial leadership and approving board policies, corporate strategies, key operational initiatives, financial objectives of the Group and monitoring the performance of Management;

(2) reviewing the financial results and financial reporting of the Group ;

(3) establishing a framework of effective internal controls and evaluating the adequacy of internal controls and risk management;

(4) ensuring the Group's compliance with laws, regulations, policies, directives, guidelines and internal code of conduct and ethics;

Provision 1.1 of the Code

(5) approving the nomination of directors and appointment of key personnel;

(6) approving annual budgets, major funding, investments, divestment proposals and monitoring operations;

(7) approving the remuneration packages for the Board and key executives;

(8) identifying key stakeholder groups and ensuring accurate, adequate and timely reporting to and communication with shareholders; and

(9) assuming the role for the satisfactory fulfilment of social responsibilities of the Group.

CORPORATE **GOVERNANCE REPORT**

All Directors exercise due diligence and independent judgment and are obliged to act in good faith and make objective decisions in the best interests of the Company. Certain functions have been delegated by the Board to three main Board Committees, namely the Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") (collectively, "**Board Committees**"), which operate under clearly defined terms of reference and they play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference of the Board Committees are reviewed on a regular basis to ensure their continued relevance. The Chairman of the Board Committees reports the outcome of the Board Committees meetings to the Board.

Provisions 1.1 and 1.4 of the Code

Matters that are specifically reserved for the Board to decide include:

Provision 1.3 of the Code

(1) business strategy and planning and financial performance of the Company;

(2) establishment and maintenance of risk management and effective internal control system, including opening and closing of bank accounts, limits of authority for transactions;

(3) material financial commitments (including guarantees and indemnities to third parties in the ordinary course of business), acceptance of banking facilities;

(4) significant acquisition and disposal of assets/business and incorporation of any subsidiary or other form of related entities;

(5) entering into any joint ventures or partnerships or any other profit sharing agreement;

(6) identifying key stakeholder groups and establishment of shareholder communication policy, such as investor relations programme;

(7) calling of shareholders' meetings;

(8) disclosure of information and announcements;

(9) review and approval of financial results and annual budget;

(10) appointment of new directors and sub-committees;

(11) approval of terms of reference of sub-committees and codes of best practices;

(12) proposal relating to remuneration of the Board;

(13) appointment and cessation of executive management and company secretary;

(14) material interested person transactions, matters involving conflict of interest for a substantial shareholder or a Director and assuming responsibility for corporate governance practices; and

(15) formulating sustainability policies and programs and setting the Company's values and standards.

The Board will conduct scheduled meetings on a quarterly basis to review and deliberate on the key activities and business strategies of the Group, including reviewing and approving acquisitions, financial performance, and to endorse the release of the quarterly and annual financial results. Ad-hoc meetings will be held where necessary, to address significant issues. Important matters concerning the Group are also put to the Board for its decision by way of written resolutions. Where expedient, Board meetings will be held by way of teleconference or video conference, which is permitted by the Constitution of the Company.

Provision 1.5 of the Code

CORPORATE GOVERNANCE REPORT

The following table sets out the attendance of each Director at the Board and Board Committees meetings held during FY2023:

Name of Directors	Board No. of meetings		AC No. of meetings		NC No. of meetings		RC No. of meetings	
	held	attended	held	attended	held	attended	held	attended
Mr Lim Yong Sim (Lin Rongsen) ("**Mr Sam Lim**") [1]	5	4	5*	4*	2*	2*	1*	1*
Mr Lo Kim Seng	5	4	5	4	2	1	1	1
Mr Francis Ding Yin Kiat ("**Mr Francis Ding**")	5	5	5	5	2	2	1	1
Mr Benjamin Cho Kuo Kwang ("**Mr Benjamin Cho**")	5	4	5	4	2	2	1	1
Mr Lim Teck-Ean [2]	5	5	5*	5*	2*	2*	1*	1*
Mr Tan Keng Tiong [3]	5	5	5*	5*	2*	2*	1*	1*
Mr Low See Lien [4]	–	–	–	–	–	–	–	–
Mr Frank Liu Tao [5]	–	–	–	–	–	–	–	–
Mr Yuan Wang [6]	–	–	–	–	–	–	–	–

Notes:
* By invitation.

(1) Mr Sam Lim was placed on a leave of absence as the Chief Executive Officer ("**CEO**") of the Company with effect from 4 August 2023 and ceased to be an Executive Director with effect from 20 March 2024.

(2) Mr Lim Teck-Ean was appointed as a Non-Executive Director of the Company on 14 June 2022 and was re-designated as an Executive Director and appointed as the interim CEO of the Company on 10 October 2023 and appointed as CEO of the Company on 20 June 2024. Mr Lim Teck-Ean has resigned and will cease to be the Executive Director and CEO on 13 May 2025.

(3) Mr Tan Keng Tiong was appointed as a Non-Executive Director of the Company on 14 June 2022 and was re-designated as an Executive Director and appointed as Chief Operating Officer of the Company on 20 June 2024. Mr Tan Keng Tiong was subsequently appointed as the Acting CEO with effect from 27 January 2025, and accordingly ipso facto cease as the Chief Operating Officer of the Company on 27 January 2025.

(4) Mr Low See Lien was appointed as an Independent Director of the Company on 15 October 2024.

(5) Mr Frank Liu Tao was appointed as a Non-Executive and Non-Independent Director of the Company on 6 January 2025.

(6) Mr Yuan Wang was appointed as an Independent Director of the Company on 24 January 2025.

The NC considers that the multiple board representations held presently by the Directors and/or their other principal commitments do not impede their performance in carrying out their duties to the Company and it is not necessary at this juncture to put a maximum limit on the number of listed company board representations. Accordingly, the NC is satisfied that 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 to the Company.

Provision 1.5 of the Code

Upon joining the Board, all Directors were provided with an orientation to familiarise them with the Group's business, operations and the relevant regulations and governance requirements. Directors who do not have prior experience as directors of a public listed company in Singapore have undergone courses held by the Singapore Institute of Directors to familiarise themselves with the roles and responsibilities of a director of a public listed company in Singapore.

Provision 1.2 of the Code

As disclosed in the SGXNET Announcements in relation to the appointment of Mr Frank Liu Tao and Mr Yuan Wang as Directors of the Company, both Mr Frank Liu Tao and Mr Yuan Wang had no prior experience as a director of a listed company. They will attend the necessary training within 1 year from the date of their appointment.

The Company adopts a policy whereby Directors are encouraged to request further explanation, briefings or informal discussion on any aspect of the Group's operations or business issues from Management. The Directors will also be briefed on new updates in the requirements of the SGX-ST, Companies Act or other regulations/statutory requirements from time to time. Annually, the external auditors update the AC and the Board on the new and revised financial reporting standards that are applicable to the Company or the Group. Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of Directors' duties, responsibilities and obligations. Where appropriate, the Company will also fund the Directors' attendance at any training program. The Directors have open invitations to visit the Group's operating facilities to enable them to obtain a better perspective of the business and to enhance their understanding of the Group's operations.

CORPORATE GOVERNANCE REPORT

The Board as a whole is updated regularly on the latest corporate governance, listing practices, risk management matters and key changes to the relevant regulatory requirements and financial reporting standards, so as to enable them to properly discharge their duties as Board and Board Committees members. Mr Lo Kim Seng, Mr Lim Teck-Ean, Mr Tan Keng Tiong and Mr Low See Lien have attended the mandatory sustainability training, while Mr Frank Liu Tao and Mr Yuan Wang will attend the relevant trainings on the roles and responsibilities of a Director of a listed issuer as prescribed by the Exchange within one year from the date of their appointments.

Upon appointment of each Director, the Company issued a letter of appointment to the Director, setting out the Director's duties and obligations.

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

The Board has separate and independent access to the Management. Requests for information from the Board are dealt with promptly by the Management and the Management will provide all Directors with Board/Board Committee reports prior to the respective meetings. As a general rule, papers on specific subjects are sent to the Board in advance and are issued, where possible, in a timely manner to enable the Directors to obtain further explanations where necessary so that they are adequately informed prior to the meetings. Amongst others, the report provides information on the Company's performance, financial position and prospects. Provision 1.7 of the Code

The Directors have separate and independent access to the Joint Company Secretaries and external advisors (where necessary). The Joint Company Secretaries or their representative(s) administer attend and prepare all Board and Board Committee meetings. The Joint Company Secretaries are responsible for ensuring that procedures are followed and that the Company has complied with the relevant requirements of the Companies Act and all other rules and regulations that are applicable to the Company. The appointment and removal of the Joint Company Secretaries is a matter for consideration by the Board as a whole. Provision 1.7 of the Code

Each member of the Board may seek professional advice, subject to the approval of the Chairman, in furtherance of their duties and the costs of obtaining such professional 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 the Annual Report, the composition of the Board and Board Committees is as follows:

Name of Director	Board Membership	AC	NC	RC
Mr Frank Liu Tao (appointed on 6 January 2025)	Non-Executive and Non-Independent Director	–	–	–
Mr Lim Teck-Ean (resigned and will cease to be the Executive Director and CEO on 13 May 2025)	Executive Director and CEO	–	–	–
Mr Tan Keng Tiong (appointed as the Acting CEO on 27 January 2025)	Executive Director and Acting CEO	–	–	–
Mr Lo Kim Seng	Lead Independent Director	Member	Chairman	Member
Mr Low See Lien (appointed on 15 October 2024)	Independent Director	Chairman	Member	Member
Mr Yuan Wang (appointed on 24 January 2025)	Independent Director	Member	Member	Chairman

As at the date of the Annual Report, the Chairman of the Board ("**Chairman**") has not been appointed. However, in any case, Non-Executive Directors comprise a majority of the Board which enables the board to exercise independent and objective judgement on corporate affairs.

CORPORATE **GOVERNANCE REPORT**

During FY2023, and prior to Mr Sam Lim's leave of absence as CEO on 4 August 2023, and his subsequent resignation as CEO, Director and Executive Chairman on 20 March 2024, Independent Directors comprised half of the Board. Notwithstanding this, the Board, through the NC, examined its size and composition and is of the view that the composition of the Board for FY2023 demonstrated sufficient independence and was appropriate for effective decision-making. To address the issue of independence, the Board has also put in place a Lead Independent Director, who is available to shareholders where they have concerns. Independent Directors also comprised half of the Board and were able to ensure that no individual or group is able to dominate the Board's decision-making process. As at the date of the Annual Report, Non-Executive Directors make up a majority of the Board which is in compliance with Provision 2.3 of the Code.

Provision 2.2 of the Code
Provision 2.3 of the Code

The independence of each Independent Director is reviewed by the NC. The criteria for independence are determined based on the definition provided in the Code. The independence of each Director is assessed and reviewed at least annually by the NC. In its deliberation as to the independence of a Director, the NC takes into account examples of relationships as set out in the Code. The Board considers an Independent Director as one who has no relationship with the Company, its related companies, its substantial Shareholders or officers with shareholdings of 5% or more in the voting shares of the Company that could interfere or be reasonably perceived to interfere with the exercise of the Directors' independent judgement of the Group's affairs. The NC has reviewed, determined and confirmed the independence of each Independent Director.

Provisions 2.1 and 4.4 of the Code

In relation to the assessment of the independence of the Directors, specific tests of Directors' independence have been hardcoded into the Catalist Rules to clarify that these circumstances which deemed Directors not to be independent should be applied without any exceptions. Under Rules 406(3)(d) the Catalist Rules which took effect on 1 January 2019, it stipulates that a Director will not be considered as independent if he is employed by the issuer or any of its related corporations for the current or any of the past three (3) financial years; or if he has an immediate family member who is employed or has been employed by the issuer or any of its related corporation for the current or any of the past three (3) financial years, and whose remuneration is determined by the remuneration committee of the issuer; or if he has been a director of the issuer for an aggregate period of more than nine years (whether before or after listing). In this regard, the Independent Directors have confirmed that they and their respective associates do not have any employment relationships with the Company or any of its related corporations for the current or any of the past three (3) financial years.

Provisions 2.4 of the Code

The background of each director is set out in the "Board of Directors" section of this Annual Report. The Board comprises Directors with a broad management skills and relevant experience to the Group. The Board is of the view that as at the date of the Annual Report, with more than half of the Directors being independent, there is a strong independent element on the Board. This is to ensure that there is effective representation for shareholders and issues of strategy, performance and resources are fully discussed and examined to take into account long-term interest of shareholders, employees, customers, suppliers and the industry in which the Group conducts its business.

There are no Independent Directors who have served on the Board beyond nine years from the date of his first appointment.

The search and nomination process for new directors, if any, will be through search companies, contacts and recommendations to cast its net as wide as possible for the right candidate. The NC determines the selection criteria in consultation with the Board and identifies candidates with the appropriate expertise and experience for the appointment as new director. The NC will shortlist candidates for interview before nominating the most suitable candidate to the Board for approval.

Provision 4.3 of the Code

The size and composition of the Board are reviewed from time to time by the NC to ensure that the size of the Board is conducive for effective discussion and there is sufficient diversity without interfering with efficient decision-making. The NC also reviewed and ensured that the Board has an appropriate balance of independent directors. The Board is of the view that the current board size and composition is appropriate, taking into account the nature and scope of the Group's operations, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees. With the introduction of Rule 710A of the Catalist Rules effective from 1 January 2022, the Board has since adopted a Board Diversity Policy which sets out the approach to achieve diversity of the Board. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in maintaining the Company's competitive advantage.

Provision 2.4 of the Code

CORPORATE **GOVERNANCE REPORT**

Pursuant to the Board Diversity Policy, the NC reviews annually the structure, size and composition of the Board and, where appropriate, makes recommendations on changes to the Board to complement the Company's corporate strategy and to ensure that there is an appropriate composition of members of the Board with suitably diverse backgrounds to meet the Group's operational and business requirements.

In assessing the Board Composition, the NC would take into account various aspects as well as factors concerning Board diversity as set out in the Company's Board Diversity Policy, including but not limited to gender, age, cultural and educational background, ethnicity, professional qualifications and experience, skills, knowledge, industry and regional experience. All Board appointments will be based on merits, and the NC will consider candidates against objective criteria, having due regard for the benefits of diversity on the Board.

The NC reviews the Board Diversity Policy, as and when appropriate and at least on an annual basis, to ensure its effectiveness and practicality including setting measurable objectives (if necessary) and will recommend appropriate revisions to the Board for consideration and approval.

The Board is of the view that power is not unduly concentrated in the hands of one individual nor is there any compromised accountability and independent decision-making as all major decisions and policy changes are conducted through the respective Board Committees, all of which are chaired by the Independent Directors.

The Directors hold core competencies such as accounting, finance and legal expertise, business and management experience, industry knowledge, strategic planning experience and customer-based experience and knowledge.

The Independent Directors and Non-Executive Director contribute accounting and finance knowledge, legal expertise and business management experience to the Group, and provide the Executive Director and the Management with diverse and objective perspectives on issues considered by the Board.

The Board will discuss and agree annually on the relevant measurable targets and timelines for promoting and achieving diversity on the Board and make its recommendations with accompanying plans and timelines for consideration and approval by the Board. The targets may involve at any given time, one or more aspects of board diversity with different timelines for achievement.

The Board is committed to ensuring diversity on the Board including but not limited to appropriate balance and mix of skills, knowledge, experience, age and the core competencies of accounting or finance, legal and regulatory, business or management experience, and strategic planning to foster constructive debate regardless of gender. The Board, taking into account the views of the NC, considers that the current board composition provides an appropriate balance and diversity of skills, experiences and knowledge of the Company that will provide effective governance and stewardship for the Group, avoid groupthink, and foster constructive debate. The Board advocates for women's board representation and targets to achieve 20% by 2026 and 40% by 2030.

To facilitate a more effective review of Management and/or on a need basis, the Independent Directors communicate on an ad-hoc basis without the presence of the Management and Executive Directors to review any matters that may be raised privately.

Provision 2.5 of the Code

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.

During FY2023, Mr Sam Lim was the Executive Chairman of the Board and also the CEO of the Company until his leave of absence as CEO on 4 August 2023 and resignation as CEO, Director and Executive Chairman on 20 March 2024. Following Mr Sam Lim's leave of absence on 4 August 2023, Mr Lim Teck-Ean was appointed as the Interim CEO on 10 October 2023 and appointed as CEO on 20 June 2024. The Board recognises the Code's recommendation that the Chairman and the CEO should be separate persons to ensure that there is an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

Deviated from provision 3.1 of the Code

CORPORATE GOVERNANCE REPORT

The Board is of the view that accountability and independence were not compromised in FY2023 despite the Chairman and CEO being the same person. With half of the Board comprising Independent Directors, the Board is of the view that there is sufficient element of independence and adequate safeguards against a concentration of power in one single person. All decisions of the Board are based on collective decision-making without any individual or small group of individuals influencing or dominating the decision making process. In addition, the NC and Board are of the view that given the Group structure and business scope, Mr Sam Lim, the founder of the Company, was, at the material time, in the best position to lead the Board as Executive Chairman and the split of roles of the Chairman and CEO would not be meaningful.

At the date of the Annual Report, the Chairman of the Board has not been appointed. The Company intends to keep the roles of the Chairman and CEO 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.

Provision 3.2 of the Code

As CEO, Mr Lim Teck-Ean is responsible for the Group's strategic direction, corporate development and planning and investor relations. Mr Lim Teck-Ean has resigned and will cease to be the Executive Director and CEO on 13 May 2025. As such, Mr Tan Keng Tiong has been re-designated as acting CEO on 27 January 2025. The Company will consider to appoint a Chairman of the Board when the need arises.

The Board has appointed Mr Lo Kim Seng as the Lead Independent Director and he is available to Shareholders where they have concerns which contact through the channels of the Executive Chairman, CEO and/or Executive Director has failed to resolve such concerns or where it is inappropriate to do so.

Provision 3.3 of the Code

Where necessary, the Independent Directors will hold discussions separately without the presence of the other directors. The Lead Independent Director will lead these discussions and provide feedback to the Board after such discussions.

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 Board, through the delegation of its authority to the NC, has used its best efforts to ensure that Directors appointed to the Board possess the relevant background, experience and knowledge in business, finance and management skills to enable the Board to make effective decisions.

On 15 October 2024, members of the NC, Mr Francis Ding and Mr Benjamin Cho had resigned as Independent Directors of the Company. Mr Low See Lien and Mr Yuan Wang were appointed as Independent Directors of the Company and members of the NC on 15 October 2024 and 24 January 2025 respectively.

As at the date of this Annual Report, the NC comprises three Independent Directors, namely, Mr Lo Kim Seng (Chairman of the NC), Mr Low See Lien and Mr Yuan Wang.

Provision 4.2 of the Code

The scope and responsibilities of the NC include:-

(1) identifying, reviewing and recommending candidates for nomination for appointment and reappointment of Directors, key management personnel and the members of the various committees;

Provision 4.1 of the Code

(2) reviewing the Board structure, size and composition and making recommendations to the Board with regard to any adjustments that are deemed necessary;

(3) reviewing the strength and assessing the effectiveness of the Board as a whole;

(4) determining on an annual basis the independent status of Directors;

CORPORATE **GOVERNANCE REPORT**

(5) deciding whether or not a director is able to and has been adequately carrying out his duties as a director of the Company, particularly when he has multiple board representations;

(6) overseeing the management, training and professional development and succession planning of the Group;

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

(8) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel; and

(9) the review of training and professional development programmes for the Board and its directors.

Provision 4.5 of the Code

The NC is responsible for identifying and recommending new Directors to the Board, after considering the necessary and desirable competencies. In identifying suitable candidates for the appointment of new Directors, the NC will consider all relevant channels to recruit any new candidates including referrals, use of the service of external advisors to facilitate a search and also consider candidates with the appropriate qualifications and working experience from internal or external sources. The NC will evaluate the suitability of the nominee or candidate based on his/her qualifications, business and related experience, commitment, ability to contribute to the Board process and such other qualities and attributes that may be required by the Board. The NC will then recommend their nominations to the Board for consideration. When new Directors are appointed, the NC also ensures that they are aware of their duties and obligations. The Board is also advised by the Sponsor on the appointment of directors as required under Catalist Rule 226(2)(d).

The NC will review the composition of the Board and its Board Committees annually to ensure that the Board has the appropriate mix of expertise and experience to enable the Management to benefit from a diverse perspective of issues that are brought before the Board. The Board, taking into account the scope and nature of the operations of the Group, is of the view that its current size and the composition of the Board and its Board Committees are appropriate to meet the Company's objectives and facilitates effective decision-making.

Pursuant to Regulations 117 and 118 of the Constitution of the Company, at least one-third of the Directors shall retire by rotation at every annual general meeting ("**AGM**") and a retiring director shall be eligible for re-election. Mr Lim Teck-Ean has resigned and will not be seeking re-election. Mr Tan Keng Tiong will be retiring by rotation and, being eligible, will be seeking re-election at the forthcoming AGM. The NC and has reviewed and considered the qualification, work experience and suitability of Mr Tan Keng Tiong for re-appointment as director of the Company and recommended them to the Board of Directors for re-election.

Pursuant to Regulation 122 of the Constitution of the Company, Mr Frank Liu Tao, Mr Low See Lien and Mr Yuan Wang who were appointed on 6 January 2025, 15 October 2024 and 24 January 2025 respectively, shall retire and shall be eligible for re-election at the forthcoming AGM. The NC has reviewed and considered the qualifications, work experience and suitability of Mr Frank Liu Tao, Mr Low See Lien and Mr Yuan Wang for re-appointment as directors of the Company and recommended them to the Board of Directors for re-election. Mr Low See Lien and Mr Yuan Wang are considered independent for the purpose of Rule 704(7) of Catalist Rules.

Each member of the NC shall abstain from voting on any resolutions in respect to his re-nomination as a Director.

Provision 4.4 of the Code

The NC determines the independence of Directors annually following the guidelines set out in the Code and is of the opinion that the Board is able to exercise objective judgment on corporate affairs independently and that the Board's decision-making process is not dominated by any individual or small group of individuals. The NC considers that the multiple board representations held presently by the directors and/or their other principal commitments do not impede their performance in carrying out their duties to the Company and it is not necessary at this juncture to put a maximum limit on the number of listed company board representations. The Board has considered and is satisfied that the Directors of the Company are able to and has adequately carried out his duties as a director of the Company.

CORPORATE GOVERNANCE REPORT

Currently, the Company does not have alternate directors.

The key information regarding Directors such as academic and professional qualifications, Board Committees served, directorships or chairmanships both present and past held over the preceding five years in other listed companies and other major appointments, whether the appointment is executive or non-executive are set out on page 149 of this Annual Report.

Provision 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.

Performance evaluation of the Board, Board Committees and individual directors is aimed at giving directors an opportunity to gauge their effectiveness individually and collectively. It also helps to ensure continual improvement in the Board's decision-making process as it provides a benchmark by which future performance can be measured.

Provision 5.1 of the Code

The Board has a formal process to be carried out by NC for assessing the effectiveness of the Board as a whole taking into account a set of objective performance criteria recommended by the NC which includes, inter alia, Board composition and size, Shareholders' access to information, Board processes, Board effectiveness, Board standards of conduct and financial performance indicators. The NC conducted an assessment of the efficiency and effectiveness of the Board functions as a whole, assessment of the Board Committees and each individual Director and assessment of the contribution by the Chairman in FY2023. The assessment report was reviewed by the Board and the recommendations were discussed with a view to improve the overall effectiveness of the Board. The NC is of the view that the performance of the Board as a whole has been satisfactory.

Provision 5.2 of the Code

The Board has not engaged any external facilitator in conducting the assessment of the Board's and Board Committees' performance and the performance of individual Directors. Where relevant, the NC will consider such engagement.

Each member of the NC shall abstain from voting on any resolution in respect of the assessment of his performance or re-nomination as Director.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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

On 15 October 2024, members of the RC, Mr Francis Ding and Mr Benjamin Cho had resigned as Independent Directors of the Company. Mr Low See Lien and Mr Yuan Wang were appointed as Independent Directors of the Company and member of the NC on 15 October 2024 and 24 January 2025 respectively.

Provision 6.2 of the Code

Provision 6.1 of the Code

As at the date of this Annual Report, the RC comprises three Independent Directors, namely, Mr Yuan Wang (Chairman of the RC), Mr Lo Kim Seng and Mr Low See Lien.

The RC's responsibilities include:

(1) recommending a framework of remuneration for the Board and key executives;

(2) reviewing and recommending to the Board the remuneration packages and terms of employment of the CEO, senior executives of the Group and employees who are related to Executive Directors and controlling shareholders.

(3) reviewing the design of any long-term incentive schemes for approval by the Board and shareholders and to determine whether the Executive Directors and key management personnel should be eligible for benefits under long-term incentive schemes;

(4) reviewing the Company's obligations arising in the event of termination of the executive directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC should aim to be fair and avoid rewarding poor performance; and

(5) reviewing the ongoing appropriateness and relevance of the remuneration policy in place for each director, key management personnel and employees who are immediate family members of a director or CEO.

There is a formal and transparent procedure for fixing the remuneration packages of individual directors. No Director is involved in deciding his own remuneration. In addition to the RC's responsibilities as stated above, the RC is also responsible for reviewing and recommending to the Board, the remuneration packages for all directors, taking into account the current market circumstances and the need to attract directors of experience and good standing.

The RC has full authority to engage any external professional advice on matters relating to remuneration as and when the need arises. The expense of such services shall be borne by the Company. No independent remuneration consultants were engaged in FY2023 to review the remuneration of the Executive Directors. In reviewing the service contracts of the Executive Directors and key management personnel, the RC will review the Company's obligations arising in the event of termination of these service contracts, to ensure that such service contracts contain fair and reasonable termination clauses which commensurate with industry norms and their past contributions. The RC aims to be fair and avoid rewarding poor performance.

Provision 6.4 of the Code
Provision 6.3 of the Code

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.

As part of its review, the RC will cover all aspects of remuneration including but not limited to directors' fees, salaries, allowances, bonuses, shares and benefits-in-kind. The RC will take into account the industry norms, the Group's performance as well as the contribution and performance of each Director when determining remuneration packages. The RC and the Board are of the view that the remuneration of the Directors is adequate but not excessive in order to attract, retain and motivate them to run the company successfully.

Provision 6.3 and 7.3 of the Code

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

Provision 7.1 of the Code
Provision 7.3 of the Code

Independent Directors have no service contracts. Separate service agreements have been entered into with the CEO and COO, which are renewable thereafter unless otherwise terminated by either party giving not less than four months' notice in writing to the other.

Provision 7.2 of the Code

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

Provision 8.3 of the Code

The Company's long term incentive plans includes the Company's Employee Share Option Scheme. ("**ESOS**") and the Company's Performance Share Plan ("**PSP**"). One of the key objectives of these incentive plans is to provide employees an opportunity to participate in the equity of the Company and to enhance its competitive edge in attracting, recruiting and retaining talented key management personnel and employees. The Company believes that the share-based plans, as long term incentive schemes will align the interests of its employees with those of its shareholders.

The Company does not have contractual provisions to reclaim incentive components of remuneration from Executive Directors and key management personnel. The Executive Directors and key management personnel owe a fiduciary duty to the Company. The Board should be able to avail itself to remedies against the Executive Directors and key management personnel in the event of such breach of their fiduciary duties.

CORPORATE GOVERNANCE REPORT

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 following tables show a breakdown of the remuneration of Directors and key management personnel for FY2023.

Provision 8.1 of the Code

Directors' Remuneration

Name of Directors	Salary	Bonus	Directors' Fees	Total
Below $250,000				
Mr Sam Lim[1]	–	–	–	–
Mr Lo Kim Seng	–	–	100%	100%
Mr Francis Ding Yin Kiat[2]	–	–	100%	100%
Mr Benjamin Cho Kuo Kwang[2]	–	–	100%	100%
Mr Lim Teck-Ean[3]	–	–	–	–
Mr Tan Keng Tiong[4]	–	–	–	–
Mr Low See Lien[5]	–	–	–	–
Mr Frank Liu Tao[6]	–	–	–	–
Mr Yuan Wang[7]	–	–	–	–

Notes:

(1) Mr Sam Lim was placed on a leave of absence as CEO of the Company with effect from 4 August 2023 and ceased to be an Executive Director with effect from 20 March 2024.
(2) Mr Francis Ding and Mr Benjamin Cho have resigned on 15 October 2024.
(3) Mr Lim Teck-Ean was appointed as a Non-Executive Director of the Company on 14 June 2022 and was re-designated as an Executive Director and appointed as the interim CEO of the Company on 10 October 2023 and appointed as CEO of the Company on 20 June 2024. Mr Lim Teck-Ean has resigned and will cease to be the Executive Director and CEO on 13 May 2025.
(4) Mr Tan Keng Tiong was appointed as a Non-Executive Director of the Company on 14 June 2022 and was re-designated as an Executive Director and appointed as Chief Operating Officer of the Company on 20 June 2024. Mr Tan Keng Tiong was subsequently appointed as the Acting CEO with effect from 27 January 2025, and accordingly ipso facto cease as the Chief Operating Officer of the Company on 27 January 2025.
(5) Mr Low See Lien was appointed as an Independent Director of the Company on 15 October 2024.
(6) Mr Frank Liu Tao was appointed as a Non-Executive and Non-Independent Director of the Company on 6 January 2025.
(7) Mr Yuan Wang was appointed as an Independent Director of the Company on 24 January 2025.

The breakdown for the remuneration of the Company's key management personnel (who are not Directors or the CEO) in FY2023 is as follows:

Name of Key Management Personnel	Salary	Bonus	Incentive and other benefits	Total
Between $250,000 and $500,000				
Ms Lok Pei San	97%	–	3%	100%

The RC ensures that the remuneration package of employees related to Executive Directors and controlling shareholders of the Group is in line with the Group's staff remuneration guidelines and commensurate with their respective job scope and level of responsibilities. The aim of the RC is to motivate and retain such executives and ensure that the Group is able to attract the best talent in the market in order to maximise shareholders' value.

Provision 8.2 of the Code

There was no employee of the Group whose remuneration exceeds S$100,000 and who is an immediate family member of any Directors or substantial shareholders of the Company during FY2023.

