SDAI

ANNUAL REPORT 2024

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mdm Hao Dongting
Executive Chairperson

Mr James Beeland Rogers, Jr.
Non-Executive and Non-Independent Director

Mr Lam Kwong Fai
Lead Independent Director

Mr Tan Meng Shern
Independent Director

Mr Cheung Wai Man Raymond
Independent Director

AUDIT AND RISK COMMITTEE

Mr Lam Kwong Fai – *Chairman*

Mr Tan Meng Shern – *Member*

Mr Cheung Wai Man Raymond – *Member*

NOMINATING COMMITTEE

Mr Tan Meng Shern – *Chairman*

Mr Lam Kwong Fai – *Member*

Mr Cheung Wai Man Raymond – *Member*

REMUNERATION COMMITTEE

Mr Cheung Wai Man Raymond – *Chairman*

Mr Tan Meng Shern – *Member*

Mr Lam Kwong Fai – *Member*

BOARD RISK COMMITTEE

Mr Cheung Wai Man Raymond – *Chairman*

Mr Tan Meng Shern – *Member*

Mr Lam Kwong Fai – *Member*

JOINT COMPANY SECRETARIES

Ms Ong Beng Hong, LLB (Hons.)
Ms Tan Swee Gek, LLB (Hons.)

REGISTERED OFFICE

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Tel: (65) 6818 6201
Website: www.sdai.com.sg

PRINCIPAL PLACE OF BUSINESS

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Singapore 129814

SPONSOR

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77 Robinson Road
#06-03 Robinson 77
Singapore 068896

INDEPENDENT AUDITOR

Foo Kon Tan LLP
1 Raffles Place
#04-61/62 One Raffles Place Tower 2
Singapore 048616

Partner-in-charge
Mr Ho Teik Tiong
(With effect from the financial period from 1 July 2021 to 31 December 2022)

SHARE REGISTRAR

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

PRINCIPAL BANKER

Oversea-Chinese Banking Corporation Limited

This annual report has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").

This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.

The contact person for the Sponsor is Ms Yang Zhenni, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

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CORPORATE PROFILE

SDAI Limited (the "**Company**") was listed on the Catalist board of the SGX-ST on 22 July 2011.

The Group's principal business of distributing high-end kitchen systems, kitchen appliances, wardrobe systems, bathroom furniture, household furniture, and kitchen accessories from Europe reduced significantly after its principal wholly-owned subsidiary, KHL Marketing Asia-Pacific Pte. Ltd., entered into a compulsory liquidation on 5 April 2022 from the winding up application filed by Kim Hup Lee & Co. (Private) Limited.

The Group started its venture into the biotechnology industry with the incorporation of Beijing Blue Code Biotechnology Co., Limited (北京蓝码生物科技有限公司) into the Group on 8 October 2024. The Company transferred the registration city from Beijing to Hainan for a more efficient tax structure on 12 December 2024 and was renamed to Hainan Blue Code Biotechnology Co., Ltd. (海南蓝码生物科技有限公司). The Company is focusing on using biotechnology to produce and provide healthcare-related products and services.

CORPORATE STRUCTURE

SDAI LIMITED

- **100%** SDAI HEALTHCARE PTE. LTD. (formally known as KC Medical Supplies Pte. Ltd.) (SINGAPORE)
- **100%** KHL (HONG KONG) LIMITED (HONG KONG)
  - **70%** KITCHEN CULTURE (HONG KONG) LIMITED (HONG KONG)
  - **70%** KITCHEN CULTURE (MACAU) LIMITED (MACAU)
  - **100%** KITCHEN CULTURE (CHINA) LIMITED (HONG KONG)
- **100%** HAINAN BLUE CODE BIOTECHNOLOGY CO., LTD. (海南蓝码生物科技有限公司) (PEOPLE'S REPUBLIC OF CHINA)
- **27.65%** OOWAY TECHNOLOGY PTE. LTD. (SINGAPORE)

CHAIRPERSON'S STATEMENT

Dear shareholders of SDAI Limited,

The Transformation Journey

On behalf of the board of directors ("**Board**") of SDAI Limited ("**SDAI**" or the "**Company**" and together with its subsidiaries, the "**Group**"), I am delighted to present our annual report for the financial year ended 31 December 2024 ("**FY2024**").

With the publication of this FY2024 annual report, we are proud to announce that our reporting is now fully up to date, fulfilling all statutory and reporting requirements. This accomplishment is particularly significant given the challenges and setbacks we encountered, including numerous inherited lapses in financial record-keeping that required extensive effort to address after we assumed leadership of the Group from the previous Board on 26 June 2023.

After releasing our annual report for the financial year ended 31 December 2023 on 23 October 2024, we remained steadfast and have worked tirelessly to complete the FY2024 audit quickly. This demonstrates our management team's unwavering determination and capability to keep the Company on track. Our commitment to the rectification and the restoration of the Company during this critical phase underscores the Board's dedication to rebuilding Shareholders' trust and confidence. With the successful fulfilment of our reporting obligations, we are encouraged to see our efforts beginning to bear fruit. As we reach this pivotal milestone, we can now see the light at the end of the tunnel, signalling a promising path forward.

Our strong efforts and execution capabilities in overcoming obstacles have led us to secure a separate redeemable interest-free loan totalling S$1.0 million from four lenders, as announced on 12 November 2024. The Company will utilise the loan for general working capital purposes and to settle its current liabilities, and it also reflects the confidence the investors have in the Company's prospects and outlook. Recognising the challenges and the capital required to drive business growth, another party and I have extended the repayment date for the S$4.0 million loans we each provided to 30 June 2026. This extension is expected to enhance the Group's cash flow position in the near term, allowing us to channel resources toward accelerating the Group's business growth.

Transforming into a biomedical company

The transformative journey of the Company has been difficult, especially in identifying long-term and profitable business opportunities to inject into the Group amid a challenging macroeconomic backdrop. With relentless determination, our team has seized every opportunity, exploring avenues that could provide sustainable revenue streams for the Group. Against all odds, we have uncovered promising growth prospects in the biotechnology industry.

We started our venture into the biotechnology industry with the incorporation of a new wholly-owned subsidiary Beijing Blue Code Biotechnology Co., Ltd. (北京蓝码生物科技有限公司) ("**BBCB**") into our Group on 8 October 2024. The Company transferred the registration city of BBCB from Beijing to Hainan for a more efficient tax structure on 12 December 2024 and was thus renamed to Hainan Blue Code Biotechnology Co., Ltd. (海南蓝码生物科技有限公司). The Company is focusing on using biotechnology to produce and provide healthcare-related products and services. The global biotechnology market was valued at US$1.55 trillion in 2023 and is projected to grow at a compound annual growth rate (CAGR) of 13.96% from 2024 to 2030[1]. This growth highlights the industry's immense potential, presenting a timely opportunity for us to capitalise on this emerging trend. We believe it has the potential to mirror the growth trajectory of the Internet and artificial intelligence, both of which have profoundly impacted the world, reshaping daily lives and becoming highly sought-after trends across industries past and present.

[1] https://www.grandviewresearch.com/industry-analysis/biotechnology-market

CHAIRPERSON'S STATEMENT

Finalising of Special Audit

Throughout the year, we have diligently advanced efforts to conclude Phase 2 of the special audit ("**Phase 2**"), which is being conducted by Deloitte & Touche Financial Advisory Services Pte. Ltd., who was appointed as the special auditor in relation to the special audit ("**Special Auditor**"). Phase 2 specifically focuses on the deviation in the utilisation of approximately S$19.3 million raised during previous fundraising. We have responded promptly to queries and provided all requested documentation in close collaboration with the Special Auditor.

We sincerely appreciate our investors' concerns and interest and share their desire for the Group's shares to resume trading as soon as possible. To this end, we are working tirelessly to finalise Phase 2 of the special audit and business transformation of the Company which we are confident will be achieved in the near term. Following these milestones, we will seek approval from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") to resume trading of the Company's shares.

We are optimistic that the outstanding issues mentioned above will soon be resolved, paving the way for the Group to embark on a new chapter of growth and business expansion.

Appreciation

Our transformation journey has been challenging and rewarding. We acknowledge that it is a gradual process that requires time to deliver meaningful outcomes. As Marcus Tullius Cicero aptly said, "Gratitude is not only the greatest of virtues but the parent of all others." In this spirit, we extend our heartfelt thanks to everyone who has supported us throughout this demanding journey.

We commend the management team and employees of the Company for their unwavering dedication in addressing the outstanding issues, tirelessly restoring inherited lapses, and implementing improved protocols and systems to ensure that the transformation progresses smoothly. Additionally, we sincerely thank the Board of Directors for their invaluable guidance. Their expertise and innovative perspectives drive our sustained growth and success. I would also like to take this opportunity to thank Mr Yip Kean Mun, who has stepped down as the Executive Director, for his contributions over the years. We wish him all the best in his future endeavours.

I sincerely thank our business partners, associates, customers, and suppliers for their unwavering support. Your trust and commitment have been instrumental. Last but not least, we are deeply encouraged by the continued support of our shareholders. Thank you for trusting us and accompanying us on this transformation journey. While we are still in the early stages of our business transformation, and it may take time for our efforts to bear fruit, we firmly believe we are on the right path to achieving sustainable growth.

We look forward to your ongoing confidence and support as we work diligently to expand and strengthen our business.

MDM HAO DONGTING
Executive Chairperson

BOARD OF DIRECTORS

Hao Dongting
Executive Chairperson

Mdm Hao Dongting ("**Mdm Hao**") was appointed as a Non-Executive Director of the Company on 14 April 2021 and was re-designated as Non-Executive Chairperson of the Company on 25 May 2021. On 1 September 2023, Mdm Hao was subsequently re-designated as Executive Chairperson of the Company. Mdm Hao is responsible for providing leadership and direction to the Board of Directors of the Company, facilitating the operations, as well as focusing efforts on corporate strategy, strategic customer and partner relationships and corporate development.

Mdm Hao is also a director of OOWAY Technology Pte. Ltd., an associated company of the Group and a director of OOWAY Data Technology (Beijing) Co., Ltd. (大路数据科技(北京)有限公司).

Mdm Hao holds a Master of Business Administration from the National University of Singapore. She attended a graduate programme in Economic Law at the Chinese Academy of Social Sciences and subsequently obtained a graduation certificate. Furthermore, Mdm Hao obtained a graduation certificate in Law from the Beijing Institute of Political Science and Law. In addition, Mdm Hao obtained a Certificate of Senior International Finance Manager from the International Financial Management Association.

James Beeland Rogers, Jr.
Non-Executive and Non-Independent Director

Mr James Beeland Rogers, Jr. ("**Mr Rogers**") was appointed as the Non-Executive and Non-Independent Director of the Company on 26 June 2023. Mr Rogers is a shareholder holding 8.55% interest in OOWAY Group Ltd., a controlling shareholder of the Company. Mr Rogers is also a co-founder and Chief Strategy Architect of OOWAY Technology Pte. Ltd. ("**OOWAY**") and its subsidiaries.

Mr Rogers is the author of several books and is a globally renowned financial commentator as well as a successful international investor. He is currently the Chairman of Beeland Interests, Inc. and he holds several companies' directorships. In 1998, he started the Rogers International Commodity Index to track the value of commodities consumed in the global economy, ranging from agricultural to energy and metal products.

He obtained a Bachelor's degree cum laude in History from Yale University in 1964 and a second Bachelor's degree in Philosophy, Politics and Economics from Balliol College, Oxford University in 1966.

BOARD OF DIRECTORS

Lam Kwong Fai
Lead Independent Director

Mr Lam Kwong Fai ("**Mr Lam**") was appointed as the Lead Independent Director of the Company on 26 June 2023. Mr Lam is engaged in the business of providing corporate finance advisory and compliance advisory in Singapore and the region. He started his career as a regulator before moving into investment banking handling a variety of initial public offerings ("**IPOs**") and other corporate actions. He then moved into Catalist regulation, working with a wide portfolio of listed companies, advising on the listing rules and corporate governance. In his various corporate capacities, he has amassed almost 20 years of experience in the Singapore corporate finance and regulatory scene.

Mr Lam obtained a Bachelor of Accountancy from Nanyang Technological University in 2002. He is also an Independent Director of Soon Lian Holdings Limited, China Kunda Technology Holdings Limited, VCPlus Limited and Katrina Group Limited, all of which are listed on the SGX-ST.

Tan Meng Shern
Independent Director

Mr Tan Meng Shern ("**Mr Tan**") was appointed as an Independent Director of the Company on 26 June 2023. Mr Tan started his career as an auditor at one of the Big Four accounting firms and he brings with him close to 30 years of experience in financial services, including many years in investment banking. He has overseen the completion of a wide spectrum of financial projects; among them, IPOs, mergers and acquisitions, secondary fundraising exercises, delisting and other advisory transactions. He was not only involved in seeking deals but also actively involved in the structuring of transactions and seeking the best value for clients.

Mr Tan has been involved in more than 80 investment banking transactions, of which more than 30 were IPOs from various industries such as oil and gas, infrastructure, electronics, food and beverages, consumer products and the medical industry.

Mr Tan holds a Bachelor of Accountancy from Nanyang Technological University.

Cheung Wai Man, Raymond
Independent Director

Mr Chueng Wai Man Raymond ("**Mr Cheung**") was appointed as an Independent Director of the Company on 26 June 2023. Mr Cheung brings over 20 years of professional experience in actuarial, enterprise risk management ("**ERM**"), business consultancy, fund management, supply chain financing, financial technology as well as environmental, social, and governance ("**ESG**") and sustainability. He joined Basel Medical Group as Director and Chief Executive Officer with effect from 1 July 2023. He is also the founder and Director of Alpha Millennia Technology providing digital transformation solutions to micro-, small- and medium-sized enterprises and communities in Indonesia. Mr Cheung is also a licensed Portfolio Manager managing multi-strategy sub-funds under the Variable Capital Companies structure. He was previously the Regional Insurance Lead at Grab where he pioneered digital insurance solutions for 8 ASEAN countries. Between 2011 and 2014, he was the Chief Risk Officer for a large insurance and a large reinsurance company in Singapore.

Mr Cheung is also an Independent Director of a Monetary Authority of Singapore licensed major payment institution, Atlantic Partners Asia (SG) Pte. Ltd., in Singapore. He is a professional ERM and ESG trainer in Asia who also conducts part-time lectures in several universities and institutions in Singapore.

Mr Cheung holds a Bachelor of Business (Actuarial Science major) from Nanyang Technological University. He is an associate member of the Institute & Faculty of Actuaries, United Kingdom and an associate member of the Singapore Actuarial Society.

SENIOR MANAGEMENT

Yap Koon Loong
Chief Executive Officer

Mr Yap Koon Loong ("**Mr Yap**") was appointed as the Company's Chief Executive Officer ("**CEO**") on 25 May 2024. He is responsible for the Group's strategic direction, corporate development and planning, investor relations and oversight of the Group's finance function. Mr Yap brings a wealth of financial experience to his role, with a career spanning over 20 years in various industries. Prior to his appointment as the CEO of the Company, he held senior financial positions in several listed companies throughout his career, including Ezyhealth Asia Pacific Ltd., Pacific Healthcare Holdings Ltd., Excelpoint Technology Ltd., ChungHong Holdings Ltd., Renewable Energy Asia Group Ltd., P99 Holdings Ltd. and Astaka Holdings Limited. He has overseen the completion of various financial projects, including reserve takeovers, initial public offerings, delisting, acquisition, and fundraising.

Prior to Mr Yap's appointment as the Company's CEO, Mr Yap was the Corporate Advisor to the Board since July 2023.

Mr Yap holds a Graduate Diploma in Accounting and a Master of Business in Professional Accounting from Victoria University of Technology, Australia, in June 1998.

Ng Kheng Jen
Acting Chief Financial Officer

Mr Ng Kheng Jen ("**Mr Ken**") was appointed as the Company's Acting Chief Financial Officer on 6 May 2024. He is responsible for the Group's financial and management accounting, treasury, taxation and other corporate and regulatory compliance matters. Mr Ken is an accomplished financial executive with a proven track record of strategic leadership and financial expertise. With over nine years of experience in finance and accounting, he has played a pivotal role in driving the financial success of various organisations.

Before joining the Company, Mr Ken was the Acting Group CFO of USP Group Limited, a company listed on the Mainboard of the SGX-ST and the Audit Assistant Manager of Baker Tilly TFW LLP and KPMG PLT.

Mr Ken holds a degree in Finance and Accounting from Swinburne University of Technology and graduated in March 2015.

Zhao Peng
Deputy Finance Director

Mr Zhao Peng ("**Mr Zhao**") was appointed as the Company's Deputy Finance Director on 15 April 2024. He is responsible for the Group's mergers and acquisitions and assists with financial operations.

Mr Zhao is an accomplished finance professional with an extensive background in financial management, strategic planning, and business operations. With over twenty years of experience in the finance and commercial industry, he has progressed through various financial roles, acquiring a deep understanding of financial operations and risk management.

Before joining the Company, Mr Zhao was a director at Cactus Group (Pte. Ltd.). He was also the head of finance at YLL Offshore Services Pte. Ltd. and an auditor for audit, merger and acquisition services at Grant Thornton Transaction Services Pte. Ltd..

Mr Zhao holds a Bachelor's degree in Accounting from Oxford Brookes University and Bachelor's degree in Economics from Sichuan University. He is a chartered accountant (Singapore) at the Institute of Singapore Chartered Accountants and is a fellow of the Chartered Association of Certified Accountants.

FINANCIAL REVIEW

Review of Consolidated Statement of Profit and Loss

Revenue

The Group recorded revenue of S$0.52 million in FY2024, a decrease of 69.6% or S$1.19 million from S$1.71 million in FY2023. The decrease was mainly due to the decrease in the residential project and the distribution and retail segments of S$1 million and S$0.19 million, respectively. The decrease in revenue was due to the Group's Hong Kong subsidiary ceasing its residential project business segment and downsizing its distribution and retail segments, following the closure of the showroom and warehouse in the first quarter of FY2023.

Cost of sales

The Group's cost of sales decreased by 72.6%, or S$0.77 million, to S$0.29 million in FY2024 from S$1.06 million in FY2023. The decrease was primarily attributed to a decrease in purchases and sales due to the downsizing of Hong Kong's business.

Gross profit

The Group's gross profit decreased by 64.8%, or S$0.42 million, to S$0.23 million in FY2024 from S$0.65 million in FY2023 largely in line with the decrease in revenue.

Other income

Other income increased by S$1.13 million, from S$0.18 million in FY2023 to S$1.31 million in FY2024, mainly due to the recognition of gain on extinguishment of loans as a result of the extension of loans' maturity date amounting to S$0.91 million and net gain on foreign exchange differences of S$0.15 million recognised in FY2024 due to the weakening of the Singapore Dollar against the Hong Kong Dollar in FY2024 as compared to FY2023, mostly from intercompany balances denominated in Singapore Dollar of the Group entities in Hong Kong of which the financial statements are prepared in Hong Kong Dollar.

Other operating expenses

Other operating expenses decreased by S$0.26 million, from S$0.38 million in FY2023 to S$0.12 million in FY2024, mainly due to the absence of the goods and services tax expense in FY2024 that was in FY2023, amounting to S$0.24 million.

General and administrative expenses

General and administrative expenses decreased by 7.5%, or S$0.24 million, from S$3.16 million in FY2023 to S$2.92 million in FY2024. The decrease was mainly due to lower legal and professional fees of S$0.73 million, partially offset by the increase in Directors' fees of S$0.11 million.

Finance costs

Finance costs in FY2024 remain approximately the same as compared to FY2023.

Loss before tax

Due to the above, the Group recorded a loss before tax of S$1.71 million in FY2024, which was 69.2% or S$3.84 million, lower than the loss before tax of S$5.56 million in FY2023.

Review of Statements of Financial Position

Non-Current Assets

The Group's non-current assets increased by S$0.15 million, primarily attributable to the recognition of additional right-of-use assets arising from new lease agreements for the Singapore office.

Current assets

The Group recorded current assets of S$1.10 million as of 31 December 2024, which is S$52,842 lower compared to S$1.16 million as at 31 December 2023. The decrease is mainly due the decrease in trade and other receivables by S$0.23 million, inventories by S$0.05 million and contract assets by S$0.02 million, partially offset by the increase in cash and bank balances of S$0.24 million.

Non-current liabilities

The Group recorded a non-current liability of S$7.05 million, which is S$7.04 million higher compared to S$6,384 as at 31 December 2023. The increase are attributed to (i) the reclassification of S$4.0 million loan from current liabilities due to a change in its maturity date and (ii) new loan drawdown of S$3.9 million, and also the increase in lease liabilities of S$0.08 million due a new lease agreement for Singapore office, partially offset by the reduction in loans' face value by S$0.91million as a gain on extinguishment of Loan 1 and Loan 2, which has been recognised as other operating income together with the fair value gain on loan of S$0.13 million.

Current liabilities

The Group recorded a current liability of S$1.64 million as at 31 December 2024, which is S$5.08 million lower than S$6.72 million as at 31 December 2023. The decrease was mainly due to the reclassification of S$4.0 million loan to non-current liabilities due to a change in its maturity date and the decrease in other payables by S$0.99 million.

Equity

The Group recorded negative total equity of S$7.43 million as at 31 December 2024, as compared to negative total equity S$5.57 million as at 31 December 2023 mainly due to the recognition of losses of S$1.86 million for FY2024.

FINANCIAL REVIEW

Working capital position

The Group recorded negative working capital of S$0.533 million as at 31 December 2024, which may indicate that the Group may not be able to meet its short-term debt obligations when they become due. The Board acknowledges the uncertainties in relation to the ability of the Group to realise its assets and discharge its liabilities in the normal course of business. However, the Board is confident that the Group will be able to meet its obligations as and when they fall due and that the preparation of these financial statements on a going concern basis remains appropriate, taking into consideration that the Group and the Company are able to:-

a. address all matters raised in the notices of compliance ("**NOC**") issued by Singapore Exchange Regulation on 14 July 2021 and on 19 August 2021;
b. successfully complete the corporate turnaround plans and restructuring; and
c. obtain sufficient new loan financing and further extend the maturity date of the existing loans which will mature on 26 September 2025.

