



TRAVELITE HOLDINGS LTD.

(Incorporated in Singapore)

(Company Registration Number: 200511089K)

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON ANNUAL REPORT 2023

In response to the queries raised by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 27 July 2023 in relation to the Company’s Annual Report 2023 (the “**Annual Report**”), the Board of Directors of Travelite Holdings Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to provide the following additional information:

Query 1

The Company disclosed at page 51 of its Annual Report that it has outsourced its internal audit function to Acumen Associates LLP. Please disclose the specific experience and relevant qualifications of the engagement team. To also disclose the size of the firm, the track record of the firm, the internal audit standards applied for the review of the Company's internal controls, details of the scope of the reviews undertaken, its experience with reviewing internal controls of SGX listed issuers taking into account the requirements of the listing rules of SGX when reviewing the internal controls of the Company. In addition, please provide the specific basis that the Audit Committee (“**AC**”) took into account in their determination that the internal auditor has the relevant experience to perform an internal audit that addresses risks management, IT, financial, operational and compliance risks of the Company, in the best interest of the Company and its minority shareholders. Please substantiate your response with specific details.

Response

The internal audit function in respect of the financial year ended 31 March 2023 (“**FY2023**”) is outsourced to an external professional firm in Singapore, Acumen Associates LLP, with six years of experience and specialises in auditing, consultation, tax and accounting services. The firm's total staff strength in Singapore is 40 employees. The engagement team comprises one partner and one manager of the firm. The credentials of the engagement team members are as follows:

- (i) Engagement Partner, Woelly William
 - Fellow Member of the Association of Chartered Certified Accountants
 - Member of ASEAN CPA
 - Public Accountant and Chartered Accountant of Singapore (ISCA)
 - Over 17 years of audit experience
 - Extensive experience in auditing and other financial related works
 - Major audit experience in retail industry such as luxury watch and apparel, manufacturing, Food and Beverage, shipping management, trading, import / export, RFMC, moneylending.

- (ii) Engagement Manager, Penny Wong
 - Fellow Member of the Association of Chartered Certified Accountants
 - Member of ASEAN CPA
 - Chartered Accountant of Singapore (ISCA)
 - Over 15 years of audit experience in various industries

The internal audit standards applied for the review of the Group's internal controls were "International Standards for the Professional Practice of Internal Auditing". During the financial year ended 31 March 2023, the firm has reviewed the key internal controls, which includes sales and procurement process of the major subsidiaries of the Group.

The AC is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals with the relevant experience to perform its function effectively. They have the relevant experience to perform an internal audit that addresses risks management, financial, operational and compliance risks of the Group, in the best interest of the Group and its minority shareholders.

For completeness, in addition to the abovementioned internal audit review, the Company had also engaged an additional service provider, Evernet Systems Private Limited, to conduct a review on the IT controls and cybersecurity risk of the Group in respect of FY2023, in its continuing efforts at enhancing the cybersecurity controls and processes of the Group.

Query 2

The Company stated at page 41 of its annual report that "the NC will adhere to the Board diversity objectives for any search of new Directors...". Please elaborate on what these "Board diversity objectives are". Listing Rule 710A(2) requires the Company to describe in its annual report its board diversity policy, including the following:

- (a) the issuer's targets to achieve diversity on its board;
- (b) the issuer's accompanying plans and timelines for achieving the targets;
- (c) the issuer's progress towards achieving the targets within the timelines; and
- (d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the issuer.

Please disclose accordingly.

Response

The Board Diversity Policy's key objective is to build a diverse, inclusive and collaborative Board, consisting of directors of different background, skills, experience, gender, age, educational background, ethnicity, professional experience and other relevant factors, so as to maintain an appropriate balance of the Board's perspectives, skills and experience to support the Group's long-term goals and success.

The Nominating Committee ("**NC**") reviews the size and composition of the Board on an annual basis, to ensure that the Board has an appropriate balance and diversity of skills, expertise and experience to enable the management to benefit from a diverse perspective in reviewing the issues that are brought before the Board and make decisions in the best interests of the Company. The NC also aims to maintain a diversity of expertise, knowledge and experience in the fields particularly in business management and finance as attributes among the Directors. The NC ensures that the size of the Board is conducive for effective discussion and decision-making, and that the Board has an appropriate number of Independent Directors to provide diversity in expertise, knowledge and experience.

The Board members possess a range of core competencies and specialist backgrounds in accounting, finance, business management and strategic planning, which allows for diverse and objective perspectives on the Group's business and direction. The Board is of the view that its members' different backgrounds, skill sets, experience and age provide for a sufficient diversity of perspectives which contribute to the quality of its decision-making. Please refer to the "Board of Directors", "Statement by Directors" and "Information on Director seeking Re-election" sections of the Annual Report 2023 respectively for further key information regarding the Directors.

The NC will consider opportunities to increase the proportion of members from different areas of expertise, experience, ethnicities, gender and age groups over time, in identifying and nominating suitable candidates

for appointment to the Board, to enable the Management to benefit from a diverse perspective in reviewing the issues that are brought before the Board and enable it to make decisions in the best interests of the Company. The Company targets to have gender diversity on the Board with both male and female representation and will take opportunities to increase the proportion of female members overtime when selecting and making recommendation on suitable candidates for Board appointments, as and when suitable candidates are identified. The Board will target to appoint a new Director who can also contribute to the competencies, skills and experience of the Board as a whole, before the financial year ending 31 March 2025, having due regard to the benefits of diversity on the Board and also the needs of the Board, without necessarily focusing solely on a single diversity aspect. All Board appointments will always be made based on merit and after due consideration of the collective skills needed to strengthen the overall governance role of the Board.

By Order of the Board

Thang Teck Jong
Executive Chairman
28 July 2023