CORPORATE **GOVERNANCE REPORT**

There were no termination, retirement and post-employment benefits that were granted to Directors and key management personnel as of the date of this report other than (i) the resignation agreement that has been entered into with Mr Lim Teck-Ean upon his resignation; and (ii) a settlement agreement ("**Settlement Agreement**") entered into between the Company, Mr Lim Yong Sim, GuGong Pte Ltd and Mattar Road No Signboard Seafood Restaurant ("**Parties**"). Under the terms of the Settlement Agreement, Parties agree to release and discharge the each other and each member of the Board from all existing claims, demands and/or liabilities and in respect of existing claims; and (iii) the Company shall convey, transfer and assign the "No Signboard" trademarks to GuGong Pte Ltd for a sale price of S$10,000.

The Company's ESOS and PSP are administrated by RC. According to the ESOS and PSP, total options and share awards shall not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) on the date preceding the granting of the share awards or share options. The remuneration received by the Executive Directors takes into consideration the Group's performance and their individual performance and contribution towards the overall performance of the Group. Their remuneration is made up of fixed and/or variable compensations. The fixed compensation consists of an annual base salary and allowances. The variable compensation is based on the level of achievement of corporate and individual performance objectives. The terms of their employment agreements and remuneration packages are subject to review by the RC. There are no excessive or onerous clauses in these service agreements. In view of the foregoing, the RC confirms that the level and structure of remuneration are aligned with the long-term interest and risk management policies of the Group.

In view of the confidentiality of the remuneration policies of the Company, the Board is of the opinion that it is in the best interests of the Group to disclose the remuneration of its Directors and key management personnel in salary bands.

Deviated from Provision 8.3 of the Code

ACCOUNTABILITY AND AUDIT

The results and other relevant information on the Company are disseminated via SGXNET and are also available on the Company's website at www.bromat.sg.

In presenting the quarterly announcement of the results, the Board aims to provide shareholders with a balanced and comprehensive assessment of the Group's performance, financial positions and prospects on a quarterly basis.

To enable the Board to fulfill its responsibilities, management reports are made available regularly to all the Directors that include updates on the performance of the Company and all its subsidiaries. The Management is accountable to the Board and the Board is accountable to shareholders.

With reference to the Catalist Rules and Code, the Board and Board Committees had reviewed, revised and adopted the changes to the Board Committees' terms of reference to ensure their continued relevance.

Management maintains regular contact and communication with the Board by various means including the preparation and circulation to all Board members of periodic and full year financial statements of the Group. This allows the Board to monitor the Group's performance and position as well as the Management's achievements of the goals and objectives determined and set by the Board.

The Board takes adequate steps to ensure compliance with legislative and statutory requirements, and observes obligations of continuing disclosure under the Catalist Rules. The Management reviews and provides relevant compliance reports for the Board's approval. For issues relating to the Group's business development, the Board also provides the Shareholders with periodic updates and reports through announcements where necessary.

RISK MANAGEMENT AND INTERNAL CONTROLS

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

The Board is responsible for the overall internal controls framework and acknowledges that the system of internal controls 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 internal controls in place will address the financial, operational, compliance and information technology risks, and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss and that Shareholders' investments and the Group's assets are safeguarded. The Board will commission an annual internal control audit to review and take appropriate steps to strengthen the Group's overall system of internal controls.

Provision 9.1 of the Code

CORPORATE **GOVERNANCE REPORT**

The Board and Management assume the responsibility of the risk management function. Management is responsible for designing, implementing and monitoring the risk management and internal control systems. Management reviews regularly the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Management reviews significant policies and procedures and highlight significant matters to the Board.

In performing its functions, the AC:

(a) had full access to and assistance of the Management and the discretion to invite any director and executive officer to attend its meetings;

(b) had been given reasonable resources to enable it to discharge its functions properly; and

(c) had the express powers to conduct or authorise investigation into any matters within its terms of reference.

The Group will engage an independent internal audit firm to independently review the Group's internal controls and practices as and when deemed required. During the FY2023, the Company has appointed Messrs Baker Tilly Consultancy (Singapore) Pte Ltd to carry out an independent internal audit review on the Group's key operational processes in Singapore based on the approved internal audit plans.

The Company's external auditors, Messrs PKF-CAP LLP, has also in the course of their annual statutory audit, carried out a review of the effectiveness of the Company's material internal controls over financial reporting as laid out in their audit plans. Material non-compliance and internal control weaknesses noted during their audit, and the auditors' recommendations, are reported to the AC.

The Board, through the AC, will annually review the adequacy and effectiveness of the Company's risk management and internal control systems including financial, operational, compliance and information technology controls, to ensure risk management and internal controls are in place. In this aspect, the AC reviews the audit plans, and the findings of the auditors and ensures that the Group follows up on auditors' recommendations raised, if any, during the audit process. The AC guides management to check and ensure the adequacy of the internal controls.

International bodies and national governments have imposed sanctions on certain activities or transactions with targeted jurisdictions, entities and persons, with the primary aim of achieving foreign policy or national security goals. The Board confirmed there has been no material change in its risk of being subject to any sanctions law. The Board and AC will be responsible for (a) monitoring the issuer's risk of becoming subject to, or violating, any sanctions law; and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities.

Provision 9.2 of the Code

For FY2023, the Board has received assurance from the CEO and the Chief Financial Officer that the financial records have been properly maintained, the financial statements give a true and fair view of the Company's operations and finances; and the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.

Based on the internal controls and risk management framework established and maintained by the Group, work performed by the internal and external auditors and reviews performed by management, various Board Committees and the Board, the Board, with the concurrence of the AC, are of the opinion that the Group's internal controls, addressing financial, operational and compliance risks and those related to information technology systems and risk management systems are adequate and effective for FY2023, pursuant to Catalist Rule 1204(10).

CORPORATE **GOVERNANCE REPORT**

AUDIT COMMITTEE

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

On 15 October 2024, members of the AC, Mr Francis Ding and Mr Benjamin Cho had resigned as Independent Directors of the Company. Mr Low See Lien and Mr Yuan Wang were appointed as Independent Directors of the Company and member of the AC on 15 October 2024 and 24 January 2025 respectively.

As at the date of this Annual Report, the AC comprises three Independent Directors, namely, Mr Low See Lien (Chairman of the AC), Mr Lo Kim Seng and Mr Yuan Wang.

The AC is established to assist the Board with discharging its responsibility of safeguarding the Group's assets, maintaining adequate accounting records, and developing and maintaining effective systems of risk management and internal controls. The Board is of the opinion that at least 2 members of the AC possess the necessary accounting or related financial management qualifications, expertise and experience in discharging their duties. Provision 10.2 of the Code

No former partner or director of the Company's existing auditing firm or auditing corporation, within a period of 24 months from the date of his ceasing to be a partner of the auditing firm or director of the auditing corporation, is appointed to the AC. Provision 10.3 of the Code

The principal responsibilities of the AC include:

(1) recommending to the Board of Directors the external auditors to be nominated, and approving the compensation of the external auditors. It also reviews the scope and results of the audit, its cost-effectiveness, and the independence and objectivity of the external auditors;

(2) reviewing with the external auditors and Management, the significant risks or exposures that exist and the steps Management has taken to manage such risks to the Company; Provision 10.1(d) of the Code

(3) reviewing with the Chief Financial Officer and external auditors at the completion of the full year financial results: Provision 10.1(c) of the Code

(a) audit issues of the Group;

(b) any significant findings and recommendations of the external auditors together with Management's responses thereto;

(c) the external auditors' evaluation of the system of internal controls and reporting to the Board on the adequacy and effectiveness of the internal controls; Provision 10.1(b) of the Code

(d) the external auditors' reports;

(e) the assistance given by Management and the staff of the Company to the external auditors, including any concerns encountered during the course of audit;

(f) interested person transactions ("**IPTs**") falling within the scope of Chapter 9 of the Listing Manual;

(4) reviewing at least annually the adequacy and effectiveness of the company's internal controls and risk management systems;

(5) reviewing quarterly results and full year financial statements for submission to the Board for its approval; Provision 10.1(c) of the Code

(6) considering legal and regulatory matters that may have a material impact on the financial statements, related exchange compliance policies and reports received from regulators; Provision 10.1(a) of the Code

(7) an assessment on whether there is a need to obtain independent legal advice or appoint a compliance adviser in relation to the sanctions-related risks applicable to the Company and continuous monitoring of the validity of the information provided to shareholders and SGX.

CORPORATE **GOVERNANCE REPORT**

(8) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and

Provision 10.1(f) of the Code

(9) oversight and monitoring of whistleblowing reports.

Minutes of the AC meetings are submitted to the Board for its information and review. To create an environment for open discussion on audit matters, the AC meets with the external auditors and internal auditors, without the presence of Management, at least once a year. The AC has met with the external auditors and internal auditors, without the presence of the Management during FY2023.

Provision 10.5 of the Code

The AC has full access to and co-operation of the Management and has full discretion to invite any Director or key management personnel to attend the meetings and has reasonable resources to enable it to discharge its functions. The external auditors and internal auditors have unrestricted access to the AC.

The AC will assess the independence of the external auditors annually. The aggregate amount of fees paid to the external auditors of the Group for FY2023 was $150,000 of which $4,800 was for non-audit services. The AC is satisfied that the nature and extent of such non-audit services would not prejudice the independence and objectivity of the external auditors.

Messrs PKF-CAP LLP ("**PKF**"), the external auditors of the Company during FY2023, is an auditing firm registered with the Accounting and Corporate Regulatory Authority. The AC had assessed the external auditors of the Company based on factors such as performance, adequacy of resources and experience of their audit engagement partners and audit team assigned to the Group's audit as well as the size and complexity of the Group, and is satisfied that the independence and objectivity of the external auditors was not affected during their engagement for FY2023. PKF had also provided a confirmation of their independence to the AC.

Provision 10.1(e) of the Code

For FY2023, the Company confirms that it is in compliance with Catalist Rules 712 and 715 in relation to the appointment of audit firms for the Group. No former partner or director of the Company's existing auditing firm has acted as a member of the AC.

The AC reviewed the financial statements of the Group and the Company before submitting them to the Board for its approval and the announcement of the financial results. The AC also considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with Management and the external auditors have been included as Key Audit Matters ("**KAM**") and the material uncertainty related to going concern in the Independent Auditors' Report for FY2023 from pages 73 to 76 of this Annual Report. In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of estimates and key assumptions used. The AC reviewed the KAM and concurred with the external auditors and the Management on their assessment, judgements and estimates on the significant matters reported in the KAM. The Board has reviewed the Company's ability to continue as going concern and the key considerations have been disclosed under Note 2.1 of the financial statement.

CORPORATE GOVERNANCE REPORT

Key audit matter (Extracted from Independent Auditors' Report for FY2023)	How the matter was addressed by the AC
<u>Impairment of right-of-use assets and plant and equipment</u> At 30 September 2023, the carrying values of the Group's right-of-use assets and plant and equipment were Nil. The Group has business segments in the management and operation of seafood restaurants and other restaurants. All the restaurant outlet operations incurred losses in the current financial year. Accordingly, management identified that the related right-of-use assets and plant and equipment of these outlets have indicators of impairment and performed impairment tests to determine their recoverable amounts. Based on the outcome of the impairment tests, the Group has recognised an impairment charge of $55,755 and $82,087 on the right-of-use assets and plant and equipment, respectively, of restaurant businesses. As disclosed in Notes 8 and 10, management determined the recoverable amounts of these outlets' right-of-use assets and plant and equipment based on value in use calculations, which require management to apply significant judgements and make assumptions on estimates supporting underlying projected cashflows. Given the heightened level of estimation uncertainty associated with current market condition and the significant management judgement involved in determining the recoverable amounts for the above mentioned assets which are significant to the Group, we consider this to be a key audit matter. As part of our audit, we obtained an understanding of management's impairment assessment process, including the method and the reasonableness of the key assumptions used to determine the recoverable amounts, in particular focusing on key assumptions such as discount rates. In our assessment and sensitivity analyses, we considered past, current and anticipated changes in the business and economic environment. We assessed those assumptions by comparing them to recent performance of the outlets based on conditions prevailing at the reporting date. We engaged our internal valuation specialists to assess reasonableness of the discount rates. We also performed sensitivity analyses on management's assumptions and discount rates in terms of the timing of the Group's plans to return its of operations to normalcy using different possible scenarios. We reviewed the adequacy of the disclosures made on the impairment of right-of-use assets and plant and equipment in Notes 8 and 10 to the financial statements.	The AC has considered the approach and methodology applied by the Management for the assessment of the recoverable amounts of the outlets' right-of-use assets and plant and equipment. The AC has also discussed the above with the external auditors and understands that the estimates used by the Management are reasonable for the purpose of determining the recoverable amounts. The auditors have included impairment as a key audit matter in the independent auditor's report for FY2023. This is set out on page 74 of this Annual Report.

The AC is kept updated on new changes to the accounting and financial reporting standards by the external auditors during the year.

CORPORATE **GOVERNANCE REPORT**

WHISTLE-BLOWING POLICY

The Company has put in place a Whistle-Blowing policy ("**WB Policy**"), whereby employees and any other persons may, in confidence, raise concerns about possible improprieties on matters of financial reporting or other matters. The objective of such arrangement is to ensure independent investigation of such matters and for appropriate follow-up action. The AC is responsible for oversight and monitoring of whistleblowing reports. The follow-up action to be taken will depend on the nature of the concern. Some concerns may be resolved by agreed action without the need for independent investigation.

Provision 10.1(f) of the Code

The Company shall maintain the confidentiality of the whistleblower(s) to the fullest extent reasonably practicable within the legitimate needs of the law and any ensuing evaluation or investigation. Complainant(s) who make a report in good faith will be protected from reprisals, victimization or harassment.

The public, our customers and other stakeholders can also report possible improprieties or provide other feedbacks through the Company's whistle-blowing email at whistleblow@bromat.sg. The Management reviews each correspondence received and escalates to the Board on any instances of potential improprieties. Independent investigations will be conducted and follow-up actions taken, if warranted.

As of the date of this Annual Report, there were no reports received through the whistle-blowing mechanism.

INTERNAL AUDIT

The Company has appointed Messrs Baker Tilly Consultancy (Singapore) Pte Ltd as the Company's internal auditors for the purposes of reviewing the effectiveness of the Company's material internal controls for FY2023. The role of the internal auditors is to assist the AC in ensuring that the controls are effective and functioning as intended, to undertake investigations as directed by the AC and to conduct regular in-depth audits of high risk areas.

The AC approves the engagement, discontinuation, evaluation and compensation of its outsourced internal auditors. The internal auditors have unfettered access to all the Group's documents, records, properties and personnel including access to the AC. The internal auditors report directly to the AC although they also report administratively to the CEO.

The internal auditors, Messrs Baker Tilly Consultancy (Singapore) Pte Ltd ("**Baker Tilly**") meets the standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. Baker Tilly is part of the 10th largest accounting global network providing a comprehensive range of services in the areas of assurance, tax, governance and risk, deal advisory, restructuring and recovery, outsourcing, corporate secretarial services and digital solutions, including blockchain, AI and cybersecurity. Baker Tilly's engagement team for the internal audit comprises an engagement partner, a manager, supported by a number of internal auditors. The engagement team is staffed by members with relevant experiences and possesses professional qualifications such as Chartered Accountant and Certified Internal Auditor designations. Baker Tilly is also a corporate member of the Institute of Internal Auditors of Singapore and the internal audit engagement is carried out in line with the standards as stipulated by the International Professional Practices Framework (IPPF) as set out by the Institute. The AC has reviewed the adequacy and effectiveness of the internal audit function on an annual basis and is satisfied that the Group's internal audit function is independent, effective and adequately resourced, staffed by suitably qualified and experienced professionals with the relevant experience.

Provision 10.4 of the Code

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treat 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.

In line with the continuous obligations of the Company under the Catalist Rules and the Companies Act 1967, the Board's policy is that all shareholders should equally and on a timely basis be informed of all major developments that impact the Group via SGXNET. The Company does not practice selective disclosure. Shareholders are informed of general meetings through the announcements released to the SGXNET and notices contained in the annual report or circulars sent to all Shareholders. The notice of AGM is also advertised in newspapers in Singapore and announced via the SGXNET. Shareholders are also informed on the procedures for the poll voting at general meetings.

CORPORATE GOVERNANCE REPORT

All Shareholders are entitled to attend and participate in the general meetings. If any Shareholders are unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through proxy forms sent in advance. In line with the amendments to the Companies Act 1967, corporate Shareholders of the Company who are "relevant intermediaries" as defined under Section 181(6) of the Companies Act 1967, are allowed to appoint more than two proxies to attend and vote on their behalf at general meetings.

Provision 11.1 of the Code

The Company's AGMs are the principal forums for dialogue with shareholders. Shareholders are encouraged to attend the Company's general meetings to ensure a high level of accountability and to stay appraised of the Group's strategies and growth plans. Notices of the meetings will be advertised in newspapers in Singapore and announced via the SGXNET. All resolutions will be voted by way of poll and announcement of the detailed results of the general meetings will be published on the same day and the Company has adopted electronic polling for the AGM.

The Company will publish the minutes of the AGM on the Company's website and SGXNET within one (1) month after the date of the AGM.

Each item of special business included in the notice of the general meetings is accompanied, where appropriate, by an explanation for the proposed resolution. Separate resolutions are proposed for each separate issue at the meeting.

Provision 11.2 of the Code

The Company has not amended its Constitution to provide for absentee voting methods at general meetings of Shareholders, which call for elaborate and costly implementation of a foolproof system for the purposes of authentication of shareholder identity and related security issues, the need for which does not arise presently.

Deviated from Provision 11.4 of the Code

The Chairman of the Board Committees will be present and available to address questions relating to the work of their respective board committees at general meetings. Shareholders are given the opportunity to air their views and ask Directors, Management and External auditors questions regarding the Company. The Company will make use of general meetings as a forum to gather views and address shareholders' concerns.

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. The Company shall publish the minutes of the AGM on SGXNET and the Company's website within one (1) month after the date of the AGM.

Provision 11.5 of the Code

The Company currently does not have a fixed dividend policy. The Board would consider establishing a dividend policy when appropriate. In considering the payment of dividend, the Board shall consider factors such as the Company's profits, cash flows, working capital and capital expenditure requirements, investment plans and other factors that the Board may deem relevant. No dividend is declared for FY2023 as the Group has not generated profit attributable to owners of the Company for FY2023.

Deviated from Provision 11.6 of the Code

ENGAGEMENT WITH SHAREHOLDERS

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

The Company believes in regular and timely communication with shareholders as part of its organisational development to build systems and procedures. Information is disseminated to shareholders on a timely and non-selective basis through:

- annual reports that are prepared and issued to all shareholders within the mandatory period;
- public announcements via the SGXNET;
- press releases; and
- the Company's website at www.bromat.sg which the shareholders can access information on the Group.

CORPORATE GOVERNANCE REPORT

The Company does not practise selective disclosure. Price/trade sensitive information is first publicly released before the Company meets with any group of investors or analysts. All shareholders of the Company will be able to access the annual report with notice of AGM via SGXNET and the Company's corporate website within the mandatory period.

By supplying shareholders with reliable and timely information, the Company is able to strengthen the relationship with its shareholders based on trust and accessibility. Although the Company does not have an investor relations policy, through the Company's regular, transparent and timely communications, shareholders, investing public and media are kept updated on the Group's corporate development and financial performance.

Deviated from Provision 12.2 of the Code

To enable shareholders to contact the Company easily, the contact details of the IR personnel are set out in the corporate information page of the Annual Report as well as on the Company's website. The IR personnel have procedures in place for responding to investors' queries as soon as applicable. We provide financial performance and business development updates to the investment community through one-to- one meetings, analysts briefings, conference calls, corporate day events and media interviews.

Provisions 12.1 and 12.3 of the Code

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

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

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. Through regular stakeholder engagement, the Company identifies and reviews material issues that are most relevant and significant to the company and its stakeholders. For external stakeholders, priority is given to issues important to the society and applicable to the Company. The Company ensures that there are regular and up-to-date communication about the Company's corporate social responsibility ("**CSR**") policies and activities to its stakeholders and there are appropriate feedback mechanisms to monitor and evaluate how the Company is doing and explore new possibilities stimulated by stakeholder responses. The Company views its sustainability report as being a critical component of this continuous cycle of communication and evaluation.

Provision 13.1 of the Code

Stakeholders of the Company include, but are not limited to, the future generation, employees, customers, suppliers and the community. The Company's strategy and key areas of focus in relation to the management of stakeholder relationships during the year are set out in the company's Sustainability Report which can be found on pages 41 to 68 of this Annual Report.

Provision 13.2 of the Code

The Company maintains a corporate website at www.bromat.sg to communicate and engage with stakeholders. Please also refer to the Sustainability Report for further details on the Company's approach on stakeholders engagement.

Provision 13.3 of the Code

DEALINGS IN SECURITIES

The Company has adopted an internal Code of Best Practices on Securities Transactions to provide guidance to its officers with regard to dealings in the securities of the Company in compliance with principles of Catalist Rule 1204(19).

In general, officers are encouraged to hold shares in the Company but are prohibited from dealing in shares:

- in the period commencing two weeks before the announcement of the quarterly financial results or one month before the announcement of the Company's full-year financial statements, as the case may be, and ending on the date of the announcement of the relevant results.
- at any time while in possession of price/trade- sensitive information.

CORPORATE GOVERNANCE REPORT

Directors and employees are expected not to deal in the Company's securities on short-term considerations and to observe insider trading laws at all times. All senior managers of the Company are required to notify their dealings in the Company's shares within two market days of transaction.

INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has adopted an internal policy in respect of any transaction with interested person and has set out the procedures for review and approval of the Company's IPTs to ensure they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

The Group does not have a general mandate from shareholders for interested person transactions pursuant to Catalist Rule 920.

The Group does not have any IPTs (excluding transactions less than S$100,000) in FY2023 that is discloseable under Rule 920(1)(a)(ii).

MATERIAL CONTRACTS

Save as disclosed, there are no material contracts of the Company or its subsidiaries involving the interest of any director or controlling shareholder of the company subsisting at the end of FY2023.

The Company had entered the following agreements with Mr. Lim Yong Sim and GuGong on 9 December 2022, subject to the Company complying with the relevant Catalist Rules on the following:

(a) the Company selling to GuGong within three (3) months from Completion, all trademarks, trade names and brand insignia that have been associated with the enterprise and operations of the seafood and restaurant business of "No Signboard" and which are owned by the Company as at the date of the Voting Undertakings for a sum not exceeding S$10,000 ("**IP SPA**"); and

(b) the appointment of GuGong as a business consultant to the Company for a period of no less than three (3) years commencing from the Completion Date for an annual fee to be mutually agreed by GuGong and the Company ("**ICA**").

These 2 agreements were subsequently terminated by the Company on 28 February 2023. The Company has since received notices of originating application dated 24 April 2023 and 23 May 2023 filed by lawyers of GuGong's, Legal Solutions LLC ("**Applications**"). The Applications state that GuGong has applied to General Division of the High Court of the Republic of Singapore to declare the termination of the IP SPA and ICA as wrongful and an order for, among others, the reinstatement of the IP SPA and ICA. The IP SPA and ICA have since been reinstated.

At court hearing on 20 September 2023, the parties consented to have the ICA reinstated. The High Court thus granted an order for the reinstatement of the ICA. However, the High Court did not grant GuGong's prayer for a declaration that the ICA was wrongfully terminated by the Company. On the issue of costs, the High Court ordered the Company to pay GuGong costs fixed at S$5,000, with the quantum of the disbursements to be agreed ("**Disbursement Quantum**"), if not fixed by the court. In the circumstances, save for the minor issue of the Disbursements Quantum, the ICA Proceeding has been completed.

NON-SPONSOR FEES

There were no non-sponsor fees paid/payable to the Company's former sponsor, PrimePartners Corporate Finance Pte. Ltd. for FY2023. The Company has appointed SAC Capital Private Limited as the continuing sponsor with effect from 27 September 2024.

CORPORATE GOVERNANCE REPORT

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies and other major appointments	Past directorships in other listed companies and other major appointments over the preceding 5 years
Lo Kim Seng	Advocate & Solicitor of Singapore	Lead Independent Director	Board Member, Chairman of the Nominating Committee, member of the Audit Committee and Remuneration Committee	11 November 2020	24 June 2024	• Miyoshi Limited • Sevens Atelier Limited • Bayfront Law LLC • Karin Technology Holdings Limited	• CFM Holdings Limited • Fragrance Group Ltd • Ecowise Holdings Limited
Low See Lien	Bachelor of Accountancy Degree, Nanyang Technological University	Independent Director	Board Member, Chairman of the Audit Committee, member of the Remuneration Committee and Nominating Committee	15 October 2024	–	• Miyoshi Limited • Fuxing China Group Limited	• Director, CLA Global TS Public Accounting Corporation (f.k.a Nexia TS Public Accounting Corporation)

CORPORATE GOVERNANCE REPORT

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies and other major appointments	Past directorships in other listed companies and other major appointments over the preceding 5 years
Frank Liu Tao	Columbia Senior Executive Program, Columbia University Institute School of Business	Non-Executive and Non-Independent Director	Board Member	6 January 2025	–	• Shanghai Xinzhaopai Catering Management Co Ltd • Shanghai Qibajiu Network Technology Co Ltd • Shanghai Jiyi Enterprise Management Co Ltd • Shanghai Gaofeng Consulting Management Co Ltd • Baodao Investment Consulting Co Ltd • Shanghai Jinbaozheng Business Consulting Co Ltd • Shanghai Gaoming Consulting Management Co Ltd • Shanghai Gaosheng Commercial Building Management Co Ltd • Shanghai Gaosheng Commercial Plaza Co Ltd • Shanghai Gaosheng Investment Co Ltd • Shanghai Gaosheng Cultural Development Co Ltd • Shanghai 789 Network Technology Co., Ltd • Shanghai Gaosheng Mansion Corp Ltd	–

CORPORATE GOVERNANCE REPORT

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorship Date First Appointed	Date of Last Re-election	Directorships in other listed companies and other major appointments	Past directorships in other listed companies and other major appointments over the preceding 5 years
Yuan Wang	Master of Architecture, University of Sydney	Independent Director	Board Member, Chairman of the Remuneration Committee, member of the Audit Committee and Nominating Committee	24 January 2025	–	• Managing Director, EVA Architects Pty Ltd • Executive Director, EVA Architectural Design Consulting (Shanghai) Co Ltd • Executive Director, EVA Architectural Design Office (Shanghai) Co Ltd	–
Tan Keng Tiong[1]	Nanyang Technological University – Master of Business Administration University of California Berkley, USA – UC Berkeley – Nanyang Management Program Curtin University of Technology, Western Australia – Bachelor of Business	Executive Director and Acting Chief Executive Officer	Board Member	14 June 2022	31 October 2022	• Projaya (Private Limited)	• Arion Agrophotovoltaic Private Limited • Synthetic Fuel Generation(S) Pte Ltd • Gazelle Ventures Pte Ltd - COO
Lim Teck-Ean[2]	University of Sydney – Bachelor of Commerce (Acct & Finance) University of Nottingham – Bachelor of Laws	Executive Director and Chief Executive Officer	Board Member	14 June 2022	31 October 2022	–	• Gazelle Ventures Pte Ltd – CEO • Gazelle Capital Pte Ltd - Director

Notes:

1 Mr Tan Keng Tiong was appointed as a Non-Executive Director of the Company on 14 June 2022 and appointed as Chief Operating Officer of the Company on 20 June 2024. He was subsequently appointed as the Acting CEO with effect from 27 January 2025, and accordingly ipso facto cease as the Chief Operating Officer of the Company on 27 January 2025.

2 Mr Lim Teck-Ean was appointed as a Non-Executive Director of the Company on 14 June 2022 and was re-designated as an Executive Director and appointed as the interim CEO of the Company on 10 October 2023 and appointed as CEO of the Company on 20 June 2024. He has resigned and will cease to be the Executive Director and CEO on 13 May 2025.

BROMAT HOLDINGS LTD.

SUSTAINABILITY REPORT 2023

SUSTAINABILITY **REPORT**

Contents

SUSTAINABILITY **REPORT**

COMPANY PROFILE

Established in 1981, Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.) ("**Bromat**" or the "**Company**", together with its subsidiaries, the "**Group**") is a leading lifestyle Food and Beverage ("**F&B**") player in Singapore. The Group operates chain of restaurants under different F&B brands and concepts.

The Group has been in the Singapore restaurant business since the 1970s. In 2018, the Group embarked on a journey to diversify by moving into casual dining.

In 2021, the Group set up its first nosignboard Sheng Jian at Northpoint City which is the Group's first entry into a heartland area. With a "customer-at-heart" approach, the portfolio offers a wider range of consumers with a variety of cuisines to pamper their palates. In 2024, the Group has also taken the opportunity to re-brand "nosignboard Shen Jian" to "Shang Society" and will re-open at a new location at 33 Erskine Road in November 2024.

"Shang Society" is a brand-new lifestyle F&B concept by the Group and will feature the signature items from nosignboard Shen Jian including the signature pan-fried pork bun "Sheng Jian Bao" and "Rainbow Sheng Jian". In 2024, the Group acquired Dining Haus Pte. Ltd. which provides institutional catering services to clients at various industrial sites in Singapore, including semiconductor and maritime sites. Its customers include those in semiconductor, medical equipment and aerospace sectors.

The Group was listed on the Catalist Board of Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 30 November 2017. For more information, please visit https://www.bromat.sg//.

ABOUT THIS REPORT

The sustainability report ("**Report**") covers the Company's sustainability performance in terms of the material environmental, social, and governance ("**ESG**") factors. The Company's policies, practices, and performance as well as targets relating to the ESG factors are detailed in this Report.