On 11 November 2024, the Company has entered into second side letter agreement with Asian Accounts Receivable Exchange Pte. Ltd. to amend the expiry date of Loan 1 from 26 September 2025 to 30 June 2026. On 11 November 2024, the Company has entered into a side letter agreement Mdm Hao Dongting, a director of the Company in relation to Loan 2 to agree to (a) amend the drawdown structure of Loan 2; and (b) extend the expiry date to 30 June 2026. On 11 November 2024, the Company has entered into Redeemable Loan Agreements with four (4) new investors or Lenders for an interest-free loan of S$1.0 million with maturity date on 30 June 2026. For more information, please refer to the Company's announcements dated 11 and 12 November 2024. The Company is also actively working on securing new business(es), which will offer new business opportunities and new revenue streams for growth and improve the prospects of the Group.

Review of Consolidated Statement of Cash Flows

The operating cash outflows of the Group in FY2024 prior to adjustments for changes in working capital was S$2.50 million. The net cash used in operating activities was S$3.40 million after taking into account the net changes to working capital of (i) increase in inventories by S$ 0.06 million, (ii) increase in trade and other receivables by S$0.14 million, partially offset by the decrease in trade and other payables of S$1.01 million and contract liabilities of S$0.09 million.

The net cash generated from investing activities amounting to approximately S$0.14 million in FY2024, mainly consisted of the addition of property, plant and equipment.

The net cash generated from financing activities was S$3.78 million in FY2024, mainly consisting of the drawdown of interest-free loans from a Director of S$2.9 million and four Lenders of S$1.0 million, partially offset by the principal payment of lease liabilities of S$0.12 million.

As a result of the above, the Group recorded cash and cash equivalents of S$0.73 million in FY2024, an increase of S$0.25 million from S$0.48 million in FY2023 and taking into account the effects of foreign exchange rate changes on cash and cash equivalents of approximately S$3,716.

SUSTAINABILITY REPORT

BOARD STATEMENT

The board of directors ("**Board**") of SDAI Limited ("**SDAI**" or the "**Company**"), and its subsidiaries (collectively the "**Group**") is pleased to present its annual sustainability report ("**SR2024**" or "**Report**") for the financial year ended on 31 December 2024 ("**FY2024**" or the "**Reporting Period**"). With this Report, we affirm the Company's commitment to sustainability while creating enduring shared value for our business and for stakeholders of the Group ("**Stakeholders**").

The Board is highly attuned to the escalating risks posed by climate change. We are dedicated to continually improving our sustainability performance and integrating sustainability into our decision-making process. Through our sustainability initiatives, we aim to mitigate our environmental impacts, promote social equity and inclusion and uphold the highest standards of corporate governance through our business activities.

Having considered the Economic, Environmental, Social, and Governance ("**EESG**") matters significant to the Group and our economic performance (collectively referred to as "**Sustainability Factors**"), including, inter alia, human rights, the management of the Company ("**Management**") and the Board have determined material Sustainability Factors, overseen their management and monitoring, and incorporated their underlying implications into our strategic direction.

We have included climate-related disclosures aligned with the recommendations of the Task Force on Climate- related Financial Disclosures ("**TCFD**"). We also seek to enhance our climate-related disclosures in the subsequent financial years. This will allow Stakeholders to comprehensively understand the Group's overall performance and future business prospects.

Moving forward, we will continue to uphold our commitment to sustainability while delivering long-term value to Stakeholders and society.

ABOUT THIS REPORT

This Report details SDAI's sustainability performance and initiatives in FY2024, covering the EESG impact of our operations and activities and incorporating goals and targets that support our corporate values. In line with the Group's continued commitment to sustainability, we hope to share more in our subsequent reports, which will be published on a yearly basis.

The Group's sustainability reporting process is subject to internal review by our internal auditors in accordance with the internal audit plan approved by the Board Risk Committee. The Group has not obtained any external assurance for the information reported in this Report but will continue to enhance its reporting processes and consider obtaining external assurance in the future.

Reporting Scope

The sustainability performance presented in this Report will cover FY2024, and the comparative preceding financial, being that the 12-month period from 1 January 2023 to 31 December 2023 ("**FY2023**").

This Report covers the following key operating entities within the Group based in Singapore and Hong Kong which includes the following:

S/N	Entity	Country
1	SDAI Limited	Singapore
2	KHL (Hong Kong) Limited	Hong Kong
3	Kitchen Culture (Hong Kong) Limited	Hong Kong

Unless otherwise stated, the Report does not include the Group's business activities beyond the key operating entities specified above, as other subsidiaries are dormant or inactive in nature.

SUSTAINABILITY REPORT

Feedback

As part of our ongoing efforts to substantiate our sustainability initiatives and improve our policies and performance, we welcome Stakeholders to provide us with feedback and suggestions on any aspect of this Report using the contact us page on the Company's corporate website at www.sdai.com.sg.

Organisational Profile

The Group is currently organised into 3 business units based on its products and services for management purposes. The reportable segments are Residential Projects, Distribution and Retail and Others:

Business Segment	Description
Residential Projects	Designing, assembling, installing, testing and the inspection of various furniture and fittings, kitchen equipment and related products.
Distribution and Retail	Involved in the selling and distribution of products through a network of authorised dealers and retailers.
Others	Investment holding, and dormant or inactive companies.

FRAMEWORK, POLICY, PRACTICES AND PERFORMANCE

Sustainability Governance Structure

Sustainability matters at the Group are governed and managed across various levels in the organisation. The Board advises and supervises the development of our sustainability strategy and has overall responsibility and oversight on sustainability matters. In FY2024, Mr Yip Kean Mun ("**Mr Yip**"), the Executive Director appointed on 26 June 2024 was accountable for overseeing the implementation and communication of sustainability strategies, policies and practices to the various functions that would implement and monitor sustainability practices on the ground. Subsequently, Mr Yip tendered his resignation with effect from 1 January 2025 and Mr Yap Koon Loong ("**Mr Yap**"), the Chief Executive Officer of the Company ("**CEO**") took over the role of overseeing the Group's sustainability reporting.

Mr Yip was supported by finance team of the Group, who assisted in overseeing the adoption and implementation of climate-related strategies and policies of the Group and provided regular updates to Mr Yip regarding the performance of sustainability-related programmes and practices.

Moving forward, the Board plans to form a Board Sustainability Committee to support the Board on specific sustainability matters outlined in its proposed terms of reference by 31 December 2025.

Reporting Framework

This Report has been prepared in accordance with Rules 711A and 711B as well as the Sustainability Reporting Guide of Practice Note 7F of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and is prepared with reference to the Global Reporting Initiatives ("**GRI**") Standards. The Group has chosen to report using the GRI standards as it is one of the most widely used and internationally recognised sustainability reporting standards for sustainability reporting, providing guiding principles for report content and quality. Additionally, we are guided by the TCFD's recommendations in our climate-related disclosures.

Stakeholder Engagement

At SDAI, we recognise the importance of engaging our stakeholders regularly to understand their expectations and concerns. Internal and external stakeholders are crucial to us as they can positively and meaningfully impact our business activities. We strive to deliver value for our stakeholders by putting their diverse needs at the centre of our offerings.

Our sustainability efforts focus on creating sustainable value for our key stakeholders. These include individuals or groups whose interests are affected or could be affected by the Group's operations. The Group's key stakeholders comprise shareholders and investors, employees, customers, business partners, and government and regulators.

The following table summarises our key stakeholder groups and the methods and frequency of engagement:

Key Stakeholder	Engagement Methods	Frequency
Shareholders and Investors	SGXNet announcements	Regular
	Press releases	Ad-hoc
	Annual reports	Annual
	Shareholders' general meetings	Annual & Ad-hoc
Employees	Internal briefings and memorandums	Regular
	Induction and orientation programmes	Ad-hoc
Suppliers	Quotations	Ad-hoc
	Periodic discussions	Ad-hoc
Customers	Emails and meetings	Ad-hoc
Business Partners	Frequent discussions and meetings	Ad-hoc
Government and Regulators	Electronic communications	Ad-hoc
	SGXNet announcements	Ad-hoc
	Discussions with government agencies and regulators	Ad-hoc

Materiality Assessment

As the Group continues its sustainability journey, the Management, together with the Board, conducted a formal materiality assessment exercise. The materiality assessment was conducted according to the GRI guidelines, and a list of Sustainability Factors relevant to the Group's activities was identified, evaluated, and ranked according to the likelihood and significance of their impacts on the economy, environment, and people, including their human rights.

The Group adopts the following four-step process to define our material Sustainability Factors:

IDENTIFICATION	RATE AND ASSESS	PRIORITISATION	REVIEW
Background research including stakeholders' interest and sector-specific concerns	Cluster similar concerns to access what issues are most common across the Company	Prioritise salient sustainability issues based on significance of their impact and stakeholders' expectations	Review of the relevance of previously identified material factors and update accordingly

Following the assessment, five material Sustainability Factors were subsequently identified and are as follows:

S/N	Material Sustainability Factor
1	Corporate Governance
2	Economic Performance
3	Employment
4	Training and Education
5	Environment

Impact Assessment of Material Sustainability Factors

Through an impact assessment of our material Sustainability Factors, we better understand the actual and potential positive and negative impacts associated with our sustainability initiatives. This allows us to develop comprehensive strategies to maximise positive outcomes while mitigating, minimising or ideally eliminating negative impacts, risks and challenges for the environment and relevant stakeholders.

For each material Sustainability Factor, we have identified the following potential positive and negative impacts of our operations on the economy, environment, social and governance:

Material Sustainability Factor	Positive Impacts	Negative Impacts
Corporate Governance	Transparency, integrity, and accountability in business activities strengthens corporate governance frameworks	Focused on short term profitability and neglecting long term goals may erode the interest of shareholders and stakeholders
Economic Performance	Economic success encourages efficient resource allocation, such as technological advancement and new job opportunities, improving productivity and competitiveness	A narrow focus on economic performance may neglect the interest of other stakeholders, such as customers, employees and communities, which may lead to dissatisfaction and distrust
	Sustainable economic growth increases investor confidence, potentially improve access to funding	
Employment	Diversity and fair employment practices foster an inclusive environment where employees are valued for their skills, qualifications, and work ethic, promoting a culture of equality and opportunity	Unfair work practices may result in breaches of regulations, financial penalties and reputational losses
	Prioritising occupational health and safety and reducing workplace incidents improve employee morale and productivity	Failure to prioritise health and safety can result in workplace accidents, leading to injuries or even fatalities among employees
	Preventing workplace accidents and illnesses reduces the costs associated with medical expenses, workers' compensation and lost workdays	Failure to comply with health and safety regulations can result in regulatory sanctions, including fines and penalties, adversely affecting our bottom line and market position
Training and Education	Training programmes equip employees with the necessary skills, knowledge and best practices to perform their roles effectively	Resources and investments are required to effectively assess and meet the requirements of training and education of employees
Environment	Reducing energy consumption and adopting energy-efficient practices in our operations lead to cost savings	High energy consumption and reliance on fossil fuels may exacerbate energy poverty and increase costs
	Reducing energy consumption and therefore greenhouse gas ("**GHG**") emissions can help to mitigate climate change	

CLIMATE CHANGE

As the world rallies to limit global temperature rise to below 2˚C, as set out in the Paris Agreement, the Group recognises the need to curtail our carbon footprint. We are committed to the responsible usage of energy resources in our business activities to work towards developing strategies to build climate resilience.

This section details our approach to the disclosure recommendations of the TCFD framework under the following core elements: Governance, Strategy, Risk Management and Metrics and Targets.

Governance

The Board is responsible for the Group's sustainability strategy, including evaluating and monitoring climate-related risks and opportunities. For further details, refer to the section "Sustainability Governance Structure" on page 12 of this Report.

Strategy

SDAI aims to integrate climate related risks and opportunities into its strategy and operations to drive continued improvement and enhance our resilience to climate change. Our overarching climate strategy is to identify, assess, and mitigate potential impacts of climate-related physical risks and transition risks in our business. We also seek to capitalise on climate-related opportunities with the global transition to a lower-carbon economy by 2030 and a net-zero standard by 2050.

SDAI performed a climate change scenario analysis on potential climate-related risks and opportunities. This scenario analysis serves as a tool to understand how climate-related risks and opportunities can impact the Group's future operations. SDAI's preliminary evaluation considers the following two scenarios based on the Intergovernmental Panel on Climate Change ("**IPCC**"):

1. A best-case scenario where the global average temperature increases by less than 2°C; and
2. A business-as-usual scenario with no mitigation where temperatures increase more than 4°C by the end of the century.

The key characteristics of the selected scenarios are outlined below:

Scenario	Paris Agreement aligned scenario (below 2°C)	No mitigation scenario (4°C)
Rationale	We selected this scenario to assess the transition impacts in an economy shifting to a low carbon world. It reflects actions required to limit global warming to under 2°C	We selected this scenario to assess our physical risk under a high-emission scenario, consistent with a future with limited policy changes to reduce emissions
Underlying model	International Energy Agency's Sustainable Development Scenario[1]	IPCC Representative Concentration Pathway 8.5[2]
Assumptions	Transition features: • Carbon price introduced • Fossil fuel subsidies phased out by 2050 in net importers and by 2035 in net exporters • Increased generation from renewable energy	Physical features: • Global emissions continue to rise because of high carbon intensity • Global mean sea level rise of 0.63m by 2100 • High frequency and intensity of heat waves and extreme • precipitation events

Risk Management

Considering the two scenarios outlined, the Group has identified five climate-related risks and two opportunities. The use of scenario analysis allows the Group to proactively address factors that could impact its operations in the context of climate considerations. In FY2024, the Group reviewed its approach to climate-related risk management through meetings between the Management and its external consultant. This process enhanced the Group's understanding of climate-related risks and opportunities, providing insights into the potential effects of various scenarios on its business.

[1] "Net Zero Emissions by 2050 Scenario (NZE) – Global Energy and Climate Model – Analysis." IEA, www.iea.org/reports/global-energy-and-climate-model/net-zero-emissions-by-2050-scenario-nze.
[2] "IPCC AR5 Assessment Report" IPCC, https://www.ipcc.ch/reports/?rp=ar5

Risk Type	Impact	Mitigating Measures
Physical Risks - Acute		
Increased severity of extreme weather events such as frequent and severe flooding, heat- related illnesses during heatwaves	Increased frequency and severity of extreme weather, such as extreme heat can lead to heat exhaustion, heatstroke, dehydration and exacerbate existing medical conditions.	Implement measures to protect employees from heat-related illnesses, such as providing adequate hydration and air-conditioning.
		Consider medical insurance products that cover heat-related illness for employees.
	Heat-related illnesses from prolonged heat exposure can negatively impact employees' health and well-being.	Allow telecommuting and flexible work arrangements in the event of extreme weather.
Physical Risks - Chronic		
Changes in precipitation patterns and extreme variability in weather patterns	Extreme weather can halt operations, damage infrastructure and reduce productivity. This may lead to increased cost of repairs, insurance and energy, along with potential revenue loss due to disrupted operations and supply chain.	Advocate for policies that support climate resilience and adaptation.
		Promote a culture of sustainability within the Group.
Rising mean temperatures	Increased reliance on carbon-intensive sources of energy can contribute to the rising global mean temperatures. Rising global mean temperatures may lead to a greater need for our products, e.g. refrigerator, to keep items at a constant controllable temperature which may consume more energy.	Actively explore eco-friendly products, such as refrigerator that uses natural refrigerants such as ammonia or propane.
		Constantly working with various vendors to source for the most energy efficient refrigerator.
		Continue to use LED lighting while tracking the energy usage of the Group.
		Introduce more energy efficient measures, such as reminders to switch off lights and appliances when not in use.
Transition Risks – Policy and Legal		
Increased carbon pricing	The Group expects that the policies and reporting requirements related to climate change will be more stringent. Stricter environmental laws and regulations (e.g. carbon tax) may expose the Group to higher risks of claims and lawsuits to increase the Group's related capital investment and compliance costs.	Stay informed about carbon pricing regulations and compliance requirements.
		Choose sustainable products and materials with lower carbon footprint in our supply chain.
Enhanced emissions-reporting obligations and increased compliance costs	Organisations that fail to meet emissions reporting obligations may face reputational damage, affecting customer loyalty, investor confidence and overall market position.	Engage external consultants specialising in emissions reporting and compliance to manage complex requirements.
		Align reporting practices with established frameworks and standards (e.g. GRI) to streamline compliance.
Business Opportunities		
Resource Efficiency/ Energy Sources	• Use of more efficient modes of transport or logistics to improve work productivity • Enhancing energy efficiency and water conservation in our office and operations can lead lower to operating expenditure • Recycling conserves resources and contributes to the circular economy • Reducing water usage leads to cost efficiency and protection from future price volatility or water shortages • Use of lower emission sources of energy reduces operational costs and improve energy efficiency • Introduce high energy efficient and eco-friendly products to improve energy efficiency and reduce environmental impact	

MATERIAL ESG FACTORS

Corporate Governance

The Board is responsible for the Group's sustainability strategy, including evaluating and monitoring climate-related risks and opportunities. For further details, refer to the section "Sustainability Governance Structure" on page 12 of this Report.

The Group recognises the importance of good corporate governance, accountability, and transparency and believes that conducting business responsibly and ethically is vital to the sustainability of the Group's business and safeguarding stakeholders' interests. The Group's corporate governance practices are outlined in this annual report, which outlines the role of the Board in relation to key governance practices.

SDAI has established a whistleblowing policy, available on the Company's corporate website, to allow its employees and external parties to raise concerns in confidence about actual, suspected, or possible improprieties in financial reporting or other matters of which they become aware. Under this policy, all disclosures are handled confidentially, and the identity of the employee or any other person who made the report will be protected. During the Reporting Period, no reports were received through the whistleblowing channel.

In FY2023, the Company incurred fines and penalties for non-compliance with the regulatory requirements, including late filing of annual returns with the Accounting and Corporate Regulatory Authority and tax returns with the Inland Revenue Authority of Singapore. These issues originated under the previous Board and were resolved by the current Board in current Reporting Period. As the records available to the Board are incomplete and the special audit by Deloitte & Touche Financial Advisory Services Pte. Ltd. is still pending completion as one of the contributing factors, the Board is unable to confirm that the Company has complied with all principles outlined in the Code of Corporate Governance of Singapore ("**Code**") and generally adhered to its provisions for the whole of FY2024.

You may refer to the Corporate Governance Report of this annual report for details on our corporate governance practices.

Target:
The Group aims to comply with the Principles of the Code and target to meet the regulatory requirements that are expected by stakeholders.

Economic Performance

The Group is committed to delivering long-term value to stakeholders in a sustainable manner. The Group places a strong emphasis on consistent and growth-oriented financial performance and adopts a disciplined and prudent financial management approach while upholding good corporate governance.

Based on the audited consolidated financial statements of the Group for FY2024, the Group recorded revenue of S$0.52 million in FY2024, a decrease of 69.6% or S$1.19 million from S$1.71 million in FY2023. The decrease was mainly due to a decrease in the residential project and the distribution and retail segments of S$1 million and S$0.19 million, respectively. The decrease in revenue was due to the Group's Hong Kong subsidiary ceasing its residential project business segment and downsizing its distribution and retail segments, following the closure of the showroom and warehouse in the first quarter of FY2023.

The Group recorded negative total equity of S$7.43 million as at 31 December 2024, as compared to negative total equity of S$5.57 million as at 31 December 2023 mainly due to losses of S$1.86 million for FY2024.

Please refer to the financial content sections in this annual report for further details of the Group's financial performance.

Target:
The Group has relocated the kitchen business operations of the Group to Hong Kong. Management anticipates a slowdown in the Residential Projects segment and modest growth in the Retail and Distribution segment.

The Group strives to enhance its economic performance, subject to market conditions. It is determined to strengthen its fundamentals and establish enduring partnerships to ensure sustainability.

Employment

The Group believes that a conducive and collaborative work environment is crucial for sustainable growth. We aim to foster fairness and respect among our employees, with zero discrimination, and empower the growth and development of our employees regardless of gender, age and background.

Enduring efforts are made to build a successful team of people with the right mix of professional skills and to provide a conducive work environment that drives employees with motivation for a highly productive team to achieve success in the long run.

Employee diversity statistics
As at 31 December 2024, SDAI employs a total of 7 employees (as at 31 December 2023: 10). The breakdown of employees as at 31 December 2023 and 31 December 2024 are as follows:

	As at 31 December 2023		As at 31 December 2024	
	Number of Employees	Percentage of Total Employees	Number of Employees	Percentage of Total Employees
By Age Group				
< 30 years old	0	0%	0	0%
30 - 50 years old	0	0%	2	29%
> 50 years old	10	100%	5	71%
By Gender				
Male	3	30%	5	71%
Female	7	70%	2	29%
By Region				
Singapore	7	70%	5	71%
Hong Kong	3	30%	2	29%
Total	**10**	**100%**	**7**	**100%**

New hires
During the Reporting Period, there were 2 new hires (FY2023: 5).

	As at 31 December 2023		As at 31 December 2024	
	Number of Employees	Percentage of Total Employees	Number of Employees	Percentage of Total Employees
By Age Group				
< 30 years old	0	0%	-	0%
30 - 50 years old	0	0%	2	100%
> 50 years old	5	100%	-	0%
By Gender				
Male	2	40%	2	100%
Female	3	60%	-	0%
By Region				
Singapore	5	100%	2	100%
Hong Kong	0	0%	-	0%
Total	**5**	**100%**	**2**	**100%**

Turnover

	As at 31 December 2023		As at 31 December 2024	
	Number of Employees	Percentage of Total Employees	Number of Employees	Percentage of Total Employees
By Age Group				
< 30 years old	2	15%	0	0%
30 - 50 years old	8	62%	0	0%
> 50 years old	3	23%	5	100%
By Gender				
Male	8	62%	0	0%
Female	5	38%	5	100%
By Region				
Singapore	2	15%	4	80%
Hong Kong	11	85%	1	20%
Total	**13**	**100%**	**5**	**100%**

During the Reporting Period, there was an employee turnover of 5 (FY2023: 13). Nevertheless, we maintained zero (FY2023: zero) incidents of unlawful discrimination against employees during the Reporting Period.