Board Statement

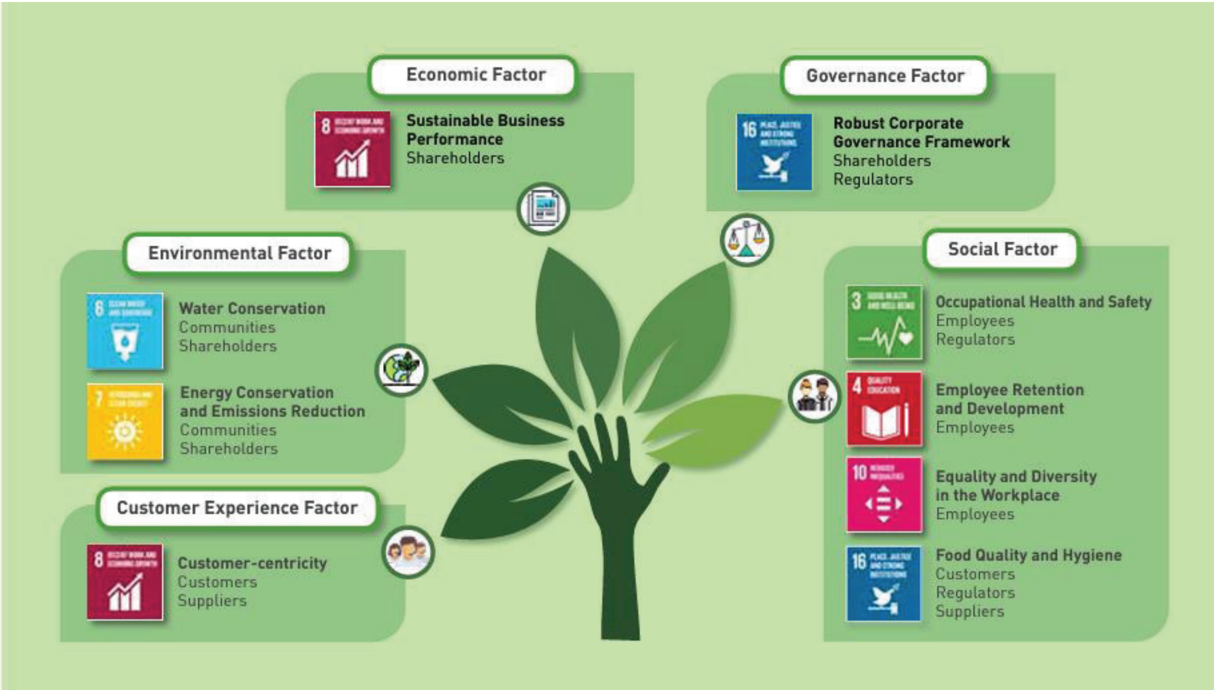
We are pleased to reaffirm our commitment to sustainability with the publication of this Report. For this Report, we provide insights into the way we do business while highlighting our ESG factors, economic performance, and customer satisfaction (collectively as "**Sustainability Factors**").

Bromat has come a long way, and our future success requires us to look closely at how we can have a sustainable business that is built to last.

A sustainability policy ("**SR Policy**") covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors has been put in place and serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, taking into account the feedback that we receive from our engagement with our stakeholders, organisational and external developments.

SUSTAINABILITY REPORT

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



Reporting Boundary

This Report, which is produced annually, covers the ESG performance of Bromat's operations for the reporting period from 1 October 2022 to 30 September 2023, unless otherwise stated. For selected performance indicators that have been historically tracked, we have included data from the past three years.

The following entities are covered in this Report covering 100% of revenues from Bromat's operations:

- NSB Hotpot Pte. Ltd. (outlet: Little Sheep Hot Pot)
- NSB Restaurants Pte. Ltd. (outlet: nosignboard Sheng Jian)

Reporting Standards

This Report is prepared in accordance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist of the Exchange ("**Catalist Rules**"), and the guidelines set out in Practice Note 7F of Catalist Rules, including reporting according to SGX's suggested 27 Core ESG Metrics, where possible. We continue to align our commitment to sustainability reporting with reference to the Global Reporting Initiative ("**GRI**") Universal Standards 2021. GRI is an internationally recognised and widely adopted standard and it provides a set of extensive reporting frameworks.

A GRI Content Index and SGX Primary Component Index are included in the last section of this Report.

WE VALUE YOUR FEEDBACK
We welcome feedback from all stakeholders on this Report. Please send questions, comments, suggestions or feedback relating to this Report or our sustainability performance to our investor relations email account: feedback@bromat.sg

SUSTAINABILITY **REPORT**

Sustainability Governance Structure

The Board of Directors of the Company ("**Board**") ensures that sustainability remains central to how we run our business. The Board would consider sustainability factors in their decision-making on corporate strategies and core initiatives. This ensures alignment between sustainability goals and business objectives.

Our Chief Financial Officer ("**CFO**") chairs a corporate-wide Sustainability Committee ("**SC**") and is supported by an in-house secretariat. The SC reports to the Board on sustainability matters and is responsible for implementing strategies, tracking the progress, and monitoring the outcomes. To help build awareness of sustainability and coordinate actions across the organisation, we have a Sustainability Working Group that involves representatives from the Corporate Office and all the operating subsidiaries. These representatives are invaluable "boots on the ground" that support the work of the SC.

Sustainability Training for the Board

As part of our continual efforts to upgrade the knowledge of our Directors on sustainability reporting and to meet the requirement of SGX-ST under Catalist Rule 720 (6), we confirm that 4 of the Directors have attended one of the approved sustainability training courses during the Reporting Period Mr Frank Liu Tao and Mr Yuan Wang will be attending the course within one year from their appointment dates.

Stakeholder Engagement

Bromat is committed to creating sustainable value for our stakeholders, both internal and external. Through an internal stakeholder mapping exercise, we have identified key stakeholder groups with whom we prioritise our engagements. These include entities or individuals that have an interest that is affected or could be affected by our activities. These key stakeholders include communities, customers, employees, suppliers, shareholders, and regulators.

Bromat regularly communicates through various channels with our material stakeholders in the Group to identify and assess our sustainability issues. This process enables Bromat to prioritise strategic decisions and shape the direction of the business while facilitating our shared interests and expectations with our stakeholders.

The Board is primarily responsible for identifying key stakeholder groups. Our material stakeholders are parties who may be affected by the Group's activities or whose actions affect the ability of the Group to conduct its activities. For this reason, Bromat will strive to respond to these groups of identified stakeholders. Different channels and approaches are used to communicate with different stakeholders whom we engage regularly.

SUSTAINABILITY REPORT

Key Stakeholders and Approach to Stakeholder Engagement

KEY STAKEHOLDERS	ENGAGEMENT APPROACH	FREQUENCY	TOPICS and CONCERNS RAISED
Communities	• Sustainability report	• Ongoing	• Environmental initiatives
Customer	• Feedback at outlets • Feedback via social media	• Regularly	• Product and services quality • Food hygiene
Employees	• Team bonding • Ad hoc team meetings • Internal communication channels	• Regularly	• Job performance • Employee development • Remuneration • Workplace health and safety
Suppliers	• Briefings and meetings • Supplier selection • Communications	• Regularly	• Contract terms • Payment term
Shareholders	• Annual report • Quarterly release of financial reports • Corporate announcement on SGXNET and the Group's website • Annual general meeting • Media coverage	• Annually • Quarterly	• Financial performance • Shareholders value • Corporate governance
Government and Regulatory Agencies ("**Regulators**")	• Site visits and inspections • Meetings correspondences with various government and regulatory agencies	• Annually	• Corporate governance • Workplace health and safety

Materiality Assessment

Under our SR Policy, we assessed our Sustainability Factors based on the likelihood of the occurrence of potential negative and positive impacts and significance of our impacts on the economy, environment, people and their human rights, which in turn can indicate our contribution (negative or positive) to sustainable development. Given that there are no significant changes in our operations, we have reviewed the material topics in the previous year and have identified that the same material topics are also applicable for FY2023.

SUSTAINABILITY **REPORT**

Material ESG Factors

In FY2022, a materiality assessment was conducted by the SC to understand the concerns and expectations of our stakeholders. Through the materiality assessment, Sustainability Factors that are material to the sustainability of our business and their reporting priority level were updated. In this Report, we have also reported our progress in managing these Sustainability Factors and set related targets to improve our sustainability performance.

MATERIAL SUSTAINABILITY FACTORS	SDGs	KEY STAKEHOLDER
Customer Experience		
Customer-Centricity	Decent work and economic growth	• Customers • Suppliers
Economic		
Sustainable Business Performance	Decent work and economic growth	• Shareholders
Environmental		
Water Conservation	Clean water and sanitation	• Communities • Shareholders
Energy Conservation and Emissions Reduction	Affordable and clean energy	• Communities • Shareholders
Social		
Occupational Health and Safety	Good health and well-being	• Employees • Regulators
Employment Retention and Development	Quality education	• Employees
Equality and Diversity in the Workplace	Reduced inequalities	• Employees
Food Quality and Hygiene	Good health and well-being	• Customers • Regulators • Suppliers
Governance		
Robust Corporate Governance Framework	Reduced inequalities	• Shareholders • Regulators

SUSTAINABILITY **REPORT**

In line with Catalist Rule 711B(1)(aa) and 711B(4) and Practice Note 7F of Catalist Rules, the group has also begun to identify climate-related risks and opportunities for some of the material factors above. The group will continue with the exercise in the next reporting period.

CLIMATE-RELATED ESG FACTORS	RISKS	OPPORTUNITIES
Environmental		
Water Conservation	• Water Scarcity and Restrictions: Singapore has been ranked as one of the most water-stressed countries in the world. The country relies heavily on imported water and rainwater collection. Periods of drought or low rainfall volume can lead to water scarcity and could impact restaurant operations: from food preparation to sanitation and services. • Increased Costs: Water scarcity can drive up the cost of water. Restaurants, which require significant water for cooking, cleaning, and maintaining hygiene standards, may face higher operational costs.	Water-Efficient Technologies: Use products and devices that collect wastewater from sinks to reuse for flushing toilets, technology for collecting and reusing condensate from air-conditioning systems, and water-efficient appliances. Investing in water-efficient appliances and fixtures (e.g. low-flow faucets, dishwashers) can significantly reduce water usage and lower utility bills. Sustainable Branding: Restaurants that adopt and promote water conservation measures can enhance their brand image, attracting eco-conscious customers and differentiating themselves from competitors.
Energy Conservation and Emissions Reduction	Rising Energy Costs: Singapore's energy costs can be volatile due to its reliance on imported natural gas. Increased energy prices directly impact the operational costs of running a restaurant, including cooking, lighting, and climate control. Increase in energy costs will result in higher operating costs and negatively impact the financials of the company. Regulatory Pressure: The Singapore government is committed to reducing carbon emissions and may impose stricter regulations on energy consumption and emissions. Non-compliance can result in fines, increased operational costs, and potential legal issues. One example is the increase in carbon tax which is an initiative by the Singapore government to achieve net zero carbon emission goal. Supply Chain Disruptions: Energy conservation and emissions reduction in the supply chain are becoming critical. Restaurants may face disruptions if suppliers fail to meet new energy efficiency and emissions standards.	Energy-Efficient Equipment: Upgrading to energy-efficient kitchen appliances, lighting, and heating, ventilation, and air conditioning (HVAC) systems (e.g. energy saving lights, energy efficient refrigerants) can reduce energy consumption and lower utility bills. This investment can also help position the restaurant as a leader in sustainability. Renewable Energy Adoption: Installing solar panels or purchasing green energy from local providers can reduce carbon footprint and protect against rising energy costs. Singapore's push towards solar energy offers incentives for businesses to adopt renewable energy solutions. Carbon Footprint Reduction: Implementing practices like reducing food waste, optimizing delivery routes, and using sustainable packaging can contribute to emissions reduction. These practices not only reduce costs but also appeal to eco-conscious consumers.

There are also other reputational and financial risks for not meeting the demands of regulators and shareholders amidst the enhanced emissions reporting requirements. For example:

– Policy on Food Waste Management set by government regulations that aim to reduce environment issues linked to waste transportation by mandating segregation of food and other waste.

– Policy on packaging requirements for takeaway food from increased actions by the government.

Bromat will comply with regulatory requirements where applicable.

Conversely, the above-mentioned risks also presented opportunities for the Group to review and assess its value chain to identify new products and services.

SUSTAINABILITY POLICY, PRACTICES, PERFORMANCE AND TARGETS REPORTING

Environmental

Energy

Energy Consumption

In order to mitigate the negative impacts of climate change, we are committed to responsible usage of energy resources and emissions reduction through enhancing our energy usage efficiency.

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

- Liquefied petroleum gas ("**LPG**") for cooking purposes; and

- Electricity for running equipment for refrigeration, lighting, cooling and ventilation.

Our energy consumption data over the years is as follows:

Fuel Consumption

Breakdown	FY2023	FY2022	FY2021	Unit
Non-Renewable				
LPG	337.252	586.721	301.787	MWh
Renewable Fuel	–	–	–	–
Total	**337.252**	**586.721**	**301.787**	**MWh**

Electricity Consumption

Breakdown	FY2023	FY2022	FY2021	Unit
Non-Renewable				
Purchased Electricity	314.628	542.504	846.524	MWh
Renewable Electricity	–	–	–	–
Total	**314.628**	**542.504**	**846.524**	**MWh**

SUSTAINABILITY REPORT

Total Energy Consumption within the Group

Breakdown	FY2023	FY2022	FY2021	Unit
Non-Renewable				
LPG	337.252	586.721	301.787	MWh
Purchased Electricity	314.628	542.504	846.524	MWh
Total	**651.880**	**1,129.225**	**1,148.311**	**MWh**

Energy Intensity

Our energy intensity performance over the years is as follows:

Scope	FY2023	FY2022	FY2021	Unit
LPG	0.117	0.125	0.056	MWh/ S$'000 revenue
Electricity	0.109	0.116	0.158	MWh/ S$'000 revenue
Total Energy	0.226	0.241	0.214	MWh/ S$'000 revenue

Greenhouse Gas (GHG) Emission

Our Greenhouse Gas Emission performance is summarised as follows:

Direct (Scope1) GHG Emissions[1]

Scope	FY2023[2]	FY2022[3]	FY2021	Unit
Scope 1 GHG emissions	76.7	133.4	68.6	tCO2e

Energy indirect (Scope 2) GHG Emissions[4]

Scope	FY2023	FY2022	FY2021	Unit
Scope 2 GHG emissions	129.4	218.3	342.7	tCO2e

Total GHG Emission

Scope	FY2023	FY2022	FY2021	Unit
Total GHG Emission	206.1	351.7	411.3	tCO2e

1 GHG emissions from LPG consumption controlled by the Group (Scope 1) are calculated based on the Greenhouse Gas (GHG) Emissions Measurement and Reporting Guidelines published by the NEA.

2 Global Warming Potential (GWP) used for calculation are as follows: 21 for CH4 and 310 for N2O

3 GWP used for calculation are as follows: 28 for CH4 and 265 for N2O.

4 GHG emissions from electricity purchased by the Group (Scope 2) are calculated based on the average emissions factors published by the Energy Market Authority.

GHG Emissions Intensity

GHG Emissions Intensity by Scope

Scope	FY2023	FY2022	FY2021	Unit
Direct (Scope 1)	0.027	0.028	0.013	tCO2e/ S$000 revenue
Energy indirect (Scope 2)	0.045	0.047	0.064	tCO2e/ S$000 revenue
Total Scope 1 + Scope 2	0.072	0.075	0.077	tCO2e/ S$000 revenue

The decrease in electricity and LPG consumption intensity was mainly due to the closure of No Signboard Seafood Esplanade outlet on 1 April 2022, which mainly used electricity for cooking purposes. In line with our commitment to reduce our energy consumption, we track and review spending on energy consumption regularly to control usage and corrective actions are taken when there are unusual consumption patterns.

Water

Water Consumption

We recognise the importance of managing our water consumption efficiently and avoid the unnecessary use of valuable water resources. Accordingly, we are committed to the responsible usage of water resources through enhancing our water consumption efficiency.

We rely on water resources to run our operations primarily in the following areas:

- Use in the preparation of our products such as soup base
- Dishwashing
- Kitchen cleaning

The table below sets out the water consumption of our operations over the years:

	FY2023	FY2022	FY2021	Unit
Water Consumption	3,888	6,777	7,055	m^3

Water Intensity

	FY2023	FY2022	FY2021	Unit
Water Consumption Intensity	1.3	1.4	1.3	m^3/ S$000 revenue

Social Factors

A diverse workforce is an asset in today's ever-changing global marketplace. We aim to build an inclusive culture with highly motivated, engaged and connected employees from wide-ranging backgrounds.

SUSTAINABILITY REPORT

Gender Diversity

As at 30 September 2023, our total staff strength in Singapore comprised 34 full-time and part-time employees (FY2022: 37 full-time and part-time employees).

We believe in the value of diversity and this is reflected in the profile of our people.

We view gender diversity as an essential element in supporting sustainable development. Key statistics on gender diversity of our employees are as follows:

Current Employees by Gender

Employment Type x Gender	FY2023	FY2022	FY2021	Unit
Full-Time				
Male	54	59	54	%
Female	46	41	46	%
Part-Time				
Male	17	0	45	%
Female	83	100	55	%
Total				
Male	47	46	52	%
Female	53	54	48	%

New Hires by Gender

Gender	FY2023	FY2022	FY2021	Unit
Male	77	53	43	%
Female	23	47	57	%

Age-based Diversity

We maintain a fair and open employment policy through providing fair employment opportunities to both young and mature workers. Their ages were well spread out with 26% (FY2022: 24%) above 50 years of age.

SUSTAINABILITY REPORT

Current Employees by Age Group

Employee Type x Age	FY2023	FY2022	FY2021	Unit
Full-time				
< 30 years old	14	17	19	%
30 - 50 years old	61	59	61	%
> 50 years old	25	24	20	%
Part-time				
< 30 years old	34	25	39	%
30 - 50 years old	33	50	51	%
> 50 years old	33	25	10	%
Total				
< 30 years old	18	19	23	%
30 - 50 years old	56	57	59	%
> 50 years old	26	24	18	%

New Hires by Age Group

New hires by Age	FY2023	FY2022	FY2021	Unit
< 30 years old	30	35	37	%
30 - 50 years old	62	41	38	%
> 50 years old	8	24	25	%

We have a policy of offering re-employment opportunities for employees to continue working beyond Singapore's statutory retirement age of 63. In FY2023, we have 3 employees (FY2022: 1) of such workers.

Bromat is a proud signatory of the Employer's Pledge of Fair Employment Practices with the Tripartite Alliance for Fair Employment Practices ("**TAFEP**") since 2020. This signaled our firm's commitment to recruiting and selecting employees based on merit such as skills, experience and ability to perform the job. There were no (FY2022: zero) reported incidents of unlawful discrimination against employees in FY2023.

Recruitment and Retention

In FY2023, we recruited 13 new members (FY2022: 17). We exercised care in hiring fairly, focusing on competencies and equal opportunity. We are also committed to retaining our employees to preserve a skilled and experienced workforce.

SUSTAINABILITY REPORT

Employment

Total Turnover

Turnover by Gender	FY2023	FY2022	FY2021	Unit
Male	69	50	52	%
Female	31	50	48	%

Turnover by Age	FY2023	FY2022	FY2021	Unit
< 30 years old	31	24	37	%
30 - 50 years old	69	53	55	%
> 50 years old	–	23	8	%

Total Turnover	FY2023	FY2022	FY2021	Unit
Overall	16	139[5]	42	person

Staff Remuneration and Benefits

Bromat values its employees. For the long-term success of the business, we need to provide fair and competitive remuneration and benefits to all our employees. This takes care of our people's personal and family needs so that they can focus on doing their work professionally and in a committed manner.

An overview of the key benefits provided in FY2023 are listed below:

- Attractive annual leave above the minimum statutory requirements;
- Marriage, parental and compassionate leave;
- Examination leave for employees who take courses sponsored by the Company;
- Flexi-hours and telecommunicating working arrangements;
- Outpatient medical specialist and dental benefits for all confirmed employees and staff who worked for more than 3 months;
- Group hospitalisation and surgical insurance for all confirmed employees, on top of the mandatory Workmen's Compensation Scheme;
- Provision of free in-house meals for kitchen and service staff who worked at our outlets;
- "Love all, serve all" in which employees are given 2 days off to give back to society by offering their time and service at organisations such as a charity, society or an organisation that is registered with local or national government bodies; and
- Office-based employees are no longer required to produce medical certificates for sick leave, unless it is for more than 2 days.

5 The increase in overall turnover rate was mainly due to the closure of No Signboard Seafood outlets during the FY2022

Development and Training

Bromat is a firm believer in the value of continuous training and upgrading for all our employees. This develops the right competencies and skills, increases productivity, enables us to be an efficient and innovative player in the industry, and improves our employees' confidence and morale.

New hires would go through an intensive training programme to understand the outlet operations, including handling equipment, customer service and food preparation. In FY2023, our food handlers went through the necessary training to ensure that hygiene standards were maintained at the highest level where applicable.

In FY2023, we provided a total of 72 hours (FY2022: 37.5 hours) of training for our full-time employees or 2.6 hours (FY2022: 1.3 hours) per full-time employee.

An overview of the training for the Company is as follows:

Average Training Hours Per Employee

Training & Development	FY2023	FY2022	FY2021	Unit
Average training hours per employee	2.6	1.3	1.9	hours

Average Training Hours Per Employee by Gender

Training & Development	FY2023	FY2022	FY2021	Unit
Total Number of Training Hours	72	37.5	225.5	hours
Number of Employees Trained				
• Male	6	3	29	
• Female	4	2	4	
Average training hours per employee by gender				
• Male	7.5	10.0	7.0	hours
• Female	6.8	3.8	5.9	hours

Performance Appraisal and Career Development

Bromat has structured policies and processes to appraise our employees and help them to progress at every stage of their careers with us. New employees are closely mentored during their first few months to get up to speed before going through probation reviews. Our confirmed permanent employees are required to complete their annual performance appraisals with their supervisors. The appraisals would cover evaluation of performance goals, setting of targets for the year, career development plans and growth opportunities.

Supervisors would work closely with the Human Resource ("**HR**") team to shortlist and assess suitable candidates for promotion and job rotation when the opportunity arises. For employees who are moving to new roles within the Group, our HR team would provide the necessary support – such as briefings, coaching and training needs analysis – to facilitate a smooth job transition. Employees who wish to upgrade their skills through further studies could approach our HR team. We would consider sponsoring the employees if the study programme is relevant to their work and helps them to be more productive, or if the courses are for self-improvement.

SUSTAINABILITY **REPORT**

Occupational Health and Safety

Bromat takes responsibility for providing and maintaining a safe workplace for all our employees and endeavour to prevent any occurrences of physical harm or injury within our premises. We adopt a multi-prong approach to safeguard workplace health and safety:

- New employees are required to attend a workplace safety briefing on their first day of work. During their orientation, employees who work at our outlets are also briefed by their supervisors on the site-specific safety rules and requirements;
- To safeguard against fire hazards, fire extinguishers and first aid kits are placed at central and accessible locations in all our food and beverage outlets;
- Site safety inspections and audits are conducted regularly and the corporate HR team meets regularly with employees stationed at the outlets to gather feedback pertaining to safety, well-being and other concerns. The issues raised would be recorded for follow up and reported to the Management; and
- Our employees are required to keep all work premises clean, dry and free from physical hazards, so as to avoid incidents of slips, trips and falls. They also have to ensure that equipment is turned off when not in use and at the end of each day's operations.

Here are the key statistics over the years:

Work-related Fatalities

	FY2023	FY2022	FY2021
Number of Employees	0	0	0

Work-related High Consequence Injuries

	FY2023	FY2022	FY2021
Number of Employees	0	0	0

Work-related Recordable Injuries

	FY2023	FY2022	FY2021
Number of Employees	0	0	0

Recordable Work-related Ill Health Cases

	FY2023	FY2022	FY2021
Number of Employees	0	0	0

Hygiene

We are committed to deliver the best to our customers by providing customers with safe products and services for long-term business sustainability. Key measures taken by us on this front are as follows:

SUSTAINABILITY REPORT

Supply Chain

With our evergreen priority on buying and using high-quality and fresh products, we source key ingredients from pre-qualified suppliers based on pricing competitiveness, reliability, quality of ingredients and service in FY2023. We review the approved supplier list regularly using these criterias. We seek assurance from the suppliers on their compliance with our quality requirements and hygiene standards. We also require our suppliers to be certified by the Singapore Food Agency ("**SFA**") where applicable. We abstain from long-term or exclusive contracts with our suppliers to ensure greater flexibility in our supply chain.

We have a policy to ensure that our suppliers are reputable and adhere to ethical practices. This includes a "Vendor Suitability Check", whereby we scrutinised our supplier's track record, after-sales service and certifications of quality assurance.

Food Hygiene

Food hygiene has always been a top priority for Bromat. We exercise stringent controls on always maintaining food hygiene. We take responsibility in ensuring that all food and beverages served are fit for consumption and adhere to comprehensive health and safety guidelines. This sustains and enhances Bromat's product quality, corporate reputation and financial performance.

The Company has maintained the ISO 22000 certification for Little Sheep Hot Pot during FY2023. Our standard checks on inventory included the following:

Nature of Checks

Frozen and Refrigerated Foods	• Check that frozen food is solid and shows no evidence of thawing and re-freezing;
	• Check temperature with a calibrated thermometer to ensure that frozen foods requiring cold storage are stored below -18°C; and
	• Check temperature with a calibrated thermometer to ensure that chilled foods are stored at less than or equal to +5°C.
Dry Goods and Non-Food Goods	• Check dry goods for leaks, flaws or broken packages;
	• Check that dry goods are dry, free of mould and insects. If the packages are flawed, they are rejected and placed in a designated area for goods return; and
	• Inspect cans for leaks, incomplete labels, dents, bulges and other visible signs of damage. Notify the manager on duty if damaged goods are found.

Food Expiry

We continue to practise the First In, First Out ("**FIFO**") approach in inventory management. This reduces the time between purchase and usage of goods, hence mitigating the risk of spoilage for perishable items. We also practise storing products with the earliest use-by or expiration dates in front of products with later dates for easy visual identification. All food ingredients are checked periodically for expiry dates and proper storage. Any expired food ingredients were promptly disposed. There is no reported issues of expired/spoilt food for FY2023. (FY2022: No reported issues of expired/spoilt food).

Cleanliness

To uphold high standards of cleanliness, employees were instructed and regularly reminded to wear hair nets and masks while working in the food preparation areas. Food handlers on medical leave are checked by their supervisors upon their return to ensure that all medical symptoms have been cleared. In FY2023, the National Environmental Agency ("**NEA**") and SFA conducted periodic onsite audits of our restaurants' cleaning and hygiene practices and did not find any significant violations for FY2023. (FY2022: no violations).

SUSTAINABILITY **REPORT**

Governance

Board Composition and Management Diversity

Board Independence

Board Member Type	FY2023	FY2022	FY2021
Number of Independent Directors	3	3	3
Number of Directors	5	6	6
Number of Independent Directors (%)	60%	50%	50%

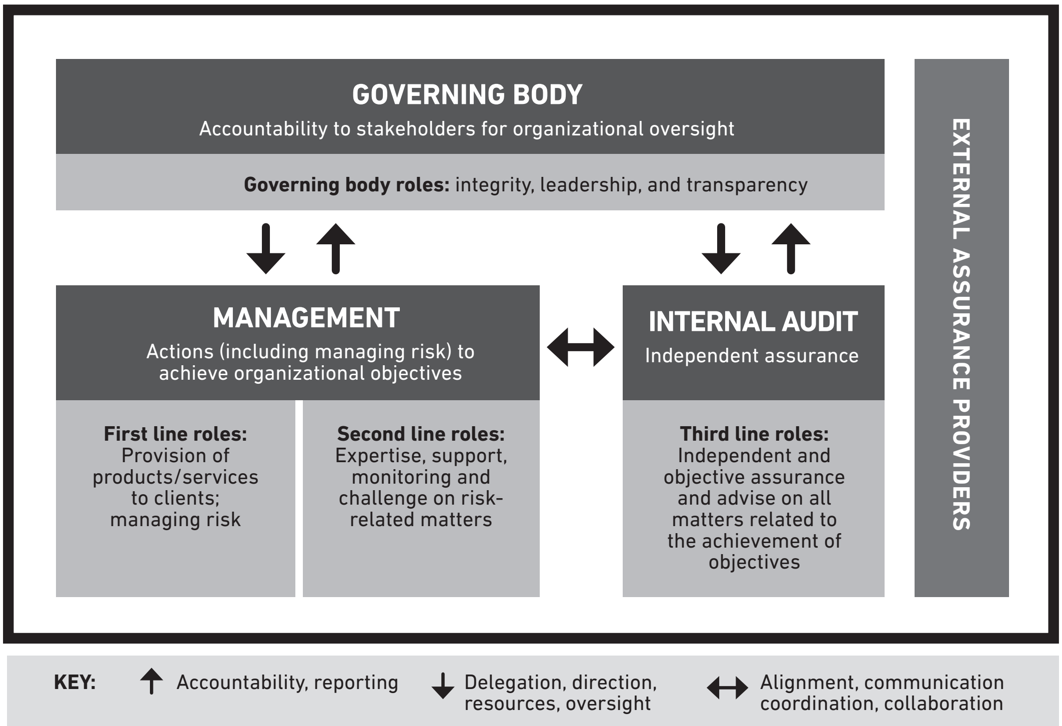
Women in the Management Team

Gender	FY2023	FY2022	FY2021
Number of Management Employees by Gender			
Male	1	1	1
Female	1	2	2

Corporate Governance and Ethical Behaviour

Being a reputable public-listed restaurant chain, maintaining public trust is of utmost priority. The Group is committed to upholding high ethical standards and integrity in its operations, complying with all relevant laws and regulations. This involves good corporate governance, responsible business practices, as well as an accountable and transparent management system in order to prevent non-compliance, misconduct or corrupt business practices.

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



Source: Three Lines Model of the IIA

SUSTAINABILITY **REPORT**

We have put in place an enterprise risk management ("**ERM**") framework to track and manage the risks in which we are exposed. We regularly assess and review our businesses and operational environment to identify and manage emerging and strategic risks that may impact our sustainability. We believe that it is important to eliminate the risk of undesirable behaviour among employees in order to prevent reputational damage and establish stakeholder trust. With a positive and proactive attitude, we believe that risks faced by the Group could be converted into opportunities and favourable results.

A whistle-blowing policy is in place to provide a safe channel for employees to report concerns about unethical or unlawful behaviour and matters related to organisational integrity. Any form of retaliation against an individual who in good faith reports a suspected violation is prohibited. In addition, we provide feedback channels and anonymous hotlines to further strengthen our zero-tolerance approach towards corruption and fraud. During the Reporting Period, there were no incident of corruption reported (FY2022: zero incident) and no reported incident of serious non-compliance with applicable laws and regulations for which fines and/or non-monetary sanctions were incurred (FY2022: zero).

Refer to the Corporate Governance Report of the Annual Report for details of our corporate governance practices.

Anti-Corruption and Bribery Disclosures

At Bromat, we are committed to upholding the highest standards of integrity, ethics, and compliance in all aspects of our operations. As part of our dedication to responsible business practices, we have a code of conduct and have also implemented an Anti-Bribery Policy designed to prevent corruption in any form, whether it be bribery, extortion, or other unethical conduct.

We are pleased to report that, during the reporting period, there have been no incidents of corruption or violations of our Anti-Bribery Policy within our organization. This achievement underscores our commitment to fostering a culture of integrity, transparency, and accountability throughout Bromat.

Confirmed incidents of corruption and actions taken

	FY2023	FY2022	FY2021
Total number of confirmed incidents of corruption	0	0	0
Confirmed incidents in which governance body members were removed or disciplined for corruption	0	0	0
Confirmed incidents in which employees were dismissed or disciplined for corruption	0	0	0
Confirmed incidents when contracts with business partners were terminated	0	0	0

Customer-centricity

Customer feedback is important as it helps us identify what delights customers and what are the areas where we could improve. Accordingly, we are committed to retain and build a loyal customer base for our long-term sustainability by maximising customer's experience through maintaining various communication channels with our customers. This includes face-to-face feedback from customers at our physical outlets and online feedback through our Facebook page and website channels.

Our customer response and recovery process are as follows:

- Automated responses are set up on our Facebook page to handle common queries from customers, such as on our outlets' openings hours;
- We have maintained our mainstream and online media presence. For customer feedback received through our Facebook page or website, we endeavour to respond via email or a phone call within 3 working days;
- If we verify that we have fallen short in providing a good customer experience, we will proceed with appropriate service recovery, such as offering a discount voucher for the customer's next visit; and
- We use our customers' feedback to train and retrain our staff on ways to improve service quality.

SUSTAINABILITY **REPORT**

Sustainability Dashboard

TARGETS FOR FY2023	PERFORMANCE IN FY2023	TARGETS FOR FY2024
Customer-Centricity		
Continue to engage customers through various channels on product and service initiatives.	Ongoing customer engagement through online channels (e.g., our official Facebook page)	Continue to engage customers through various channels on product and service initiatives
Sustainable Business Performance		
Improve our financial performance subject to market conditions	Reduced the net loss for the financial year from S$4.7m in FY2022 to net loss of S$1.8m in FY2023.	Continue to improve our financial performance subject to market conditions
Water Conservation		
Reduce water consumption intensity	Water consumption per revenue decreased slightly from 1.4 m^3/ S$'000 revenue in FY2022 to 1.3 m^3/ S$'000 revenue in FY2023.	Continue with water conservation initiatives to decrease consumption
Energy Conservation and Emissions Reduction		
Maintain or reduce GHG emissions intensity	GHG Emissions intensity decreased from 0.075 tCO_2e / S$000 revenue in FY2022 to 0.071 tCO_2e / S$000 revenue in FY2023.	Maintain or reduce GHG emissions intensity
Occupational Health and Safety		
Maintain zero work-related injuries and ill-health cases	Zero (0) work-related injuries and ill-health cases for the reporting period	Continue to maintain zero work-related injuries and ill-health cases
Employment Retention and Development		
Improve average training hours per employee	Average training hours per employee increased to 2.6 hours in FY2023 compared to 1.3 hours in FY2022	Continue to improve on employee training and development

TARGETS FOR FY2023	PERFORMANCE IN FY2023	TARGETS FOR FY2024
Equality and Diversity in the Workplace		
Maintain zero reported incident of unlawful discrimination against employees	Zero (0) reports of incident of unlawful discrimination against employees	Continue to maintain zero reported incident of unlawful discrimination against employees
Food Quality and Hygiene		
Maintain the ISO 22000 certification	ISO22000 Certification in place	Maintain the ISO 22000 certification
Robust Corporate Governance Framework		
• Maintain zero incident of reported corruption • Maintain zero incident of serious non-compliance with applicable laws and regulations for which fines and/ or non-monetary sanctions were incurred	Zero (0) incidents of reported corruption or serious non-compliance with applicable laws/regulations	• Maintain zero incident of reported corruption • Maintain zero incident of serious non-compliance with applicable laws and regulations for which fines and/or non-monetary sanctions were incurred

Alignment with Frameworks

Alignment with Catalist Rules and Disclosure Practices

This report is prepared in accordance with the Catalist Listing Rules 711A and 711B and the guidelines set out in Practice Note 7F Sustainability Reporting Guide of the Catalist Rules. We are actively working towards aligning our reporting with the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**"). While we embark on this journey, it is worth highlighting that some of the data we have collected under the SGX Core Metrics are already aligned with TCFD metrics and serve as a valuable starting point for further alignment to these requirements. This is also reflected in our Content Index below.

SUSTAINABILITY **REPORT**

Supporting TCFD

Bromat recognises the impact that climate change can have on our business and is committed to support the recommendations by the TCFD. We have disclosed some of our climate-related financial disclosures in the following key areas as recommended by the TCFD:

TCFD Disclosure Areas		Our Approach
Governance	The Board's oversight of climate-related risks and opportunities	The Board has overall responsibility for integrating sustainability considerations into the strategic planning of the Group. This involves overseeing the management and supervision of the implementation of sustainability strategies and policies, as well as reviewing and endorsing the contents of this Report. Our sustainability strategy is developed and directed by the Group's Sustainability Committee ("**SC**") in consultation with the Board. To help build awareness of sustainability and coordinate actions across the organisation, we have a Sustainability Working Group that involves representatives from the Corporate Office and all the operating subsidiaries. Our Sustainability Working Group advises the SC in reviewing our sustainability progress. The responsibilities of the SC include considering climate-related issues in the development of sustainability strategy, target setting, as well as collection, monitoring and reporting of performance data.
	Management's role in assessing and managing climate-related risks and opportunities	
Strategy	The climate-related risks and opportunities the Company has identified over the short, medium, and long term	The Group is adopting a phased approach towards managing climate-related risks. Since this is our first year of adoption, we will need more time to develop a better understanding of climate-related risk and opportunities that impact the Group. Given that these risks and opportunities are continually evolving, we will identify them in the short term and adjust our strategies as needed. Any identified climate-related risks and opportunities of the Group will be reported in future Sustainability Reports.
	The impact of climate-related risks and opportunities on the Company's businesses, strategy, and financial planning	
	The resilience of the Company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	We are looking into conducting climate-related scenario analysis consistent with the TCFD's recommendation, wherever possible, using commonly agreed sector/subsector scenarios and time horizons, to anticipate and manage climate change impacts We have not conducted scenario analysis, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. We intend to incorporate it in subsequent Sustainability Reports.

SUSTAINABILITY **REPORT**

<table>
<tr><th colspan="2">TCFD Disclosure Areas</th><th>Our Approach</th></tr>
<tr><td rowspan="3">Risk Management</td><td>The Company's processes for identifying and assessing climate-related risks</td><td rowspan="2">The Group's climate related risks and opportunities are identified and assessed during the climate-related risk assessment exercise. We also manage our climate-related risks by monitoring the trend of climate-related performance indicators.</td></tr>
<tr><td>The Company's processes for managing climate related risks</td></tr>
<tr><td>How the Company's processes for identifying, assessing, and managing climate-related risks are integrated into risk management</td><td>The Board and SC will periodically review the identified climate-related risks and integrate it into Bromat's risk management approach, where appropriate.</td></tr>
<tr><td rowspan="3">Metrics and Targets</td><td>The metrics used by the Company to assess climate-related risks and opportunities in line with its strategy and risk management process</td><td>We track, measure and report on our environmental performance, including energy, GHG emissions and water and disclose related metrics in our sustainability report. Monitoring and reporting these metrics help us in identifying areas with material climate-related risks and enabling us to be more targeted in our efforts.

To support the climate change agenda, we disclose the following metrices:

– Scope 1 and Scope 2 GHG emissions [Refer to Pg 49]
– Energy consumption [Refer to Pg 48]
– Water consumption [Refer to Pg 50]</td></tr>
<tr><td>The Company's Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks.</td><td rowspan="2">The Group has disclosed Scope 1 and Scope 2 of GHG emissions in the sustainability report and set climate-related targets such as those related to energy, GHG emissions and water.

We will continue to monitor our emissions and disclose Scope 3 GHG emissions wherever applicable and practicable.

The Group is adopting a phased approach towards managing climate-related risks. Appropriate targets shall be analysed and set in future Sustainability Reports.</td></tr>
<tr><td>The targets used by the Company to manage climate-related risks and opportunities and the performance against targets.</td></tr>
</table>

Assurance of Sustainability Report

Bromat is bound by the SGX-ST Catalist Rule 711B which states that the issuer's sustainability reporting process must be subjected to internal review. The issuer may additionally commission an independent external assurance on the sustainability report. We relied on internal data monitoring and verification to ensure the accuracy of this Report. Internal review of the sustainability reporting process has been incorporated as part of our internal audit review cycle and we will work towards obtaining external assurance for our future sustainability reports.

This report is reviewed by our corporate-wide Sustainability Committee and the Board of Directors. ESG performance is reported to the Board of Directors on a regular basis.

SUSTAINABILITY REPORT

Content Index

Quantitative Data Summary Table

Topic	Metric	Unit	FY2023
Greenhouse Gas Emissions	Total emissions (GRI 305-1, TCFD)	tCO2e	206.1
	Scope 1 (GRI 305-1, TCFD)	tCO2e	76.7
	Scope 2 (GRI 305-1, TCFD)	tCO2e	129.4
	Scope 3 (GRI 305-1, TCFD)	tCO2e	–
	Emission intensity (GRI 305-4, TCFD)	tCO2e/head	0.071
Energy Consumption	Total energy consumption (GRI 302-1, TCFD)	MWh	651.880
	Energy consumption intensity (GRI 302-3, TCFD)	MWh/head	0.226
Water Consumption	Total water consumption (GRI 303-5, TCFD)	m^3	3,888
	Water consumption intensity (TCFD)	m^3/S$000 revenue	1.3
Waste Generation	Total waste generated (GRI 306-3, TCFD)	Kg	–
Gender Diversity	Current employees – Female (GRI 405-1)	percent	53
	Current employees – Male (GRI 405-1)	percent	47
	New hires – Female (GRI 401-1)	percent	23
	New hires – Male (GRI 401-1)	percent	77
Age-based Diversity	Current employees - less than 30 yrs old (GRI 405-1)	percent	14
	Current employees - 30-50 years old (GRI 405-1)	percent	61
	Current employees - more than 50 yrs old (GRI 405-1)	percent	25
	New Hires - less than 30 yrs old (GRI 401-1)	percent	30
	New Hires - 30-50 years old (GRI 401-1)	percent	62
	New Hires - more than 50 yrs old (GRI 401-1)	percent	8
Employment	Total turnover (GRI 401-1)	percent	42
	Total number of employees (GRI 401-1)	head	85
Training and Development	Average training hours per employee (GRI 404-1)	hours	2.6
	Average training hours per employee – Female (GRI 404-1)	hours	6.8
	Average training hours per employee – Male (GRI 404-1)	hours	7.5

Topic	Metric	Unit	FY2023
Occupational Health & Safety	Fatalities (GRI 403-9)	no. of incident	–
	High-consequence injuries (GRI 403-9)	no. of incident	–
	Recordable injuries (GRI 403-9)	no. of incident	–
	Recordable work-related ill health cases (GRI 403-10)	no. of incident	–
Board Composition	Board independence (GRI 2-9)	percent	60%
Management Diversity	Women in the management team (GRI 2-9)	percent	50%
Ethical Behavior	Anti-corruption training for employees (GRI 205-1,2,3)	percent	–

SGX 27 Core ESG Metrics Index

SGX: 27 Core ESG Metrics			
SGX27Core-Env-1	Greenhouse Gas Emissions - absolute emissions	✓ Scope 1 and 2	GHG Emissions
SGX27Core-Env-2	Greenhouse Gas Emissions - intensities	✓ Scope 1 and 2	GHG Emissions
SGX27Core-Env-3	Total Energy Consumption	✓	Energy Consumption
SGX27Core-Env-4	Energy Consumption Intensity	✓	Energy Consumption
SGX27Core-Env-5	Total Water Consumption	✓	Water
SGX27Core-Env-6	Water Consumption Intensity	✓	Water
SGX27Core-Env-7	Total Waste Generated	–	No information
SGX27Core-Soc-1	Current Employees by gender	✓	Social Factors
SGX27Core-Soc-2	New hires and turnover by gender	✓	Social Factors
SGX27Core-Soc-3	Current employees by age groups	✓	Social Factors
SGX27Core-Soc-4	New hires and turnover by age groups	✓	Social Factors
SGX27Core-Soc-5	Total turnover	✓	Social Factors
SGX27Core-Soc-6	Total number of employees	✓	Social Factors
SGX27Core-Soc-7	Average Training hours per employee	✓	Development and Training
SGX27Core-Soc-8	Average Training hours per employee by gender	✓	Development and Training
SGX27Core-Soc-9	Fatalities	✓	Occupational Health and Safety
SGX27Core-Soc-10	High consequence injuries	✓	Occupational Health and Safety
SGX27Core-Soc-11	Recordable injuries	✓	Occupational Health and Safety
SGX27Core-Soc-12	Recordable work-related ill health cases	✓	Occupational Health and Safety
SGX27Core-Gov-1	Board independence	✓	Board Composition and Management Diversity

SUSTAINABILITY REPORT

SGX: 27 Core ESG Metrics			
SGX27Core-Gov-2	Women on board	✓	Board Composition and Management Diversity
SGX27Core-Gov-3	Women in management team	✓	Board Composition and Management Diversity
SGX27Core-Gov-4	Anti-corruption disclosures	✓	Anti-Corruption and Bribery Disclosures
SGX27Core-Gov-5	Anti-corruption training for employees	–	
SGX27Core-Gov-7	Alignment with frameworks and disclosure practices	✓	Alignment with frameworks
SGX27Core-Gov-8	Assurance of Sustainability Report	✓	Assurance of Sustainability Report

GRI Content Index

Statement of use	Bromat has reported with reference to the GRI Universal Standards 2021 for the period 1 October 2022 to 30 September 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	NA

GRI Number	Disclosure	Disclosed in this Report	References
GRI 2: General Disclosures 2021 - The organization and its reporting practices			
GRI2-1	Organizational details	✓	Company Profile
GRI2-2	Entities included in the organization's sustainability reporting	✓	Reporting Boundary
GRI2-3	Reporting period, frequency and contact point	✓	Reporting Boundary
GRI2-4	Restatements of information	–	No restatements
GRI2-5	External assurance	–	No External Assurance
GRI 2: General Disclosures 2021 - Activities and workers			
GRI2-6	Activities, value chain and other business relationships	✓	Company Profile
GRI2-7	Employees	✓	Social Factors

SUSTAINABILITY REPORT

GRI Number	Disclosure	Disclosed in this Report	References
GRI 2: General Disclosures 2021 - Governance			
GRI2-9	Governance structure and composition	✓	Board Composition, Board Statement, Sustainability Governance Structure
GRI2-10	Nomination and selection of the highest governance body	✓	Board Composition, Board Statement, Sustainability Governance Structure
GRI2-11	Chair of the highest governance body	✓	Annual Report
GRI2-12	Role of the highest governance body in overseeing the management of impacts	✓	Board Composition, Board Statement, Sustainability Governance Structure
GRI2-13	Delegation of responsibility for managing impacts	✓	Board Composition, Board Statement, Sustainability Governance Structure
GRI2-14	Role of the highest governance body in sustainability reporting	✓	Board Composition, Board Statement, Sustainability Governance Structure
GRI2-15	Conflicts of interest	✓	Board Composition, Board Statement, Sustainability Governance Structure
GRI2-16	Communication of critical concerns	✓	Corporate Governance in Annual Report
GRI2-17	Collective knowledge of the highest governance body	✓	Board Composition, Board Statement, Sustainability Governance Structure, Sustainability Training for the Board
GRI2-18	Evaluation of the performance of the highest governance body	✓	Board Composition, Board Statement, Sustainability Governance Structure
GRI2-19	Remuneration policies	✓	Board Composition, Board Statement, Sustainability Governance Structure
GRI2-20	Process to determine remuneration	✓	Board Composition, Board Statement, Sustainability Governance Structure
GRI2-21	Annual total compensation ratio	–	Information is not provided due to confidentiality constraints.
GRI 2: General Disclosures 2021 - Strategy, policies and practices			
GRI2-22	Statement on sustainable development strategy	✓	Board Statement, Sustainability Governance Structure
GRI2-23	Policy commitments	✓	Board Statement, Sustainability Governance Structure
GRI2-24	Embedding policy commitments	✓	Board Statement, Sustainability Governance Structure
GRI2-25	Processes to remediate negative impacts	✓	Board Statement, Sustainability Governance Structure
GRI2-26	Mechanisms for seeking advice and raising concerns	✓	Board Statement, Sustainability Governance Structure
GRI2-27	Compliance with laws and regulations	✓	Board Statement, Sustainability Governance Structure
GRI2-28	Membership associations	–	None

SUSTAINABILITY REPORT

GRI Number	Disclosure	Disclosed in this Report	References
GRI 2: General Disclosures 2021 - Stakeholder engagement			
GRI2-29	Approach to stakeholder engagement	✓	Stakeholder engagement
GRI2-30	Collective bargaining agreements	–	None
GRI 3: Material Topics 2021			
GRI3-1	Process to determine material topics	✓	Materiality Assessment
GRI3-2	List of material topics	✓	Material ESG Factors
GRI3-3	Management of material topics	✓	Material ESG Factors, Sustainability Policy Practices Performance
GRI 201: Economic Performance 2016			
GRI201-1	Direct economic value generated and distributed	✓	Annual Report
GRI 205: Anti-corruption 2016			
GRI205-3	Confirmed incidents of corruption and actions taken	✓	Corporate Governance and Ethical Behaviour
GRI 302: Energy 2016			
GRI302-1	Energy consumption within the organization	✓	Energy Consumption
GRI302-3	Energy intensity	✓	Energy Consumption
GRI 303: Water and Effluents 2018			
GRI303-5	Water consumption	✓	Water
GRI 305: Emissions 2016			
GRI305-1	Direct (Scope 1) GHG emissions	✓	GHG Emissions
GRI305-2	Energy indirect (Scope 2) GHG emissions	✓	GHG Emissions
GRI305-4	GHG emissions intensity	✓	GHG Emissions
GRI 401: Employment 2016			
GRI401-1	New employee hires and employee turnover	✓	Social Factors
GRI401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	✓	Social Factors
GRI 403: Occupational Health and Safety 2018			
GRI403-9	Work-related injuries	✓	Occupational Health and Safety
GRI403-10	Work-related ill health	✓	Occupational Health and Safety

SUSTAINABILITY REPORT

GRI Number	Disclosure	Disclosed in this Report	References
GRI 404: Training and Education 2016			
GRI404-1	Average hours of training per year per employee	✓	Development and Training
GRI404-2	Programs for upgrading employee skills and transition assistance programs	✓	Development and Training
GRI404-3	Percentage of employees receiving regular performance and career development reviews	✓	Development and Training
GRI 405: Diversity and Equal Opportunity 2016			
GRI405-1	Diversity of governance bodies and employees	✓	Board Composition and Management Diversity
GRI 406: Non-discrimination 2016			
GRI406-1	Incidents of discrimination and corrective actions taken	✓	Gender Diversity, Age-based diversity
GRI 416: Customer Health and Safety 2016			
GRI416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	✓	Food Quality and Hygiene

DIRECTORS' **STATEMENT**

The directors present their statement to the members together with the audited consolidated financial statements of Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.) (the "Company") and its subsidiaries (collectively the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 September 2023.

Opinion of the directors

In the opinion of the directors,

(i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 September 2023, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and

(ii) at the date of this statement, with the continuing financial support provided by the Gazelle Ventures Pte. Ltd., a controlling shareholder of the Company, 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:

Lo Kim Seng
Tan Keng Tiong
Low See Lien (appointed on 15 October 2024)
Gavin Mark Mcintyre (appointed on 15 October 2024 and resigned on 25 October 2024)
Frank Liu Tao (appointed on 6 January 2025)
Yuan Wang (appointed on 24 January 2025)
Benjamin Cho Kuo Kwang (resigned on 15 October 2024)
Francis Ding Yin Kiat (resigned on 15 October 2024)
Lim Teck-Ean (resigned and will cease to be a director on 13 May 2025)

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

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

DIRECTORS' **STATEMENT**

Directors' interest in shares and debentures

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 ("the Act") except as follows:

	Shareholdings registered in the name of directors		Shareholdings in which directors are deemed to have interest	
Name of director and company in which interest are held	**At beginning of year or date of appointment, if later**	**At end of year**	**At beginning of year or date of appointment, if later**	**At end of year**
Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.)				
(The Company)				
(Ordinary shares)				
Lim Yong Sim (Lin Rongsen)*	537,900	–	253,899,980	–
GuGong Pte. Ltd.				
(Ultimate holding company)				
(Ordinary shares)				
Lim Yong Sim (Lin Rongsen)*	515,000	–	–	–

* Lim Yong Sim resigned as a director of the Company with effect from 20 March 2024

By virtue of Section 7 of the Act, Mr Lim Yong Sim (Lin Rongsen) is deemed to have an interest in all the related corporations of the Company.

The directors' interest in the shares of the Company at 21 October 2023 were the same as at 30 September 2023.

Share options

(a) *Options to take up unissued shares*

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

(b) *Options exercised*

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

(c) *Unissued shares under options*

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

DIRECTORS' STATEMENT

Audit committee

The members of the Audit committee at the end of the financial year ended 30 September 2023 were as follows:

Mr. Francis Ding Yin Kiat (Chairman – resigned on 15 October 2024)
Mr. Low See Lien (Chairman – appointed on 15 October 2024)
Mr. Benjamin Cho Kuo Kwang (resigned on 15 October 2024)
Mr. Lo Kim Seng
Mr. Yuan Wang (appointed on 24 January 2025)

All members of the Audit committee are independent non-executive directors. The Audit Committee has met six times since the last Annual General Meeting ("AGM") and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

(a) the audit plans and results of the external and internal auditors' examination and evaluation of the Group's systems of internal accounting controls;

(b) the Group's financial and operating results and accounting policies;

(c) the audit plan of the external auditor;

(d) the statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and the external auditor's report on those financial statements;

(e) the quarterly, half-yearly and annual announcements on the results and financial position of the Company and the Group;

(f) the co-operation and assistance given by the management to the Group's external and internal auditors; and

(g) the appointment or re-appointment of the external and internal auditors of the Group.

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

Auditor

PKF-CAP LLP has expressed its willingness to accept re-appointment as auditor.

On behalf of the directors

Lo Kim Seng
Director

Tan Keng Tiong
Director

Singapore
14 February 2025

INDEPENDENT **AUDITORS' REPORT**

Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.) (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 September 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 30 September 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2.1 in the financial statements, which indicates that the Group incurred a net loss of $1,790,429 (2022: $4,719,880) during the year ended 30 September 2023 and, as of that date, the Group and Company had net liabilities of $8,779,387 and $7,114,762 (2022: $7,055,732 and $4,803,637) respectively. Additionally, the Group had a net cash outflow from operating activities of approximately $859,000 (2022: $982,000) for the year then ended. As stated in Note 2.1, these conditions, along with other matters as set forth in Note 31, indicate the existence of a material uncertainty that may cast significant doubt on the Group and Company's ability to continue as going concerns.

Our opinion is not modified in respect of the above matter.

INDEPENDENT AUDITORS' REPORT

Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.)

Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

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

At 30 September 2023, the carrying values of the Group's right-of-use assets and plant and equipment were Nil. The Group has business segments in the management and operation of seafood restaurants and other restaurants. All the restaurant outlet operations incurred losses in the current financial year. Accordingly, management identified that the related right-of-use assets and plant and equipment of these outlets have indicators of impairment and performed impairment tests to determine their recoverable amounts. Based on the outcome of the impairment tests, the Group has recognised an impairment charge of $55,755 and $82,087 on the right-of-use assets and plant and equipment, respectively, of restaurant businesses.

As disclosed in Notes 8 and 10, management determined the recoverable amounts of these outlets' right-of-use assets and plant and equipment based on value in use calculations, which require management to apply significant judgements and make assumptions on estimates supporting underlying projected cashflows.

Given the heightened level of estimation uncertainty associated with current market condition and the significant management judgement involved in determining the recoverable amounts for the above mentioned assets which are significant to the Group, we consider this to be a key audit matter.

As part of our audit, we obtained an understanding of management's impairment assessment process, including the method and the reasonableness of the key assumptions used to determine the recoverable amounts, in particular focusing on key assumptions such as discount rates. In our assessment and sensitivity analyses, we considered past, current and anticipated changes in the business and economic environment. We assessed those assumptions by comparing them to recent performance of the outlets based on conditions prevailing at the reporting date. We engaged our internal valuation specialists to assess reasonableness of the discount rates. We also performed sensitivity analyses on management's assumptions and discount rates in terms of the timing of the Group's plans to return its of operations to normalcy using different possible scenarios.

We reviewed the adequacy of the disclosures made on the impairment of right-of-use assets and plant and equipment in Notes 8 and 10 to the financial statements.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

INDEPENDENT AUDITORS' REPORT

Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.)

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.

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

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

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

INDEPENDENT **AUDITORS' REPORT**

Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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 those subsidiary corporations incorporated in Singapore of which we are the auditor 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 Ang Kok Keong.

PKF-CAP LLP
Public Accountants and
Chartered Accountants

Singapore
14 February 2025

STATEMENTS OF **FINANCIAL POSITION**

As at 30 September 2023

	Note	Group		Company	
		2023	**2022**	**2023**	**2022**
		$	$	$	$
			(Restated)		
ASSETS					
Current assets					
Cash and bank balances	4	2,927,140	284,963	2,820,119	110,503
Trade and other receivables	5	202,140	103,227	104,919	66,051
Inventories	6	48,552	107,590	–	–
Total current assets		3,177,832	495,780	2,925,038	176,554
Non-current assets					
Trade and other receivables	5	354,556	163,480	120,000	–
Intangible assets	7	–	–	–	–
Plant and equipment	8	–	136,388	–	–
Right-of-use assets	10	–	438,177	–	–
Amount due from subsidiaries	11	–	–	–	–
Investment in subsidiaries	9	–	–	105	105
Total non-current assets		354,556	738,045	120,105	105
Total assets		3,532,388	1,233,825	3,045,143	176,659

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF **FINANCIAL POSITION**

As at 30 September 2023

	Note	Group		Company	
		2023	2022	2023	2022
		$	$	$	$
			(Restated)		
LIABILITIES AND EQUITY					
Current liabilities					
Loans and borrowings	12	7,125,000	2,575,000	7,125,000	2,575,000
Trade and other payables	13	3,857,058	3,492,437	2,860,247	2,263,318
Lease liabilities	10	953,376	939,743	–	15,304
Amount due to holding company	11	145,517	103,943	145,517	103,943
Provisions	14	33,912	28,146	29,141	22,731
Total current liabilities		12,114,863	7,139,269	10,159,905	4,980,296
Non-current liabilities					
Provisions	14	98,915	98,915	–	–
Lease liabilities	10	97,997	1,051,373	–	–
Total non-current liabilities		196,912	1,150,288	–	–
Equity					
Share capital	15	25,181,005	25,181,005	25,181,005	25,181,005
Capital reserve	17	–	–	2,063,751	2,063,751
Accumulated losses		(33,980,002)	(32,189,573)	(34,359,518)	(32,048,393)
Translation reserve	17	19,610	(47,164)	–	–
Total (deficit)/equity		(8,779,387)	(7,055,732)	(7,114,762)	(4,803,637)
Total liabilities and equity		3,532,388	1,233,825	3,045,143	176,659

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 September 2023

	Note	Group 2023 $	Group 2022 $
Revenue	18	2,883,592	5,451,393
Other income	19	205,960	2,598,303
Raw materials and consumables used		(597,481)	(1,414,093)
Changes in inventories		(77,714)	(138,580)
Employee benefits expense		(1,825,449)	(3,800,966)
Rental income		–	106,538
Rental expenses		(60,594)	(511,252)
Depreciation and amortisation expenses		(450,092)	(1,354,556)
Impairment of plant and equipment	8	(82,087)	(807,564)
Impairment of right-of-use assets	10	(55,755)	(1,414,464)
Other operating expenses	21	(1,630,134)	(3,248,414)
Finance costs	20	(100,675)	(186,225)
Loss before income tax	24	(1,790,429)	(4,719,880)
Income tax expense	22	–	–
Loss for the year, representing loss attributable to the owners of the Company		(1,790,429)	(4,719,880)
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		66,774	39,391
Total comprehensive loss for the year, representing total comprehensive loss attributable to the owners of the Company		(1,723,655)	(4,680,489)
Basic and diluted loss per share (S$)	25	(0.004)	(0.01)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF **CHANGES IN EQUITY**

For the financial year ended 30 September 2023

Group	**Share capital** $	**Capital reserve** $ (Note 17)	**Translation reserve** $ (Note 17)	**Accumulated losses** $	**Total** $
Balance at 1 October 2022, as restated	25,181,005	–	(47,164)	(32,189,573)	(7,055,732)
Total comprehensive loss for the year:					
Loss for the year	–	–	–	(1,790,429)	(1,790,429)
Other comprehensive income	–	–	66,774	–	66,774
	–	–	66,774	(1,790,429)	(1,723,655)
Balance at 30 September 2023	25,181,005	–	19,610	(33,980,002)	(8,779,387)
Balance at 1 October 2021	25,181,005	(695,938)	(86,555)	(26,773,755)	(2,375,243)
Total comprehensive loss for the year:					
Loss for the year	–	–	–	(4,719,880)	(4,719,880)
Other comprehensive income, as reported	–	–	39,391	–	39,391
Prior year adjustment (Note 32)	–	695,938	–	(695,938)	–
Other comprehensive income, as restated	–	695,938	39,391	(695,938)	39,391
	–	695,938	39,391	(5,415,818)	(4,680,489)
Balance at 30 September 2022, as restated	25,181,005	–	(47,164)	(32,189,573)	(7,055,732)

Company	**Share capital** $	**Capital reserve** $	**Accumulated losses** $	**Total** $
Balance at 1 October 2022	25,181,005	2,063,751	(32,048,393)	(4,803,637)
Loss for the year, representing total comprehensive loss for the year	–	–	(2,311,125)	(2,311,125)
Balance at 30 September 2023	25,181,005	2,063,751	(34,359,518)	(7,114,762)
Balance at 1 October 2021	25,181,005	2,063,751	(28,496,457)	(1,251,701)
Loss for the year, representing total comprehensive loss for the year	–	–	(3,551,936)	(3,551,936)
Balance at 30 September 2022	25,181,005	2,063,751	(32,048,393)	(4,803,637)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

For the financial year ended 30 September 2023

	Note	Group 2023 $	Group 2022 $
Operating activities			
Loss before income tax		(1,790,429)	(4,719,880)
Adjustments for:			
Depreciation and amortisation expenses	24	450,092	1,354,556
Reversal for expected credit losses	21	–	(460)
Net gain on disposal of property, plant and equipment	19	–	(72,318)
Write-off of inventories	24	36,132	38,565
Write-off of plant and equipment	21	–	60,781
Write-off of trade and other receivables	21	–	440,977
Impairment loss on plant and equipment	8	82,087	807,564
Impairment loss on right-of-use assets	10	55,755	1,414,464
Reversal of provision of reinstatement cost	19	–	(76,706)
Gain on liquidation of subsidiaries	19	(130,622)	(1,596,796)
Gain on early termination of leases	19	–	(13,030)
Foreign exchange differences		66,774	39,391
Interest income	19	(8,651)	(223)
Interest expense	20	100,675	186,225
Operating cash flows before movements in working capital		(1,138,187)	(2,136,890)
(Increase)/Decrease in trade and other receivables		(290,591)	509,271
Decrease in inventories		22,906	187,737
Increase in trade and other payables		499,281	555,718
Increase in amount due to holding company		41,574	59,092
Increase/(Decrease) in provisions		5,766	(156,709)
Cash used in operations		(859,251)	(981,781)
Income tax paid		–	–
Net cash used in operating activities		(859,251)	(981,781)
Investing activities			
Purchase of plant and equipment	A	(14,312)	(44,667)
Proceeds from disposal of plant and equipment		–	202,618
Interest received	19	8,651	223
Liquidation of subsidiaries, net cash outflow	B	(2,493)	(182,819)
Net cash used in investing activities		(8,154)	(24,645)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

For the financial year ended 30 September 2023

	Note	Group 2023 $	Group 2022 $
Financing activities			
Proceeds from short-term loan (Advanced deposits)		4,550,000	–
Proceeds from super priority financing		–	450,000
Repayment of bank borrowings		–	(3,110,212)
Repayment of lease liabilities		(939,743)	(1,589,199)
Pledged deposit		–	3,000,000
Interest paid in relation to lease liabilities	12	(58,175)	(106,315)
Interest paid in relation to bank borrowings	12	(42,500)	(79,910)
Net cash generate from/(used in) financing activities		3,509,582	(1,435,636)
Net decrease in cash and cash equivalents		2,642,177	(2,442,062)
Cash and cash equivalents at beginning of the year		284,963	2,727,025
Cash and cash equivalents at end of the year	4	2,927,140	284,963

Note A

	Group 2023 $	Group 2022 $
Purchase of plant and equipment (Note 8)	(14,312)	(338,024)
Less non-cash movement:		
Payables to suppliers of plant and equipment	–	293,357
	(14,312)	(44,667)

Note B

	Group 2023 $	Group 2022 $
Cash and bank balances as of liquidation date		
Danish Breweries Pte. Ltd.	–	7,071
Hawker QSR Pte. Ltd.	–	175,748
Draff Beer Pte Ltd	14	–
NSB Crab Factory (China) Pte Ltd	386	–
NSB Mom's Touch Pte Ltd	210	–
Food Terminal Trading Pte Ltd	1,883	–
	2,493	182,819

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

1. Corporate information

Bromat Holdings Ltd. (the "Company") was formerly known as No Signboard Holdings Ltd following a change of name that takes effect from 27 June 2024. The Company was incorporated on 1 June 2017 in the Republic of Singapore with its principal place of business and registered office at 18 Sin Ming Lane #06-26 Midview City Singapore 573960.