Employee Health and Safety
The health and safety of employees has been of great importance to the Group. We are committed to providing a safe workplace that allows our employees to develop and perform safely.

During the Reporting Period, we recorded zero (FY2023: zero) workplace fatalities, zero (FY2023: zero) high-consequence work-related injuries, zero (FY2023: zero) recordable work-related and zero (FY2023: zero) work-related ill-health cases. We will continually strive for zero workplace accidents.

Target:
The Group is committed to zero workplace discrimination, work-related injuries and ill-health cases for FY2024. The Group is also committed to providing equal opportunities for existing and new employees to maintain a diverse and robust workforce.

Time Horizon	Target Set	Performance in FY2024
Perpetual Target	Maintain zero incidents of noncompliance with regulatory standards related to the health and safety of employees, customers and workplace. Maintain zero incidents related to work-related injuries, fatalities or ill-health.	Maintained zero incidents of noncompilance with regulatory standards related to work-related injuries, fatalities or ill-health. Maintained zero incidents related to work-related injuries, fatalities or ill-health.

Training and Education

The Group is committed to training and reskilling staff to meet new challenges, leveraging on training grants, and providing employees with on-the-job training through close supervision of employees by their immediate managers and management team.

In FY2024, the Group's employees completed a total of 7 hours of training (FY2023: no training provided). The average training hours for employee in FY2024 was 1 hour, with all training hours solely attributed by our male employees. The total hours of training and average training hours per employees are relatively low because of the significant reduction in staff strength and resources within the Group back in FY2023, stemming from the ongoing liquidation of KHL Marketing Asia-Pacific Pte Ltd, the special audit, and changes in key management personnel of the Group ("**Key Management Personnel**"). We aim to provide our employees with more relevant training where possible.

Target:
The Group aims to provide structured training programs for employees and regular employee engagement to address employee concerns.

Time Horizon	Target Set	Performance in FY2024
Short-term Target (1 - 5 years)	Offer internal and external training that is essential and beneficial to the development and career progression of our employees at all levels. Increase the average training hours by 5% from FY2024 baseline.	Provided external training to employees.
Medium- to Long-term Target (more than 5 years)	Continuous provision of internal and external training courses and programmes. Continuously and steadily increase the average training man-hours.	

Environment

SDAI is conscious of the need to protect the environment. The Group strives to find resource and energy-efficient solutions that help the Group, its business partners, and its customers reduce our climate and environmental impact.

During the Reporting Period under review, the Group's business was the supply and installation of imported kitchen systems and appliances. Since the Group does not have any manufacturing operations, the direct environmental impact from our energy and water consumption and waste production is therefore limited.

Energy Consumption
In our commitment to sustainability, we recognise that managing energy consumption and reducing GHG emissions are critical to mitigating climate change and minimising our environmental impacts. We continue to disclose our energy consumption and GHG emissions. GHG emissions are accounted for based on the GHG Protocol, using the operational control approach

Our operations primarily generate GHG emissions through the utilisation of purchased electricity in our office, which attributes to Scope 2 GHG emissions. The Group does not generate Scope 1 emissions due to the nature of our business which does not involve the generation of emissions from source. Hence, Scope 1 emissions are not included in our disclosures. We continuously monitor our emissions and will disclose Scope 1 emissions if they become material. The Company's environmental performance is as follows:

	As at 31 December 2024
Electricity Consumption	
Electricity Consumed (MWh)	36.20
Energy Consumption Intensity (MWh/employee)	3.62
GHG Emissions	
Total GHG Emissions (tCO_2e)	15.96
GHG Emissions Intensity (tCO_2e/employee)	1.60

We aim to reduce our environmental footprint by raising awareness among our employees. Our management has instilled a sense of environmental stewardship throughout our business practices. We continually strive to improve our electricity use and efficiency through the following initiatives:

- Monitoring and reviewing our electricity consumption to ensure corrective actions can be taken when unusual consumption patterns are observed;
- Ensuring lights, computers, and other electrical appliances are switched off when not in use; and
- Conducting regular maintenance of equipment to maximise energy efficiency.

Target
Monitor energy usage on our office premises and also to promote more energy saving habits and initiatives.

Time Horizon	Target Set	Performance in FY2024
Short-term Target (1 - 5 years)	Monitor energy usage on our office premises in Singapore and Hong Kong. Promote more energy saving habits and initiatives. Assess energy usage in the operations and identify areas of improvement.	We monitored our energy usage on our office in Singapore and Hong Kong. We encouraged employees to adopt energy-saving habits and incorporate energy-efficient initiatives in our operations. We regularly monitored and review our electricity consumption.
Medium- to Long-term Target (more than 5 years)	We monitor our energy usage on our office premises across Singapore and Hong Kong. Include disclosure of quantitative metrics and targets. Reduce energy consumption to achieve overall net-zero GHG emissions target.	

Water
Water is a scarce resource, and we recognise that businesses play an important role in ensuring the sustainability of water resources. Therefore, we strive to minimise water consumption and improve water usage efficiency. Our water usage data is closely tracked, monitored and reported.

	As at 31 December 2024
Water Consumption (m^3)	17,100
Water Consumption Intensity (m^3/m^2 of gross floor area)	68.48

	As at 31 December 2024
Water Consumption Intensity (m^3/m^2 per employee)	3,420

We will continue monitoring our water usage to ensure water usage efficiency.

Target:
As there is on record avaliable for FY2023, as such there is no comparison for FY2024.

Time Horizon	Target Set	Performance in FY2024
Short-term target (1-5 years)	To implement water recording mechanism for the purpose of water consumption.	We monitored our water consumption on our office premises.
Medium- to Long-term Target (more than 5 years)	Reduce water usage levels and intensities by 20%.	

Waste Management
SDAI recognises that efficient waste management is important and allows us to operate sustainably. We are committed to minimising wastage in our operations. One of our strategies to safeguard the environment is to reduce and reuse paper usage by printing on both sides of the pages. In FY2024, waste generated from our operations is minimal, and hence, waste-related data are not tracked.

Target:
The Group is committed to continuing to minimise waste from its operations.

GRI CONTENT INDEX

Statement of use	SDAI Limited has reported the information cited in the GRI content index for the 12 months period from 1 January 2024 to 31 December 2024 with reference to the GRI standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure		Location
General Disclosures			
GRI 2: General Disclosures 2021	2-1	Organisational details	Page 3
	2-2	Entities included in the organisation's sustainability reporting	Page 11
	2-3	Reporting period, frequency and contact point	Pages 11 & 12
	2-4	Restatements of information	None
	2-5	External assurance	SDAI has not sought external assurance for this reporting period and may consider it in the future on future sustainability reports.
	2-6	Activities, value chain and other business relationships	Pages 11 & 12
	2-7	Employees	Pages 18, 19 & 20
	2-8	Workers who are not employees	None
	2-9	Governance structure and composition	Pages 6, 7 & 12
	2-10	Nomination and selection of the highest governance body	Pages 34 & 38
	2-11	Chair of the highest governance body	Page 12
	2-12	Role of the highest governance body in overseeing the management of impacts	Page 12
	2-13	Delegation of responsibility for managing impacts	Page 12
	2-14	Role of the highest governance body in sustainability reporting	Page 12
	2-15	Conflicts of interest	Pages 24, 25, 32 & 33
	2-16	Communication of critical concerns	Pages 48 & 52
	2-17	Collective knowledge of the highest governance body	Pages 24 & 28
	2-18	Evaluation of the performance of the highest governance body	Pages 34, 35 & 38
	2-19	Remuneration policies	Pages 39, 40 & 41
	2-20	Process to determine remuneration	Pages 39 & 43
	2-21	Annual total compensation ratio	Information is not provided due to confidentiality constraints.
	2-22	Statement on sustainable development strategy	Page 11
	2-23	Policy commitments	Pages 11 & 17
	2-24	Embedding policy commitments	Pages 11 & 17
	2-25	Processes to remediate negative impacts	Page 17
	2-26	Mechanisms for seeking advice and raising concerns	Page 17
	2-27	Compliance with laws and regulations	Page 17
	2-28	Membership associations	None
General Disclosures			

GRI
CONTENT INDEX

GRI Standard	Disclosure		Location
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	Pages 12 & 13
	2-30	Collective bargaining agreements	Not applicable, no collective bargaining agreements are in place
Topic-specific disclosures			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Page 13 & 14
	3-2	List of material topics	
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 17
GRI201: Economic Performance	201-1	Direct economic value generated and distributed	Page 17
Corporate Governance			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 17
General Disclosures			
GRI 205: Anti-Corruption 2016	205-3	Confirmed incidents of corruption and actions taken	No incidents of corruption recorded for FY2024
Environment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 20 & 21
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Pages 20 & 21
GRI 303-5 Water and Effluents 2018	303-5	Water Consumption	Pages 21
Employment			
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 18 - 20
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Pages 18 & 19
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	Page 19
	403-10	Work-related ill health	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Page 18
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Page 19

TCFD DISCLOSURES

<table>
<tr><th colspan="3">General Disclosures</th></tr>
<tr><td>TCFD 1(a)</td><td>Describe the board's oversight of climate-related risks and opportunities.</td><td rowspan="2">Pages 12, & 14 – 16</td></tr>
<tr><td>TCFD 1(b)</td><td>Describe management's role in assessing and managing climate-related risks and opportunities.</td></tr>
<tr><th colspan="3">Strategy</th></tr>
<tr><td>TCFD 2(a)</td><td>Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</td><td rowspan="3">Pages 14 - 16</td></tr>
<tr><td>TCFD 2(b)</td><td>Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</td></tr>
<tr><td>TCFD 2(c)</td><td>Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</td></tr>
<tr><th colspan="3">Risk Management</th></tr>
<tr><td>TCFD 3(a)</td><td>Describe the organisation's processes for identifying and assessing climate-related risks.</td><td rowspan="3">Pages 15 & 16</td></tr>
<tr><td>TCFD 3(b)</td><td>Describe the organisation's processes for managing climate-related risks.</td></tr>
<tr><td>TCFD 3(c)</td><td>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</td></tr>
<tr><th colspan="3">Metrics and Targets</th></tr>
<tr><td>TCFD 4(a)</td><td>Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</td><td rowspan="3">Pages 16</td></tr>
<tr><td>TCFD 4(b)</td><td>Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.</td></tr>
<tr><td>TCFD 4(c)</td><td>Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</td></tr>
</table>

The board of directors (the "**Board** or "**Directors**"") of SDAI Limited (the "**Company**") is committed to maintaining a high standard of corporate governance within the Company and its subsidiaries (the "**Group**") to safeguard the interests of the Company's shareholders ("**Shareholders**") and to enhance corporate value and accountability.

The Company has put in place various personnel, policies and practices that will safeguard the interests of Shareholders and enhance long-term Shareholder value as part of its efforts to maintain high standards of corporate governance. The Company believes that the Singapore Code of Corporate Governance 2018 (the "**Code**") serves as a practical guide in defining the duties and responsibilities of the Board. This corporate governance report (the "**Report**") outlines the main corporate governance practices and procedures adopted by the Group for the financial year ended 31 December 2024 ("**FY2024**") with reference made to each of the principles and provisions of the Code.

The Company has complied, in all material aspects, with the provisions of the Code for the whole of FY2024 and where the Company has not complied with any guideline, the reasons for such non-compliance have been provided below.

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 requirements of the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

BOARD MATTERS

The Board's Conduct of Affairs

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

<u>Provision 1.1</u> **Directors are fiduciaries who act objectively in the best interests of the company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.**

The Board is entrusted with the responsibility for the overall management of the business and corporate affairs of the Group and to protect and enhance long-term Shareholders' value.

Besides carrying out its statutory responsibilities, the Board's role is to:

- provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and Company's assets;
- review the performance of the management of the Company ("**Management**");
- identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation;

- set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and

- consider sustainability issues as part of its strategic formulation.

Every Director, in the course of carrying out his/her duties, acts in good faith and considers at all times the interests of the Group.

As at 31 December 2024, the Board notes that the Company has in place an employee handbook of the Company ("**Employee Handbook**"). All employees of the Group are to uphold the principles set out in the Employee Handbook and conduct themselves with high standards of integrity that are in compliance with laws and regulations of the jurisdictions in which it operates.

Any Director facing an actual, potential or perceived conflict of interest in relation to any matter will declare such interest and will recuse himself/herself from participating in discussions and abstain from making any decisions or voting on resolutions regarding the matter

<u>Provision 1.2</u> **Directors understand the company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense. The induction, training and development provided to new and existing directors are disclosed in the company's annual report for FY2024.**

In accordance with Rule 406(3)(a) of the Catalist Rules, the NC will ensure that any new Director appointed by the Board, who has no prior experience as a director of an issuer listed on the SGX-ST, undergoes mandatory training in the roles and responsibilities of a director as prescribed by the SGX-ST.

In addition to the mandatory training (if applicable), when a new Director is to be appointed, he/she will receive appropriate orientation to familiarise himself/herself with the business and organisation structure of the Group. To get a better understanding of the Group's business, the newly appointed Director will also be given the opportunity to visit the Group's operational facilities and meet with the Management. Newly appointed Directors will also be provided with a formal letter setting out their duties and obligations.

When necessary, the existing Directors are provided with updates on changes to the relevant new rules and regulations to enable them to make well-informed decisions and to ensure that the Directors are competent in carrying out their expected roles and responsibilities. As part of training for the Board, the Directors are briefed either during Board and Board Committee meetings or at specially convened sessions on changes to regulations and accounting standards, as well as industry-related matters. The Directors are also encouraged to keep themselves updated on changes to the financial, legal and regulatory requirements or framework and the business environment through reading relevant literature, and may attend appropriate courses, conferences and seminars conducted by bodies such as the SGX-ST and Singapore Institute of Directors, at the Company's expense. The external auditors had briefed the AC on changes or amendments to accounting standards in FY2024.

Provision 1.3 **The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the company's annual report for FY2024.**

Matters which specifically require the Board's decision or approval are those involving, but not limited to:

- corporate strategy and business plans;
- investment and divestment proposals;
- funding decisions of the Group;
- nominations of Directors for appointment or re-appointment to the Board and appointment of key personnel;
- announcement of half-year and full-year results, annual reports and audited financial statements;
- material acquisitions and disposal of assets;
- major corporate actions;
- declaration of dividends;
- all matters of strategic importance; and
- corporate governance matters including interested person transactions.

Provision 1.4 **Board committees, including Executive Committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities, are disclosed in the company's annual report for FY2024.**

The Audit Committee ("**AC**"), Nominating Committee ("**NC**"), Remuneration Committee ("**RC**") and Board Risk Committee ("**BRC**") (collectively, the "**Board Committees**") were established to assist the Board in the discharge of specific responsibilities. The Board Committees are chaired by Independent Directors and function within clearly defined terms of reference and operating procedures. The compositions, principal functions and roles of the Board Committees are described in subsequent sections of this Report.

While the Board Committees are delegated with certain responsibilities, the ultimate responsibility for the final decision lies with the entire Board.

Provision 1.5 **Directors attend and actively participate in Board and Board committee meetings. The number of such meetings and each individual director's attendances at such meetings are disclosed in the company's annual report for FY2024. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.**

The Board meets at least twice a year. Besides the scheduled Board meetings, ad hoc meetings involving the Board and the Management are held as and when there is a need to review important matters such as major acquisitions and divestments and related funding requirements. The constitution of the Company ("**Constitution**") provides for meetings of Directors to be held by means of telephone conference or other methods of simultaneous communication by electronic or other means. The Board and Board Committees may also make decisions by way of circulating resolutions in writing.

During FY2024, the number of Board meetings, Board Committee meetings and general meetings held and attended by each member of the Board is as follows:

	Board	Board Committee				General Meeting	
		AC	NC	RC	BRC	Annual	Extraordinary
Number of meetings held	2	4	2	2	2	2	1
Number of meetings attended							
Mdm Hao Dongting	1	N.A.	N.A.	N.A.	N.A.	2	1
Mr Yip Kean Mun (1)	2	N.A.	N.A.	N.A.	N.A.	2	1
Mr James Beeland Rogers, Jr.	2	N.A.	N.A.	N.A.	N.A.	2	1
Mr Lam Kwong Fai	2	4	2	2	2	2	1
Mr Tan Meng Shern	2	4	2	2	2	2	1
Mr Cheung Wai Man Raymond	1	1	1	1	1	2	1

Note:

(1) Mr Yip Kean Mun ceased to be an Executive Director of the Company with effect from 1 January 2025.

The NC considers that multiple board representations held presently by the current Directors and/or their principal commitments do not impede their performance in carrying out their duties to the Company. As such, the Board does not propose to set the maximum number of listed company board representations which Directors may hold until such need arises.

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

Directors are furnished regularly with information from the Management about the Group as well as the relevant background information relating to the business to be discussed at Board and Board Committee meetings. Board papers which contain sufficient information on the issues to be considered are prepared and circulated to the Directors in advance for each meeting to give the Directors sufficient time to review the matters to be discussed. In respect of budgets or internal forecasts, any material variance between the projections and the actual results would be disclosed to and explained to the Board. The Directors are entitled to request from the Management, and should be provided with, such additional information as needed to make informed decisions and the Management shall provide the same in a timely manner.

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

The Directors are provided with the contact details of the Management and the Company Secretary to facilitate separate and independent access.

Together with the Management, the Company Secretary is responsible for ensuring that appropriate procedures are followed and the requirements of the Companies Act 1967 of Singapore (the "**Companies Act**") and the provisions in the Catalist Rules are complied with. The Company Secretary and/or her representatives will attend and prepare minutes for the Board and Board Committee meetings. The appointment and the removal of the Company Secretary is a matter for the approval of the Board as a whole.

Each Director has the right to seek independent legal and other professional advice, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfil his/her duties and responsibilities as a Director.

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.

Provision 2.1 **An "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.**

For FY2024, the Board comprised six (6) members, being one (1) Executive Chairperson, one (1) Executive Director, one (1) Non-Executive and Non-Independent Director, and three (3) Independent Directors, as follows:

Mdm Hao Dongting	Executive Chairperson
Mr Yip Kean Mun	Executive Director
Mr James Beeland Rogers, Jr.	Non-Executive and Non-Independent Director
Mr Lam Kwong Fai	Lead Independent Director and Chairman of the AC
Mr Tan Meng Shern	Independent Director and Chairman of the NC
Mr Cheung Wai Man Raymond	Independent Director and Chairman of the RC and BRC

The independence of each Independent Director is reviewed annually and as and when circumstances require, by the NC, based on the guidelines set forth in the Code and the Catalist Rules to ensure that the Board consists of persons who collectively provide core competencies and independent business judgements and perspectives necessary to meet the Company's objectives.

In accordance with the Catalist Rules, a director will not be considered as independent if (i) 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 (ii) he has an immediate family member who is employed or has been employed by the issuer or any of its related corporations for the past three (3) financial years, and whose remuneration is determined by the remuneration committee of the issuer; or (iii) he has been a director of the issuer for an aggregate period of more than nine (9) years (whether before or after listing). Such director may continue to be considered independent until the conclusion of the next annual general meeting of the issuer. With regards to points (i) and (ii), the current Independent Directors have confirmed that they and their respective associates do not have any employment relationship with the Company or any of its related corporations for the current or any of the past three (3) financial years, and they also do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement with a view to the best interests of the Company.

For FY2024, none of the Independent Directors had served on the Board for more than nine (9) years from the date of his initial appointment.

Provision 2.2 **Independent directors make up a majority of the Board where the Chairman is not independent.**

The Company endeavours to maintain a strong and independent element on the Board. For FY2024, the Board comprised six (6) members, of whom one (1) is an Executive Chairperson, one (1) is an Executive Director, one (1) is a Non-Executive and Non-Independent Director, and three (3) are Independent Directors.

For FY2024, as the three (3) Independent Directors on the Board form only 50% composition of the Board, Provision 2.2 of the Code is not satisfied.

Notwithstanding the above, the Board, through the NC, has examined its size and composition and is of the view that the present composition of the Board demonstrates independence and is appropriate for effective decision-making. To address the issue of independence, the Board has put in place a Lead Independent Director, who is available to shareholders when they have concerns. The Board is of the view that the Independent Directors demonstrate a strong level of independence and judgement in discharging their duties and responsibilities as Independent Directors of the Company with the utmost commitment in upholding the interest of the non-controlling shareholders. They have expressed individual and independent viewpoints, debated issues, and objectively scrutinised and challenged the Management.

Following the cessation of Mr Yip Kean Mun as an Executive Director of the Company with effect from 1 January 2025, the three (3) Independent Directors on the Board make up a majority of the Board. Accordingly, as of the date of this Report, Provision 2.2 of the Code is now satisfied.

Provision 2.3 **Non-executive directors make up a majority of the Board.**

Non-Executive Directors make up a majority of the Board for FY2024 which comprises six (6) members, of whom one (1) is an Executive Chairperson, one (1) is an Executive Director, one (1) is a Non-Executive and Non-Independent Director and three (3) are Independent Directors.

Provision 2.4 **The Board and Board Committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The Board diversity policy and progress made towards implementing the Board diversity policy, including objectives, are disclosed in the company's annual report for FY2024.**

The Board, through the NC, has examined its size and is of the view that it is of an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Group. The NC is of the view that no individual or small group of individuals dominates the Board's decision-making process.