The Company was admitted to the Catalist, the sponsor-supervised board of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 30 November 2017.

The principal activities of the Company are the management and operation of food & beverage outlets and investment holding.

The principal activities of the subsidiaries are disclosed in Note 9 to the financial statements.

2. Material accounting policy information

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company (collectively known as "financial statements") have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

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

The financial statements are presented in Singapore dollars ("SGD" or "$").

<u>Going concern uncertainty</u>

During the financial year ended 30 September 2023, the Group incurred net loss of $1,790,429 (2022: $4,719,880) and a net cash outflow from operating activities of approximately $859,000 (2022: $982,000). As of that date, the current liabilities and total liabilities of the Group exceeded its current assets and total assets by $8,937,031 (2022: $6,643,489) and $8,779,387 (2022: $7,055,732) respectively. The net current liabilities of the Group included bank borrowings of $2,125,000 that were reclassified from 'non-current' to 'current' as a result of defaulting on monthly repayments due to insufficient funds as disclosed in Note 12(i) to the financial statements. Additionally, the Company had net liabilities of $7,114,762 (2022: $4,803,637) at reporting date.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's and Company's ability to continue as going concerns. Notwithstanding, these financial statements have been prepared on a going concern basis having considered the following:

(i) on 4 March 2024, the Company received a further escrow fund of $3.5 million from Valiant Investments Limited, a 50% shareholder of Gazelle Ventures Pte. Ltd. which is earmarked for purposes such as to support the general working capital and funding requirements of the Group and Company;

(ii) the Company has resumed trading of its shares on SGX on 15 March 2024;

(iii) as set out in the Company's announcement dated 28 March 2024, the Company has completed the subscription shares consideration of S$500,000 and convertible redeemable preference shares of S$4.5 million (the "**Implementation Agreement**");

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.1 Basis of preparation (cont'd)

(iv) the Group has made payments to the scheme creditors (the "**Creditors Scheme**") under the Implementation Agreement and completed the scheme of arrangement on 18 April 2024. The Group had made payments of S$246,172 to the scheme creditors and subsequent to year-end following the completion of the schemes of arrangement, the Company recognised a gain on write-off of trade and other creditors of approximately $1.7 million in the profit or loss for the year ended 30 September 2024;

(v) the Company has entered into deeds of undertaking in the first half of 2025 between Rich Highlands Capital Inc., Masterhood Limited, and the Group. These deeds relate to the subscription and full payment for a total of up to 54,545,453 Rights Shares at an aggregate Rights Issue Price of up to S$3,000,000 (the "**New Investor Undertaking Consideration**") (refer to Note 31 (m) on Proposed renounceable non-underwritten rights issue). The Company had appointed SAC Capital Private Limited as manager of the Proposed Rights Issue. Subsequent to year-end, the Company had received $3.0 million at the Company's escrow account. As of the date of this report, the rights issue has not been completed;

(vi) on 15 November 2024, one of the new Investors, Frank Liu ("Mr Liu") has agreed to extend a loan of up to S$600,000 to the Company at interest rate of 15% per annum. Subsequent to year-end, the Company had fully drawdown S$585,000 (net of 2.5% of utilisation fee);

(vii) the Company has made the first repayment to OCBC bank according to the agreed terms of repayment on 18 April 2024 under the Implementation Agreement completion. Subsequently the Company had re-negotiated the repayment terms with the bank on the remaining amount to be repaid by April 2025.; and

(viii) the Company has also obtained a written undertaking from Gazelle Ventures Pte. Ltd., a controlling shareholder of the Company, that it will continue to support the working capital requirements of the Group and Company. It is envisaged that the Company intends to raise additional funds for growth and acquisition.

(ix) there are ongoing negotiations between the Company and the various creditors regarding the long outstanding fees. The outcome of these negotiations may impact the timing and settlement of these obligations.

Based on the above, the Group and Company are cautiously optimistic that there will be sufficient funds to meet the Group's and Company's working capital requirements and allow the Group and Company to continue operating as going concerns.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 October 2022. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

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

The group has adopted the amendments to SFRS(I) 1-1 Presentation of Financial Statements for the first time in the current year. The amendments change the requirements in FRS 1 with regard to disclosure of accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in SFRS(I) 1-1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The group has applied materiality guidance in SFRS(I) Practice Statement 2 in identifying its material accounting policies for disclosures in the related notes. The previous term 'significant accounting policies' used throughout the financial statements has been replaced with 'material accounting policy information'.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.3 Standards issued but not yet effective

Description	**Effective for annual periods beginning on or after**
SFRS(I)17: *Insurance Contracts*	1 January 2023
Amendments to SFRS(I) 1-12 Income Taxes: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023
Amendments to SFRS(I) 1-8 Accounting Policies, Changes in Accounting Estimates and Errors: *Definition of Accounting Estimates*	1 January 2023
Amendments to SFRS(I) 1-1 Presentation of Financial Statements: *Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to SFRS(I) 1-1 Presentation of Financial Statements: *Non-Current Liabilities with Covenants*	1 January 2024
Amendments to SFRS(I) 16 Leases: *Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to SFRS (I) 1-7(I) Statement of Cash Flows and SFRS (I) 7 Financial Instruments: Disclosures: Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 1-21: The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 9 *Financial Instruments and SFRS(I) 7 Financial Instruments: Disclosures - Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Annual Improvement to SFRS(I)s Volume 11	1 January 2026
SFRS(I) 1-18: *Presentation and Disclosure in Financial Statements*	1 January 2027
SFRS(I) 1-19: *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Date to be determined

The directors expect that the adoption of the above standards will have no material impact on the financial statements in the year of initial application.

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled directly or indirectly by the Company. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.4 Basis of consolidation and business combinations (cont'd)

(a) Basis of consolidation (cont'd)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owner of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owner of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

(b) Business combinations and goodwill

(i) Entities under common control

The Group is one involving entities under common control. Accordingly, the consolidated financial statements have been accounted for using the principles of merger accounting where financial statement items of the merged entities for the relevant years in which the common control combination occurs are included in the consolidated financial statement of the Group as if the combination had occurred from the date when the merged entities first came under the control of the group of shareholders acting in concert.

The results of subsidiaries acquired or disposed of during the financial year are included in the statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies in line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this may result in the non-controlling interests having a deficit balance.

<u>Changes in the Group's ownership interest in existing subsidiaries</u>

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

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.4 Basis of consolidation and business combinations (cont'd)

(b) Business combinations and goodwill (cont'd)

(i) Entities under common control (cont'd)

Changes in the Group's ownership interest in existing subsidiaries (cont'd)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

(ii) Other acquisitions

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method.

The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement year adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement year adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with SFRS(I) 1-39 *Financial Instruments: Recognition and Measurement*, or SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.4 Basis of consolidation and business combinations (cont'd)

(b) Business combinations and goodwill (cont'd)

(ii) Other acquisitions (cont'd)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS (I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

If the initial accounting for a business combination is incomplete by the end of the financial year in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement year, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement year is the year from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

The accounting policy for initial measurement of non-controlling interests is described above.

In the Company's separate financial statements, investment in subsidiaries is carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

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

On disposal of a subsidiary or the relevant cash generating unit, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.5 Plant and equipment

All items of plant and equipment are initially recorded at cost. Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Construction in progress represents plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of plant and equipment when completed and ready for intended use. Depreciation of these assets commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following bases:

Motor vehicles	–	5 years
Furniture and fittings	–	3 years
Renovation	–	3 to 5 years
Kitchen equipment and utensils	–	3 years

Fully depreciated assets still in use are retained in the financial statements.

The residual value, useful lives and depreciation method are reviewed at least at the end of each financial period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

2.6 Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.7 Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(a) Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

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

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.7 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset.

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the "other income" line item.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate as at each reporting date. Specifically, for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "other income" or "other operating expenses" line item.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(b) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.7 Financial instruments (cont'd)

(b) Financial liabilities and equity instruments (cont'd)

Financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Interest-bearing short-term loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Interest expense calculated using the effective interest method is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see below).

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost as at each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the "other income" or "other operating expenses" line item in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

2.8 Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.8 Impairment of financial assets (cont'd)

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.8 Impairment of financial assets (cont'd)

Definition of default

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

- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group considers a financial asset in default when contractual payments are more than 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flow.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event;

(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

(e) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.8 Impairment of financial assets (cont'd)

Measurement and recognition of expected credit losses (cont'd)

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables and amounts due from customers are each assessed as a separate group. Advances to related companies are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises all cost of purchase and overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in-first-out method.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.10 Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives are not amortised. Each period, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.10 Intangible assets (cont'd)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are identified and recognised separately from goodwill. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised. Each year, the useful lives of such assets are reviewed to determine whether events and circumstances continue to support an indefinite useful life assessment for the asset.

Intangible assets with indefinite useful lives are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Trademark

The trademark was acquired in a business combination in June 2017. The useful life of trademark is estimated to be indefinite based on the Group's analysis of relevant factors and there is no foreseeable limit to the period over which the trademarks are expected to generate net cash flows.

Franchise Licenses

The franchise licenses are amortised on a straight-line basis over their estimated useful lives of between 5 to 10 years.

2.11 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.12 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Other government grants are recognised as income over the years necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the year in which they become receivable.

2.13 Revenue recognition

The Group recognises revenue from the following major sources:

- Sale of food and beverages in restaurant business;
- Sale of live seafood;
- Sale of beverages in beer business; and
- Franchise fee income.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when customer obtains control of the good or service.

<u>Sale of food and beverages in restaurant business</u>

Revenue from sale of food and beverage is recognised at a point in time when control of the food and beverage has been transferred, being at the point the customer purchases the food and beverage at the respective outlets or restaurants. Payment of the transaction price is due immediately at the point the customer purchases the food and beverage and there is no right of return.

<u>Sale of live seafood</u>

The revenue of the Group arising from sale of live seafood is recognised at a point in time. Revenue from these sales is recognised when customer acceptance has been obtained, which is the point of time when the goods are delivered based on the agreed shipping terms and the location specified by the customers, and when the customer has the ability to direct the use of these goods and obtain substantially all of the remaining benefits of these goods.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.13 Revenue recognition (cont'd)

<u>Sale of beverages in beer business</u>

The Group sells beer directly to customers and wholesaler or through its distributors who act as the agent.

For sales directly to customers and wholesaler, the revenue is recognised at point in time when the goods are delivered based on the agreed shipping terms and the location specified by the customers and wholesaler, and when the customer and wholesaler has the ability to direct the use of these goods and obtain substantially all of the remaining benefits of these goods.

For sales through distributors, revenue is recognised at a point in time when the distributors have delivered the goods to customers based on the agreed shipping terms and the location specified by the customers. For advance billings and payments received, the transaction price received by the Group is recognised as a contract liability until the goods have been delivered to the customers. Variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The upfront sponsorship is amortised to profit or loss as a reduction against revenue based on the period as stipulated in the contracts. The Group also made payments to customers in relation to selling initiatives for volume rebates which are netted off against revenue. Promotional support are given by the Group for promotional and marketing initiatives to develop the Group's brand and are accumulated over the contract period as a contract liability and correspondingly netted off against revenue.

<u>Service charges</u>

Revenue from service charges is recognised at point in time upon sale of food and beverage, when services have been performed.

<u>Franchise fee income</u>

Franchise fee charged for the use of continuing right granted by the agreement, or for other services provided during the year of the agreement, are recognised as income over time as the services are rendered or the right is used.

<u>Interest income</u>

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.14 Employee benefits

(a) Defined contribution plans

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.15 Borrowings costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.16 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Company operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred tax

Deferred taxation is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.16 Taxes (cont'd)

(b) Deferred tax (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

– Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

– Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.17 Foreign currency transactions

The individual financial statements of each group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and equity of the Company are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. As at each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.17 Foreign currency transactions (cont'd)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of translation reserve.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances, which are subject to insignificant risks of changes in value.

2.19 Leases

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

As Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as follows:

	Years
Restaurant premises	2 to 5 years
Office equipment	5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.6.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

2. Material accounting policy information (cont'd)

2.19 Leases (cont'd)

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the remaining lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

2.20 Fair value

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

– Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

– Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

– Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.21 Segment information

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is focused on the seafood restaurants, other restaurants and beer businesses which form the basis of identifying the operating segments of the Group under SFRS(I) 8 Operating Segments. The aggregated seafood restaurants, other restaurants and beer businesses are therefore the Group's reportable segments.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

3. Key assumptions and sources of estimation uncertainty

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Impairment of right-of-use assets and plant and equipment of seafood restaurants and other restaurants business

The Group assesses whether there are any indicators of impairment for right-of-use assets, plant and equipment and intangible assets at the end of each reporting period. Right-of-use assets and plant and equipment are tested for impairment when there are indicators that the carrying amounts may not be recoverable. This requires an estimation of the recoverable amounts of the cash generating units which is determined based on the higher of fair value less cost to sell ("FVLCTS') and value-in-use ("VIU") methods.

In particular, management assesses impairment of right-of-use assets, plant and equipment and intangible assets of seafood restaurants and other restaurants business by considering factors such as the market and economic environment in which the cash generating units operate and the economic performance of these assets. The Group has recognised an impairment charge of $55,755 (2022: $1,414,464) and $82,087 (2022: $807,564) to the right-of-use assets and plant and equipment, respectively, of the seafood restaurants and other restaurants business for the financial year ended 30 September 2023.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit, including estimating the revenue growth rate for the restaurants and using a suitable discount rate in order to calculate the present value of the cash flows.

4. Cash and cash equivalents

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Cash at bank	2,923,308	279,195	2,819,618	110,002
Cash on hand	3,832	5,768	501	501
Cash and cash equivalents	2,927,140	284,963	2,820,119	110,503

The Group has no unutilised banking facilities that are available for use as at 30 September 2023.

Cash and bank balances denominated in foreign currencies at the end of the reporting period are as follows:

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
United States dollar	2,905	3,052	2,905	3,052
Chinese Yuan	84	91	84	91

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

5. Trade and other receivables

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Trade receivables: Third parties	20,555	24,213	325	325
Less: Loss allowances	–	(3,740)	–	–
	20,555	20,473	325	325
GST recoverable	22,097	–	22,017	21,908
	42,652	20,473	22,342	22,233

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Other receivables:				
Third parties	12,400	20,200	12,400	20,200
Refundable security deposits	262,316	182,700	6,020	5,450
Other deposits	120,000	–	120,000	–
Prepayments	119,328	43,334	64,157	18,168
	514,044	246,234	202,577	43,818
Less: Non-current portion				
Refundable security deposits	(234,556)	(163,480)	–	–
Other deposits	(120,000)	–	(120,000)	–
	(354,556)	(163,480)	(120,000)	–
Current portion	202,140	103,227	104,919	66,051

Trade receivables

The average credit period on sale of food and beverages is 4 days (2022: 6 days). No interest is charged on the outstanding balance.

Loss allowance for trade receivables has always been measured at an amount equal to lifetime expected credit losses (“ECL”). The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

5. **Trade and other receivables (cont'd)**

Trade receivables (cont'd)

The table below shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with SFRS(I) 9:

	Group	
	Lifetime ECL (Credit-impaired)	
	2023	2022
	$	$
Balance as at 1 October	3,740	411,208
(Written off) /Charge for the year[a]	(3,740)	(407,468)
Balance as at 30 September	–	3,740

[a] Includes items of allowances of loss on trade receivables with carrying amount of $3,740 which were written off during the year as a result of liquidating the Company's six wholly owned subsidiaries namely, Food Terminal Trading Pte. Ltd., Tao Brewery Pte. Ltd, NSB-Crab Factory Pte. Ltd., NSB-Crab Factory (China) Pte. Ltd., Draff Beer Pte. Ltd. and NSB-Mom's Touch Pte. Ltd. (Refer to Note 10 for further details.)

Other receivables

For purpose of impairment assessment, a portion of the other receivables is considered to have a significant increase in the risk of default since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to lifetime expected credit losses (ECL).

In determining the ECL, management has taken into historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operates, in estimating the probability of default of each financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

The table below shows the movement in lifetime ECL that has been recognised for other receivables in accordance with SFRS(I) 9:

	Group	
	Lifetime ECL (Credit-impaired)	
	2023	2022
	$	$
Balance as at 1 October	–	38,808
Reversal	–	(38,808)
Balance as at 30 September	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

6. Inventories

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
At cost or net realisable value				
Raw material and consumables	41,286	98,328	–	–
Liquor and beverages	7,266	9,262	–	–
	48,552	107,590	–	–

7. Intangible assets

Group	Trademark	Franchise license	Total
	$	$	$
Cost:			
At 1 October 2021 and 30 September 2022	620,000	986,373	1,606,373
Disposal[a]		(684,813)	(684,813)
At 30 September 2023	620,000	301,560	921,560
Accumulated amortisation:			
At 1 October 2021	–	225,485	225,485
Additions	–	22,827	22,827
At 30 September 2022 / 1 October 2022	–	248,312	248,312
Disposal[a]	–	(211,151)	(211,151)
At 30 September 2023	–	37,161	37,161
Accumulated impairment:			
At 1 October 2021 and 30 September 2022	620,000	738,061	1,358,061
Disposal	–	(473,662)	(473,662)
At 30 September 2023	620,000	264,399	884,399
Net carrying amount:			
At 30 September 2023	–	–	–
At 30 September 2022	–	–	–

[a] The write-off pertain to NSB-Mom's Touch Pte. Ltd. liquidated during the year (Refer to Note 10 for further details.)

The intangible asset - franchise license is amortised over its useful lives of 5 years (2022: 6 years). The amortisation expense has been included in the line item "depreciation and amortisation expense" in the income statement.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

8. Plant and equipment

Group	**Motor vehicles**	**Furniture and fittings**	**Renovation**	**Kitchen equipment and utensils**	**Construction in progress**	**Total**
	$	$	$	$	$	$
Cost						
At 1 October 2021	448,529	1,896,379	4,733,753	1,533,582	401,557	9,013,800
Transfer		3,649	–	–	(3,649)	–
Additions	–	23,243	262,952	29,635	22,194	338,024
Disposals	(448,529)	(470,777)	(1,660,618)	(822,523)	–	(3,402,447)
Write-offs	–	(826,473)	(1,315,668)	(515,367)	–	(2,657,508)
At 30 September 2022 and 1 October 2022	–	626,021	2,020,419	225,327	420,102	3,291,869
Additions	–	8,064	–	6,248	–	14,312
Disposals[(a)]	–	(2,000)	–	–	–	(2,000)
At 30 September 2023	–	632,085	2,020,419	231,575	420,102	3,304,181
Accumulated depreciation						
At 1 October 2021	315,789	1,194,358	3,031,944	841,235	–	5,383,326
Depreciation for the year	11,075	118,590	226,991	76,321	–	432,977
Disposals[(a)]	(326,864)	(432,286)	(1,340,628)	(481,717)	–	(2,581,495)
Write-offs	–	(360,960)	(887,105)	(353,484)	–	(1,601,549)
At 30 September 2022 and 1 October 2022	–	519,702	1,031,202	82,355	–	1,633,259
Depreciation for the year	–	2,911	56,889	7,870	–	67,670
Disposals[(a)]	–	(1,057)	–	–	–	(1,057)
At 30 September 2023	–	521,556	1,088,091	90,225	–	1,699,872

(a) Included items of plant and equipment with carrying amount of $943 which were written off during the year as a result of liquidating the Company's six wholly owned subsidiaries namely, Food Terminal Trading Pte. Ltd., Tao Brewery Pte. Ltd, NSB-Crab Factory Pte. Ltd., NSB-Crab Factory (China) Pte. Ltd., Draff Beer Pte. Ltd. and NSB-Mom's Touch Pte. Ltd. (Refer to Note 10 for further details.)

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

8. Plant and equipment (cont'd)

Group	**Motor vehicles**	**Furniture and fittings**	**Renovation**	**Kitchen equipment and utensils**	**Construction in progress**	**Total**
	$	$	$	$	$	$
Accumulated impairment						
At 1 October 2021	59,627	560,939	1,035,101	458,121	365,913	2,479,701
Impairment loss for the year	–	39,327	593,770	120,278	54,189	807,564
Disposals[a]	(21,014)	(37,418)	(286,476)	(248,865)	–	(593,773)
Write-offs	(38,613)	(462,087)	(468,112)	(202,458)	–	(1,171,270)
At 30 September 2022 and 1 October 2022	–	100,761	874,283	127,076	420,102	1,522,222
Impairment loss for the year	–	9,768	58,045	14,274	–	82,087
At 30 September 2023	–	110,529	932,328	141,350	420,102	1,604,309
Net carrying amount						
At 30 September 2023	–	–	–	–	–	–
At 30 September 2022	–	5,558	114,934	15,896	–	136,388

[a] Included items of plant and equipment with carrying amount of $943 which were written off during the year as a result of liquidating the Company's six wholly owned subsidiaries namely, Food Terminal Trading Pte. Ltd., Tao Brewery Pte. Ltd, NSB-Crab Factory Pte. Ltd., NSB-Crab Factory (China) Pte. Ltd., Draff Beer Pte. Ltd. and NSB-Mom's Touch Pte. Ltd.. (Refer to Note 10 for further details.)

Company	**Motor vehicles**	**Furniture and fittings**	**Renovation**	**Kitchen equipment and utensils**	**Construction in progress**	**Total**
	$	$	$	$	$	$
Cost						
At 1 October 2021	196,028	770,984	2,294,174	464,748	365,913	4,091,847
Transfer	–	3,649	–	–	(3,649)	–
Additions	70,525	6,340	–	109,125	57,837	243,827
Write-offs	–	(172,059)	(982,990)	(186,784)	–	(1,341,833)
Disposals	(266,553)	(216,045)	(1,169,456)	(387,089)	–	(2,039,143)
At 30 September 2022 and 1 October 2022	–	392,869	141,728	–	420,101	954,698
Additions	–	6,600	–	–	–	6,600
At 30 September 2023	–	399,469	141,728	–	420,101	961,298

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

8. Plant and equipment (cont'd)

Company	**Motor vehicles**	**Furniture and fittings**	**Renovation**	**Kitchen equipment and utensils**	**Construction in progress**	**Total**
	$	$	$	$	$	$
Accumulated depreciation and impairment losses						
At 1 October 2021	196,028	770,984	2,294,174	464,748	365,913	4,091,847
Depreciation for the year	11,075	–	–	36,375	–	47,450
Write-offs	–	(172,059)	(982,990)	(186,784)	–	(1,341,833)
Disposals	(207,103)	(216,045)	(1,169,456)	(314,339)	–	(1,906,943)
Impairment loss for the year	–	9,989	–	–	54,188	64,177
At 30 September 2022 and 1 October 2022	–	392,869	141,728	–	420,101	954,698
Depreciation for the year	–	367	–	–	–	367
Impairment loss for the year	–	6,233	–	–	–	6,233
At 30 September 2023	–	399,469	141,728	–	420,101	961,298
Net carrying amount						
At 30 September 2023	–	–	–	–	–	–
At 30 September 2022	–	–	–	–	–	–

The assessment for impairment is based on cash generating units ("CGUs") comprising the individual outlets of the seafood restaurants and other restaurants businesses.

The impairment of plant and equipment in both 2022 and 2023 represents the write-down of the carrying values of certain plant and equipment in the seafood restaurants and other restaurants business to their recoverable amounts.

In 2022 and 2023, the deterioration of its earnings and closure of outlets led to indicators of impairment on the plant and equipment relating to the seafood restaurants and other restaurants.

For the current financial year, the recoverable amounts of plant and equipment relating to restaurant outlets with indicators of impairment were determined based on value-in-use calculations using cash flow projections approved by management. The pre-tax discount rate applied to the cash flows projections 12.0% (2022: 11.7%). The key assumptions used in the value-in-use calculations include the projection of future revenue, profit margins, expenditures and probabilities assigned to the different cash flow scenarios.

During the financial year, management recognised an impairment loss on the Group's and Company's plant and equipment of $82,087 and $6,233 (2022: $807,564 and $64,177) respectively.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

9. Investment in subsidiaries

	Company	
	2023	**2022**
	$	$
Unquoted equity shares, at cost		
At beginning of financial year	1,930,105	1,930,105
Disposal during the financial year	(1,880,000)	–
At the end of financial year before allowance for impairment loss	50,105	1,930,105
Less: Impairment loss	(50,000)	(1,930,000)
	105	105

	Company	
	2023	**2022**
	$	$
Movement in the allowance for impairment loss		
At beginning of financial year	1,930,105	1,930,100
Disposal during the financial year	(1,880,000)	–
At the end of financial year	(50,000)	1,930,100

Details of subsidiaries of the Company are as follows:

Name of subsidiaries	Date and country of incorporation	Principal activities	Proportion of ownership interest and voting power held 2023	2022
Danish Breweries Pte. Ltd.[e]	6 June 2014, Singapore	Import and export, and general wholesale trading of beer and liquor	–	–
Draff Beer Pte. Ltd. [c]	22 May 2017, Singapore	Dormant	–	100%
Singapore Chilli Crab Pte. Ltd.[a]	31 August 2017, Singapore	Dormant	100%	100%
Tao Brewery Pte. Ltd. [c]	22 March 2017, Singapore	Investment holding	–	100%
NSB Restaurants Pte. Ltd.[a]	20 March 2018, Singapore	Restaurants	100%	100%
Hawker QSR Pte. Ltd.[d]	20 March 2018, Singapore	Restaurants	–	–
NSB Noodles Pte. Ltd.[a] (formerly known as NSB Global Franchise Management Pte. Ltd.)	14 February 2018, Singapore	Investment holding	100%	100%

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

9. Investment in subsidiaries (cont'd)

Name of subsidiaries	Date and country of incorporation	Principal activities	Proportion of ownership interest and voting power held	
			2023	2022
NSB Franchisees Pte. Ltd.[(a)]	14 February 2018, Singapore	Investment holding	100%	100%
NSB Hotpot Pte. Ltd.[(a)]	14 February 2018, Singapore	Restaurants	100%	100%
NSB-IP Holdings Pte. Ltd.[(a)]	22 November 2018, Singapore	Dormant	100%	100%
Food Terminal Trading Pte. Ltd (formerly known as NSB Central Kitchen Pte. Ltd.)[(c)]	30 November 2018, Singapore	Dormant	–	100%
NSB Crab Factory Pte. Ltd. [(c)]	30 November 2018, Singapore	Investment holding	–	100%
NSB Crab Factory (China) Pte. Ltd. [(c)]	30 November 2018, Singapore	Investment holding	–	100%
Lion F&B Management Shanghai Co., Ltd [(b)]	30 January 2019, The People's Republic of China	Dormant	100%	100%
NSB-Mom's Touch Pte. Ltd. [(c)]	8 October 2018, Singapore	Dormant	–	100%
NSB Mom's Touch Sdn Bhd. [(b)]	13 December 2018, Malaysia	Dormant	100%	100%

(a) Audited by PKF-CAP LLP, Singapore.

(b) Not required to be audited by the laws of its country of incorporation. These foreign subsidiaries are not considered significant as defined under Clause 718 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

(c) These companies had entered voluntary creditors' liquidation on 20 December 2022. The voluntary creditors' liquidation has been successfully completed after year end following the final meetings held on 28 November 2023. The liquidator has lodged the necessary forms with ACRA and the entity had dissolved in February 2024.

(d) The company had entered voluntary creditors' liquidation on 9 February 2022. The voluntary creditors' liquidation has been successfully completed during the year following the final meeting held on 7 September 2023. The liquidator has lodged the necessary forms with ACRA and the entity had dissolved in December 2023.

(e) The company had entered voluntary creditors' liquidation on 14 March 2022. The voluntary creditors' liquidation has been successfully completed after year end following the final meeting held on 18 March 2024. The liquidator has lodged the necessary forms with ACRA and the entity had dissolved in June 2024.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

9. Investment in subsidiaries (cont'd)

Information about the composition of the Group is as follows:

Principal activities	Number of wholly-owned subsidiaries 2023	2022
Restaurants	2	2
Investment holding	2	5
Dormant	4	7
	8	14

<u>Creditors' liquidation of subsidiaries</u>

On 9 February 2022, the Company applied for creditors' voluntary liquidation for Hawker QSR Pte. Ltd. The subsidiary is consolidated until the date it ceases to be a subsidiary of the Company. Gain on liquidation of subsidiary of $965,453 is recorded within "other operating income" in profit or loss in financial year end 30 September 2022.

On 14 March 2022, the Company applied for creditors' voluntary liquidation for Danish Breweries Pte. Ltd. The subsidiary is consolidated until the date they cease to be subsidiaries of the Company. Gain on liquidation of subsidiaries of $631,343 is recorded within "other operating income" in profit or loss in financial year end 30 September 2022.

On 20 December 2022, the Company applied for creditors' voluntary liquidation for Food Terminal Trading Pte. Ltd., Tao Brewery Pte. Ltd, NSB-Crab Factory Pte. Ltd., NSB-Crab Factory (China) Pte. Ltd., Draff Beer Pte. Ltd. and NSB-Mom's Touch Pte. Ltd.. These subsidiaries were consolidated up to the date they ceased to be subsidiaries of the Company. Gain on liquidation of subsidiaries of $130,622 was recorded within "other operating income" in profit or loss in the financial year ended 30 September 2023.

Subsequent to the reporting year-end, the above entities were dissolved.

10. Right-of-use assets and lease liabilities

The Group has lease contracts for restaurant premises and office equipment used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The Group also has certain leases of restaurant outlets with lease terms of 12 months or less and leases of equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

10. Right-of-use assets and lease liabilities (cont'd)

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Group	Restaurant premises	Office equipment	Total
	$	$	$
Cost			
At 1 October 2021	13,551,363	46,342	13,597,705
Write-off	(1,464,399)	–	(1,464,399)
Termination	(7,703,504)	(23,932)	(7,727,436)
At 30 September 2022 and 1 October 2022	4,383,460	22,410	4,405,870
Write-off*	(646,800)	(22,410)	(669,210)
At 30 September 2023	3,736,660	–	3,736,660
Accumulated depreciation and impairment loss			
At 1 October 2021	10,799,970	46,342	10,846,312
Charge for the year	898,752	–	898,752
Impairment loss	1,414,464	–	1,414,464
Write-off	(1,464,399)	–	(1,464,399)
Termination	(7,703,504)	(23,932)	(7,727,436)
At 30 September 2022 and 1 October 2022	3,945,283	22,410	3,967,693
Charge for the year	382,422	–	382,422
Impairment loss	55,755	–	55,755
Write-off*	(646,800)	(22,410)	(669,210)
At 30 September 2023	3,736,660	–	3,736,660
Net carrying amount			
At 30 September 2023	–	–	–
At 30 September 2022	438,177	–	438,177

* Written off due to ending of lease term

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

10. Right-of-use assets and lease liabilities (cont'd)

Company	Restaurant premises	Office equipment	Total
	$	$	$
Cost			
At 1 October 2021	6,779,262	22,410	6,801,672
Termination	(5,993,724)	–	(5,993,724)
At 30 September 2022 and 1 October 2022	785,538	22,410	807,948
Decreases	(785,538)	(22,410)	(807,948)
At 30 September 2023	–	–	–
Accumulated depreciation and impairment loss			
At 1 October 2021	6,779,262	22,410	6,801,672
Termination	(5,993,724)	–	(5,993,724)
At 30 September 2022 and 1 October 2022	785,538	22,410	807,948
Decreases	(785,538)	(22,410)	(807,948)
At 30 September 2023	–	–	–
Net carrying amount			
At 30 September 2023	–	–	–
At 30 September 2022	–	–	–

The assessment for impairment is based on cash generating units ("CGUs") comprising the individual outlets of the seafood restaurants and other restaurants businesses.

The impairment of right-of-use assets in the current financial year represents the write-down of their carrying values in the seafood restaurants and other restaurants business to their recoverable amounts.

In 2023 and 2022, the deterioration of its earnings and closure of outlets led to indicators of impairment on the right-of-use assets relating to the seafood restaurants and other restaurants.

During the financial year, the recoverable amounts of the right-of-use assets have been determined on the basis of their value in use. The pre-tax discount rate applied to the cash flows projections is 12.0% (2022: 11.7%). The key assumptions used in the value-in-use calculations include the projection of future revenue, profit margins, expenditures and probabilities assigned to the different cash flow scenarios.

During the financial year, management recognised an impairment loss on the Group's and Company's right-of-use assets of $55,755 and Nil (2022: $1,414,464 and Nil) respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

10. Right-of-use assets and lease liabilities (cont'd)

Termination

Termination relates to the early termination of leases of restaurant premises during the financial year.

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group	
	2023	2022
	$	$
At 1 October	1,991,116	4,200,037
Additions		–
Accretion of interest	58,175	106,315
Payments	(997,918)	(1,588,976)
Rent concessions	–	(106,538)
Termination[(a)]	–	(619,722)
At 30 September	1,051,373	1,991,116
Current	953,376	939,743
Non-current	97,997	1,051,373
	1,051,373	1,991,116

	Company	
	2023	2022
	$	$
At 1 October	15,304	455,126
Additions	–	–
Accretion of interest	76	4,824
Payments	(15,380)	(344,813)
Rent concessions	–	(99,833)
At 30 September	–	15,304
Current	–	15,304
Non-current	–	–
	–	15,304

The maturity analysis of lease liabilities is disclosed in Note 28.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

10. Right-of-use assets and lease liabilities (cont'd)

The following are the amounts recognised in profit or loss:

	Group	
	2023	**2022**
	$	$
Depreciation of right-of-use assets (Note 24)	438,177	898,752
Interest on lease liabilities (Note 20)	58,175	106,315
Impairment of right-of-use assets	55,575	1,414,464
Rental (income)/expenses:		
Rental expense on short-term leases and leases of low-value assets	45,600	471,976
Variable lease payments	12,604	39,276
Rental concessions (included in rental income)	–	(106,538)
Total amount recognised in profit or loss	610,131	2,824,245

The Group had total cash outflow for leases of $1,055,458 (2022: $2,100,228) in the financial year ended 30 September 2023.

The Group has several lease contracts that include extension and termination options. These options, whose prices are based on revised rates to be determined at the date of exercise, are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extension and termination options are reasonably certain to be exercised.

11. Amount due from/(to) holding company and subsidiaries

(a) Amount due to holding company

The Company is a subsidiary of GuGong Pte. Ltd., which is also the Company's ultimate holding company. The director, Lim is the majority shareholder of the ultimate holding company.

The amount due to holding company is unsecured, non-interest bearing and repayable on demand.

(b) Amount due from subsidiaries

	Company	
	2023	**2022**
	$	$
Amount due from subsidiaries – non-trade	4,254,116	16,448,659
Less: Loss allowances	(4,254,116)	(16,448,659)
	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

11. Amount due from/(to) holding company and subsidiaries (cont'd)

(b) Amount due from subsidiaries (cont'd)

Nil of amount due from subsidiaries is unsecured and bears interest at 3.72% per annum (2022: $2,648,869). The remaining amount due from subsidiaries of $4,254,116 is unsecured, non-interest bearing and repayable on demand (2022: $13,799,790).

The table below shows the movement in lifetime ECL that has been recognised for amount due from subsidiaries in accordance with SFRS(I) 9:

	Company	
	Lifetime ECL (Credit-impaired)	
	2023	**2022**
	$	$
Balance as at 1 October	16,448,659	16,061,244
Charge for the year	–	387,415
Written off	(12,194,543)	–
Balance as at 30 September	4,254,116	16,448,659

12. Loans and borrowings

	Group and Company	
	2023	**2022**
	$	$
Loan A	2,125,000	2,125,000
Loan B	450,000	450,000
Loan C	4,550,000	–
	7,125,000	2,575,000
Current portion	7,125,000	2,575,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

12. Loans and borrowings (cont'd)

The Group has the following principal bank loans:

(i) Loan A amounting to $3,000,000 was drawn down in May 2020. The loan is unsecured, and is repayable in 48 equal monthly instalments commencing in June 2021. The loan and is expected to be repaid in full by May 2025. The loan bears interests at fixed rate of 2% per annum.

The Company does not have sufficient funds to make the monthly repayments of the bank loan from September 2022. As such the balances had been classified as "current" as at 30 September 2022 and 30 September 2023.

Subsequent to various discussions and exchanges of proposals in relation to reaching a mutually agreeable settlement on the terms of repayment of the outstanding bank loan on 24 November 2022, the Company and OCBC have reached an agreement on the terms of repayment of the outstanding bank loan, of which the first repayment will commence after trading resumes. The agreement had stated that the initial principal repayment would be S$1 million followed by 9 equal monthly instalment on the remaining balance of S$1.125 million.

The Company has made the first repayment to OCBC according to the agreed terms of repayment on 18 April 2024 following the completion of the **Implementation Agreement**.

(ii) Loan B amounting to S$450,000 was drawn down as emergency rescue financing provided by Gazelle Ventures to the Company in accordance with the terms and conditions of the Super Priority Financing Agreement. It is interest free and repayable on demand if the **Implementation Agreement** is not completed by the long stop date.

(iii) Loan C amounting to S$4.55 million was the advanced deposit received by the Company from the investor pursuant to the **Implementation Agreement**. It is interest free and repayable on demand if the Implementation Agreement is not completed by the long stop date.

<u>Reconciliation of liabilities arising from financing activities</u>

			Non-cash changes		
	1 October 2022	Financing cash flows [i]	Accretion of interests	Additions and terminations	30 September 2023
	$	$	$	$	$
Loans and borrowings	2,575,000	4,507,500	42,500	–	7,125,000
Lease liabilities	1,991,116	(997,918)	58,175	–	1,051,373

			Non-cash changes		
	1 October 2021	Financing cash flows [i]	Accretion of interests	Additions and terminations	30 September 2022
	$	$	$	$	$
Loans and borrowings	5,235,212	(2,740,122)	79,910	–	2,575,000
Lease liabilities	4,200,037	(1,695,514)	106,315	(619,722)	1,991,116

[i] The cash flows make up the net amount of proceeds from borrowings and repayments of borrowings in the statement of cash flows.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

13. Trade and other payables

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Trade payables:				
Third parties	307,024	365,327	225,214	225,166
GST payable	9,071	1,607	–	–
Other payables:				
Third parties	2,451,660	2,017,188	1,867,231	1,370,228
Payables to suppliers of plant and equipment	–	116,444	–	–
Accruals	596,618	549,180	347,089	337,553
Accrued employee benefits expense	486,890	440,094	414,918	327,774
Amount due to related party	5,795	2,597	5,795	2,597
	3,857,058	3,492,437	2,860,247	2,263,318

The average credit period is 182 days (2022: 106 days). No interest is charged on outstanding balances.

14. Provisions

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Provision for employee leave entitlement	33,912	28,146	29,141	22,731
Provision for reinstatement cost (Note(a))	98,915	98,915	–	–
Less: Non-current portion:				
Provision for reinstatement cost	(98,915)	(98,915)	–	–
Current portion	33,912	28,146	29,141	22,731

(a) Provision for reinstatement cost

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Provision for reinstatement cost	98,915	98,915	–	–
Less: Non-current	(98,915)	(98,915)	–	–
	–	–	–	–
At beginning of year	98,915	322,474	–	122,706
Utilisation	–	(223,559)	–	(122,706)
At end of year	98,915	98,915	–	–

The provision for reinstatement cost is an estimation to reinstate the Group's leased premises to their original state upon expiry of the lease. These amounts have not been discounted for the purpose of measuring the provision for reinstatement cost because the effect is insignificant.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

15. Share capital

	Group and Company			
	2023	**2023**	**2022**	**2022**
	Number of ordinary shares	**$**	**Number of ordinary shares**	**$**
Issued and paid-up:				
At beginning and end of the financial year	462,392,475	25,181,005	462,392,475	25,181,005

Fully paid ordinary shares, which have no par value, carry one vote per share and carry a right to dividend as and when declared by the Company.

16. Grant receivables and deferred grant income

Grant receivable consists of amounts receivable under the jobs support scheme funded by the Singapore Government.

Deferred grant income arises from the jobs support scheme funded by the Singapore Government.

17. Reserves

Capital reserve

On 19 June 2018, the Group had entered into an agreement to acquire the remaining 20% shareholdings from its non-controlling shareholder, who was also the former director of a subsidiary, Danish Breweries Pte Ltd, subsequently increasing its ownership interest and voting rights from 80% to 100%. As at 30 September 2022, upon disposal of Danish Breweries Pte Ltd, the capital reserve had been reclassified to retained earnings.

The capital reserve of the Group represents effects of changes in ownership interests in subsidiary when there was no change in control.

Translation reserve

The translation reserve represents exchange differences relating to the translation from the functional currency of the Group's foreign subsidiary into Singapore dollars.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

18. Revenue

	Group	
	2023	2022
	$	$
Restaurant business		
Sale of food and beverages	2,737,605	5,088,513
Service charges	145,987	223,868
	2,883,592	5,312,381
Beer business		
Sale of beverages	–	139,012
	–	5,451,393
Timing of revenue recognition		
At a point in time	2,883,592	5,451,393

19. Other income

	Group	
	2023	2022
	$	$
Government grant and credit schemes	53,800	605,812
Franchise fee income (Note 29)	–	144,000
Interest income	8,651	223
Gain on early termination of leases	–	13,030
Gain on liquidation of subsidiaries	130,622	1,596,796
Reversal for provision of reinstatement cost	–	76,706
Unrealised gain	–	29,232
Gain on disposal of property, plant and equipment	–	72,318
Others	12,887	60,186
	205,960	2,598,303

Government grant and credit schemes comprise mainly grant income received by the Group under Jobs Support Scheme, Wage Credit Scheme and Temporary Credit Scheme.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

20. Finance costs

	Group	
	2023	2022
	$	$
Interest expense on bank loans (Note 12)	42,500	79,910
Interest on lease liabilities (Note 10)	58,175	106,315
	100,675	186,225

21. Other operating expenses

	Group	
	2023	2022
	$	$
Reversal of expected credit losses on trade and other receivables	–	(460)
Marketing and advertising expenses	13,747	229,832
Cleaning supplies and services	5,194	36,055
Commission	110,536	258,164
General supplies	4,401	11,905
Professional fees	1,052,384	1,400,873
Repair and maintenance	31,403	69,672
Communications	3,326	16,789
Printing and stationery	3,100	7,496
Insurance	2,597	27,438
Utilities expenses	181,027	294,306
Freight charges	1,741	39,954
Royalty fees	99,462	155,540
Subscription and licence fees	41,708	61,576
Write-off trade and other receivables	–	440,977
Write-off plant and equipment	–	60,781
Foreign exchange loss	53,500	39,996
Others	26,008	97,520
	1,630,134	3,248,414

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

22. Income tax expense

Major components of income tax expense

The major components of income tax expense for the years ended 30 September 2023 and 2022 are:

	Group	
	2023	**2022**
	$	$
Income tax:		
Current year	–	–

Relationship between tax credit and accounting loss

A reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 30 September 2023 and 2022 is as follows:

	Group	
	2023	**2022**
	$	$
Loss before income tax	(1,794,960)	(4,719,880)
Income tax calculated at 17% (2022: 17%)	(305,143)	(802,380)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(3,429)	(3,429)
Non-allowable items	118,417	336,556
Deferred tax assets not recognised	190,155	469,253
	–	–

As at 30 September 2023, the Group has tax losses of approximately $17,267,000 (2022: $16,147,000) that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset amounting to approximately S$2.9 million (2022:S$2.7 million) has been recognised due to uncertainty of its recoverability. The use of these tax losses is subject to the agreement of the tax authority and compliance with certain provisions of the tax legislation of Singapore.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

23. Segment information

Group	Revenue 2023	Revenue 2022	Net loss 2023	Net loss 2022
	$	$	$	$
Seafood Restaurant business	–	694,239	(223,424)	(323,599)
Other Restaurant business	2,883,592	4,618,142	81,968	(636,745)
Beer business	–	139,012	(1,359)	(158,435)
	2,883,592	5,451,393	(142,815)	(1,118,779)
Gain on liquidation of subsidiaries			130,622	1,596,796
Impairment of plant and equipment			(82,087)	(807,564)
Impairment of right-of-use assets			(55,755)	(1,414,464)
Other operating expenses			(949,151)	(1,126,737)
Corporate office expenses			(599,219)	(1,663,130)
Interest income			8,651	223
Finance costs			(100,675)	(186,225)
Loss before tax			(1,790,429)	(4,719,880)
Income tax expense			–	–
Loss after tax			(1,790,429)	(4,719,880)

	Group 2023	Group 2022
	$	$
<u>Segment assets</u>		
Seafood Restaurant business*	3,046,299	178,284
Other Restaurant business	486,089	1,053,885
Beer business	–	1,656
	3,532,388	1,233,825
<u>Segment liabilities</u>		
Seafood Restaurant business	10,210,981	5,054,099
Other Restaurant business	2,100,794	3,219,982
Beer business	–	15,476
	12,311,775	8,289,557
Unallocated liabilities	–	–
	12,311,775	8,289,557

* *Included cash and bank balances in the Company*

23. Segment information (cont'd)

Group	Depreciation and amortisation expense		Capital expenditure	
	2023	2022	2023	2022
	$	$	$	$
Seafood Restaurant business	367	49,842	6,600	50,055
Other Restaurant business	449,614	1,294,552	7,712	337,529
Beer business	111	10,162	–	–
At end of year	450,092	1,354,556	14,312	387,584

Reportable segment

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the restaurant business and beer business which forms the basis of identifying the operating segments of the Group under SFRS(I) 8 *Operating Segments*.

The accounting policies of the reportable segment are the same as the Group's accounting policies. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise income tax.

Geographical information

The Group only operates in Singapore.

Information about major customers

There is no single major customer that contributed more than 5% of the Group's total revenue. The revenue is spread over a broad base of customers.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

24. Loss before income tax

The following expense items have been included in arriving at loss before income tax:

	Group	
	2023	2022
	$	$
Employment benefits - directors of the Company:		
Salary and allowances	150,000	516,000
Cost of defined contribution plans	–	15,300
Key management remuneration other than directors:		
Salary and allowances	282,960	574,280
Cost of defined contribution plans	12,240	34,236
Cost of defined contribution plans included in employee benefits expenses	64,189	281,957
Cost of inventories recognised as expense	639,063	1,533,998
Write-off of inventories	36,132	38,565
Auditor's remuneration:		
Audit fees to auditor of the Company	145,200	198,000
Non-audit fees to auditor of the Company	21,190	51,808
Depreciation and amortisation expenses:		
Amortisation of intangible assets (Note 7)	–	22,827
Depreciation of plant and equipment (Note 8)	67,670	432,977
Depreciation of right-of-use assets (Note 10)	382,422	898,752
	450,092	1,354,556

25. Loss per share

The basic loss per share is calculated based on the loss attributable to owners of the Company for each reporting period and the weighted average number of ordinary shares of 462,392,475 (2022: 462,392,475).

The fully diluted loss per share and basic loss per share are the same because there are no dilutive shares.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

26. Commitments and contingent liabilities

Contingent liabilities

(a) Intellectual Property Disposal (IP SPA) and Independent Contractor Agreement Termination (ICA)

The Company, Lim, GuGong and Mattar Road No Signboard Seafood Restaurant ("MRNSSR") (collectively "Parties") have on 21 March 2024 entered into a **Settlement Agreement** (the "Settlement Agreement").

Under the terms of the **Settlement Agreement**:

(i) GuGong, Lim and MRNSSR shall release and discharge the Company and each member of the Board from all claims, demands, liabilities and/or rights that each of them have, may have had or may have against the Company or any member of the Board, including any claims Lim may have against the Company in respect of his employment and/or directorships with the Company and the Group, and, in respect of existing claims, each of Lim and GuGong agrees that no claim shall be taken or continued by any of them;

(ii) the Company shall release Lim, GuGong and MRNSSR from all existing claims, demands and/or liabilities and in respect of existing claims, the Company agrees that no claim shall be taken against Lim, GuGong or MRNSSR; and

(iii) the Company shall convey, transfer and assign the "No Signboard" trademarks to GuGong for a sale price of S$10,000 (the "**Trademarks**").

In conclusion, GuGong and Lim have agreed to not take any steps or further steps to requisition or procure the requisition of an extraordinary general meeting of the Company. In addition, GuGong and Lim have agreed to abandon all existing claims against the Company and the Board, including:

(i) the existing defamation claims against the Board; and

(ii) the existing claim under Section 216A(3)(a) of the Companies Act.

In addition, under the terms of the **Settlement Agreement**, all existing agreements between the Group, on one hand, and GuGong and/or Lim on the other shall automatically terminate. This includes the existing Intellectual IPSPA and the ICA.

Management had made an assessment and concluded that the dispute is resolved and no adjustment is to be made in current financial year.

(b) Legal claims - Sprawl Transport & Logistic Pte Ltd's ("Sprawl") and Danish Breweries Ptd Ltd. ("DBPL")

DBPL were placed under creditors' voluntary liquidation with effect 12 April 2022 and the liquidator has further written to Sprawl's solicitors for a settlement but did not receive a response from Sprawl. In view of the high legal cost and uncertainty of the outcome, the liquidator will not be taking any further recovery actions.

The liquidation has been successfully completed following the final meetings held on 18 March 2024 and lodged the final returns with ACRA. At the expiry of 3 months from 18 March 2024, the status of DBPL will be changed to 'Dissolved-Voluntary Winding Up'.

Hence, based on management assessment, no adjustment is to be made in current financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

26. Commitments and contingent liabilities (cont'd)

Contingent liabilities (cont'd)

(c) *"**Development Agreement**" between Little Sheep International and NSB Hotpot Pte Ltd*

On 23 May 2023, the Little Sheep International Franchise Development Agreement between Little Sheep International and NSB Hotpot Pte Ltd ("the **Development Agreement**") between Little Sheep International and NSB Hotpot Pte Ltd has been terminated due to NSB Hotpot's failure to meet the required number of new restaurants and timely payment of monthly Maintenance fee. As a result, NSB Hotpot is liable for a total sum of penalties and outstanding payments totalling US$189,196. Following the deduction of the deposit amounting to USD$127,500, the outstanding payment of US$61,696 is demanded from the franchise owner. Additionally, contingent liabilities will arise from the legal fees stipulated in the agreement.

On 8 August 2023, Little Sheep International had agreed on the repayment schedule and the Company had obtained approval to continue the operations of the Orchard Gateway outlet. The Company had been making monthly payments, accompanied by an overdue penalty of 0.05% of the outstanding amount for each day of delay to Little Sheep International since August 2023. Consequently, the **Development Agreement** remains active, and the Company is continuing operations of the Orchard Gateway outlet.

27. Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2023	2022	2023	2022
	$	$	$	$
Financial assets				
At amortised cost:				
Trade and other receivables	415,271	223,373	138,745	25,975
Cash and bank balances	2,927,140	284,963	2,820,119	110,503
Total	3,342,411	508,336	2,958,864	136,478
Financial liabilities				
At amortised cost:				
Loans and borrowings	7,125,000	2,575,000	7,125,000	2,575,000
Trade and other payables	3,847,987	3,490,829	2,860,247	2,263,318
Amount due to holding company	145,517	103,943	145,517	103,943
Lease liabilities	1,051,373	1,991,116	–	15,304
Total	12,169,877	8,160,888	10,130,764	4,957,565

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

28. Financial risk management objective and policies

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the costs of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. The Group does not hold or issue derivative financial instruments for speculative purposes.

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

(a) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from possible mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of standby credit facilities.

To manage liquidity risk, the Group monitors its net operating cash flow and maintains an adequate level of cash and cash equivalents and secured committed funding facilities from financial institutions, where available. In assessing the adequacy of these adequacy of these funding facilities, management reviews its working capital requirements regularly.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group	1 year or less $	1 to 5 years $	Total $
2023			
Financial liabilities			
At amortised cost:			
Loans and borrowings	7,167,500	–	7,167,500
Trade and other payables	3,847,987	–	3,847,987
Amount due to holding company	145,517	–	145,517
Lease liabilities	976,006	98,490	1,074,496
Total undiscounted financial liabilities	12,137,010	98,490	12,235,500
2022			
Financial liabilities			
At amortised cost:			
Loans and borrowings	2,617,500	–	2,617,500
Trade and other payables	3,490,829	–	3,490,829
Amount due to holding company	103,943	–	103,943
Lease liabilities	997,918	1,074,496	2,072,414
Total undiscounted financial liabilities	7,210,190	1,074,496	8,284,686

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

28. Financial risk management objective and policies (cont'd)

(a) Liquidity risk (cont'd)

Company	1 year or less $	1 to 5 years $	Total $
2023			
Financial liabilities			
At amortised cost:			
Loans and borrowings	7,167,500	–	7,167,500
Trade and other payables	2,860,247	–	2,860,247
Amount due to holding company	145,517	–	145,517
Total undiscounted financial liabilities	10,173,264	–	10,173,264

Company	1 year or less $	1 to 5 years $	Total $
2022			
Financial liabilities			
At amortised cost:			
Loans and borrowings	2,617,500	–	2,617,500
Trade and other payables	2,263,318	–	2,263,318
Amount due to holding company	103,943	–	103,943
Lease liabilities	15,380	–	15,380
Total undiscounted financial liabilities	5,000,141	–	5,000,141

Fair value of financial assets and financial liabilities

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

The fair values of the other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

The Group and the Company do not have any financial instruments which are subject to offsetting, enforceable master netting arrangements or similar agreements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

28. Financial risk management objective and policies (cont'd)

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits), the Group minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Company has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Group's and the Company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

Group	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				$	$	$
2023						
Trade receivables	5	(i)	Lifetime ECL (simplified approach)	20,555	–	20,555
Other receivables	5	Performing	12-month ECL	394,716	–	394,716
				415,271	–	415,271

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

28. Financial risk management objective and policies (cont'd)

(b) Credit risk (cont'd)

Group	**Note**	**Internal credit rating**	**12-month or lifetime ECL**	**Gross carrying amount**	**Loss allowance**	**Net carrying amount**
				$	$	$
2022						
Trade receivables	5	(i)	Lifetime ECL (simplified approach)	24,213	(3,740)	20,473
Other receivables	5	Performing	12-month ECL	202,900	–	202,900
				227,113	(3,740)	223,373

Company	**Note**	**Internal credit rating**	**12-month or lifetime ECL**	**Gross carrying amount**	**Loss allowance**	**Net carrying amount**
				$	$	$
2023						
Trade receivables	5	(i)	Lifetime ECL (simplified approach)	325	–	325
Other receivables	5	Performing	12-month ECL	138,420	–	138,420
Amount due from subsidiaries	11	In default	Lifetime ECL	4,254,116	(4,254,116)	–
				4,392,861	(4,254,116)	138,745
2022						
Trade receivables	5	(i)	Lifetime ECL (simplified approach)	325	–	325
Other receivables	5	Performing	12-month ECL	25,650	–	25,650
Amount due from subsidiaries	11	In default	Lifetime ECL	16,448,659	(16,448,659)	–
				16,474,634	(16,448,659)	25,975

(i) For trade receivables, the Group and the Company has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group and the Company determines the expected credit losses on these items estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Note 5 includes further details on loss allowance for these trade receivables.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

28. Financial risk management objective and policies (cont'd)

(b) Credit risk (cont'd)

For purpose of impairment assessment, as there has been significant increase in the risk of default on the amount owing from subsidiaries since initial recognition, the loss allowance is measured at an amount equal to lifetime expected credit losses (ECL). In determining the ECL, management has taken into account the financial position of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiaries operate, in estimating the probability of default as well as loss upon default. Based on management's estimates, loss allowances amounting to $4,254,116 (2022: $16,448,659) has been made.

The Group has cash balances placed with reputable banks.

In 2023, the Group has no significant concentration of credit risk as trade receivables are spread over a broad base of customers.

(c) Capital management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, which includes the borrowing and equity attributable to owners of the Company, comprising of share capital and reserves.

The Group's overall strategy with regards to capital management remains unchanged from prior year.

29. Related party transactions

(a) Significant related party transactions

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

	Group	
	2023	**2022**
	$	$
Holding company		
- Rental expenses	(45,600)	(45,600)
Related parties		
- Sale of beer to related party A	–	1,500
- Franchise fee income from related party A	–	144,000
- Rental expense to related party A	–	(144,000)

Related party A: Mattar Road No Signboard Seafood Restaurant Company owned by relatives of director – Lim.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

29. Related party transactions (cont'd)

(b) Compensation of key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities, directly or indirectly, of the Group.

The directors and other members of key management are considered as key management personnel of the Group.