As of the date of this Report, the Board members have the appropriate core competencies and diversity of experience to enable them, in their collective wisdom, to contribute effectively to the Group. There is adequate relevant competence on the part of the Directors, who, as a group, carry specialist backgrounds in accounting, finance, business and management, as well as strategic planning. Details of the Directors' academic and professional qualifications are set out in the "**Board of Directors**" section of this annual report for FY2024.

With the introduction of Rule 710(A) 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 recognises and embraces the benefits of having a diverse Board which helps bring in new ways of thinking, insights and different perspectives to the Board, which in turn results in productivity and an improved quality of Board deliberations.

Pursuant to the Board diversity policy of the Company ("**Board Diversity Policy**"), the NC reviews the composition of the Board on an annual basis to ensure that the Board has the appropriate mix of skills, competence, expertise, and experience, as well as gender and independence to enable the Management to benefit from a diverse perspective in reviewing the issues that are brought before the Board and to enable it to make decisions in the best interests of the Group. The diversity collectively represented on the Board should reflect the diverse nature of the business environment in which the Group operates. This assists the NC in identifying and nominating suitable candidates for appointment 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 Company's operational and business requirements.

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 meritocracy, and the NC would consider candidates against objective criteria, having due regard for the benefits of diversity and the needs of the Board. Details of the Board Diversity Policy have been made available to all Directors. The following table shows the Company's targets and the progress towards achieving these Board diversity targets:

<table>
<tr><th>Diversity Targets, Plans and Timelines</th><th>Targets Achieved / Progress Towards Achieving Targets</th></tr>
<tr><td colspan="2">Gender</td></tr>
<tr><td>To have a representation of at least 25% women Directors on its Board.</td><td>Target in Progress – As at the end of FY2024, 1 out of 6 Directors is female. This represents 17% of the Board. Currently, 1 out of 5 Directors are female. This represents 20% of the Board.</td></tr>
<tr><td colspan="2">Skills, Competence, Expertise and Experience</td></tr>
<tr><td>To ensure that Directors on the Board have a diverse mix of skills, competence, expertise, experience. The Board has identified the following core competencies:

(i) accounting;

(ii) legal; and

(iii) relevant industry experience.

The Company believes in diversity and values the benefits that diversity can bring to its Board. Diversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink and ensures that the Company has the opportunity to benefit from all available talent. The promotion of a diverse Board makes prudent business sense and promotes better corporate governance.</td><td>Target Met – The identified core competencies possessed by the current Board is as follows:

<table><tr><th>Core Competencies</th><th>Number of Directors</th></tr><tr><td>Accounting</td><td>2</td></tr><tr><td>Legal</td><td>1</td></tr><tr><td>Relevant Industry Experience</td><td>1</td></tr></table></td></tr>
<tr><td colspan="2">Board Independence</td></tr>
<tr><td>To have a Board with at least 50% Independent Director representation.</td><td>Target Met – Currently, the Independent Directors make up 60% of the Board.</td></tr>
</table>

The NC reviews the Board Diversity Policy periodically to assess its effectiveness in promoting a diverse board that includes an appropriate number of female directors and will recommend appropriate revisions to the Board for consideration and approval.

Provision 2.5 **Non-executive directors and/or independent directors, led by the independent Chairman or other independent director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.**

The Independent Directors participate actively in Board meetings and provide, amongst other things, strategic guidelines to the Company based on their professional knowledge and experience. They constructively challenge and help develop directions on strategy and review the performance of the Management in achieving agreed targets and objectives.

Where necessary, the Independent Directors, led by the Lead Independent Director, discuss or meet amongst themselves on the Group's affairs without the presence of the Executive Directors and the Management. The Lead Independent Director would provide feedback to the Executive Chairperson after such discussions or meetings, and continues to do so with the Executive Chairperson.

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.

Provision 3.1 **The Chairman and the Chief Executive Officer ("CEO") are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.**

Provision 3.2 **The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.**

Mdm Hao Dongting has been the Executive Chairperson of the Company from 1 September 2023. Following the cessation of Mr Lincoln Teo Choong Han as Interim CEO as at 15 July 2022, the Company had not appointed a CEO until Mr Yap Koon Loong's appointment as CEO with effect from 25 May 2024 ("**Appointment**").

While the Board acknowledges the Code's recommendation that the Chairman and the CEO should be separate persons to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making, the Board is of the view that the accountability and independence of the Company were not compromised during FY2024 prior to the Appointment. With half of the Board comprising Independent Directors and a majority being Non-Executive Directors during FY2024, the Board is of the view that there were sufficient elements of independence and adequate safeguards against a concentration of power in one individual. 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's structure and business scope, Mdm Hao Dongting was (prior to the Appointment) in the best position to actively manage the Company and develop relevant strategies for the growth of the Group.

The Company had since appointed Mr Yap Koon Loong as the CEO with effect from 25 May 2024, and the roles of Chairman and CEO have been separated to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision-making.

As CEO, Mr Yap Koon Long is responsible for the strategic direction of the Group, corporate development and planning, investor relations, as well as the oversight of the finance function of the Group.

The Executive Chairperson, Mdm Hao Dongting, is responsible for leading the Board to ensure its effectiveness in all respects of its role, ensuring effective communication with shareholders of the Group, encouraging constructive relations within the Board and between the Board and the Management, and promoting high standards of corporate governance. With the assistance of the Company Secretary, the Executive Chairperson ensures Board meetings are held as required, sets the agenda for the Board meetings and ensures that all members of the Board receive timely and adequate information.

As at the end of FY2024, there is a clear division of the responsibilities between the Executive Chairperson and the CEO.

All major proposals and decisions on the matters listed under Provision 1.1 above are discussed and reviewed by the Board as a whole. As of the date of this Report, four (4) Board Committees have been established, each chaired by and comprised Independent Directors. These committees provide adequate safeguards in place to ensure adequate accountability and transparency and prevent an uneven concentration of power, authority and decision-making in a single individual.

Provision 3.3 **The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.**

To promote a high standard of corporate governance, the Board appointed Mr Lam Kwong Fai as the Lead Independent Director, with effect from 10 July 2023. In accordance with the Code, Mr Lam Kwong Fai is available to shareholders of the Group when they have concerns where contact through the normal channels of the Executive Chairperson has failed to resolve or for which such contact is inappropriate.

The Independent Directors, led by the Lead Independent Director, discuss or meet amongst themselves without the presence of the Executive Chairperson where necessary. The Lead Independent Director will also provide feedback to the Executive Chairperson after such discussions or meetings.

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.

Provision 4.1 **The Board establishes a Nominating Committee to make recommendations to the Board on relevant matters relating to:**

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

(b) the process and criteria for evaluation of the performance of the Board, its board committees and directors;

(c) the review of training and professional development programmes for the Board and its directors; and

(d) the appointment and re-appointment of directors (including alternate directors, if any).

The NC is guided by written terms of reference that describe the responsibilities of its members.

The principal functions of the NC are as follows:

(a) to establish procedures for review and make recommendations to the Board on all board appointments and re-appointments;

(b) in respect of re-nominations of Directors who are retiring by rotation for re-election by Shareholders, to have regard to the Director's contribution and performance (e.g. attendance, preparedness and participation) including, if applicable, as an Independent Director;

(c) where a Director has multiple board representations and principal commitments, to decide whether the Director is able to and has been adequately carrying out his duties as a Director;

(d) if necessary, to set up internal guidelines to address the competing time commitments that are faced when Directors hold multiple directorships and principal commitments;

(e) to determine annually whether a Director is independent;

(f) to regularly review the Board structure, size, composition and balance and make recommendations to the Board if necessary, to ensure that there is a strong and independent element on the Board;

(g) to establish procedures for evaluation of the Board's, the Board Committees' and each Director's performance and on an annual basis, assess the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by each individual Director to the effectiveness of the Board;

(h) to decide how the Board's performance is to be evaluated and propose objective performance criteria, subject to the approval of the Board, which address how the Board has enhanced long-term Shareholders' value;

(i) to identify gaps in the mix of skills, experience and other qualities required in an effective Board and nominate or recommend suitable candidate(s) to fill these gaps;

(j) to ensure that all board appointees undergo an appropriate induction programme; and

(k) to review the statements relating to the Company's policies on selection, nomination and evaluation of Board members in the annual report for every financial year.

<u>**Provision 4.2**</u> **The NC comprises at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.**

During FY2024 and as of the date of this Report, the NC consisted of three (3) Independent Directors, namely:

Mr Tan Meng Shern	Chairman of NC and Independent Director
Mr Lam Kwong Fai	Member and Lead Independent Director
Mr Cheung Wai Man Raymond	Member and Independent Director

<u>**Provision 4.3**</u> **The company discloses the process for the selection, appointment and re-appointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates in the company's annual report for FY2024.**

In the event that a vacancy on the Board arises, the NC may identify suitable candidates for appointment as new Directors through the business network of the Board. The NC will generally assess suitable candidates for appointment to the Board based on the requisite qualification, expertise and experience. If the NC decides that a candidate is suitable, the NC then recommends its choice to the Board. Meetings with such candidates may be arranged to facilitate open discussion and NC's assessment of the candidates.

The Constitution of the Company provides that at least one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company ("**AGM**"), and all Directors shall retire from office at least once every three (3) years. A retiring Director is eligible for re-election by Shareholders at the AGM ("**Re-Election**"). The Constitution of the Company also provides that any new Director appointed by the Board shall hold office only until the next AGM and is eligible for Re-Election.

The NC assesses and recommends to the Board whether retiring Directors are suitable for Re-Election. The NC, in considering the Re-Election of a Director, evaluates such Director's contributions in terms of experience, business perspective and attendance at meetings of the Board and/or Board Committees and pro-activeness of participation in meetings. Each member of the NC shall abstain from recommending his own Re-Election. The NC has recommended the Re-Election of Mr Lam Kwong Fai and Mr Cheung Wai Man Raymond at the forthcoming AGM. The Board has accepted the NC's recommendations. Please refer to the "**Information on Directors seeking Re-Election**" section in this Report for disclosures pursuant to Rule 720(5) of the Catalist Rules.

Provision 4.4 **The NC determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the company discloses the relationships and its reasons in its annual report for FY2024.**

The NC determines, on an annual basis, the independence of each Independent Director, taking into consideration the circumstances set forth in the Catalist Rules and the Code. The relevant factors are set out under Provision 2.1 of the Code above. The NC has assessed and affirmed that the current Independent Directors are independent (within the meaning of the Code and the Catalist Rules).

The current Independent Directors have confirmed that they and their respective associates do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement with a view to the best interests of the Company.

Provision 4.5 **The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the company. The company discloses in its annual report for FY2024 the listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties.**

In accordance with the Catalist Rules, the NC will ensure that newly-appointed Directors, who do not have prior experience as a director of an issuer listed on the SGX-ST, attend mandatory training in the roles and responsibilities of a director as prescribed by the SGX-ST.

All Directors declare their board representations as and when practicable. The NC has reviewed and is satisfied that all current Directors have devoted sufficient time and attention to the affairs of the Company to adequately perform their duties as Directors of the Company.

The respective dates of initial appointments and re-elections of the current Directors as well as their respective directorships in other listed companies and other principal commitments are set out below:

Name of Director	Date of first appointment	Date of last re-election	Other principal commitments	Directorships in other listed companies	
				Present	Past (Last five (5) years)
Mdm Hao Dongting	14 April 2021	10 May 2024	- OOWAY Group Ltd - CEE Tech and Management Pte. Ltd.	Nil	Nil
Mr James Beeland Rogers, Jr.	26 June 2023	7 November 2024	- Ananti Inc. - Beeland Enterprises, Inc. - Beeland Holdings Pte Ltd - Beeland Interests, Inc.	Nil	- Geo Energy Resources Limited
Mr Lam Kwong Fai	26 June 2023	10 May 2024	- Aimpact Capital Pte Ltd	- China Kunda Technology Holding Limited - Katrina Group Ltd - Soon Lian Holdings Limited - VCPlus Limited - A-Smart Holdings Ltd	- OEL (Holdings) Limited - D'Nonce Technology Bhd - Sevens Atelier Limited - Capital World Limted
Mr Tan Meng Shern	26 June 2023	7 November 2024	Nil	Nil	Nil
Mr Cheung Wai Man, Raymond	26 June 2023	10 May 2024	- iO3 Limited - PT Verde Kinetika - Alpha Consultant Pte Ltd - Alpha Millennia Technology Pte Ltd - Atlantic Partners Asia (SG) Pte Ltd - CER Consultancy Pte Ltd - Gathercare Pte Ltd	- Basel Medical Group Ltd.	- Beverly JCG Ltd

Key information regarding the current Directors and information on shareholdings in the Company held by each current Director are set out in the "**Board of Directors**" and "**Directors' Statement**" sections of this Annual Report respectively.

The NC considers that multiple board representations held presently by the current Directors and/or their principal commitments do not impede their performance in carrying out their duties to the Company. As such, the Board does not propose to set the maximum number of listed company board representations which Directors may hold until such need arises.

There is no alternate Director on the Board.

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.

Provision 5.1 **The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Chairman and each individual director to the Board.**

Provision 5.2 **The company discloses in its annual report for FY2024 how the assessments of the Board, its Board Committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors.**

The NC decides how the Board's performance is to be evaluated and proposes objective performance criteria, subject to the Board's approval, which address how the Directors have, individually or collectively, enhanced long-term Shareholders' value and contributed to the overall performance of the Group. The Board has also implemented a process to be carried out by the NC for assessing the effectiveness of the Board as a whole and the Board Committees and for assessing the contribution of each Director to the effectiveness of the Board on an annual basis. The performances criteria do not change from year to year.

The evaluation of the Board's and each Board Committee's performance include factors such as Board composition and structure, conduct of meetings, corporate strategy and planning, risk management and internal control, measuring and monitoring performance, training and recruitment, compensation, financial reporting and communicating with Shareholders. The individual performance criteria for Directors include qualitative and quantitative factors such as the performance of principal functions and fiduciary duties, level of participation at meetings and attendance records.

Assessment checklists are disseminated to each Director for completion and the assessment results are collated and discussed at the NC meeting. The Executive Chairperson will, in consultation with the NC, act on the results of the performance evaluations and, where appropriate, propose new members be appointed to the Board or seek the resignation of Directors. Each member of the NC shall abstain from voting on any resolution in respect of the assessment of his performance or re-nomination as a Director.

No external facilitator had been engaged by the Company for assessing the effectiveness of the Board, its Board Committees and each Director in FY2024.

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.

<u>**Provision 6.1**</u> **The Board establishes a Remuneration Committee ("RC") to review and make recommendations to the Board on:**

(a) a framework of remuneration for the Board and key management personnel; and

(b) the specific remuneration packages for each director as well as for the key management personnel.

The RC has written terms of reference that describe the responsibilities of its members.

The principal functions of the RC are as follows:

- take into account all relevant legal and regulatory requirements, including the principles and provisions of the Code, when determining the Company's remuneration policies. In doing so, it should also consider the Company's risk appetite and ensure that the policies are aligned to long-term goals;
- set the remuneration policy for directors, CEO and key management personnel of the Company ("**Key Management Personnel**"). The Board should recommend proposed Non-Executive Directors' fees for Shareholders' approval. The remuneration of Non-Executive Directors should be appropriate to the level of contribution, taking into account factors such as effort, time spent and responsibilities;
- review the ongoing appropriateness and relevance of the Company's remuneration policy;
- oversee any major changes in employee benefits or remuneration structures;
- review the design of all long-term and short-term incentive plans for approval by the Board and Shareholders;
- ensure that the contractual terms and any termination payments are fair to the individual and the Company. Poor performance should not be rewarded;
- set performance measures and determine targets for any performance-related pay schemes operated by the Company;
- oversee the talent management and succession planning matters for executives; and
- work and liaise, as necessary, with all other Board Committees on any other matters connected with remuneration.

Provision 6.2 **The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.**

During FY2024 and as of the date of this Report, the RC consisted of three (3) Independent Directors, namely:

Mr Cheung Wai Man Raymond	Chairman of RC and Independent Director
Mr Lam Kwong Fai	Member and Lead Independent Director
Mr Tan Meng Shern	Member and Independent Director

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

The RC reviews all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits-in-kind.

The RC also reviews the Company's obligations arising from termination clauses and termination processes in relation to the contracts of service to ensure that such clauses and processes are fair and reasonable.

Each member of the RC will abstain from voting on any resolutions in respect of his own remuneration and the remuneration of employees related to him.

Provision 6.4 **The company discloses the engagement of any remuneration consultants and their independence in the company's annual report for FY2024.**

The RC did not seek any external professional advice on remuneration of the Directors in FY2024. Where necessary, the RC will seek independent professional advice on remuneration matters at the expense of the Company, and shall ensure that any relationship between the appointed consultant and the Company or any of its Directors will not affect the independence and objectivity of the remuneration consultant.

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.

Provision 7.1 **A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the company.**

The Company has a remuneration policy for the Executive Directors, which comprises a fixed component and a variable component. The fixed and variable components are in the form of a base salary and a variable bonus respectively, which take into account the performance of the Group and the performance of the Executive Directors, as well as market rates. The performance-related elements of remuneration are designed to align the Executive Directors' interest with those of the Shareholders and link rewards to corporate and individual performance. In structuring the compensation framework, the Company also takes into account its risk policies, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

Since 1 September 2023 and as at the date of this Report, Mdm Hao Dongting is paid based on her service agreement with the Company in her capacity as the Executive Chairperson. Bonus will be paid at the Company's discretion. The service agreement may be terminated by either party upon giving not less than three (3) months' notice in writing or a sum equivalent to three (3) months' salary based on her last drawn monthly salary in lieu of the notice.

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

The Non-Executive Director and Independent Directors do not have service agreements with the Company. They are paid fixed Directors' fees, which are recommended by the RC and determined by the Board, appropriate to the level of their contributions, taking into account factors such as the effort and time spent and the responsibilities of each Director. The Directors' fees are subject to approval by shareholders at each AGM. The Non-Executive Director and Independent Directors do not receive any other remuneration from the Company.

Provision 7.3 **Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term.**

The Board ensures that remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive, and thereby maximise Shareholders' value.

The Company does not currently have any employee share option scheme or long-term incentive scheme. The RC will consider recommending the implementation of such scheme for the Directors as well as Key Management Personnel as and when it considers appropriate.

The RC is of the view that it is currently not necessary for the Company to use contractual provisions to allow the Company to reclaim incentive components of remuneration from its executive directors in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The RC believes that there are alternative legal avenues to these specific contractual provisions that will enable the Company to recover financial losses arising from such exceptional events from the Key Management Personnel. The RC will review such contractual provisions as and when necessary.

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.

Provision 8.1 **The company discloses in its annual report for FY2024 the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of: (a) each individual director and the CEO; and (b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.**

Provision 8.3 **The company discloses in its annual report for FY2024 all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company. It also discloses details of employee share schemes.**

The Company has a remuneration policy for the Executive Directors and Key Management Personnel, which comprises a fixed component and a variable component. The fixed and variable components are in the form of a base salary and a variable bonus respectively, which take into account the performance of the Group and the performance of the Executive Directors and Key Management Personnel, as well as market rates. The performance-related elements of remuneration are designed to align the Executive Directors' interests with those of the Shareholders and link rewards to corporate and individual performance. In structuring the compensation framework, the Company also takes into account its risk policies, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

There are no termination, retirement and post-employment benefits that may be granted to Directors, the CEO, and Key Management Personnel of the Group except in the case of termination due to medical reasons in which the relevant employee will be entitled to normal termination benefits and reasonable medical expenses. Currently, the Company has not implemented any employee share schemes.

In respect of the amounts and breakdown of the remuneration, in line with Provision 8.1 of the Code and Rule 1204(10D) of the Catalist Rules, the total remuneration, level and mix of each individual Director's and CEO's remuneration paid for FY2024 (in Singapore Dollar and percentage terms) are as follows:

Remuneration band and Name of Director/CEO	Remuneration	Fee	Salary	Bonus	Benefits	Total
	S$	%	%	%	%	%
Mdm Hao Dongting(1)	202,822	5	95	–	–	100
Mr Yip Kean Mun(1)	192,000	–	100	–	–	100
Mr James Beeland Rogers, Jr.(1)	90,822	100	–	–	–	100
Mr Lam Kwong Fai(1)	105,959	100	–	–	–	100
Mr Tan Meng Shern(1)	90,822	100	–	–	–	100
Mr Cheung Wai Man Raymond(1)	90,822	100	–	–	–	100
Mr Yap Koon Loong(2)	206,435	–	100	–	–	100

Notes:

(1) The remuneration paid in FY2024 includes directors' fees for financial year ending 31 December 2023, as approved by Shareholders in the annual general meeting held on 10 May 2024.

(2) Mr Yap Koon Loong was appointed as the CEO of the Company with effect from 25 May 2024.

A breakdown showing the remuneration amount and mix of each Key Management Personnel (who is not a Director or CEO of the Company) is as follows:

Remuneration band and Name of Key Management Personnel[(1)]	Salary	Bonus	Benefits	Total
	%	%	%	%
Below $250,000				
Ng Kheng Jen	100	–	–	100

Note:

(1) Mr Ng Kheng Jen is the only Key Management Personnel of the Group, excluding the CEO.

The RC has reviewed and approved the remuneration packages of the Executive Chairperson and Key Management Personnel, having regard to their contributions as well as the financial performance and commercial needs of the Group and has ensured that the current Executive Chairperson and Key Management Personnel are adequately but not excessively remunerated. The RC also ensured that the current Independent Directors are also not overcompensated to the extent that their independence may be compromised.

The Company had one Key Management Personnel (excluding the Directors and the CEO) in FY2024. The total aggregate remuneration of the Key Management Personnel is not disclosed in this annual report as the Board is of the opinion that such disclosure would be prejudicial to the Company's business interests, given the highly competitive conditions in the industry and the fact that the management team consists of only one Key Management Personnel at any material time (excluding the Directors and the CEO).