	Group	
	2023	**2022**
	$	$
Short-term benefits	282,960	1,090,280
Post-employment benefits	12,240	49,536
	295,200	1,139,816

30. Investigation by the Commercial Affairs Department of the Singapore Police Force

On 29 April and 2 May 2019, the Company announced that it was requested by the Commercial Affairs Department of the Singapore Police Force ("CAD") to assist in an investigation in relation to matters concerning the abortive share buy-back executed on 31 January 2019 by Mr Lim Yong Sim ("Mr Lim") the Company's former Executive Chairman and Chief Executive Officer ("CEO"). The Company is fully cooperating with the CAD in its investigations. As part of the Company's co-operations from 24 April 2019 to 26 April 2019, the CAD was provided access to and was given copies of documents in connection with the abortive share-buyback pursuant to Section 35 of the Criminal Procedure Code. No files or records or equipment belonging to the Group have been seized by CAD.

On 27 July 2023, the Company announced that Mr Lim is being charged with share price rigging offences under the Securities and Futures Act 2001 of Singapore (the "SFA"). The Charges arose from a joint investigation by the Commercial Affairs Department and ("CAD") and the Monetary Authority of Singapore.

Mr Lim is charged with three counts of Section 197(1)(b) of the SFA for engaging in the conduct of creating false appearance with respect to the price of Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.) ("NSB") shares. Lim allegedly placed orders for NSB shares and trades in NSB shares were executed in the trading account of Gugong Pte Ltd, for the purpose of pushing up and/or supporting the price of NSB shares in two time periods, namely

(i) between 19 and 29 June 2018 and

(ii) between 30 November 2018 and 11 January 2019.

At the material time, Mr Lim is the director and the majority shareholder of Gugong. Gugong in turn is the majority shareholder of NSB.

Mr Lim was placed on a leave of absence which involved a suspension of all of his executive duties as CEO effective from 8 August 2023 and pending the resolution of the proceedings relating to the charges. He subsequently stepped down as CEO and Executive Chairman on 20 March 2024.

In light of the above, the Board of Directors has appointed Mr Lim Teck-Ean as interim CEO.

The Board of Directors and management have assessed that the above matter will not result in a significant impact on the accompanying financial statements.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

31. Events subsequent to reporting date

(a) Trading resumption of Singapore Exchange and Completion of the I**mplementation Agreement** with Gazelle Ventures Pte. Ltd. ("GV") (the "Investor")

As one of the conditions to the completion of the **Implementation Agreement**, the Investor is required to deposit the Full Investment Amount of S$5 million into the Company's Bank Account on Completion or prior to approval for the trading resumption of the Shares on the SGX-ST having been obtained from the SGX-ST, whichever is earlier. In this regard, the Investor had already previously extended S$450,000 out of the S$5 million to the Company as Emergency Funding under the Super Priority Financing Agreement. On 31 October 2022, the Investor subsequently deposited S$2.5 million (the "Advance Deposit"), constituting part of the full investment Amount, into the Company's Bank Account.

On 28 November 2022, the Investor further deposited S$2,050,000 (the "2nd Advance Deposit") into the Company's Bank Account. In total, the Company had received the Full Investment Amount from the Investor. The Advance Deposit and the 2nd Advance Deposit were transferred by the Investor to the Company so as to demonstrate the support and commitment of the Investor in respect of the Company's application for trading resumption of Shares which will be submitted to the SGX-ST in due course. The use of the Advance Deposits shall be subject to the prior written approval of the Investor, and any amounts from the Advance Deposits will be utilised for the working capital requirements, payment of staff salaries and settlement of liabilities of the Company as set out in Section 7 of the Company's announcement dated 1 July 2022. Save for the Advance Deposits, there are no other variations to the terms of the **Implementation Agreement**.

On 27 July 2023, the Company and the Investor entered into a side letter further committing their mutual intentions to extend the deadline for completion of the conditions in the **Implementation Agreement** from 30 December 2022 to 31 December 2023

On 15 March 2024, the Company has resumed trading of its shares on SGX.

The Company had completed the **Implementation Agreement** on 28 March 2024. With the completion of the **Implementation Agreement**, the Company has completed the allotment and issuance of the following:-

(i) 231,194,379 new Subscription Shares (the "Subscription Shares Allotment"); and

(ii) 145,000,000 convertible redeemable preference shares to Gazelle Ventures Pte. Ltd. (the "Investor") on 28 March 2024 (the "Completion Date").

Accordingly, the Emergency Funding and Advance Deposits received, totalling S$5 million, were capitalised as equity through issuance of new shares via the subscription of new Subscription shares and convertible redeemable preference shares upon the completion of the Implementation Agreement on 28 March 2024.

The Proposed Subscription Shares Allotment resulted in the Investor holding 75% of the enlarged issued share capital of the Company on a Fully Diluted Basis upon the allotment and issuance of the Subscription Shares.

Following the Subscription Shares Allotment, the Investor is required to make a mandatory general offer to acquire all the issued Shares of the Company under Rule 14 of the Takeover Code.

On 16 May 2024, closing date of the mandatory general offer, the Company had received valid acceptances amounting to 1,548,090 Shares, representing approximately 0.5022% of the total number of issued Shares. The total number of shares owned by the Investor amount to an aggregate of 232,742,469 shares, representing approximately 75.5022% of the total number of issued shares.

(b) Escrow fund received from Valiant Investments Limited

On 4 March 2024, the Company received a further escrow fund of $3.5 million from Valiant Investments Limited, a 50% shareholder of Gazelle Ventures Pte. Ltd. which is earmarked for purposes such as to support the general working capital and funding requirements of the Group and Company.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

31. Events subsequent to reporting date (Cont'd)

(c) Creditor's Scheme

On 22 August 2022, a scheme arrangement between the Company and its creditors (the" **Explanatory Statement**") was distributed to all Creditors. Under Singapore law, a scheme of arrangement of the kind proposed here is an arrangement provided for under Section 210 of the Companies Act to take effect between a company and its creditors.

The Scheme is proposed as part of Bromat Holdings Ltd. (formerly known as No Signboard Holdings Ltd.), NSB Hotpot's, and NSB Restaurants' collective efforts to restructure their existing debts. The restructuring is one of the key requirements and condition precedents of the **Implementation Agreement**, which will see the capital injection of up to S$5 million to support the Company's continued operations and expansion of its business. From execution of the **Implementation Agreement**, the Company is to settle all outstanding claims and move forward in a new direction under the Investor's majority shareholding.

Two of its wholly owned subsidiaries, NSB Hotpot Pte Ltd ("NSB Hotpot") and NSB Restaurants Pte Ltd ("NSB Restaurants") which are operating subsidiaries, will operate the Company's two operating restaurants. NSB Hotpot and NSB Restaurants have also proposed separate schemes of arrangements to their own creditors, which will be interlinked with the proposed Scheme.

Under the Scheme, the Participating Creditors will have the choice of two options to fully settle their Approved Claim as follows:

<u>Salient term of the Scheme</u>

"Option 1" – the payment in cash by the Company to the Participating Creditor of 15% of their Approved Claim ("Cash Distribution");

"Option 2" – the issue of shares ("Scheme Shares") in the Company equivalent in value to 50% of their Approved Claim. The Scheme Shares thus issued will be subject to a moratorium on sale for a period of 1 year.

The Court had on 28 October 2022 granted Orders of Court sanctioning the Schemes under Section 210 of the Companies Act to be binding on the Scheme Companies and their Scheme Creditors.

The Group had made payments of S$246,172 to the scheme creditors and completed the scheme of arrangement on 18 April 2024 following the completion of **Implementation Agreement**. Subsequent to year-end, following the completion of the schemes of arrangement, the Company recognised a gain on write-off of trade and other creditors of approximately $1.7 million in profit or loss for the year ended 30 September 2024.

(d) Loan settlement with Oversea-Chinese Banking Corporation Limited

Subsequent to various discussions and exchanges of proposals in relation to reaching a mutually agreeable settlement on the terms of repayment of the outstanding bank loan on 24 November 2022, the Company and OCBC have reached an agreement on the terms of repayment of the outstanding bank loan comprising the principal amount of S$2.125 million and any contractual interests incurred in relation to the outstanding loan, of which the first repayment will commence after trading resumes.

The Company made the first repayment of S$1.7 million to OCBC according to the agreed terms of repayment on 18 April 2024 following the completion of the Implementation Agreement. Subsequently the Company had re-negotiated the repayment terms with the bank on the remaining amount to be repaid by April 2025.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

31. Events subsequent to reporting date (Cont'd)

(e) Creditors voluntary liquidation – prior year

As at 30 September 2022, Hawker QSR Pte. Ltd. and Danish Breweries Pte. Ltd. were placed under creditors' voluntary liquidation with effect from 23 February 2022 and 12 April 2022 respectively.

Following the final meeting held on 7 September 2023 to conclude the liquidation, Hawker QSR Pte. Ltd.'s liquidation has been successfully completed. The liquidator has lodged the necessary forms with ACRA and the entity will be dissolved on 13 December 2023.

The liquidation for Danish Breweries Pte. Ltd. has also been successfully completed following the final meeting held on 18 March 2024 and final returns with ACRA are lodged. At the expiry of 3 months from 18 March 2024, the status will be changed to "Dissolved-Voluntary Winding Up".

(f) Creditors voluntary liquidation – during the year

To strategically reduce its liabilities, the Group's loss-making and non-core subsidiaries, Draff Beer Pte. Ltd, Tao Brewery Pte Ltd, Food Terminal Trading Pte Ltd, NSB-Crab Factory Pte Ltd, NSB-Crab Factory (China) Pte Ltd and NSB-Mom's Touch Pte Ltd have been placed under creditors' voluntary liquidation with effect from 20 December 2022 and have ceased all the related operations effective from these dates.

The liquidation was successfully completed following the final meetings held on 28 November 2023. The liquidator had lodged the final returns with ACRA on 5 December 2023. At the expiry of 3 months from 5 December 2023, the status of these companies will be changed to "Dissolved-Voluntary Winding Up".

(g) "**Development Agreement**" between Little Sheep International and NSB Hotpot Pte Ltd

On 23 May 2023, the "**Development Agreement**" between Little Sheep International and NSB Hotpot Pte Ltd had terminated due to NSB Hotpot's failure to meet the required number of new restaurants and timely payment of monthly maintenance fee. As a result, NSB Hotpot is liable for a total sum of penalties and outstanding payments totalling US$189,196. Following the deduction of the deposit amounting to USD$127,500, the outstanding payment of US$61,696 is demanded from the franchise owner. Additionally, contingent liabilities will arise from the legal fees stipulated in the agreement.

On 8 August 2023, Little Sheep International agreed on the repayment schedule with the Company resulting in continuing operations on the Orchard Gateway outlet. The Company had make monthly payments, accompanied by an overdue penalty of 0.05% of the outstanding amount for each day of delay to Little Sheep International since August 2023. Consequently, the **Development Agreement** remains active, and the Company continues its operations at the Orchard Gateway outlet. As the late penalty interest related to FY2022, Management made adjustments on the accrual of the late penalty interest expenses in current financial year and the outstanding amount due to Little Sheep International was fully settled on 14 November 2023.

(h) Legal dispute with GuGong – Intellectual Property Disposal ("IP SPA") and Independent Contractor Agreement Termination ("ICA") dated 9 December 2022.

The Company announced the proposed disposal of intellectual property (IP) associated with its "No Signboard" seafood and restaurant business to GuGong and the entry into an ICA with GuGong for a period of three years. These agreements were initially disclosed on 9 December 2022, but subsequently terminated on 3 March 2023 to expedite the completion of **Implementation Agreement**.

On 9 March 2023, the Company announced it received a letter dated 8 March 2023 from GuGong's lawyers, Legal Solutions LLC. The letter states that GuGong is of the view the Company's unilateral termination of the ICA and IP SPA agreements are unlawful and in breach of the agreements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 September 2023

31. Events subsequent to reporting date (Cont'd)

(h) Legal dispute with GuGong – Intellectual Property Disposal ("IP SPA") and Independent Contractor Agreement Termination ("ICA") dated 9 December 2022 (cont'd)

IP SPA

On 24 April 2023, the Company received a notice of originating application filed by GuGong's lawyers, Legal Solutions LLC. The notice states that GuGong had applied to General Division of the High Court of the Republic of Singapore for an interim injunction to restrain the Company from proceeding with any and/or all the Proposed Transactions and the Proposed Whitewash Resolution, until the determination of the dispute in respect of the IP SPA by way of arbitration administered by the Singapore International Arbitration Centre or until further order. The outcome of this legal dispute will have a role in determining the audit opinion to be issued in the current year.

The Board announced that at the hearing on 25 September 2023, GuGong was granted leave by the High Court to withdraw the IP Injunction Application. On the issue of costs, the High Court ordered the Company to pay GuGong costs fixed at S$6,500 with reasonable disbursements.

The arbitration proceedings relating to the IP SPA officially concluded with the publication of the Consent Award on 8 November 2023. Under the terms of the Consent Award, the IP SPA dated will be reinstated and the Company had paid GuGong the costs fixed plus reasonable disbursements in the aggregate sum of S$5,160. The Company shall also bear the costs of the arbitration as determined by the Registrar of the Singapore International Arbitration Centre in the sum of S$5,778.

ICA

On 23 May 2023, the Company received a notice of originating application filed by GuGong's lawyers, Legal Solutions LLC. The Application states that GuGong has applied to General Division of the High Court of the Republic of Singapore to declare the termination of the ICA as wrongful and an order for reinstatement of the ICA, or in the alternative damages of S$700,200 to be paid to Gugong being the Contractor Fee for the Term of the ICA. The Application further states that in the alternative, a declaration that the ICA is void ab initio and Gugong's compliance with the terms of the Voting Undertakings in relation to the Proposed Transactions and the Proposed Whitewash Resolution is void.

At court hearing on 20 September 2023, the parties consented to have the ICA reinstated. The High Court thus granted an order for the reinstatement of the ICA. However, the High Court did not grant GuGong's prayer for a declaration that the ICA was wrongfully terminated by the Company. On the issue of costs, the High Court ordered the Company to pay GuGong costs fixed at S$5,000, with the quantum of the disbursements to be agreed (the "**Disbursement Quantum**"), if not fixed by the court. In the circumstances, save for the minor issue of the **Disbursements Quantum**, the ICA Proceeding has been completed.

The Company, Lim, GuGong and Mattar Road No Signboard Seafood Restaurant ("MRNSSR") (collectively "Parties") have on 21 March 2024 entered into a **Settlement Agreement** (the "**Settlement Agreement**").

Under the terms of the **Settlement Agreement**:

(i) GuGong, Lim and MRNSSR shall release and discharge the Company and each member of the Board from all claims, demands, liabilities and/or rights that each of them have, may have had or may have against the Company or any member of the Board, including any claims Lim may have against the Company in respect of his employment and/or directorships with the Company and the Group, and, in respect of existing claims, each of Lim and GuGong agrees that no claim shall be taken or continued by any of them;

(ii) the Company will release Lim, GuGong and MRNSSR from all existing claims, demands and/or liabilities and in respect of existing claims, the Company agrees that no claim shall be taken against Lim, GuGong or MRNSSR; and

(iii) the Company shall convey, transfer and assign the "No Signboard" trademarks to GuGong for a sale price of S$10,000 (the "**Trademarks**").

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

31. Events subsequent to reporting date (Cont'd)

(h) Legal dispute with GuGong – Intellectual Property Disposal ("IP SPA") and Independent Contractor Agreement Termination ("ICA") dated 9 December 2022 (cont'd)

GuGong and Lim have agreed to not take any steps or further steps to requisition or procure the requisition of an extraordinary general meeting of the Company. In addition, GuGong and Lim have agreed to abandon all existing claims against the Company and the Board, including

(i) the existing defamation claims against the Board; and

(ii) the existing claim under Section 216A(3)(a) of the Companies Act.

In addition, under the terms of the **Settlement Agreement**, all existing agreements between the Group, on one hand, and GuGong and/or Lim on the other shall terminate automatically. This includes the existing IPSPA and the ICA.

Management had performed and assessment and concluded the dispute has been resolved and no adjustment is to be made in current financial year.

(i) **Proposed Acquisition** of institutional catering

The Company had on 10 January 2024 entered into a share and sale and purchase agreement for the proposed acquisition of 60% of the entire issued and paid-up capital of Dining Haus Pte Ltd (the "**Proposed Acquisition**"). The Company completed the acquisition of the sale shares for an aggregate purchase consideration of S$1,200,000 on 15 February 2024.

(j) Alleged breached of fiduciary duties of interim CEO, Mr Lim Teck-Ean ("Mr Ean")

On 23 February 2024, GuGong had served a notice under section 216A(3)(A) of the Companies Act on the Company and the Board (excluding Lim) (the "216A Notice"). The 216A Notice contained, among others, allegations that Mr Lim Teck-Ean (" Ean") had breached his fiduciary duties to the Company, especially in relation to the **Proposed Acquisition** where the Company had acquired 60.0% of the entire issued and paid-up capital of Dining Haus Pte. Ltd. In the 216A Notice, GuGong has requested for the Board (excluding Lim) to bring an action against Ean by 11 March 2024. In the **Proposed Acquisition**, in the event the **Implementation Agreement** has been terminated, all rights due to the Company will automatically be transferred to Gazelle Ventures.

Under the terms of the **Settlement Agreement**:

GuGong and Lim have agreed to not take any steps or further steps to requisition or procure the requisition of an extraordinary general meeting of the Company. In addition, GuGong and Lim have agreed to abandon all existing claims against the Company and the Board, including (i) the existing defamation claims against the Board; and (ii) the existing claim under Section 216A(3)(a) of the Companies Act.

Management has assessed the dispute had been resolved and no adjustment is to be made in current financial year.

(k) Legal Proceedings against Gazelle Ventures Pte Ltd ("Gazelle")

On 2 August 2024, the Company was informed by its controlling shareholder, Gazelle that it is in the midst of a legal dispute with its creditor and that the creditor has commenced a winding-up proceeding ("Proceedings") against Gazelle.

The dispute has been subsequently settled and the Company announced that at the hearing on 27 September 2024, GuGong was granted leave by the High Court to withdraw the Proceedings.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

31. Events subsequent to reporting date (Cont'd)

(l) Ceased the operations of its Little Sheep Hotpot outlet and No Signboard Sheng Jian

On 23 September 2024, the Board announced that the Group had ceased the operations of its Little Sheep Hotpot outlet at Orchard Gateway and No Signboard Shen Jian at Northpoint in September 2024 upon the end of the leases ("Closures") at its respective premises.

The Group has also taken the opportunity to re-brand "No Signboard Shen Jian" to "Shang Society" and has re-open at a new location at 33 Erskine Road in January 2025.

The Group is searching for a suitable location to re-launch the Little Sheep Hotpot brand.

(m) Proposed renounceable non-underwritten rights issue

The Board of Directors announced that the Company proposes to undertake a renounceable non-underwritten rights issue ("Proposed Rights Issue") of up to 129,468,852 new ordinary shares in the capital of the Company ("Rights Shares") at an issue price of S$0.066 per Rights Share ("Issue Price"). The Rights Shares will be offered on the basis of forty-two (42) Rights Shares for every one hundred (100) existing ordinary shares in the capital of the Company ("Shares") held by shareholders eligible to participate in the Proposed Rights Issue ("Entitled Shareholders"). The Issue Price of S$0.066 per Rights Share is payable in full upon application by Entitled Shareholders.

Under the Minimum Subscription Scenario, the Proposed Rights Issue is expected to raise total gross proceeds of approximately S$7.10 million, assuming Excess Rights Shares are available for subscription by Valiant Investment Limited ("Valiant"). Of the total proceeds, approximately S$4.10 million will be received from the conversion of an Advance and Loan, resulting in gross cash proceeds of approximately S$3 million.

To demonstrate support for the Proposed Rights Issue, Gazelle Ventures Pte. Ltd. ("GV") has executed an irrevocable deed of undertaking ("GV Deed") to renounce its provisional rights under the Proposed Rights Issue, amounting to 71,069,114 Rights Shares ("GV Renounced Rights Shares"), in favour of Valiant. Valiant has further executed an irrevocable deed of undertaking ("Valiant Deed") committing to subscribe for and pay in full for the GV Renounced Rights Shares, its pro rata entitlement of 26,682,722 Rights Shares, and up to 9,823,920 Excess Rights Shares, if available. Valiant retains the right to direct GV to renounce its GV Provisional Rights to other parties as instructed, including Mr Liu, Masterhood Limited, and Rich Highlands Capital, provided that the total number of renounced Rights Shares does not exceed the GV Renounced Rights Shares.

In the Minimum Subscription Scenario, Valiant will subscribe for its pro rata Provisional Rights of 26,682,722 Rights Shares, 16,523,661 Rights Shares from the GV Renounced Rights Shares, and up to 9,823,920 Excess Rights Shares, amounting to a total of 53,030,303 Rights Shares, equivalent to approximately S$3.50 million based on the Issue Price. Additionally, the Investors will subscribe for 54,545,453 Rights Shares, contributing approximately S$3.60 million. If no other Entitled Shareholders subscribe for their provisional entitlements, the Company will allot and issue a total of 107,575,756 Rights Shares, representing 25.87% of the Company's enlarged share capital of 415,834,928 Shares. This scenario would result in 21,893,096 Rights Shares remaining unsubscribed following the close of the Proposed Rights Issue.

The use of these proceeds is as follows:

(i) The Group has re-branded "No-Signboard Shen Jian" to "Shang Society and has opened a new outlet at Erskine Road and will use the proceeds to fund the operations of this new outlet;

(ii) The Company is also looking at overseas expansion opportunities such as China and other acquisition targets; and

(iii) The enlarged capital will strengthen the Group's financial position.

The enlarged capital will strengthen the Group's financial position. As of the date of this report, the rights issue has not been completed.

NOTES TO **THE FINANCIAL STATEMENTS**

For the financial year ended 30 September 2023

31. Events subsequent to reporting date (Cont'd)

(n) Loan from investor, Mr. Liu

On 15 November 2024, the Company entered into an agreement with the investor, Mr. Liu to make a loan of up to an aggregate maximum amount of S$600,000 at 15% interest and repayment in May 2025. As of to date, the Company has received $400,000 out of the principal.

The Company agrees that Mr. Liu may, at its discretion, apply any such set-off amounts to his subscription, or at his direction, to Valiant's subscription, of Rights Shares under the Proposed Rights Issue as disclosed in Note 31(l). The exercise of the right of set-off by Mr. Liu shall be deemed a payment by the Company and reduced the Company's obligations under this agreement accordingly.

The terms and conditions of the agreement are that the Group shall ensure the appointment of Mr. Liu as a non-executive and non-independent director of the Company. In the event Mr. Liu is appointed as a director, he will be a representative of Valiant Investments Limited. This condition is set forth to ensure that the Lender, Mr. Liu has an active role in the governance of Bromat Holdings Ltd. during the term of the Loan. Failure to comply with this condition may, at the Lender's discretion, result in the exercise by the investor of his right to decline any further request for drawdown.

(o) Letter of demand from The Scarlet Hotel Pte Ltd ("Landlord")

The Group has on 21 January 2025 received a letter of demand from the Landlord in respect of outstanding rental of the sum of S$63,209.11 plus all interest accrued up to the date of actual payment ("Outstanding Sum"), being arrears of the rental to be paid within 7 days from the date of the Letter of Demand. The Company reached an agreement with the Landlord, and full repayment was made on 3 February 2025.

(p) Incorporation of indirect wholly-owned subsidiary in China

On 19 July 2024, the Company has incorporated an indirect wholly-owned foreign subsidiary in China, Bromat (Shanghai) Management and Consultancy Co., Ltd., through its wholly-owned subsidiary, Singapore Chilli Crab Pte Ltd. To date, there is no operation in this entity.

(q) Letter of demand from PrimePartners Corporate Finance Pte Ltd

On 13 February 2025, the Company received a letter of demand from PrimePartners Corporate Finance Pte Ltd in relation to sponsorship services arrears amounting to S$78,964,96, plus accrued interest on the total outstanding sum. The Company is currently in negotiation with the party regarding the settlement of the outstanding sum.

32 Prior year adjustments

During the current financial year, the management noted an omission of adjustment in FY2022 in relation to the reversal of capital reserve from Danish Breweries Pte. Ltd. (DBPL). The Group lost control when the Company applied for creditors' voluntary liquidation for DBPL on 14 March 2022.

Management corrected the material prior period's error identified above retrospectively by restating the comparative amounts for the prior period's statement of financial position in accordance with SFRS(I) 1-8 Accounting Policies, Changes in Accounting Estimates and Errors.

The prior year adjustments, to the extent that they are applied retrospectively, have the following impact:

Group	Note	As reported $	Prior year adjustment $	As restated $
Statement of Financial Position				
At 30 September 2022				
Equity				
Capital reserve	17	(695,938)	695,938	–
Accumulated losses		(31,493,635)	(695,938)	(32,189,573)

33. Authorisation of financial statements for issue

The financial statements for the year ended 30 September 2023 were authorised for issue in accordance with a resolution of the directors on 14 February 2025.

STATISTICS OF SHAREHOLDINGS

As at 7 February 2025

Number of shares issued	:	308,259,172
Class of shares	:	Ordinary shares
Voting rights	:	One vote per share
Number of treasury shares	:	Nil
Number of subsidiary holding	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	61	5.52	2,874	0.00
100 - 1,000	407	36.83	173,077	0.06
1,001 - 10,000	418	37.83	1,691,015	0.55
10,001 - 1,000,000	208	18.82	13,102,637	4.25
1,000,001 AND ABOVE	11	1.00	293,289,569	95.14
TOTAL	**1,105**	**100.00**	**308,259,172**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	GAZELLE VENTURES PTE. LTD.	167,664,087	54.39
2	VALIANT INVESTMENTS LIMITED	63,530,292	20.61
3	SU HAIJIN	15,413,082	5.00
4	HAN XIAO XIAO	14,000,000	4.54
5	QI AINA	12,548,121	4.07
6	ZHOU JING	12,000,000	3.89
7	WANG HUAN	2,135,437	0.69
8	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	1,961,072	0.64
9	GUGONG PTE LTD	1,497,666	0.49
10	DBS NOMINEES (PRIVATE) LIMITED	1,400,412	0.45
11	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	1,139,400	0.37
12	GOI SENG HUI	700,083	0.23
13	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	591,916	0.19
14	OCBC SECURITIES PRIVATE LIMITED	509,644	0.17
15	IFAST FINANCIAL PTE. LTD.	494,314	0.16
16	ANG YEE LIM	428,683	0.14
17	CITIBANK NOMINEES SINGAPORE PTE LTD	397,031	0.13
18	PHILLIP SECURITIES PTE LTD	355,911	0.12
19	CHUA ENG HOCK	306,166	0.10
20	MAYBANK SECURITIES PTE. LTD.	260,830	0.08
	TOTAL	**297,334,147**	**96.46**

STATISTICS OF **SHAREHOLDINGS**

As at 7 February 2025

SUBSTANTIAL SHAREHOLDERS

The substantial Shareholders as at 7 February 2025 based on the statistics of shareholdings are as follows

	Direct Interest		Deemed Interest	
Name	**Number of shares**	**%**	**Number of shares**	**%**
Gazelle Ventures Pte. Ltd.	169,212,177	54.89%	–	–
Valiant Investments Limited	63,530,292	20.61%	169,212,177	54.89%
Su Haijin	15,413,082	5.00%	–	–

PERCENTAGE OF SHARES HELD BY PUBLIC

As at 7 February 2025, 19.50% of the Company's shares are held in the hands of public.

Accordingly, the Company has complied with Rule 723 of the Listing Manual – Section B: Rules of Catalist of the SGX-ST which requires 10% of the equity securities (excluding preference shares and convertible equity securities) in a class that is listed to be in the hands of the public.

NOTICE OF **ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that an Annual General Meeting ("**AGM**") of BROMAT HOLDINGS LTD. (the "**Company**") will be convened and held on 3 March 2025, at 3.00 p.m. (Singapore time) at 33 Erskine Rd #01-13, Singapore 069333, for the purpose of considering and, if thought fit, passing the following resolutions.

All capitalised terms used in this Notice which are not defined herein shall have the meanings ascribed to them in the Company's 2023 Annual Report.

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 30 September 2023 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect Mr Tan Keng Tiong, who is retiring by rotation pursuant to Regulation 117 of the Constitution of the Company as a director of the Company. **(Resolution 2)**

3. To re-elect Mr Frank Liu Tao who is retiring pursuant to Regulation 122 of the Constitution of the Company as a director of the Company. **(Resolution 3)**

4. To re-elect Mr Low See Lien who is retiring pursuant to Regulation 122 of the Constitution of the Company as a director of the Company. **(Resolution 4)**

5. To re-elect Mr Yuan Wang who is retiring pursuant to Regulation 122 of the Constitution of the Company as a director of the Company. **(Resolution 5)**

6. To approve the payment of Directors' fees of S$150,000 for the financial year ended 30 September 2024, to be paid quarterly in arrears. **(Resolution 6)**

7. To re-appoint PKF-CAP LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 7)**

8. To transact any other ordinary business which may be properly transacted at an AGM.

AS SPECIAL BUSINESS

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

9. **Authority to issue shares in the capital of the Company pursuant to Section 161 of the Companies Act 1967 of Singapore ("Act") and Rule 806 of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual - Section B: Rules of Catalist ("Catalist Rules")**

   "THAT pursuant to Section 161 of the Act and Rule 806 of the Catalist Rules, the Directors of the Company be authorised and empowered to:

   (I) (i) allot and issue shares in the capital of the Company (whether by way of rights, bonus or otherwise); and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that may or would require shares to be issued, including but not limited to, the creation and issue of (as well as adjustments to) options, warrants, debentures, convertible securities or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

NOTICE OF **ANNUAL GENERAL MEETING**

(II) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided always that:

(a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments, made or granted pursuant to this Resolution), shall not exceed 100% of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to the shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the percentage of the total issued shares shall be based on the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(i) new shares arising from the conversion or exercise of any convertible securities outstanding at the time this authority is given;

(ii) (where applicable) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time of the passing of this Resolution, provided the share options or share awards (as the case may be) were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(iii) any subsequent bonus issue, consolidation or subdivision of shares;

Adjustments in accordance with Rule 806(3)(a) or Rule 806(3)(b) of the Catalist Rules are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate.

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Act and the Constitution for the time being of the Company;

(d) the authority conferred by this Resolution shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier." **(Resolution 8)**

10. **Authority to Grant options and to allot and issue shares under the Company's Employee Share Option Scheme**

That pursuant to Section 161 of the Companies Act and the Catalist Rules, approval be and is hereby given to the Directors to:

(i) offer and grant options in accordance with the provisions of the Company's Employee Share Option Scheme adopted on 6 November 2017 ("**Share Option Scheme**"); and

(ii) allot and issue from time to time such number of fully paid-up shares in the capital of the Company to the holders of options granted by the Company under the Share Option Scheme established by the Company upon the exercise of such options in accordance with the terms and conditions of the Share Option Scheme, provided always that the aggregate number of Shares issued and/ or issuable pursuant to the Share Option Scheme, the Performance Share Plan (as defined below) and any other share based incentive schemes of the Company shall not exceed 15.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier. **(Resolution 9)**

NOTICE OF **ANNUAL GENERAL MEETING**

11. **The Proposed Participation of Mr Lim Teck-Ean, Executive Director, Chief Executive Officer and a Controlling Shareholder, in the Company's Employee Share Option Scheme**

    That subject to and contingent upon the passing of Ordinary Resolution 9, the participation by Mr Lim Teck-Ean, Executive Director, Chief Executive Officer and a Controlling Shareholder of the Company, in the Share Option Scheme, be and is hereby approved. **(Resolution 10)**

12. **The Proposed Grant of Options to Mr Lim Teck-Ean, Executive Director, Chief Executive Officer and a Controlling Shareholder, under the Company's Employee Share Option Scheme.**

    That subject to and contingent upon the passing of Ordinary Resolutions 9 and 10, approval be and is hereby given for the grant of 2,000,000 share options to Mr Lim Teck-Ean, Executive Director, Chief Executive Officer and a Controlling Shareholder of the Company in accordance with the Share Option Scheme. **(Resolution 11)**

BY ORDER OF THE BOARD

Tan Keng Tiong
Executive Director and Acting Chief Executive Officer
14 February 2025

Explanatory Notes:

Resolution 2

Mr Tan Keng Tiong will, upon re-election as a Director of the Company, remain as an Executive Director and Acting Chief Executive Officer.

Resolution 3

Mr Frank Liu Tao will, upon re-election as a Director of the Company, remain as a Non-Executive and Non-Independent Director.

Resolution 4

Mr Low See Lien will, upon re-election as a Director of the Company, remain as an Independent Director, the Chairman of Audit Committee and the member of Remuneration and Nominating Committees.

Resolution 5

Mr Yuan Wang will, upon re-election as a Director of the Company, remain as an Independent Director, the Chairman of Remuneration Committee and the member of Nominating and Audit Committees.

Resolution 8

Resolution 8 is to empower the Directors of the Company from the date of this AGM until the date of the next AGM, to allot and issue shares and convertible securities in the Company. The number of shares and convertible securities, which the Directors may allot and issue under this Resolution shall not exceed hundred per cent (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) at the time of passing this Resolution. For allotment and issue of shares and convertible securities other than on a pro-rata basis to all shareholders of the Company, the aggregate number of shares and convertible securities to be allotted and issued shall not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any). This authority will, unless revoked or varied at a general meeting, expire at the next AGM, or by the date by which the next AGM is required by law to be held, whichever is earlier.

For determining the aggregate number of Shares that may be issued, the percentage of issued Shares will be calculated based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed after adjusting for new Shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Resolution is passed and any subsequent consolidation or subdivision of Shares.

NOTICE OF **ANNUAL GENERAL MEETING**

Resolution 9

Resolution 9 is to empower the Directors to offer and grant options, and to allot and issue shares pursuant to the Share Option Scheme. The grant of options under the Share Option Scheme will be made in accordance with the provisions of the Share Option Scheme. The aggregate number of shares which may be issued pursuant to the Share Option Scheme shall not exceed fifteen per cent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings, if any) from time to time.

Resolution 10

Resolution 10 is to grant participation of the Executive Director, Chief Executive Officer and the Controlling Shareholder, Mr Lim Teck-Ean in the Share Option Scheme.

Background

The Company proposes to extend the participation under the Share Option Scheme ("**ESOS**") to the Controlling Shareholder. Although the Controlling Shareholder may already have shareholding interests in the Company, the extension of the ESOS to include him ensures that he is equally entitled, with the other eligible Group Employees who are not Controlling Shareholder(s) or their Associates, to take part and benefit from this system of remuneration.

The Company is of the view that the Company should have a fair and equitable system to reward the eligible directors and employees of the Group who have made and continue to make significant contributions to the long-term growth of the Group notwithstanding that they are Controlling Shareholder(s) or their Associates. A person who would otherwise be eligible should not be excluded from participating in the ESOS solely for the reason that he is a Controlling Shareholder or an Associate of a Controlling Shareholder.

Rationale and justification for participation

Mr Lim Teck-Ean is the Executive Director and Chief Executive Officer of the Company and is primarily responsible for the operations and performance of the Group; the charting of corporate directions and strategies; enhancing Shareholders' value and reporting to the Board on the Group's operations and performance. Mr Lim Teck-Ean was instrumental in overseeing, among others, the resumption of trading of the Company on SGX-ST on 15 March 2024 and the acquisition of the Dining Haus Pte Ltd in February 2024.

Mr Lim Teck-Ean is entitled to be granted 2,000,000 share options under the Share Option Scheme pursuant to his employment contract. Participation in the ESOS would enable the Company to acknowledge Mr Lim Teck-Ean's valuable contribution and give recognition to his services and his remuneration package for his appointment as the CEO has been adjusted to take into consideration his participation in the ESOS. The Company recognises that Mr Lim Teck-Ean had played an integral role in driving the strategic development and success of the Group and therefore wishes to allow Mr Lim Teck-Ean to participate in the ESOS.

For the foregoing reasons, the Company is proposing that approval be given to allow his participation in the ESOS.

Terms of grant of Option(s) to Mr Lim Teck-Ean

(a) Proposed Date of Grant of Option(s) : Any time before 13 May 2025, being the effective cessation date of Mr Lim Teck-Ean as the Executive Director and Chief Executive Officer of the Company

(b) Number of Shares comprised in the proposed Option(s) : 2,000,000 Shares

(c) Exercise Price per Share Exercise Period: Market Price

(d) Exercise Period: Exercisable at any time after the first anniversary of the Date of Grant and up to the fifth anniversary of the Date of Grant

Safeguard

Pursuant to Rule 852 of the Catalist Rules, specific approval of independent shareholders is required for the participation of Controlling Shareholders in the ESOS. Mr Lim Teck-Ean and his associates shall abstain from voting on the resolution in relation to the participation in the ESOS.

When it is proposed that Options be granted under the ESOS to eligible Group employees who are Controlling Shareholder(s) or Associates of Controlling Shareholder(s), in accordance with the requirements of the Catalist Rules, the actual number and terms of the Awards or Options to be granted to each such person (as the case may be) are subject to the approval of independent Shareholders in a separate resolution. Accordingly, the Company is of the view that there are safeguards against any abuse of the ESOS resulting from the participation of Controlling Shareholder(s) or their Associates.

NOTICE OF **ANNUAL GENERAL MEETING**

Resolution 11

Resolution 11 is to empower the Directors to grant 2,000,000 Share options to Chief Executive Officer and the Controlling Shareholder, Mr Lim Teck-Ean pursuant to the Share Option Scheme. The grant of Options under the Share Option Scheme will be made in accordance with the provisions of the Share Option Scheme.

For the reasons set out above, subject to Shareholders' approval on Resolutions 9 and 10, it is proposed that approval be given to the Directors to grant Share Options of 2,000,000 shares. The Share Options shall have a vesting period of, for Shares issued at Market Price, the period from the day after the first anniversary of the Offer Date to the day falling before the fifth anniversary of the Offer Date.

Mr Lim Teck-Ean and/or his associates shall abstain from voting on this Resolution.

General

1. The AGM will be held, in a wholly physical format, at 33 Erskine Rd #01-13, Singapore 069333 on 3 March 2025 at 3.00 p.m. (Singapore time). **There will be no option for Shareholders to participate virtually.** Printed copies of this Notice of AGM and the accompanying Proxy Form and for members to request for a printed copy of the Annual Report (the "**Request Form**") will be sent by post to members. These documents will also be published on the Company's website at https://www.bromat.sg and the SGX website at the URL https://www.sgx.com/securities/company-announcements.

2. (a) A member entitled to attend, speak and vote at a meeting of the Company, and who is not a Relevant Intermediary, is entitled to appoint one or two proxies to attend, speak and vote instead of him/her/it. Where a member appoints two proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholding and the second named proxy shall be deemed to be an alternate to the first named proxy.

   (b) A member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend and vote at a meeting of the Company, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where more than one proxy is appointed, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the proxy form. In relation to a Relevant Intermediary who wishes to appoint more than two proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, email address, NRIC/Passport Number and proportion of shareholding (number of Shares, class of Shares and percentage) in relation to which the proxy has been appointed.

   (c) "**Relevant Intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967 ("**Companies Act**").

3. Arrangements relating to:

   (a) attendance at the AGM by Shareholders, including investors who hold shares of the Company through the Supplementary Retirement Scheme ("**SRS**", and such investors or "**SRS Investors**");

   (b) submission of questions to the Chairman of the Meeting by Shareholders, including SRS Investors, in advance of, or at, the AGM, and addressing of substantial and relevant questions in advance of, or at, the AGM; and

   (c) voting at the AGM by Shareholders, including SRS Investors, or (where applicable) their duly appointed proxy(ies), are set out in this announcement. This announcement may be accessed at the Company's website at https://www.bromat.sg and the SGXNet.

   A member can appoint the Chairman as his/her/its proxy, but this is not mandatory. Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process and the Company reserves the right to refuse admittance to the AGM if the attendee's identity cannot be verified accurately.

4. **Submission of Proxy Forms**: Shareholders who wish to appoint a proxy(ies) or the Chairman as proxy to attend, speak and vote at the AGM on their behalf must submit a Proxy Form for the appointment of such proxy(ies). A proxy need not be a member of the Company. The Proxy Form must be submitted to the Company in the following manner:

   (a) by post to the office of the Share Registrar at In.Corp Corporate Services Pte. Ltd. 36 Robinson Road, #20-01 City House, Singapore 068877; or

   (b) by email to shareregistry@incorp.asia (e.g. enclosing a clear scanned completed and signed Proxy Form in PDF),

   in either case to be received no later than 3.00 p.m. on 28 February 2025 (being 72 hours before the time appointed for the holding of the AGM).

NOTICE OF **ANNUAL GENERAL MEETING**

A Shareholder who wishes to submit a Proxy Form must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above. Printed copies of the Proxy Form will be sent by post to Shareholders. Proxy Forms can also be downloaded from the Company's website at https://www.bromat.sg or the SGXNet.

In the case of Shareholders whose shares in the Company are entered against their names in the Depository Register, the Company may reject any Proxy Form submitted if such Shareholders are not shown to have shares in the Company entered against their names in the Depository Register (as defined in Part 3AA of the Securities and Futures Act 2001) as at 72 hours before the time appointed for holding the AGM, as certified by the The Central Depository (Pte) Limited ("**CDP**") to the Company.

5. **Voting by Investors (including SRS Investors):** The Proxy Form is **not** valid for use by investors holding shares of the Company through Relevant Intermediaries ("**Investors**") (including SRS Investors) and shall be ineffective for all intents and purposes if used or purported to be used by them.

   SRS Investors who are unable to attend the AGM but would like to vote should inform his/her respective SRS Operators to appoint the Chairman of the AGM to act as their proxy, at least 7 working days before the AGM, to vote on their behalf at the AGM, in which case, the relevant SRS Investors shall be precluded from attending the AGM.

   Investors (other than a SRS Investor) who wish to vote at the AGM should approach their respective relevant intermediaries as soon as possible to specify their voting instructions or make the necessary arrangement to be appointed as proxy.

6. **Submission of Questions**: All Shareholders (including SRS Investors) may submit questions relating to the business of the AGM in advance of, or live at, the AGM.

7. **Submission of Questions in Advance**: All Shareholders (including SRS Investors) can submit questions relating to the business of the AGM up till 3.00 p.m. on 21 February 2025 ("**Q&A Submission Deadline**") in the following manner:

   (a) by email to feedback@bromat.sg; or

   (b) by post addressed to the registered office of the Company at 18 Sin Ming Lane, #06-26 MidView City, Singapore 573960.

   When sending in questions, the following details should be provided for verification purposes: the Shareholder's full name, address, telephone number and email address, and the manner in which such Shareholder holds their shares in the Company (e.g. via CDP, Scrip and/or SRS).

   Addressing Questions: The Company will endeavour to address all substantial and relevant questions relating to the business of the AGM received from Shareholders (i) prior to the Q&A Submission Deadline, through publication on the SGXNet and the Company's corporate website at https://www.bromat.sg by 3.00 p.m. on 25 February 2025, and (ii) after the Q&A Submission Deadline or live at the AGM, during the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently, not all questions may be individually addressed.

8. All documents (including the Annual Report, Appendix, Proxy Form and this Notice of AGM) and information relating to the business of this AGM have been, or will be, published on SGXNet and/or the Company's website at https://www.bromat.sg. Members and Investors are advised to check SGXNet and/or the Company's website regularly for updates.

9. Any reference to a time of day is made by reference to Singapore time.

10. **Personal Data Privacy**: By submitting an instrument appointing proxy(ies), and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Shareholder (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and record of questions asked and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, takeover rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) represents and warrants that he/she/it has obtained the prior consent of the individuals appointed as proxy(ies) and/or representatives for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such individuals by the Company (or its agents or service providers) for the Purposes, and (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request.

*This notice has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"). This notice has not been examined or approved by 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. Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES

Mr Tan Keng Tiong, Mr Frank Liu Tao, Mr Low See Lien and Mr Yuan Wang are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 3 March 2025 ("AGM") under Ordinary Resolutions as set out in the Notice of AGM dated 14 February 2025.

Pursuant to Rule 720(5) of the Catalist Rules, the information as set out in Appendix 7F to the Catalist Rules relating to Mr Tan Keng Tiong, Mr Liu Tao, Mr Low See Lian and Mr Yuan Wang, being the Directors, who are retiring in accordance with the Company's Constitution at the forthcoming AGM, is set out below, to be read in conjunction with the information set out under "Board of Directors" and the "Corporate Governance Report" on page 15 and pages 38 to 40, respectively of the 2023 Annual Report :

	Mr Tan Keng Tiong	Mr Frank Liu Tao	Mr Low See Lien	Mr Yuan Wang
Date of Appointment	14 June 2022	6 January 2025	15 October 2024	24 January 2025
Date of last re-appointment	14 October 2022	–	–	–
Age	58	58	49	40
Country of principal residence	Singapore	China	Singapore	Australia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Mr Tan Keng Tiong is currently the Executive Director and Acting Chief Executive Officer of the Company. The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification and experience of Mr Tan Keng Tiong for re-appointment as Executive Director of the Company. The Board has reviewed and concluded that Mr Tan Keng Tiong possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification and experience of Mr Frank Liu Tao for re-appointment as Non-Executive and Non-Independent Director of the Company. The Board has reviewed and concluded that Mr Frank Liu Tao possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Mr Low See Lien for re-appointment as an Independent Director of the Company. The Board has reviewed and concluded that Mr Low See Lien possesses the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.	The Board of Directors of the Company has considered, among others, the recommendation of the NC and has reviewed and considered the qualification, work experience and suitability of Mr Yuan Wang for re-appointment as an Independent Director of the Company. The Board has reviewed and concluded that Mr Yuan Wang 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	Executive	Non-Executive	Non-Executive	Non-Executive

ADDITIONAL INFORMATION ON **DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES**

	Mr Tan Keng Tiong	Mr Frank Liu Tao	Mr Low See Lien	Mr Yuan Wang
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director	Non-Executive and Non-Independent Director	Independent Director, the Chairman of the Audit Committee (“AC”) and member of the Remuneration Committee (“RC”) and Nominating Committee (“NC”).	Independent Director, the Chairman of the RC and member of the AC and NC.
Professional Qualifications	Nanyang Technological University – Master of Business Administration University of California Berkley – Nanyang Executive Management Program Curtin University of Technology, Western Australia – Bachelor of Business	Columbia Senior Executive Program – Columbia University Institute School of Business Beijing Union University – Bachelor of Arts	Nanyang Technological University – Bachelor of Accountancy Practicing Member of Institute of Singapore Chartered Accountants Member of Singapore Institute of Directors Member of Accounting and Corporate Regulatory Authority’s Complaints and Disciplinary Committee	University of Sydney – Master of Architecture University of Sydney – Bachelor of Design in Architecture
Working experience and occupation(s) during the past 10 years	January 2025 to present: Acting CEO – Bromat Holdings Ltd. June 2024 to January 2025: COO – Bromat Holdings Ltd. December 2017 – June 2024: COO – Gazelle Ventures Pte Ltd October 2008 – July 2017: Senior VP, Business Development & Investor relations – Baker Technology Limited	2000 to present: Chairman of Gao Sheng Investment Company Ltd	May 2021 to present: Audit partner, Baker Tilly TFW LLP June 2012 to May 2021: Director, CLA Global TS Public Accounting Corporation (f.k.a Nexia TS Public Accounting Corporation)	2016 – present: Co-founder and managing director of EVA Architects Pty Ltd 2016 – present: Executive director and financial controller of EVA Architectural Design Consulting (Shanghai) Co Ltd 2016 – present: Executive director and general manager of EVA Architectural Design Office (Shanghai) Co Ltd January 2013 – October 2016: Associate at Project Architects of Perkins + Will
Shareholding interest in the listed issuer and its subsidiaries	Yes, Mr Tan Keng Tiong owns 2,000,000 share options in Bromat Holdings Ltd.	Yes, Mr Frank Liu Tao has extended a loan of S$600,000 to the Company and has executed an irrevocable undertaking to subscribe and pay in full for 9,090,909 Rights Shares. The subscription monies for the Rights Shares will be made by offsetting from the loan.	Nil	Nil

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES

	Mr Tan Keng Tiong	Mr Frank Liu Tao	Mr Low See Lien	Mr Yuan Wang
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	None	None	Yes. Mr Low is currently sitting on the board of directors of Miyoshi Limited where Mr Lo Kim Seng, the Lead Independent Director, Chairman of the Remuneration and Member of the Audit Committee and Nominating Committee, is also a director of the said company. Save as disclosed above, Mr Low is not related to any existing directors (including the Outgoing Directors), executive officers, the Company and/or the substantial shareholder of the Company or any of its principal subsidiaries. Mr Low is currently an external audit partner of Baker Tilly TFW LLP. Baker Tilly Consultancy (Singapore) Pte Ltd was the internal auditor of the Company for the financial year ended 30 September ("FY") 2022 and FY2023. The Company will appoint another internal auditor for FY2024.	Nil

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES

	Mr Tan Keng Tiong	Mr Frank Liu Tao	Mr Low See Lien	Mr Yuan Wang
Conflict of Interest (including any competing business)	Nil	Mr Frank Liu Tao is the legal representative and executive director of Shanghai Wuzhao Catering Management Co Ltd which is in the catering and food and beverage business ("F&B") in China. Currently, the said entity is dormant. On 21 January 2025, the name of the entity has been changed to 上海昕招牌餐饮管理有限公司 and will be involved in the management of the food and beverage industry. He is also the legal representative and executive director of Shanghai Qibajiu Network Technology Co Ltd which is currently involved in the internet service business in China. Previously Qibajiu was in the F&B business.	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes

ADDITIONAL INFORMATION ON **DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES**

	Mr Tan Keng Tiong	**Mr Frank Liu Tao**	**Mr Low See Lien**	**Mr Yuan Wang**
Other Principal Commitments* Including Directorships# (for the last 5 years) * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(9)	**Past (for the last 5 years)** • Arion Agrophovoltaic Private Limited • Synthetic Fuel Generation(S) Pte Ltd **Present** • Projaya (Private Limited) • Bibile Sugar Industries Limited, Sri Lanka • Singapore Chilli Crab Pte. Ltd. • NSB Noodles Pte. Ltd. • NSB Franchisees Pte. Ltd. • NSB Hotpot Pte. Ltd. • NSB Restaurants Pte. Ltd. • NSB-IP Holdings Pte. Ltd. • Dining Haus Pte. Ltd.	**Past (for the last 5 years)** • Executive Director, Shanghai Xuanshang Enterprise Management Co Ltd **Present** • Executive Director, Shanghai Xinzhaopai Catering Management Co Ltd • Executive Director, Shanghai Qibajiu Network Technology Co Ltd • Executive Director, Shanghai Jiyi Enterprise Management Co Ltd • Executive Director, Shanghai Gaofeng Consulting Management Co Ltd • Executive Director, Baodao Investment Consulting Co Ltd • Executive Director, Shanghai Jinbaozheng Business Consulting Co Ltd • Executive Director, Shanghai Gaoming Consulting Management Co Ltd • Executive Director, Shanghai Gaosheng Commercial Building Management Co Ltd • Executive Director, Shanghai Gaosheng Commercial Plaza Co Ltd • Executive Director, Shanghai Gaosheng Investment Co Ltd • Executive Director, Shanghai Gaosheng Cultural Development Co Ltd • Executive Director, Shanghai 789 Network Technology Co., Ltd • Executive Director, Shanghai Gaosheng Mansion Corp Ltd	**Past (for the last 5 years)** • Director, CLA Global TS Public Accounting Corporation (f.k.a Nexia TS Public Accounting Corporation) **Present** • Lead Independent Non-Executive Director and Member of the Audit Committee, Nominating Committee and Remuneration Committee, Fuxing China Group Limited • Independent Director and Audit Committee Chairman, Miyoshi Limited • Treasurer, Singapore National Paralympic Council	**Past (for the last 5 years)** • Nil **Present** • Managing Director, EVA Architects Pty Ltd • Executive Director, EVA Architectural Design Consulting (Shanghai) Co Ltd • Executive Director, EVA Architectural Design Office (Shanghai) Co Ltd

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES

	Mr Tan Keng Tiong	Mr Frank Liu Tao	Mr Low See Lien	Mr Yuan Wang
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.				
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES

	Mr Tan Keng Tiong	Mr Frank Liu Tao	Mr Low See Lien	Mr Yuan Wang
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES

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

ADDITIONAL INFORMATION ON DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES

		Mr Tan Keng Tiong	Mr Frank Liu Tao	Mr Low See Lien	Mr Yuan Wang
(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?	No	Yes. There were 2 administrative actions in 2018 and 2022 by Gaosheng Commercial Plaza which Mr Frank Liu Tao is a legal representative. On 22 December 2022, the Shanghai Huangpu District Health and Wellness Committee fined Gaosheng Commercial Plaza RMB 2,000 (approximately USD 280) for failing to take health precautions in its water supply facilities. On 26 August 2018, the Shanghai Huangpu District Urban Management and Administrative Law Enforcement Bureau fined Gaosheng Commercial Plaza RMB 500 (approximately USD 70) for unauthorised occupation of city roads.	No	No

ADDITIONAL INFORMATION ON **DIRECTORS NOMINATED FOR RE-ELECTION PURSUANT TO RULE 720(5) OF THE CATALIST RULES**

	Mr Tan Keng Tiong	**Mr Frank Liu Tao**	**Mr Low See Lien**	**Mr Yuan Wang**
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No
Disclosure applicable to the appointment of Director only.				
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Yes Executive Director – Bromat Holdings Ltd.	N.A. Mr Frank Liu Tao will attend the relevant training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Yes Mr Low is currently the (a) Lead Independent Non-Executive Director and Member of the Audit Committee, Nominating Committee and Remuneration Committee in Fuxing China Group Limited, and (b) Independent Director and Audit Committee Chairman in Miyoshi Limited, hence the Nominating Committee is of the view that Mr Low possess adequate knowledge of the roles and responsibilities of a director of a listed issuer.	N.A. Mr Yuan Wang will attend the relevant training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.

This page has been intentionally left blank.

BROMAT HOLDINGS LTD.

(Company Registration No. 201715253N)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING
PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT

1. A relevant intermediary may appoint more than two (2) proxies to attend the AGM and vote (please see Note 2 for the definition of "**Relevant Intermediary**").
2. An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investor**") may attend and cast his vote(s) at the AGM in person. SRS Investors who are unable to attend the AGM but would like to vote, may inform their SRS Approved Nominees to appoint the Chairman of the AGM to act as their proxy, in which case, the SRS Investors shall be precluded from attending the AGM.
3. This Proxy Form is not valid for use by SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. **Personal Data Privacy:** By submitting this Proxy Form, a member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of AGM.
5. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of proxy(ies) to vote on his/her/its behalf at the AGM.**

I/We ______________________ (Name)NRIC/Passport No./Co. Registration No. ______________________

of ____ (Address)

being a member/members of **BROMAT HOLDINGS LTD.** (the "**Company**") hereby appoint:

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

*and/or (delete as appropriate)

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

or failing him/her, or if no persons are named above, the Chairman of the Annual General Meeting ("**Chairman**") as my/our proxy or proxies to attend, speak and vote on my/our behalf at the Annual General Meeting of the Company ("**AGM**") to be held on **Monday, 3 March 2025 at 3.00 p.m.** at 33 Erskine Rd #01-13, Singapore 069333 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the meeting as indicated hereunder. **If no specific direction as to voting is given, the proxy/proxies (except where the Chairman is appointed as my/our proxy) will vote or abstain from voting at his/her/their discretion on any matter arising at the meeting and at any adjournment thereof. In the absence of specific directions in respect of a resolution, the appointment of the Chairman as my/our proxy for that resolution will be treated as invalid.**

No.	Resolutions relating to:	For**	Against**	Abstain**
Ordinary Business				
1.	To adopt the Directors' Statement and Audited Financial Statements for the financial year ended 30 September 2023			
2.	To re-elect Mr Tan Keng Tiong as a Director			
3.	To re-elect Mr Frank Liu Tao as a Director			
4.	To re-elect Mr Low See Lien as a Director			
5.	To re-elect Mr Yuan Wang as a Director			
6.	Approval of Directors' fees amounting to S$150,000 for the financial year ended 30 September 2024 payable quarterly in arrears			
7.	To re-appoint PKF-CAP LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.			
Special Business				
8.	To approve the Directors' authority to allot and issue new shares			
9.	To approve the Directors' authority to allot and issue shares under the Company's Employee Share Option Scheme			
10.	To approve the proposed participation of Mr Lim Teck-Ean, Executive Director, Chief Executive Officer and a Controlling Shareholder, in accordance with the Company's Employee Share Option Scheme			
11.	To approve the proposed grant of options to Mr Lim Teck-Ean, Executive Director, Chief Executive Officer and a Controlling Shareholder, in accordance with the Company's Employee Share Option Scheme			

** If you wish to exercise all your votes 'For' or 'Against' or 'Abstain', please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this __________ day of ______________ 2025

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

____

Signature(s) of Shareholder(s)
and/or Common Seal of Corporate Shareholder
IMPORTANT: Please read notes overleaf

Notes:

1. A member of the Company should insert the total number of Shares held in the proxy form. If a member only has Shares entered against his/her/its name in the Depository Register (as defined in Part 3AA of the Securities and Futures Act 2001), he/she/it should insert that number of Shares. If he/she/it only has Shares registered in his/her/its name in the Register of Members, he/she/it should insert that number of Shares. However, if he/she/it has Shares entered against his/her/its name in the Depository Register and Shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of Shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members. If no number is inserted, the proxy form shall be deemed to relate to all the Shares held by the member (in both the Register of Members and the Depository Register).
2. (a) A member entitled to attend, speak and vote at a meeting of the Company, and who is not a Relevant Intermediary, is entitled to appoint one or two proxies to attend, speak and vote instead of him/her/it. Where a member appoints two proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent. of the shareholding and the second named proxy shall be deemed to be an alternate to the first named proxy.

   (b) A member who is a Relevant Intermediary is entitled to appoint more than two proxies to attend and vote at a meeting of the Company, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where more than one proxy is appointed, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form. In relation to a Relevant Intermediary who wishes to appoint more than two proxies, it should annex to the Proxy Form the list of proxies, setting out, in respect of each proxy, the name, address, email address, NRIC/Passport Number and proportion of shareholding (number of Shares, class of Shares and percentage) in relation to which the proxy has been appointed. For the avoidance of doubt, a SRS Operator who intends to appoint SRS Investors as its proxies shall comply with this Note.

   (c) For any member who acts as a Relevant Intermediary pursuant to Section 181 of the Companies Act 1967, who is either:

      (i) 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;

      (ii) a person holding a capital markets services licence to provide under the Securities and Futures Act 2001 and who holds shares in that capacity; and

      (iii) Central Provident Fund ("CPF") 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 CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

fold along this line (1)

AFFIX
POSTAGE
STAMP

Bromat Holdings Ltd.
c/o In.Corp Corporate Services Pte. Ltd.
36 Robinson Road
#20-01 City House
Singapore 068877

fold along this line (2)

3. Completion and return of the proxy form shall not preclude a member from attending and voting in person at the meeting. Any appointment of a proxy or proxies will be revoked if a 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 proxy form, to the meeting.
4. The Proxy Form must be submitted to the Company in the following manner:

   (a) if submitted by post, be lodged with the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd. at 36 Robinson Road, #20-01 City House, Singapore 068877; or

   (b) if submitted electronically, be submitted via email to the Company's Share Registrar at shareregistry@incorp.asia.

   in either case to be received no later than **3.00 p.m. on 28 February 2025**, being 72 hours before the time appointed for the holding of the AGM.

   A Shareholder who wishes to submit the Proxy Form must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.
5. 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 in writing. Where a Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney or other authority or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
6. A corporation which is a member of the Company 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.
7. The Company shall be entitled to reject the Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form. In addition, in the case of Shareholders whose Shares are entered against their names in the Depository Register, the Company shall be entitled to reject any Proxy Form lodged if such Shareholders are not shown to have Shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.
8. Any reference to a time of day is made by reference to Singapore time.

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 14 February 2025.

BROMAT

BROMAT HOLDINGS LTD.
18 Sin Ming Lane
#06-26 MidView City
Singapore 573960