Provision 8.2 **The company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000, in its annual report for FY2024. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.**

There was no employee of the Group who is an immediate family member of the Directors, the Executive Chairperson and CEO or substantial shareholders of the Company, and whose remuneration exceeded S$100,000 for FY2024.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

Provision 9.1 **The Board determines the nature and extent of the significant risks which the company is willing to take in achieving its strategic objectives and value creation. The Board sets up a Board Risk Committee to specifically address this, if appropriate.**

The Board is responsible for the governance of risk management, and determining the Company's levels of risk tolerance and risk policies. The Board consults the independent auditor and internal auditor to determine the risk tolerance level and sets the corresponding risk policies which are implemented by the Management. The Board oversees the Management in implementing and monitoring the risk management and internal control systems.

The current BRC comprises Mr Cheung Wai Man Raymond (Chairman), Mr Tan Meng Shern and Mr Lam Kwong Fai. The Management regularly reviews and improves the Group's business and operational measures to control and mitigate such risks. The Management reviews significant control policies and procedures and highlights significant matters to the BRC.

The BRC has written terms of reference that describe the responsibilities of its members.

The principal functions of the BRC are as follows:

- review and recommend appropriate risk management strategies, policies and risk tolerances in line with the Group's business objectives for the Board's approval to safeguard shareholders' investments and the Company's assets;
- review and recommend new investment projects to the Board;
- discuss with the Management on improvements to risk management and controls;
- ensure the implementation of risk management and control measures through the scope and quality of Management's ongoing monitoring of risks and robustness of the risk management process;
- provide the Board with reasonable assurance that adverse effects on the Group arising from foreseeable uncertainties are mitigated and managed;
- ensure the ability of the Group to meet changes in significant risks and respond to constant changes to the business and/or external environment;
- ensure active process to identify, assess, manage and monitor principal risks to safeguard shareholder's investment and Group's asset and give timely input to both the Board and the Management;
- ensure that risk management and internal control systems are available to manage the risk and corrective measures undertaken to address failings and/or weaknesses;
- ensure the effectiveness of measures deployed by the Management to address those risks (i.e. accept, avoid, transfer or mitigate the risks);
- obtain the assurance from the Management that the risk management and internal control system is operating adequately and effectively in all material aspects;
- consider and evaluate other matters as judged appropriate by the BRC or as authorised by the Board;

- participate in the appointment, replacement or dismissal of the Chief Risk Officer (or equivalent), if any;
- submit all findings and recommendations of the BRC to the Board for approval and notation; and
- promote healthy risk culture and observe dysfunctional trends that could undermine the performance of risk management process.

On 22 March 2021, the then-Audit and Risk Committee ("**ARC**") appointed Baker Tilly Consultancy (Singapore) Pte. Ltd. ("**Baker Tilly**") to undertake an internal control review of the Company ("**Review**") in the area of cash management by the then-Company's Management and its principal wholly-owned subsidiary, KHL Marketing Asia-Pacific Pte Ltd, following the fundraising exercises completed in 2020 and related matters. Baker Tilly presented a draft interim report on the Review on 18 June 2021 ("**Interim Report**") to the then-ARC based on its findings to such date (including the then-Management's responses). The then-ARC reviewed the findings of Baker Tilly in the Interim Report and its recommendations for remedial works to be done by the Company. The then-ARC, in turn, recommended that the Board adopt the same. The Board reviewed the recommendations of Baker Tilly under the Interim Report for remedial works to be done by the Company ("**Remedial Works**") and adopted the same as recommended by the then-ARC.

Baker Tilly was also engaged by the then-ARC to review the implementation status of the Remedial Works, as well as the above additional remedial steps by the then-Management ("**Follow-up Review**"). Baker Tilly presented its report of findings on the Follow-up Review on 23 March 2022, which was subsequently shared with Deloitte & Touche Financial Advisory Services Pte. Ltd., the Special Auditor, on 31 March 2022.

In addition, to ensure the accuracy of (i) the allocated amounts, the utilised amounts and the remaining balance of the proceeds and (ii) the breakdown of the use of proceeds from the past three fund-raising exercises since 2020, the then-ARC appointed Baker Tilly to perform certain agreed upon procedures ("**AUP**") for the utilisation of proceeds up to 30 November 2021. Baker Tilly presented its report of findings on its performance of AUP on 23 March 2022, which was subsequently shared with the Special Auditor on 31 March 2022.

The Singapore Exchange Regulation Pte. Ltd. ("**SGX RegCo**") required in the Notice of Compliance dated 14 July 2021 that the then-ARC commissioned Baker Tilly to expand its scope of work (the "**Additional Scope**") to: (a) look into the circumstances that led to breaches and/or potential breaches of the Catalist Rules as well as internal control weaknesses as stated in the Interim Report, and (b) identify the parties responsible for such breaches. The Additional Scope must be cleared with the SGX RegCo, and Baker Tilly must report concurrently to the then-ARC (which was reconstituted as the current AC), SGX RegCo and the Sponsor.

Subsequently, the SGX RegCo, in the Notice of Compliance dated 19 August 2021, directed the Company to appoint a suitable independent special auditor as recommended by the Sponsor and approved by the SGX RegCo. Accordingly, the Board has, as recommended by the Sponsor and approved by the SGX RegCo, appointed Deloitte & Touche Financial Advisory Services Pte. Ltd. as the Special Auditor in relation to the special audit. The Special Auditor reports only and directly to the SGX RegCo and the Sponsor. Where warranted, the SGX RegCo may direct the Special Auditor to look further into material findings, if any, from the special audit.

Further details on the scope of the special audit are set out in the Company's announcement dated 20 September 2021. Further details in relation to the abovementioned Follow-up Review and AUP by Baker Tilly and the special audit are set out in the Company's announcements dated 23 June 2021 (Responses to Queries Regarding Trading Activity), 12 July 2021 (Response to Queries from SGX), 14 July 2021 (Response to Statements from Mr Lim Wee Li), 20 September 2021 (Appointment of Special Auditor pursuant to the Notice of Compliance issued by SGX RegCo), 14 January 2022 (Update on Special Audit pursuant to the Notice of Compliance issued by SGX RegCo), 18 January 2022 (Responses to SGX's Queries Received on 20 October 2021), 4 March 2022 (Annual Report 2021), 7 March 2022 (Change in and Use of Proceeds), 21 April 2022 (Update on Review by Baker Tilly Consultancy (Singapore) Pte. Ltd.) 21 July 2023 (Receipt of Executive Summary of Special Audit Report from Deloitte & Touche Financial Advisory Services Pte. Ltd.), 22 November 2023 (Update on the Company's actions to be taken in relation to the Special Audit Report) and 8 February 2024 (Update on the Company's actions taken in relation to the Special Audit Report from Deloitte Touche Advisory Services Pte. Ltd.).

The Company will make further announcements on any material updates in relation to the Review, the Follow-up Review, the AUP and the Additional Scope by Baker Tilly and the special audit, including key findings of Baker Tilly and the Special Auditor, to update the shareholders of the Company, as and when appropriate.

Provision 9.2 **The Board requires and discloses in the company's annual report for FY2024 that it has received assurance from:**

(a) the CEO and the Chief Financial Officer ("CFO") that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and

(b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.

The Board has received assurances from the CEO, Mr Yap Koon Loong and the current Acting Chief Financial Officer, Mr Ng Kheng Jen as at the date of this Report, on the integrity of the financial statements of the Group, that:

(a) the financial records have been properly maintained and the financial statements for FY2024 give a true and fair view of the Group's operations and finances; and

(b) the Company has in place an adequate and effective system of risk management and internal controls in addressing the financial, operational, compliance and information technology risks of the Group.

The system of internal controls provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal control and/or risk management could provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

Opinion on adequacy and effectiveness of the Group's internal controls and risk management system

In the previous financial year, the Follow-up Review was performed by Baker Tilly and Independent Auditor (as defined below), internal reviews performed by the Management and the findings by the Special Auditor, the Board, with the concurrence of the AC, is of the opinion that the risk management and internal controls systems maintained by the Group are adequate and effective, addressing the financial, operational, compliance and information technology controls of the Group.

Pursuant to findings by the Special Auditor, in relation to the Payroll Matter (as defined in the Notice of Compliance issued by the SGX RegCo on 19 August 2021) announced on 21 July 2023, the Company had written to BDO Advisory Pte. Ltd. ("**BDO**"), the liquidators of KHL Marketing Asia-Pacific Pte. Ltd. ("**KHLM**"), on 27 November 2023 with the following enquiries:

(a) in light of the Executive Summary of the Special Audit Report from the Special Auditor, whether BDO intends to take further steps on the Payroll Matter;

(b) if KHLM is deemed to have contravened the Employment of Foreign Manpower Act 1990, and is exposed to a monetary fine, whether BDO intends to seek an indemnity from persons that BDO deem responsible for any such fines; and

(c) whether the Company is entitled to monetary recovery as KHLM's shareholder and creditor.

Pursuant to findings by the Special Auditor, in relation to the Unauthorised Transactions (as defined in the Notice of Compliance issued by the SGX RegCo on 19 August 2021), the Company had written to Mr Lincoln Teo , the former Interim CEO of the Company, to:

(a) reprimand him for his role in the lapses in corporate governance for any and all claims that might be brought or threatened against the Company and/or KC Technologies Pte. Ltd. by any of the counterparties, namely Sino Allied (HK) Limited, Wisechain Fintech (HK) Limited and/or Chengxin arising out of or in connection with the investment opportunity agreements; and

(b) ask for further information from Mr Lincoln Teo as to whether there are other occasions where Mr Lincoln Teo entered into transactions and/or agreements on behalf of the Company or its subsidiaries without full Board approval from the Directors.

While the Company has not, as of the date of this report, received a reply from BDO, Mr Lincoln Teo has accepted the Board's formal reprimand and confirmed to the Board that during his tenure, there have been no other occasions where further such transactions and/or agreements were made without the Board's express approval.

To date, the Special Auditor has yet to complete the scope of works listed in the announcement released by the Company on 20 September 2021. The Board continues to monitor the situation and has put in place new policies and procedures in relation to the Unauthorised Transactions.

In compliance with Rule 1204(10) of the Catalist Rules, based on (1) the risk management and internal controls established and maintained by the Group, (2) the Follow-up Review on the internal controls by Baker Tilly, (3) the audit by the external auditors, and (4) the assurance from Management, the Board, with the concurrence of the AC and BRC, is of the opinion that the system of risk management and internal controls of the Group are adequate and effective in addressing the financial, operational, compliance and information technology controls, and risk management systems for FY2024.

The Board and the AC note that all internal controls systems contain inherent limitations and no system of internal controls can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

Audit and Risk Committee

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

Provision 10.1 **The duties of the AC include:**

(a) **reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance;**

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

(c) **reviewing the assurance from the CEO and the CFO on the financial records and financial statements;**

(d) **making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;**

(e) **reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function; and**

(f) **reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.**

The AC has written terms of reference that describe the responsibilities of its members.

The AC shall meet periodically to perform, *inter alia*, the following functions:

- to review and recommend to the Board the appointment or re-appointment of the external auditors for the forthcoming year and their fees;
- to review, with the external auditors, the audit plan and their evaluation of the system of internal accounting controls and monitor management's response and actions to correct any noted deficiencies;
- to review the external auditors' reports;
- to review the assistance given by the Company's officers to the internal and external auditors;
- to approve the actual internal audit plan and recommend the appointment or-reappointment of the internal auditors and fees;

- to review, with the internal auditors, the scope and results of the internal audit and monitor management's response to their findings to ensure that appropriate follow-up measures are taken;

- to review and evaluate the adequacy, effectiveness, independence, scope and results of both the internal and external audit function and efforts through regular meetings;

- to determine whether any unwarranted management restrictions are being placed upon either the internal or external auditors;

- to review the financial statements of the Company and of the Group with management and external auditors (where applicable) before submission to the Board;

- to review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

- to review the assurance from the CEO and CFO, or equivalent, on the financial records and financial statements;

- to summarise and report to the Board the work performed by the AC in carrying out its functions;

- to review interested person transactions (if any);

- to review the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns;

- to assess 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-ST;

- to have explicit authority to investigate any matter within its term of reference, full access to and cooperation by management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly;

- to review the scope and results of the audit and its cost effectiveness and the independence and objectivity of the external auditors. Where the external auditors also supply a substantial volume of non-audit services to the Company, the AC shall keep the nature and extent of such services under review, seeking to balance the maintenance of objectivity and value for money; and

- to meet with the external auditors (without the presence of the Company's management and the internal auditors) and with the internal auditors (without the presence of the Company's management and the external auditors), at least annually.

Apart from the duties listed above, the AC is given the task to serve as an independent and objective party to review the financial information presented by Management to shareholders, regulators and the general public. Each member of the AC shall abstain from voting on any resolutions in respect of matters in which he is interested.

The AC has the authority to investigate into any activities within its terms of reference. It is authorised to seek any information it requires and/or meeting (without any Executive Director(s) present, if necessary) with any employee and all employees are directed to cooperate on any request made by the AC.

The Board has on the recommendation of the AC, implemented a whistle-blowing policy for the Group, with the objective of providing an avenue for the staff of the Group to, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters which they become aware. Details of the whistle-blowing policies and arrangements have been made available to the staff of the Group. It has a well-defined process which ensures independent investigation of issues/concerns raised and appropriate follow-up action and provides assurance to the whistle-blowers that all actions in good faith will not affect them in their work and staff appraisal.

During FY2024 and as of the date of this Report, the Company did not receive any whistle-blowing reports.

The AC constantly bears in mind the need to maintain a balance between the independence and objectivity of the independent auditor and the cost effectiveness of the audit. In the AC's opinion, the independent auditor of the Company, Foo Kon Tan LLP ("**Independent Auditor**"), is suitable for re-appointment and it has accordingly recommended to the Board that Foo Kon Tan LLP be nominated for re-appointment as auditor of the Company at the forthcoming AGM. During FY2024, the aggregate amount of fees paid or payable to the Independent Auditor for the audit services is reflected in Note 22 to the audited financial statements of the Group for FY2024. The non-adult fees paid or payable to the Independent Auditor for non-audit services for FY2024 is S$6,000.

The Company has complied with Rules 712 and 715 of the Catalist Rules in appointing the audit firms for the Group for FY2024.

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

During FY2024 and as of the date of this Report, the AC consists of three (3) Independent Directors, namely:

Mr Lam Kwong Fai	Chairman of AC and Lead Independent Director
Mr Tan Meng Shern	Member and Independent Director
Mr Cheung Wai Man Raymond	Member and Independent Director

As both Mr Lam Kwong Fai and Mr Tan Meng Shern are trained in accounting, the Board is of the view that the current AC has the necessary experience and expertise required to discharge its duties.

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

In FY2024 and as of the date of this Report, none of the AC members was a former partner or director of, or had any financial interest in, the Independent Auditor.

Provision 10.4 **The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the company's documents, records, properties and personnel, including the AC, and has appropriate standing within the company.**

The AC is aware of the need to establish a system of internal controls within the Group to safeguard the Shareholders' interests and the Group's assets and to manage risks. The system is intended to provide reasonable but not absolute assurance against material misstatements or loss, and to safeguard assets and ensure maintenance of proper accounting records, reliability of financial information, compliance with appropriate legislation, regulation and best practices, and the identification and containment of business risks.

The size of the operations of the Group does not warrant the Group having an in-house internal audit function at this juncture. The Company has therefore appointed Baker Tilly ("**Internal Auditor**") to undertake the functions of an internal auditor for the Group. The AC approves the hiring, removal, evaluation and compensation of the internal auditor. The internal auditor reports directly to the AC and administratively to the Executive Chairperson. The Internal Auditor has unfettered access to all the Company's documents, records, properties and personnel, including access to the AC and has appropriate standing within the Company.

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

The AC had held discussions with the Independent Auditor and the Internal Auditor, without the presence of the Management, to review the adequacy of audit arrangements for FY2024, with emphasis on the scope and quality of their audits, and to discuss the observations of the Independent Auditor and Internal Auditor on the Management or on processes and procedures of the Group.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meeting

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

Provision 11.1 **The company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.**

All shareholders are entitled to attend the general meetings of the Company ("**General Meetings**") and are afforded the opportunity to participate effectively at the General Meetings. All Shareholders are entitled to vote in accordance with the established voting rules and procedures. The Company conducts poll voting for all resolutions tabled at the General Meetings. The rules, including the voting procedures, will be clearly explained by the scrutineers at such General Meetings. An announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages will be made after any General Meetings.

Shareholders are informed of General Meetings through the announcements released to the SGXNet and the Company's website and notices contained in the annual report for FY2024 or circulars sent to all members. For the forthcoming AGM, the notice of AGM will be advertised in newspapers in Singapore and announced via the SGXNet.

Provision 11.2 **The company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of meeting.**

The Company has separate resolutions at General Meetings on each substantially separate issue. This is to ensure that shareholders are given the right to express their views and exercise their voting rights on each resolution separately. Where the resolutions are "bundled", the reasons and material implications for doing so will be provided in the annual report for FY2024 and related documents, including the notice of AGM.

Provision 11.3 **All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the company's annual report for FY2024.**

All Directors are required to attend General Meetings. The external auditor of the Group will also be present at the forthcoming AGM to address Shareholders' queries about the conduct of audit and the preparation and content of the auditor's report. Please refer to Provision 1.5 above for details on the Directors' attendance at General Meetings held during FY2024.

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

The Constitution of the Company allows any Shareholder of the Company, if they are unable to attend a General Meetings, to appoint not more than two (2) proxies to attend and vote on their behalf at the meeting through proxy form sent in advance. A proxy need not be a member of the Company. Pursuant to the provisions of the Companies Act, corporate Shareholders which provide nominee or custodial services are entitled to appoint more than two (2) proxies to attend and vote on their behalf at General Meetings provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such corporate shareholders.

As the authentication of members' identity information and other related integrity issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail or electronic means.

Provision 11.5 **The company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.**

The Company Secretary prepares minutes of the General Meetings, which capture the essence of the comments or queries from shareholders and responses from the Board and the Management. All minutes of AGM or General Meetings that include substantial and relevant comments or queries from the Shareholders and responses from the Board and the Management will be published on the SGXNet and the Company's corporate website.

Provision 11.6 **The Company has a dividend policy and communicates it to shareholders.**

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirement, cash flow, general business condition, development plans and other factors as the Directors may deem appropriate. No dividend was paid or proposed for FY2024 as the Group was making a loss in FY2024 and had accumulated losses as at 31 December 2024.

Any dividend payments will be clearly communicated to shareholders via announcements on SGXNet.

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.

Provision 12.1 **The company provides avenues for communication between the Board and all shareholders, and discloses in its annual report for FY2024 the steps taken to solicit and understand the views of shareholders.**

The Company is committed to maintaining and improving its level of corporate transparency of financial results and other pertinent information. In line with the continuous disclosure obligations of the Company pursuant to the Catalist Rules, it is the Board's policy to ensure that all shareholders are informed on a timely basis of every significant development that has an impact on the Group. Such information is disclosed in an accurate and comprehensive manner via the SGXNet. The Group recognises that the release of timely and relevant information is central to good corporate governance and enables shareholders to make informed decisions in respect of their investments in the Company.

The Company does not practise selective disclosure. Results and the annual report for FY2024 are announced or issued within the mandatory period.

For the forthcoming AGM, Shareholders may submit their questions relating to the resolutions set out in the notice of AGM in advance. The detailed information on the submission of questions has been specified in the Notice of AGM at page 140 of this Annual Report for FY2024.

Provision 12.2 **The company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.**

Provision 12.3 **The company's investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.**

The Company conducts its investor relations on the following principles:

(a) Information deemed to be price-sensitive is disseminated without delay via announcements on the SGXNet;

(b) Endeavour to provide comprehensive information in financial results announcements to help shareholders and potential investors make informed decisions; and

(c) Operate an open policy with regard to investors' enquiries, such as through encouraging the active participation of shareholders during AGMs or any other general meetings of the Company.

The Company provides its phone number and contact form on the Company's corporate website at URL www.sdai.com.sg, through which the shareholders may contact the Company with questions and the Company may respond to such questions.

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.

Provision 13.1 **The company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.**

The Company recognises the importance of close collaboration with its key stakeholders such as employees, investors and media, suppliers and service providers, and customers ("**Stakeholders**"), in order to achieve sustainable business goals. The Company has in place a process to identify its various stakeholders and understand their viewpoints as well as actively communicate with them to align the Company's expectation and goals. Where possible, both the Executive and the Non-Executive Directors (including Independent Directors) meet or speak with Shareholders at General Meetings to gather their views and address concerns.

Provision 13.2 **The company discloses in its annual report for FY2024 its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.**

The Group engages with the key Stakeholders through various platforms. Details of the Stakeholders engaged by the Group, areas of focus, approaches to Stakeholders, including frequency of engagement by type and by stakeholder group and key feedback or issues that have been raised though stakeholder engagement and can be found in the sustainability report included in its annual report for FY2024.

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

The Company's corporate website at URL www.sdai.com.sg aims to provide information about the Company such as the Board of Directors and Management team, products or services, as well as all disclosures and announcements of the Company submitted via the SGXNet. Shareholders can submit substantial and relevant questions relating to the ordinary resolutions to be tabled for the upcoming AGM, details of which can be found in the notes to the Notice of AGM at page 140 of this Annual Report for FY2024.

ADDITIONAL INFORMATION

Dealing in Securities

The Company has adopted policies in line with the requirements of the Catalist Rules on dealings in the Company's securities. The Company and its officers are prohibited from dealing in the Company's shares on short-term considerations or when they are in possession of unpublished trade-sensitive or price-sensitive information. They are not allowed to deal in the Company's shares during the periods commencing two (2) weeks before the date of the announcement of the Company's financial results for each of the first three (3) quarters of its financial year, or one (1) month before the date of the announcement of the Company's half year and full year results, and ending on the date of the announcement of the relevant results.

In addition, Directors, Key Management Personnel and Management are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

Interested Person Transaction

The Company has adopted an internal policy in respect of any transaction with an interested person, which sets out the procedures for review and approval of such transaction.

All interested person transactions will be documented and submitted periodically to the AC for its review to ensure that such transactions are carried out on an arm's length basis and on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

The Group does not have any interested person transactions (excluding less than S$100,000) in FY2024 that is disclosable under Rule 920(1)(a)(ii) of the Catalist Rules.

As announced on 27 March 2024, the Company entered into a redeemable loan agreement ("**Loan**") with Mdm Hao Dongting. As Mdm Hao Dongting is the Executive Chairperson of the Company and a deemed controlling shareholder of the Company, she is regarded as an "interested person" within the meaning defined in Chapter 9 of the Catalist Rules. The Company is regarded as an "entity at risk" within the meaning defined in Chapter 9 of the Catalist Rules.

Accordingly, the entry into Loan is regarded as an IPT within the meaning defined in Chapter 9 of the Catalist Rules. Pursuant to Rule 909 of the Catalist Rules, in the case of borrowing of funds from an interested person, the value of the transaction is the interest payable on the borrowing. However, as the Loan is interest-free, the value of the transaction (being the entry into Loan) is zero.

Save as disclosed above, there are no other interested person transaction for FY2024.

Non-Sponsor Fees

With reference to Rule 1204(21) of the Catalist Rules, there was no non-sponsor fee paid/or is payable to ZICO Capital Pte. Ltd. for FY2024.

Material Contracts and Loans

With reference to Rule 1204(8) of the Catalist Rules, the Company confirms that except as disclosed in the "**Interested Person Transaction**" section above (if any), the audited financial statements and the service agreements between the Company and the Executive Directors, there were no material contracts and loans of the Company and its subsidiaries involving the interests of any Director or substantial shareholders of the Company, either still subsisting at the end of the financial year or if not then subsisting, which were entered into since the end of the previous financial year.

Information on Directors Seeking Re-Election

Mr Lam Kwong Fai and Mr Cheung Wai Man Raymond are the Directors seeking re-election at the forthcoming AGM of the Company. Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the Directors seeking re-election in accordance with Appendix 7F of the Catalist Rules is set out below:

	LAM KWONG FAI	**CHEUNG WAI MAN RAYMOND**
Date of appointment	26 June 2023	26 June 2023
Date of last re-appointment (if applicable)	10 May 2024	10 May 2024
Age	46	47
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board, having considered the recommendation of the NC and assessed Mr Lam Kwong Fai's overall contributions and performance, as well as the diversity of the Board regarding the objectives of the Board Diversity Policy of the Company, is of the view that he is suitable for re-appointment as Lead Independent Director of the Company.	The Board, having considered the recommendation of the NC and assessed Mr Cheung Wai Man Raymond's overall contributions and performance, as well as the diversity of the Board regarding the objectives of the Board Diversity Policy of the Company is of the view that he is suitable for re-appointment as Independent Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Lead Independent Director, Chairman of the AC and a member of the RC, NC and BRC.	Independent Director, Chairman of the RC and BRC, and a member of the NC and AC.
Professional qualifications	- Bachelor of Accountancy, Nanyang Technological University	- Associate of Institute & Faculty of Actuaries, United Kingdom - Associate of Singapore Actuarial Society - Bachelor of Business (Actual Science Major), Nanyang Technological University

	LAM KWONG FAI	CHEUNG WAI MAN RAYMOND
Working experience and occupation(s) during the past 10 years	2023 to Present: Aimpact Capital Pte Ltd - Head of Business Development, ESG Division 2020 to 2023: Alder Corporate Services Pte Ltd - Founder and Director 2019 to 2020: Crowe Horwath Capital Pte Ltd - Chief Executive Officer 2017 to 2019: 3Peaks Capital Private Limited - Founder and Director 2014 to 2017: PrimePartners Corporate Finance Pte Ltd - Associate Director, Continuing Sponsorship	2023 to present: CER Consultancy Pte Ltd - Chief Executive Officer 2023 to present: Delta Underwriting Pte Ltd - Growth Officer (part-time) 2023 to present: ECXX Global Pte Ltd - Risk Consultant (part-time) 2022 to present: Lucerne Asset Management Pte Ltd - Portfolio Manager 2021 to present: Alpha Consultant Pte Ltd - Founder and Managing Director 2021 to present: Alpha Millenia Technology Pte Ltd - Chief Executive Officer 2022: Nanyang Technological University, Singapore - Part-time Lecturer 2021 to 2022: ESSEC Business School, Asia Pacific - Part-time Lecturer 2021 to 2022: EXCC Global Pte Ltd - Chief Risk Officer (part-time) 2019: Aetna Insurance Brokers Pte Ltd - Business Consultant (part-time) 2019: Kredens Capital Management Pte Ltd - Portfolio Manager 2019 to 2020: Allcars Pte Ltd - Co-Founder and Chief Executive officer 2018 to 2019: BMFA Wealth Management Pte Ltd - Compliance Consultant (part-time) 2018: Symbo Platform Holdings Pte Ltd - Chief Strategy Officer 2017 to 2019: OneDegree Hong Kong Limited - Head of Risk Management

	LAM KWONG FAI	CHEUNG WAI MAN RAYMOND
		2016 to 2018: Grab Taxi Holdings Pte Ltd - Regional Insurance Lead 2013 to 2014: Asia Capital Reinsurance Group - Group Chief Risk Officer
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Catalist Rule 704[6] has been submitted to the listed issuer	Yes	Yes
Other principal commitments including directorships	Past: Directorships - Medtecs International Corporation Limited - Medtecs (Asia-Pacific) Pte Ltd - OEL (Holdings) Limited - D'Nonce Technology Bhd - ACH Investments Pte Ltd - Auspac Management Services Pte Ltd - Sevens Atelier Limited - Maxi Vault Private Limited - Symbiot Private Limited - AJJ Medtech Holdings Limited - Capital World Limited - Alder Corporate Services Pte Ltd - Cashmallow Singapore Pte Ltd - Exa Discoveries Pte Ltd - Maxi Solutions Private Limited - Symbiot Private Limited - Zenith Distribution LLP	Past: Directorships - Alpha Millennia Consulting Pte Ltd - BRCA Pte Ltd - Two Actuarial Solutions Pte Ltd - Brickstone Pte Ltd - Baystech Solution Pte Ltd - WTSG Pte Ltd - AP Capital Fund I Pte Ltd - Salvare Holdings Pte Ltd - JCG Health Pte Ltd - CMIC Hemodialysis Pte Ltd - China Imyth Company Pte Ltd - CFHQ Pte Ltd - Allcars Pte Ltd - SwiftAgro Pte Ltd - Fandom Community Foundation Ltd - Fandom Networks Singapore Pte Ltd - AskPanda Pte Ltd - BRCK Asia Partners Pte Ltd

<table>
<tr><th></th><th>LAM KWONG FAI</th><th>CHEUNG WAI MAN RAYMOND</th></tr>
<tr><td></td><td>Other Principal Commitments: Please refer to "Working experience and occupation(s) during the past 10 years" section above.

<u>Present</u>:
Directorships
- Katrina Group Ltd.
- Soon Lian Holdings Limited
- China Kunda Technology Holdings Limited
- 3Peaks Capital Private Limited (dormant)
- VCPlus Limited
- A-Smart Holdings Ltd
Other Principal Commitments: Please refer to "Working experience and occupation(s) during the past 10 years" section above.</td><td>Other Principal Commitments: Please refer to "Working experience and occupation(s) during the past 10 years" section above.

<u>Present</u>:
Directorships
- CER Consultancy Pte Ltd
- Atlantic Partners Asia (SG) Pte Ltd
- Gathercare Pte Ltd
- PT Alpha Millennia Indonesia
- Alpha Consultant Pte Ltd
- Alpha Millennia Technology Pte Ltd
- Alpha Millennia Consulting Pte Ltd - Beverly JCG Ltd
- Two Acturial Solutions Pte Ltd (dormant)
- URock Asset Pte Ltd (dormant)
- JPL Advisory LLP (dormant)
- BRCA Pte Ltd (dormant)

Other Principal Commitments: Please refer to "Working experience and occupation(s) during the past 10 years" section above.</td></tr>
<tr><td>(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?</td><td>No</td><td>No</td></tr>
</table>

	LAM KWONG FAI	CHEUNG WAI MAN RAYMOND
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(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

	LAM KWONG FAI	CHEUNG WAI MAN RAYMOND
(f) Whether at any time during the last 10 years, judgement 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 in a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings(including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
(i) Whether he has ever been the subject of any order, judgement or ruling or any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

	LAM KWONG FAI	CHEUNG WAI MAN RAYMOND
(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	Yes Mr Lam Kwong Fai is an independent director of Katrina Group Ltd. since 4 May 2022. On 22 June 2022 and 25 June 2022, Katrina Group Ltd. announced that the Chief Executive Officer and 2 employees of ST Hospitality Pte. Ltd. received a notice to assist with an investigation being conducted by the Urban Redevelopment Authority into possible breaches of the minimum stay requirement in respect of the provision of short-term accommodation provided by ST Hospitality Pte. Ltd. and/or its subsidiaries. As at the date of this Report and to the best of the knowledge of Mr Lam Kwong Fai, the investigations are still on-going.	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No

	LAM KWONG FAI	CHEUNG WAI MAN RAYMOND
(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

DIRECTORS' STATEMENT

For the financial year ended 31 December 2024

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

In the opinion of the director:

(a) the consolidated financial statements of the Group and the statement of financial position and 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 31 December 2024 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended 31 December 2024 in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, and as disclosed in Note 2 to the financial statements, there are reasonable grounds to believe that the Group and the Company will be able to pay its debts as and when they fall due.

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

Directors

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

Hao Dongting
James Beeland Rogers, Jr.
Lam Kwong Fai
Tan Meng Shern
Cheung Wai Man, Raymond

Arrangements to enable directors to acquire shares and debentures

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

Directors' interests in shares or debentures

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

	Holdings registered in name of director		Holdings in which director is deemed to have an interest	
	As at 1.1.2024	**As at 31.12.2024**	**As at 1.1.2024**	**As at 31.12.2024**
The Company				
Ordinary shares				
Hao Dongting	–	–	90,000,000	90,000,000
Kitchen Culture (Hong Kong) Limited				
Ordinary shares				
Hao Dongting	–	–	7,000,000	7,000,000
Kitchen Culture (Macau) Limited				
Ordinary shares				
Hao Dongting	–	–	17,500	17,500

As at 31 December 2024, Madam Hao Dongting is deemed to be interested in 90,000,000 ordinary shares or 21.2% shareholding in the Company held by OOWAY Group Ltd. OOWAY Holding Ltd. is deemed to be interested in all the ordinary shares in the capital of the Company held by OOWAY Group Ltd. as OOWAY Holding Ltd. holds 70.08% shareholding in OOWAY Group Ltd. Madam Hao Dongting is also deemed to be interested in all the ordinary shares in the capital of the Company held by OOWAY Group Ltd. as she holds 100% shareholding in OOWAY Holding Ltd.. Madam Hao Dongting, who by virtue of her deemed interest of not less than 20% of the issued capital of the Company, is deemed to have interests in the shares of all the subsidiaries of the Company.

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

Share options

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

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

As at the end of financial year, there were no unissued shares of the Company under option.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2024

Audit Committee

The members of the Audit Committee ("AC") as at the date of the Report were as follows:

Mr Lam Kwong Fai (Chairman)
Mr Tan Meng Shern
Mr Cheung Wai Man, Raymond

All members of the AC are independent and non-executive directors.

The AC carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act and the Code of Corporate Governance (the "Code"). The AC has met 4 times during the financial year ended 31 December 2024 and the AC have reviewed the following, where relevant, with the executive director and external and internal auditors of the Company:

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

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

(c) the financial statements of the Group and external auditor's report on those financial statements before their submission to the directors of the Company;

(d) the half-yearly and annual announcements as well as the related press releases on the results and financial position of the Company and the Group;

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

(f) the re-appointment of the external auditors of the Group.

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

Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

Hao Dongting
Executive Chairperson

Lam Kwong Fai
Director

Dated: 7 April 2025

To the members of SDAI Limited

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of SDAI Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, 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.

We do not express an opinion on the accompanying consolidated financial statements of the Group, and the statement of financial position and statement of changes in equity of the Company. Because of the significance of the matters described in the 'Basis for Disclaimer of Opinion' section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

Use of going concern assumption

We draw attention to Note 2 to the financial statements which indicates that the current liabilities of the Group and the Company exceeded their current assets by $532,590 and $349,987, respectively, and a deficit in equity of the Group and of the Company of $7,433,641 and $7,241,051, respectively, as at 31 December 2024. The Group also incurred a loss for the year of $1,714,328; and net cash used in operating activities of $3,400,392 for the financial year ended 31 December 2024. These conditions together with other material uncertainties faced by the Group and the Company as disclosed in Note 2 indicate that a material uncertainty exists that may cast significant doubt on the Group's and the Company's ability to continue as a going concern.

As disclosed in Note 2 to the financial statements, the management has prepared the financial statements on the basis that the Group and the Company will be able to meet its obligations as and when they fall due, and that the preparation of the financial statements on a going concern basis remains appropriate taking into consideration that the Group and the Company are able to (a) address all matters raised in the Notice of Compliance ("NOC"), (b) successfully complete the corporate turnaround plans and restructuring, and (c) obtain sufficient new loan financing and further extend the maturity date of the existing loans which will mature on 30 June 2026.

The conditions set out in the preceding paragraphs reflect the presence of multiple material uncertainties that are significant to the financial statements as a whole. We were unable to obtain sufficient appropriate evidence that the use of going assumption in preparation of the financial statements is appropriate in connection with the ability of the Group and the Company to (a) address all matters raised in the NOC as disclosed in Note 29(b), (c) and (d) to the financial statements, (b) successfully complete the corporate turnaround plans and restructuring, and (c) obtain sufficient new loan financing and further extend the maturity date of the existing loans which will mature on 30 June 2026. The financial statements do not include any adjustments or any reclassification of assets and liabilities that would result if the going concern assumption is not appropriate.

INDEPENDENT AUDITOR'S REPORT

To the members of SDAI Limited

NOC issued by Singapore Exchange Regulation ("SGX RegCo")

As disclosed in Note 29 to the financial statements, specifically relating to matters under Note 29(b), (c) and (d), SGX RegCo had issued two separate NOCs to the Company in connection with the Additional Scope of Internal Auditor ("IA") and scope of Special Audit of independent Special Auditor.

On 23 March 2022, the IA issued the Follow-up Review report and Agreed Upon Procedures ("AUP") report in connection with the utilisation of proceeds up to 30 November 2021. These Follow-up Review report and AUP report had been shared by the management with the Special Auditor on 31 March 2022 for their information.

On 21 July 2023, the Special Auditor issued the first phase of the special audit which covered (a) Payroll Matter - whether two former employees were meaningfully employed by KHL Marketing Asia-Pacific Pte. Ltd. or in exchange for monetary benefits; and (b) Unauthorised Transaction – where five agreements were entered into by KC Technologies Pte Ltd without the approval of the Board to invest in/co fund Amazon's e-commerce merchant business. The Special Auditor highlighted potential breaches of laws and regulations.

As at the date of this report, notwithstanding the draft Special Audit report has been issued, the Special Audit has yet to be finalised. The finalisation of the Special Audit, mentioned under Note 29(b)(ii) to the financial statements, could provide new information or findings. This reflects the presence of uncertainties, potential breaches of laws and regulations and may have a consequential impact on the Group's and the Company's financial statements and the use of going concern assumption, which are presently unknown. Accordingly, we are unable to conclude that the issue has been resolved and our opinion remains as disclaimer for the financial year ended 31 December 2024.

Opening balances and comparative information and the financial effect on the current financial year's figures

We issued a disclaimer of opinion in our independent auditors' report dated 23 October 2024 in respect of the financial statements for the financial year ended 31 December 2023 in respect of appropriateness of the use of going concern assumption, NOC issued by SGX RegCo, opening balances as at 1 January 2023 and the results, changes in equity and cash flows for the financial year ended 31 December 2023 in relation to impairment of property, plant and equipment, as well as investment in an associate. Consequently, our opinion on the current year's financial statements is also modified because of the effects of this matter on the comparability of the current year's figures and the corresponding figures.

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 Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("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 responsibility is to conduct an audit of the Group's financial statements in accordance with Singapore Standards of Auditing and to issue an auditor's report. However, because of the matters described in the *'Basis for Disclaimer of Opinion'* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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.

Report on Other Legal and Regulatory Requirements

In our opinion, in view of the significance of the matters described in the *'Basis for Disclaimer of Opinion'* section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company 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 Ho Teik Tiong.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 7 April 2025

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

		The Group		The Company	
	Note	31 December 2024 $	31 December 2023 $	31 December 2024 $	31 December 2023 $
ASSETS					
Non-current assets					
Property, plant and equipment	5	**150,297**	–	**150,297**	–
Investments in subsidiaries	6	**–**	–	**–**	–
Investment in associate	7	**–**	–	**–**	–
Deferred tax assets	8	**–**	–	**–**	–
Total non-current assets		**150,297**	–	**150,297**	–
Current assets					
Inventories	9	**99,105**	152,221	**–**	–
Trade receivables	10	**31,078**	201,553	**–**	–
Other receivables	11	**241,128**	295,216	**218,378**	214,870
Contract assets	19(b)	**7,006**	31,941	**–**	–
Cash and bank balances	12	**725,607**	475,835	**544,171**	458,661
Total current assets		**1,103,924**	1,156,766	**762,549**	673,531
Total assets		**1,254,221**	1,156,766	**912,846**	673,531
EQUITY					
Capital and reserves					
Share capital	13	**58,948,250**	58,948,250	**58,948,250**	58,948,250
Foreign currency translation reserves	14	**116,096**	233,378	**–**	–
Accumulated losses		**(65,499,663)**	(63,975,862)	**(66,189,301)**	(66,454,477)
Equity attributable to owners of the Company		**(6,435,317)**	(4,794,234)	**(7,241,051)**	(7,506,227)
Non-controlling interests	6	**(998,324)**	(777,929)	**–**	–
Total equity		**(7,433,641)**	(5,572,163)	**(7,241,051)**	(7,506,227)
LIABILITIES					
Non-current liabilities					
Lease liabilities	15	**84,571**	6,384	**84,571**	–
Borrowings	16	**6,956,790**	–	**6,956,790**	–
Other payables	18	**9,987**	–	**–**	–
Total non-current liabilities		**7,051,348**	6,384	**7,041,361**	–
Current liabilities					
Lease liabilities	15	**73,243**	51,702	**70,070**	–
Borrowings	16	**–**	4,000,000	**–**	4,000,000
Trade payables	17	**–**	35,534	**–**	–
Other payables	18	**1,496,099**	2,483,262	**1,042,466**	4,179,758
Contract liabilities	19(b)	**67,172**	152,047	**–**	–
Total current liabilities		**1,636,514**	6,722,545	**1,112,536**	8,179,758
Total liabilities		**8,687,862**	6,728,929	**8,153,897**	8,179,758
Total liabilities and equity		**1,254,221**	1,156,766	**912,846**	673,531

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the financial year ended 31 December 2024

	Note	Year ended 31 December 2024 $	Year ended 31 December 2023 $
Continuing operations			
Revenue	19	**520,771**	1,712,131
Cost of sales		**(290,155)**	(1,057,687)
Gross profit		**230,616**	654,444
Other income	20	**1,310,309**	184,687
Selling and distribution expenses		**–**	(379,898)
Other operating expenses		**(122,444)**	(380,984)
General and administrative expenses		**(2,923,696)**	(3,161,334)
Loss from operations		**(1,505,215)**	(3,083,085)
Finance costs	21	**(108,372)**	(111,750)
Share of results of associate	7	**–**	(503,471)
Impairment loss on investment in associate	7	**–**	(1,790,529)
Impairment loss on property, plant and equipment	5	**(103,348)**	(69,388)
Loss before tax	22	**(1,716,935)**	(5,558,223)
Tax expense	23	**(1,391)**	–
Loss from continuing operations		**(1,718,326)**	(5,558,223)
Profit from discontinued operations, net of tax	24	**3,998**	–
Loss for the year		**(1,714,328)**	(5,558,223)
Net loss attributable to:			
Owners of the Company			
- Loss from continuing operations		**(1,527,799)**	(5,602,020)
- Profit from discontinued operation		**3,998**	–
		(1,523,801)	(5,602,020)
Non-controlling interests			
- Loss from continuing operations	6	**(190,527)**	43,797
- Loss from discontinued operation		**–**	–
		(190,527)	43,797
Loss for the year		**(1,714,328)**	(5,558,223)
		Cents	**Cents**
Loss per share:			
From continuing and discontinued operations			
- Basic	25	**(0.4)**	(1.3)
- Diluted	25	**(0.4)**	(1.3)
From continuing operations			
- Basic	25	**(0.4)**	(1.3)
- Diluted	25	**(0.4)**	(1.3)

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	Note	Year ended 31 December 2024 $	Year ended 31 December 2023 $
Loss for the year		**(1,714,328)**	(5,558,223)
Other comprehensive (loss)/income, after tax:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation differences relating to foreign operations		**(117,282)**	110,285
		(117,282)	110,285
Items that will not be reclassified subsequently to profit or loss			
Foreign currency translation differences relating to foreign operations	6	**(29,868)**	26,973
		(29,868)	26,973
Other comprehensive (loss)/income for the year (nil tax)		**(147,150)**	137,258
Total comprehensive loss for the year		**(1,861,478)**	(5,420,965)
Total comprehensive (loss)/income attributable to:			
Owners of the Company		**(1,641,083)**	(5,491,735)
Non-controlling interests	6	**(220,395)**	70,770
Total comprehensive loss for the year		**(1,861,478)**	(5,420,965)

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

The Group	Share capital	Foreign currency translation reserves	Accumulated losses	Attributable to equity holders of the Company	Non-controlling interests	Total equity
	← Attributable to owners of the Company			→		
	$	$	$	$	$	$
At 1 January 2024	**58,948,250**	**233,378**	**(63,975,862)**	**(4,794,234)**	**(777,929)**	**(5,572,163)**
Loss for the year	**–**	**–**	**(1,523,801)**	**(1,523,801)**	**(190,527)**	**(1,714,328)**
Other comprehensive loss						
Foreign currency translation differences relating to foreign operations	**–**	**(117,282)**	**–**	**(117,282)**	**(29,868)**	**(147,150)**
Total comprehensive loss for the year	**–**	**(117,282)**	**(1,523,801)**	**(1,641,083)**	**(220,395)**	**(1,861,478)**
At 31 December 2024	**58,948,250**	**116,096**	**(65,499,663)**	**(6,435,317)**	**(998,324)**	**(7,433,641)**
At 1 January 2023	58,948,250	123,093	(58,373,842)	697,501	(848,699)	(151,198)
(Loss)/profit for the year	–	–	(5,602,020)	(5,602,020)	43,797	(5,558,223)
Other comprehensive income						
Foreign currency translation differences relating to foreign operations	–	110,285	–	110,285	26,973	137,258
Total comprehensive income/(loss) for the year	–	110,285	(5,602,020)	(5,491,735)	70,770	(5,420,965)
At 31 December 2023	58,948,250	233,378	(63,975,862)	(4,794,234)	(777,929)	(5,572,163)

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

The Company	Share capital $	Accumulated losses $	Total equity $
At 1 January 2024	**58,948,250**	**(66,454,477)**	**(7,506,227)**
Profit and total comprehensive income for the year	**–**	**265,176**	**265,176**
At 31 December 2024	**58,948,250**	**(66,189,301)**	**(7,241,051)**
At 1 January 2023	58,948,250	(60,746,701)	(1,798,451)
Loss and total comprehensive loss for the year	–	(5,707,776)	(5,707,776)
At 31 December 2023	58,948,250	(66,454,477)	(7,506,227)

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

	Note	Year ended 31 December 2024 $	Year ended 31 December 2023 $
Cash flows from operating activities			
Loss for the year		**(1,714,328)**	(5,558,223)
Adjustments for:			
Deposit forfeited	20	**(73,231)**	–
Depreciation of property, plant and equipment	5	**96,036**	307,172
Fair value gain on loan	20	**(126,611)**	–
Gain on derecognition of subsidiaries	24	**(3,998)**	–
Gain on disposal of property, plant and equipment	20	**–**	(28,204)
Gain on extinguishment of loans	20	**(914,141)**	–
Gain on lease modification	20	**(6,860)**	(2,421)
Impairment loss on contract assets	22	**25,594**	–
Impairment loss/(reversal of impairment loss) on trade receivables	22	**19,270**	(110,812)
Impairment loss on other receivables	22	**9,729**	–
Impairment loss on investment in associate	7, 22	**–**	1,790,529
Impairment loss on property, plant and equipment	5, 22	**103,348**	69,388
Interest expense	21	**107,004**	110,981
Interest income	20	**(1)**	(1)
Share of results of associate	7	**–**	503,471
Tax expense	23	**1,391**	–
Unrealised foreign exchange differences, net	20, 22	**(153,998)**	114,935
Write-back of accruals	20, 22	**(162)**	–
Write-off of prepayments	22	**61,102**	–
Operating cash flows before working capital changes		**(2,569,856)**	(2,803,185)
Changes in working capital:			
- Inventories		**57,645**	85,709
- Trade and other receivables		**140,067**	1,182,431
- Contract assets		**–**	(19,072)
- Trade and other payables		**(1,011,362)**	415,213
- Contract liabilities		**(15,495)**	(818,818)
Cash used in operations		**(3,399,001)**	(1,957,722)
Income tax paid		**(1,391)**	–
Net cash used in operating activities		**(3,400,392)**	(1,957,722)
Cash Flows from Investing Activities			
Additions to property, plant and equipment	5	**(137,354)**	–
Derecognition of subsidiaries, net of cash disposed	24	**(2)**	–
Interest received		**1**	1
Proceeds from disposal of property, plant and equipment		**–**	51,601
Net cash (used in)/generated from investing activities		**(137,355)**	51,602

The accompanying notes form an integral part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

	Note	Year ended 31 December 2024 $	Year ended 31 December 2023 $
Cash flows from financing activities			
Interest paid		**(9,462)**	(9,200)
Principal payment of lease liabilities		**(106,735)**	(315,532)
Proceeds from loan from a director		**2,900,000**	–
Proceeds from loan from third parties		**1,000,000**	4,000,000
Repayment of loan from a third party		**–**	(1,500,000)
Net cash generated from financing activities		**3,783,803**	2,175,268
Net increase in cash and cash equivalents		**246,056**	269,148
Cash and cash equivalents at beginning of the financial year		**475,835**	185,538
Effects of foreign exchange rate changes on cash and cash equivalents		**3,716**	21,149
Cash and cash equivalents at end of the financial year	12	**725,607**	475,835

Reconciliation of movements of liabilities to cash flows arising from financing activities, excluding equity item

	Lease liabilities $	Borrowings $	Total $
At 1 January 2023	330,834	1,398,219	1,729,053
Cash flows changes:			
Interest paid	(9,200)	–	(9,200)
Principal payment of lease liabilities	(315,532)	–	(315,532)
Proceeds from loan from a third party	–	4,000,000	4,000,000
Repayment of loan from a third party	–	(1,500,000)	(1,500,000)
	(324,732)	2,500,000	2,175,268
Non-cash changes:			
New leases	101,879	–	101,879
Interest expense	9,200	101,781	110,981
Lease modification	(55,671)	–	(55,671)
Exchange differences on translation	(3,424)	–	(3,424)
	51,984	101,781	153,765
At 31 December 2023	58,086	4,000,000	4,058,086

The accompanying notes form an integral part of these financial statements

For the financial year ended 31 December 2024

	Lease liabilities $	Borrowings $	Total $
At 1 January 2024	**58,086**	**4,000,000**	**4,058,086**
Cash flows changes:			
Interest paid	**(9,462)**	**–**	**(9,462)**
Principal payment of lease liabilities	**(106,735)**	**–**	**(106,735)**
Proceeds from loan from a director	**–**	**2,900,000**	**2,900,000**
Proceeds from loan from third parties	**–**	**1,000,000**	**1,000,000**
	(116,197)	**3,900,000**	**3,783,803**
Non-cash changes:			
New leases	**212,327**	**–**	**212,327**
Fair value gain on loan	**–**	**(126,611)**	**(126,611)**
Gain on extinguishment of loans	**–**	**(914,141)**	**(914,141)**
Interest expense	**9,462**	**97,542**	**107,004**
Lease modification	**(6,860)**	**–**	**(6,860)**
Exchange differences on translation	**996**	**–**	**996**
	215,925	**(943,210)**	**(727,285)**
At 31 December 2024	**157,814**	**6,956,790**	**7,114,604**

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENT

For the financial year ended 31 December 2024

1. General information

The Company is a limited liability company, incorporated and domiciled in Singapore, and listed on the Catalist of Singapore Exchange Securities Trading Limited. The address of its registered office is Level 39 Marina Bay Financial Centre, Tower 2, 10 Marina Boulevard, Singapore 018983.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are set out in Note 6 to the financial statements. The Group is primarily involved in the selling and distribution of imported high-end kitchen systems and appliances, wardrobe systems and household furniture and accessories.

The financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company as at and for the financial year ended 31 December 2024 were authorised for issue in accordance with resolution of the Board of Directors on the date of the directors' statement.

2. Going concern

As at 31 December 2024, the current liabilities of the Group and the Company exceeded their current assets by $532,590 (2023 - $5,565,779) and $349,987 (2023 - $7,506,227), respectively, and a deficit in equity of the Group and of the Company of $7,433,641 (2023 - $5,572,163) and $7,241,051 (2023 - $7,506,227), respectively. The Group also incurred a loss for the year of $1,714,328 (2023 - $5,558,223); and net cash used in operating activities of $3,400,392 (2023 - $1,957,722) for the financial year ended 31 December 2024.

As at the date of the financial statements, the Group has the following material uncertainties:

- Completion of the special audit by the Special Auditors in connection with the internal control weaknesses identified by the Internal Auditor in its Interim Report, Follow-up Report and AUP Report pursuant to the Notice of Compliance ("NOC") issued by the Singapore Exchange Regulation as disclosed in Note 29(b), (c) and (d).

- Ability of the Group and the Company to realise their assets and discharge their liabilities in the normal course of business.

- Ability of the Group and the Company to complete the corporate turnaround plans and restructuring.

- Ability of the Group and the Company to obtain sufficient new loan financing and further extend the maturity date of the existing loans which will be matured on 30 June 2026.

The above matters represent material uncertainties that may cast a significant doubt on the ability of the Group and the Company to continue as a going concern and therefore, the Group and the Company may not be able to realise their assets and discharge their liabilities in the normal course of business.

Notwithstanding the above, the Board of Directors has considered the following significant assumptions in its going concern assumptions:

- The Group and the Company are able to address all matters raised in the NOC.

- The Group and the Company are able to successfully complete the corporate turnaround plans and restructuring.

- The Group and the Company are able to obtain sufficient new loan financing and further extend the maturity date of the existing loans which will mature on 30 June 2026.

2. Going concern (cont'd)

Management acknowledges that the above uncertainties remain over the ability of the Group and the Company to realise their assets and discharge their liabilities in the normal course of business. However, the Board of Directors are confident that the Group and the Company are able to (a) address all matters raised in the NOC, (b) successfully complete the corporate turnaround plans and restructuring, and (c) obtain sufficient new loan financing and further extend the maturity date of the existing loans which will mature on 30 June 2026, and therefore, the Group and the Company will be able to meet its obligations as and when they fall due, and that the preparation of the financial statements on a going concern basis remains appropriate. The financial statements do not include any adjustments or any reclassification of assets and liabilities that would result if the going concern assumption is not appropriate.

3. Critical judgements and key sources of estimation

In the application of the Group's accounting policies and assessment of going concern, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the Group's accounting policies

There are no critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements, except for going concern assumptions used by management as disclosed in Note 2.

Key sources of estimation uncertainty

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

Impairment of property, plant and equipment

As at 31 December 2024, the Group's and the Company's property, plant and equipment amounted to $150,297 and $150,297 (2023 - $Nil and $Nil), respectively, as disclosed in Note 5.

The Group and the Company undertake an annual review of the carrying amount of the property, plant and equipment to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of the property, plant and equipment is estimated to determine the impairment loss or write-back of impairment.

As at 31 December 2024, the recoverable amount of property, plant and equipment was determined based on the higher of the fair value less costs of disposal and value in use. An impairment loss of $103,348 and $103,348 (2023 - $69,388 and $6,999) for the Group's and the Company's property, plant and equipment, respectively was recognised during the financial year.

The key assumptions used in determining the recoverable amounts are disclosed in Note 5.

3. Critical judgements and key sources of estimation (cont'd)

Impairment of investment in associate

As at 31 December 2024, the Group's and the Company's investment in associate amounted to $Nil and $Nil (2023 - $Nil and $Nil), respectively, as disclosed in Note 7.

The Group and the Company undertake annual review of the carrying amount of the investment in associate for objective of evidence of impairment. If objective evidence of impairment is identified, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of the investment is estimated to determine the impairment loss or write-back of impairment.

As at 31 December 2024, the recoverable amount of investment in associate was determined to be $Nil (2023 - $Nil) as there is no indicator of reversal of impairment loss considering the associate has ceased its business operation in July 2024. No impairment loss (2023 - $1,790,529 and $2,294,000) for the Group's and the Company's investment in associate, respectively, was recognised during the financial year.

The key assumptions used in determining the recoverable amounts are disclosed in Note 7.

Valuation of inventories

A review is made periodically on inventory for obsolete and excess inventory and declines in net realisable value below cost and a write off or write down is recorded against the carrying amount of the inventory balance for any such obsolescence, excess and declines. The realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the reporting date and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of write off or write down include management's expectations for future sales and inventory management which may materially affect the carrying amounts of inventories at the reporting date. Possible changes in these estimates could result in revisions to the stated value of the inventories but these changes would not arise from the assumptions or other sources of estimation uncertainty at the reporting date. As at 31 December 2024 and 2023, no allowances was provided during the financial year.

The carrying amount of inventories at the reporting date is disclosed in Note 9.

Impairment of trade receivables and contract assets

As at 31 December 2024, the Group's trade receivables and contract assets amounted to $31,078 and $7,006 (2023 - $201,553 and $31,941) as disclosed in Notes 10 and 19, respectively.

Based on the Group's historical credit loss experience, trade receivables exhibited significantly different loss patterns for each revenue segment. Within each revenue segment, the Group has common customers across the different geographical regions and applies credit evaluations by customer. Accordingly, management has determined the expected loss rates by grouping the receivables across geographical regions in each revenue segment. An impairment loss of $169,866 (2023 - $144,694) for trade receivables and an impairment loss of $24,935 (2023 - $Nil) for contract assets were recognised as at 31 December 2024.

Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately. There is no customer in financial difficulties during the financial year.

The Group's credit risk exposure for trade receivables and contract assets are set out in Note 27(c)(iv).

3. Critical judgements and key sources of estimation (cont'd)

Impairment of other receivables

As at 31 December 2024, the Group's and the Company's other receivables amounted to $241,128 and $218,378 (2023 - $295,216 and $214,870), respectively, as disclosed in Note 11.

The Group and the Company use an approach that is based on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, and available press information, if available, and applying experienced credit judgement).

As at 31 December 2024, the Group and the Company assessed the credit exposure of these receivables and measured the impairment losses based on 12-month expected credit loss basis, except for amounts due from former subsidiaries, former associates, subsidiaries and other receivables, which are measured at the amounts equal to lifetime expected credit loss amounting to $18,861,533 and $23,169,032 (2023 - $18,842,254 and $23,085,680), respectively, as disclosed in Note 11.

The Group's credit risk exposure for other receivables are set out in Note 27(c)(iv).

Fair value measurement of derivative financial instrument

The Group's and the Company's loans contained an equity conversion option which enables the Company to convert the loans to ordinary shares of the Company upon resumption of trading of the shares of the Company. The equity conversion option meets the definition of derivative financial instrument, which requires fair value measurement at each reporting period.

The key assumptions used in determining the fair value of derivative financial instrument is disclosed in Note 16.

4. Summary of material accounting policy information

4.1 Basis of preparation of financial statements

The financial statements are drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s"), including related interpretations promulgated by the Accounting Standards Council ("ASC"), and have been prepared under the historical cost convention, except as otherwise described in the notes below.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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

The financial statements are presented in Singapore Dollar which is the Company's functional currency. All financial information is presented in Singapore Dollar, unless otherwise stated.

4. Summary of material accounting policy information (cont'd)

4.1 Basis of preparation of financial statements (cont'd)

Adoption of new and revised SFRS(I)s effective for the current financial year

On 1 January 2024, the Group and the Company have adopted all the new and revised SFRS(I)s, and amendments to SFRS(I)s, effective for the current financial year that are relevant to them. The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-1	*Classification of Liabilities as Current or Non-current*	1 January 2024
Amendments to SFRS(I) 1-1	*Non-current Liabilities with Covenants*	1 January 2024
Amendments to SFRS(I) 16	*Lease Liability in a Sale and Leaseback*	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7	*Supplier Finance Arrangements*	1 January 2024

New and revised SFRS(I)s in issue but not yet effective

At the date of authorisation of these financial statements, the Group and the Company have not early adopted the new and revised SFRS(I)s, and amendments to SFRS(I)s (which maybe early adopted) that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's accounting policies in the period of their initial application.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-21	*Lack of Exchangeability*	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7	*Classification and Measurement of Financial Instruments*	1 January 2026
Annual Improvements to SFRS (I)	– Volume 11	1 January 2026
SFRS(I) 18	*Presentation and Disclosure in Financial Statements*	1 January 2027
SFRS(I) 19	*Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Yet to be determined

4. Summary of material accounting policy information (cont'd)

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries made up to the reporting date each year. Control is achieved when the Company:

- has the 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.

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 from the date the Company gains control until the date when the Company ceases to control the subsidiary.

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

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured 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 is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. 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.

4. Summary of material accounting policy information (cont'd)

4.2 Basis of consolidation (cont'd)

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

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries 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 their subsidiaries. Any difference between the amount of 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.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and 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. All amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s). 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 *Financial Instruments*, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

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

4.3 Business combination

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.

In determining whether a particular set of activities and assets is a business, the Group assesses whether it includes, at a minimum, an input and substantive process, and whether it has the ability to produce outputs. The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

4. Summary of material accounting policy information (cont'd)

4.3 Business combination

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 period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period 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 at fair value, with changes in fair value 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.

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.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another SFRS(I)s.

If the initial accounting for a business combination is incomplete by the end of the reporting date 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 period, 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 period is the period 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.

4. Summary of material accounting policy information (cont'd)

4.4 Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

Investments in associates are initially accounted for in the consolidated financial statements at cost, and subsequently accounted for using the equity method of accounting less impairment losses, if any.

Under the equity method of accounting, the Group's share of its associates' post-acquisition profits or losses and other comprehensive income is recognised in the consolidated statement of comprehensive income. Dividends received or receivable from the associates are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associate equals to or exceeds its interest in the associates, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associate.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated, but only to the extent there is no impairment.

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

Investments in associates are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

4.5 Foreign currency transactions and translation

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 statement of changes in equity of the Company are presented in Singapore Dollar ("$"), 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. At the end of each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting date. 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.

4. Summary of material accounting policy information (cont'd)

4.5 Foreign currency transactions and translation (cont'd)

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. 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.

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore Dollar using exchange rates prevailing at the end of the reporting date. 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 foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

4. Summary of material accounting policy information (cont'd)

4.6 Property, plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets, other than assets under construction, over their estimated useful lives, using the straight-line method, as follows:

	No. of years
Leasehold properties	over the lease terms of 2 to 25 years
Renovations	5 years
Furniture and fittings	5 years
Office equipment	5 years
Motor vehicles	5 to 10 years
Operating equipment	5 years
Coffee making equipment and accessories	5 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

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

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

4.7 Leases

When the Group is the lessor:

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term as part of 'other income'.

When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

4. Summary of material accounting policy information (cont'd)

4.7 Leases (cont'd)

When the Group is the lessee: (cont'd)

- Right-of-use assets

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

  These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

  The right-of-use assets are presented within "Property, plant and equipment".

- Lease liabilities

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

  Lease payments consist of the fixed payment (including in-substance fixed payments), less any lease incentives receivables.

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

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

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

  Short term and low value leases

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

4. Summary of material accounting policy information (cont'd)

4.8 Impairment of non-financial assets

At the end of each reporting date, the Group reviews the carrying amounts of its tangible 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 of disposal 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 ("CGU") is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU 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 or CGU in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4.9 Financial assets

Classification and measurement

The Group classifies and measures its financial assets at amortised cost. The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset. The Group reclassifies debt instruments when, and only when, its business model for managing those assets changes.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value.

At subsequent measurement

Financial assets of the Group mainly comprise of cash and bank balances and trade and other receivables. There are three prescribed subsequent measurement categories, depending on the Group's business model in managing the assets and the cash flow characteristic of the assets. The Group manages this group of financial assets by collecting the contractual cash flows representing solely payments of principal and interest. Accordingly, this group of financial assets is measured at amortised cost.

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

4. Summary of material accounting policy information (cont'd)

4.9 Financial assets (cont'd)

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost.

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

For other receivables, the Group applied the general approach permitted by the SFRS(I) 9, which recognised from initial recognition the expected credit losses of the receivables for the next 12 months until a significant increase in credit risk has occurred, at which point the allowance for impairment is measured based on lifetime ECLs.

4.10 Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows comprise cash on hand and fixed deposits, that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and form part of the short-term cash management policy.

4.11 Trade and other payables

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

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

4.12 Share capital

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

4.13 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 have 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 currently 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.

4.14 Borrowings

Borrowings which are due to be settled within twelve months after the end of the reporting period are included in current borrowings in the statement of financial position even though the original terms were for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of the reporting period. Borrowings due to be settled more than twelve months after the end of reporting period are included in non-current borrowings in the statement of financial position.

4. Summary of material accounting policy information (cont'd)

4.14 Borrowings (cont'd)

The covenants that the Group is required to comply with on or before the reporting date are taken into consideration when classifying the loan as current or non-current at the reporting date. The covenants that the Group is required to comply with after the reporting date do not affect the current or non-current classification of the loan at the reporting date.

Borrowings are recognised initially at the fair value of proceeds received less attributable transaction costs, if any. Borrowings are subsequently stated at amortised cost which is the initial fair value less any principal repayments. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the profit or loss over the period of the borrowings using the effective interest method. The interest expense is chargeable on the amortised cost over the period of the borrowings using the effective interest method.

Borrowings are derecognised when the obligation is discharged, cancelled or expired. The difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

When the contractual cash flows of borrowings are modified but do not result in derecognition, difference between the recalculated gross carrying amount and the carrying amount before modification is recognised in profit or loss as modification gain or loss, at the date of modification.

4.15 Derivative financial instruments

The Group's and the Company's loans contained an equity conversion option which enables the Company to convert the loans to ordinary shares of the Company upon resumption of trading of the shares of the Company. The equity conversion option does not qualify as an equity instrument because the conversion term does not meet the "fixed-for-fixed" test, where the number of ordinary shares to be converted is not fixed and may vary with the changes in fair value of the ordinary shares of the Company. The equity conversion option meets the definition of derivative financial instrument.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.16 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

4. Summary of material accounting policy information (cont'd)

4.17 Contract assets and liabilities

Contract assets represent the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billings and recognised losses, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Contract liabilities primarily relate to:

- advance consideration received from customers; and
- progress billings issued in excess of the Group's rights to the consideration.

4.18 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average 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.

4.19 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 date, 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.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from it.

4. Summary of material accounting policy information (cont'd)

4.19 Provisions (cont'd)

Warranties

Provisions for warranty costs are recognised at the date of sale of the relevant products, at the management's best estimate of the expenditure required to settle the Group's obligations.

4.20 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties.

Revenue is recognised when the Group satisfies a performance obligation by transferring promised goods or services to the customer, which is when the customer obtains control of the goods or services. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Revenue from construction contracts – installation of kitchen appliances and system

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim and they are capable of being reliably measured. When the outcome of a construction contract can be estimated reliably, contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. Contract expenses are recognised as incurred unless they create an asset related to future contract activity.

The stage of completion is assessed by reference to progress of construction work based on surveys of work performed to date. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable.

If the value of the goods and services transferred by the Group exceeds the receipts from customers, a contract asset is recognised. If the receipts from customers exceeds the value of the goods and services transferred, a contract liability is recognised.

Sale of goods - kitchen appliances

Revenue from sale of goods of kitchen appliances is recognised at a point in time when the customer takes control of the goods, which is when the goods are delivered to the customer.

Service income - rendering of services

Service income is recognised during the financial year in which the services are rendered by reference to the completion of actual service provided as a proportion of the total services to be performed and is recognised over time.

Interest income

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

4. Summary of material accounting policy information (cont'd)

4.21 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 are recognised as income over the periods 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 period in which they become receivable.

4.22 Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The Group's contributions are recognised as employee compensation expense when they are due.

4.23 Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue 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 date.

4.24 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period 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 period in which they are incurred.

4.25 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting date.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

4. Summary of material accounting policy information (cont'd)

4.25 Income tax (cont'd)

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

4.26 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

4. Summary of material accounting policy information (cont'd)

4.26 Discontinued operations (cont'd)

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss is re-presented as if the operation had been discontinued from the start of the comparative year.

4.27 Earnings per share

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

4.28 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment and investment properties.

4.29 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

   (i) has control or joint control over the Company;

   (ii) has significant influence over the Company; or

   (iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies:

   (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

   (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

   (iii) both entities are joint ventures of the same third party;

4. Summary of material accounting policy information (cont'd)

4.29 Related parties

(b) An entity is related to the Group and the Company if any of the following conditions applies: (cont'd)

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of the employees of either the Company or an entity related to the Company (if the Company is itself such a plan, the sponsoring employers are also related to the Company);

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

4.30 Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Company. Executive directors and certain senior managerial personnel are considered key management personnel.

4.31 Current and non-current classification

The Group presents assets and liabilities in the statement of financial position based on current or non-current classification. An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no right at the end of reporting period to defer settlement of the liability for at least twelve months after the reporting period.

4. Summary of material accounting policy information (cont'd)

4.31 Current and non-current classification (cont;d)

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

5. Property, plant and equipment

The Group	Leasehold properties $	Renovations $	Furniture and fittings $	Office equipment $	Motor vehicles $	Total $
Cost						
At 1 January 2023	3,033,118	427,846	79,666	151,647	108,655	3,800,932
Additions	101,879	–	–	–	–	101,879
Disposal	–	(418,162)	(71,345)	(113,198)	(106,196)	(708,901)
Lease modification	(2,992,613)	–	–	–	–	(2,992,613)
Exchange differences on translation	(41,982)	(9,684)	(1,722)	(2,761)	(2,459)	(58,608)
At 31 December 2023	**100,402**	**–**	**6,599**	**35,688**	**–**	**142,689**
Additions	**212,327**	**126,864**	**–**	**10,490**	**–**	**349,681**
At 31 December 2024	**312,729**	**126,864**	**6,599**	**46,178**	**–**	**492,370**
Accumulated depreciation and impairment loss						
At 1 January 2023	2,725,175	417,310	74,588	120,917	108,655	3,446,645
Depreciation for the year (Note 22)	296,328	–	394	10,450	–	307,172
Impairment loss for the year	57,776	–	–	11,612	–	69,388
Disposal	–	(407,864)	(66,663)	(104,781)	(106,196)	(685,504)
Lease modification	(2,939,363)	–	–	–	–	(2,939,363)
Exchange differences on translation	(39,514)	(9,446)	(1,720)	(2,510)	(2,459)	(55,649)
At 31 December 2023	**100,402**	**–**	**6,599**	**35,688**	**–**	**142,689**
Depreciation for the year (Note 22)	**62,030**	**31,590**	**–**	**2,416**	**–**	**96,036**
Impairment loss for the year	**–**	**95,274**	**–**	**8,074**	**–**	**103,348**
At 31 December 2024	**162,432**	**126,864**	**6,599**	**46,178**	**–**	**342,073**
Net book value						
At 31 December 2024	**150,297**	**–**	**–**	**–**	**–**	**150,297**
At 31 December 2023	–	–	–	–	–	–

5. Property, plant and equipment (cont'd)

The Company	Leasehold properties $	Renovations $	Furniture and fittings $	Office equipment $	Total $
Cost					
At 1 January 2023	1,243,587	–	7,887	33,116	1,284,590
Disposals	–	–	(7,887)	(2,740)	(10,627)
Lease modification	(1,243,587)	–	–	–	(1,243,587)
At 31 December 2023	**–**	**–**	**–**	**30,376**	**30,376**
Additions	**212,327**	**126,864**	**–**	**10,490**	**349,681**
At 31 December 2024	**212,327**	**126,864**	**–**	**40,866**	**380,057**
Accumulated depreciation and impairment loss					
At 1 January 2023	1,044,613	–	2,810	13,509	1,060,932
Depreciation for the year	198,974	–	394	9,868	209,236
Impairment loss for the year	–	–	–	6,999	6,999
Disposals	–	–	(3,204)	–	(3,204)
Lease modification	(1,243,587)	–	–	–	(1,243,587)
At 31 December 2023	**–**	**–**	**–**	**30,376**	**30,376**
Depreciation for the year	**62,030**	**31,590**	**–**	**2,416**	**96,036**
Impairment loss for the year	**–**	**95,274**	**–**	**8,074**	**103,348**
At 31 December 2024	**62,030**	**126,864**	**–**	**40,866**	**229,760**
Net book value					
At 31 December 2024	**150,297**	**–**	**–**	**–**	**150,297**
At 31 December 2023	–	–	–	–	–

Reconciliation of non-cash transactions

The Group

During the financial year, the Group acquired property, plant and equipment of $349,681 (2023 - $101,879), of which $137,354 (2023 - $Nil) were paid by way of cash and $212,327 (2023 - $101,879) were financed through leases.

Impairment test of property, plant and equipment

The Group

The management assessed the property, plant and equipment of the Group as a single cash generating unit ("CGU"), which represents a group of assets that generates cash inflows in the sales and distribution of kitchen system, kitchen appliances, wardrobe system, household furniture and appliances in Hong Kong. The property, plant and equipment of the Company is assessed to be corporate assets allocated to the same CGU.

5. Property, plant and equipment (cont'd)

The Group (cont'd)

As at 31 December 2024 and 2023, the management undertook an annual review of the carrying amount of the property, plant and equipment to determine whether there is any indication of impairment. Based on the review, indication of impairment was identified by the management as the financial performance of the CGU was not meeting the expectations originally envisaged. As a result, the management measured the recoverable amount of the CGU being the higher of the value in use and fair value less costs of disposal.

<u>Leasehold properties</u>

<u>31 December 2024</u>

The value in use of the CGU is determined to be $Nil as the CGU incurred significant losses and is projected to continue having negative cash flows for the foreseeable future. Therefore, management assessed the value in use of the leasehold properties to be $Nil.

The fair value less costs of disposal was determined to be $150,297, which approximates the carrying amount, considering:

- The rented property in Singapore can be novated to a third party at its current rental rate; and
- The costs of engaging a property agent to find new tenant is estimated to be insignificant.

<u>31 December 2023</u>

The value in use is determined to be $Nil on the basis of negative cash flows determined based on a forecasted cash flow projections covering a 4-year period as a result of economic slowdown in real estate sector in Hong Kong and absence of constructive restructuring plan to turnaround the business.

The fair value less costs of disposal is estimated to be insignificant, considering the age and conditions of the property, plant and equipment and the low probability of transferring the remaining period of leases to a third party, which includes its transaction costs.

Based on the assessment, the recoverable amount of the CGU was determined to be $150,297 (2023 - $Nil) which was approximately the carrying amount. Accordingly, no impairment loss (2023 - $57,776) was recognised in the Group's consolidated statement of profit or loss for the financial year ended 31 December 2024.

<u>Office equipment and renovations</u>

<u>31 December 2024 and 31 December 2023</u>

The value in use of the CGU is determined to be $Nil (2023 - $Nil) as the CGU incurred significant losses and is projected to continue having negative cash flows for the foreseeable future. Therefore, management assessed the value in use of the office equipment and renovation to be $Nil (2023 - $Nil).

5. Property, plant and equipment (cont'd)

The Group (cont'd)

Office equipment and renovations (cont'd)

31 December 2024 and 31 December 2023 (cont'd)

The fair value less costs of disposal is estimated to be insignificant, considering the office equipment are low value assets and the renovation is non-transferable, in which both of them have low resale value.

Based on the assessment, the recoverable amount of the CGU was determined to be $Nil (2023 - $Nil) which was below the carrying amount. Accordingly, an impairment loss of $103,348 (2023 - $11,612) was recognised in the Group's consolidated statement of profit or loss and the Company's statement of profit or loss, respectively for the financial year ended 31 December 2024.

6. Investments in subsidiaries

The Company	31 December 2024 $	31 December 2023 $
Equity investment at cost		
At beginning of financial year	**2,250,000**	2,250,000
Disposal	**(2,150,000)**	–
At end of financial year	**100,000**	2,250,000
Accumulated impairment loss		
At beginning of financial year	**(2,250,000)**	(2,250,000)
Disposal	**2,150,000**	–
At end of financial year	**(100,000)**	(2,250,000)
Net carrying amount	**–**	–

Movement in the impairment in respect of investments in subsidiaries during the year was as follows:

The Company	31 December 2024 $	31 December 2023 $
At beginning of financial year	**2,250,000**	2,250,000
Disposal	**(2,150,000)**	–
At end of financial year	**100,000**	2,250,000

6. Investments in subsidiaries (cont'd)

Details of significant subsidiaries are as follows:

Name of subsidiaries	Country of incorporation/ place of business	Proportion of equity interests held by the Group		Proportion of equity interests held by non-controlling interests		Principal activities
		2024 %	2023 %	2024 %	2023 %	
Held by the Company						
KHL (Hong Kong) Limited (i)	Hong Kong	**100**	100	**–**	–	Investment holding
Beef Up Global Pte. Ltd. (ii)(iii)	Singapore	**–**	100	**–**	–	Dormant
SDAI Healthcare Pte. Ltd. (ii)	Singapore	**100**	100	**–**	–	Trading in specialist medical equipment and related supplies
3L Asia Capital Pte Ltd. (ii)(iii)	Singapore	**–**	100	**–**	–	Dormant
KC Technologies Pte. Ltd. (ii)(iii)	Singapore	**–**	100	**–**	–	Provision of credit risk management services through the use of artificial intelligence tools
Hainan Blue Code Biotechnology Co. Ltd. (iv)	Singapore	**100**	–	**–**	–	Technical consulting and development services, information consulting services, natural science research and development, general sales and retail; and e-commerce
Held by KHL (Hong Kong) Limited						
Kitchen Culture (Macau) Limited (i)	Macau	**70**	70	**30**	30	Dormant
Kitchen Culture (Hong Kong) Limited ("KC (HK) Ltd") (i)	Hong Kong	**70**	70	**30**	30	Sales and distribution of kitchen system, kitchen appliances, wardrobe system, household furniture and appliances
Kitchen Culture (China) Limited (i)	Hong Kong	**100**	100	**–**	–	Dormant

6. Investments in subsidiaries (cont'd)

(i) Audited by Fan, Chan & Co, Hong Kong ("FC"), a member firm of "Nexia International" network

(ii) Not required to be audited

(iii) These subsidiaries were subsequently liquidated after 31 December 2023

(iv) Incorporation of wholly-owned subsidiary on 8 October 2024 (formerly known as Beijing Blue Code Biotechnology Co., Ltd.)

The Board of Directors and the Audit Committee of the Company have reviewed the profile of Fan, Chan & Co, Hong Kong and confirmed that they are satisfied that the appointment of different auditor for its significant foreign-incorporated subsidiary, KC (HK) Ltd, would not compromise the standard and effectiveness of the audit of the Group.

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

Set out below is the summarised financial information for subsidiary that has NCI that are material to the Group. These are presented before inter-company eliminations.

	KC (HK) Ltd $	Other immaterial subsidiary $	Total $
31 December 2024			
Revenue	520,771		
Loss before tax	(635,089)		
Tax expense	–		
Loss for the year	(635,089)		
Other comprehensive loss	(98,265)		
Total comprehensive loss	(733,354)		
Attributable to NCI:			
Loss for the year	(190,527)	–	(190,527)
Other comprehensive loss	(29,479)	(389)	(29,868)
Total comprehensive loss	(220,006)	(389)	(220,395)
Non-current assets	–		
Current assets	331,430		
Non-current liabilities	(9,987)		
Current liabilities	(3,613,711)		
Net liabilities	(3,292,268)		
Net liabilities attributable to NCI	(987,680)	(10,644)	(998,324)
Net cash from operating activities	202,658		
Net cash from investing activities	1		
Net cash used in financing activities	(38,656)		

6. Investments in subsidiaries (cont'd)

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

	KC (HK) Ltd $	Other immaterial subsidiary $	Total $
31 December 2023			
Revenue	1,712,131		
Profit before tax	151,093		
Tax expense	–		
Profit for the year	151,093		
Other comprehensive income	88,724		
Total comprehensive income	239,817		
Attributable to NCI:			
Profit/(loss) for the year	45,328	(1,531)	43,797
Other comprehensive income	26,617	356	26,973
Total comprehensive income/(loss)	71,945	(1,175)	70,770
Non-current assets	–		
Current assets	1,095,049		
Non-current liabilities	(6,384)		
Current liabilities	(3,647,579)		
Net liabilities	(2,558,914)		
Net liabilities attributable to NCI	(767,674)	(10,255)	(777,929)
Net cash used in operating activities	(136,606)		
Net cash from investing activities	51,602		
Net cash from financing activities	44,890		

Material transactions with non-controlling interests

There were no material transactions with non-controlling interests during the financial year.

7. Investment in associate

	The Group		The Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	$	$	$	$
Equity investment at cost:				
At beginning of financial year	–	2,294,000	–	2,294,000
Share of results of associate	–	(503,471)	–	–
Impairment loss recognised	–	(1,790,529)	–	(2,294,000)
At end of financial year	–	–	–	–

There are no contingent liabilities relating to the Group's interest in associate.

Set out below is the associate of the Group:

Name of associate	Country of incorporation/ place of business	Proportion of ownership interests held by the Group		Principal activities
		2024	2023	
		%	%	
Held by the Company				
OOWAY Technology Pte. Ltd. ("OOWAY")	Singapore	**27.65**	**27.65**	Holding company and provision of management consultancy services

Impairment test of investment in associate, OOWAY

The Group

The management assessed OOWAY as a single cash generating unit ("CGU"), which represents a group of assets that generates cash inflows in the business of provision of management consultancy services.

31 December 2024

As at 31 December 2024, the Group has fully impaired its carrying amount based on an impairment assessment determined by management's expert. Since then, the Group has not accounted further share of losses of OOWAY. Additionally, management has assessed that there is no indicator of reversal of impairment loss considering the associate has ceased its business operation in July 2024. As at 31 December 2024, the carrying amount of associate is $Nil.

7. Investment in associate (cont'd)

The Group (cont'd)

31 December 2023

As at 31 December 2023, the management undertook an annual review of the carrying amount of the investment in associates for objective evidence of impairment. Based on the review, objective evidence of impairment was identified by the management as the financial performance of the investee was not meeting the expectations originally envisaged. The management measured the recoverable amount of the CGU being the higher of the value in use and fair value less costs of disposal. The value in use is determined be $Nil given the underlying business of the subsidiaries of OOWAY, i.e. parallel car business model is capital incentive and OOWAY has been making losses since 2020, in conjunction with OOWAY has constraint in seeking additional capital to turnaround the business. The fair value less costs of disposal is determined to be $Nil based on net realisable assets approach.

Based on the assessment, the recoverable amount of the CGU was determined to be $Nil (2023 - $Nil). Accordingly, no impairment loss (2023 - $1,790,529) was recognised in the consolidated statement of profit or loss for the financial year ended 31 December 2024.

8. Deferred tax assets

The following are the deferred tax liabilities and assets recognised by the Group and the Company, and the movements thereon, during the current reporting date and prior reporting period:

The Group and The Company	Right-of-use assets $	Lease liabilities $	Total $
At 1 January 2023 and 31 December 2023	–	–	–
(Charged)/credited to profit or loss	**(25,550)**	**25,550**	–
At 31 December 2024	**(25,550)**	**25,550**	–

9. Inventories

The Group	31 December 2024 $	31 December 2023 $
Finished goods - at net realisable value	**99,105**	152,221

The cost of inventories recognised as an expense amounting to $243,917 (2023 - $442,705) (Note 22) is included in the "cost of sales".

10. Trade receivables

The Group	31 December 2024 $	31 December 2023 $
Current		
Trade receivables	**200,944**	346,247
Impairment losses (Note 27(c)(iv))	**(169,866)**	(144,694)
Net trade receivables, current	**31,078**	201,553

The average credit period on sale of goods is 60 days (2023 - 60 days). No interest is charged on the trade receivables. Before accepting any new customer, the Group will assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed periodically.

Credit risk management policy is disclosed in Note 27(c)(iv).

11. Other receivables

	The Group		The Company	
	31 December 2024 $	31 December 2023 $	31 December 2024 $	31 December 2023 $
Current				
Amounts due from former subsidiaries	**18,618,446**	18,608,998	**18,617,827**	18,608,379
Amounts due from former associate	**233,256**	233,256	**233,256**	233,256
Amounts due from subsidiaries	**–**	–	**4,312,949**	4,244,045
Other receivables	**13,201**	12,976	**5,939**	5,939
Deposits	**191,725**	194,045	**184,031**	183,931
	19,056,628	19,049,275	**23,354,002**	23,275,550
Impairment losses (Note 27(c)(iv))	**(18,861,533)**	(18,842,254)	**(23,169,032)**	(23,085,680)
At amortised cost (net)	**195,095**	207,021	**184,970**	189,870
Prepayments	**46,033**	88,195	**33,408**	25,000
	241,128	295,216	**218,378**	214,870

Former subsidiaries refer to Beef Up Global Pte. Ltd. and KHL Marketing Asia-Pacific Pte. Ltd. ("KHLM") and its subsidiaries, which entered into compulsory liquidation on 14 February 2024 and 5 April 2022 respectively, and former associate refer to an associate held by KHLM.

Amounts due from former subsidiaries, former associate and subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

Credit risk management policy is disclosed in Note 27(c)(iv).

12. Cash and bank balances

	The Group		The Company	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
	$	**$**	**$**	**$**
Cash at banks and cash and cash equivalents as per consolidated statement of cash flows	**725,607**	475,835	**544,171**	458,661

13. Share capital

The Group and The Company	**31 December 2024**	**31 December 2023**	**31 December 2024**	**31 December 2023**
	← **No. of shares**	→	**$**	**$**
Issued and fully paid with no par value:				
At beginning and end of financial year	**424,665,283**	424,665,283	**58,948,250**	58,948,250

All shares rank equally with regard to the Company's residual assets. All issued shares are fully paid, with no par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

14. Foreign currency translation reserves

The currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

15. Leases

Right-of-use ("ROU") assets

The Group leases office premises, warehouse and showrooms and motor vehicles for the purpose of business operations.

(a) Carrying amounts of ROU assets recorded as part of property, plant and equipment in Note 5

The Group and The Company	31 December 2024 $	31 December 2023 $
Leasehold properties	**150,297**	–

(b) Depreciation charge and interest expense

The Group	31 December 2024 $	31 December 2023 $
Depreciation charge		
Leasehold properties	**96,036**	296,328
Interest expense		
Interest expense on lease liabilities	**9,462**	9,200

(c) Lease expense not capitalised in lease liabilities

The Group	31 December 2024 $	31 December 2023 $
Lease expense - low value leases (Note 22)	**10,964**	211,570

(d) Total cash outflow for all leases during the financial year is as follows:

The Group	31 December 2024 $	31 December 2023 $
Payment of leases including lease interest expense	**116,197**	324,732
Payment of low value leases	**10,964**	211,570
	127,161	536,302

(e) Addition of ROU assets during the financial year was $212,327 (2023 - $101,879).

15. Leases (cont'd)

Lease liabilities (disclosure required under SFRS(I) 16)

	The Group		The Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	$	$	$	$
Maturity analysis:				
Year 1	**75,600**	53,071	**75,600**	–
Year 2	**90,078**	7,123	**86,889**	–
	165,678	60,194	**162,489**	–
Less: Future interest charges	**(7,864)**	(2,108)	**(7,848)**	–
	157,814	58,086	**154,641**	–
Analysed as:				
Current	**73,243**	51,702	**70,070**	–
Non-current	**84,571**	6,384	**84,571**	–
	157,814	58,086	**154,641**	–

16. Borrowings

The Group and The Company	31 December 2024	31 December 2023
	$	$
Current		
Unsecured loans		
Loan from a third party	**–**	4,000,000
	–	4,000,000
Non-current		
Unsecured loans		
Loan from a director	**2,585,008**	–
Loan from a third party	**3,486,489**	–
Loan from third parties	**885,293**	–
	6,956,790	–

16. Borrowings (cont'd)

As at 31 December 2023, the Group and the Company had unsecured loans from a third party of $4,000,000 with a maturity date on 25 June 2024. On 27 March 2024, the Company renewed the loan with a new maturity date on 26 September 2025. The carrying amount of this loan is $3,486,489 as at 31 December 2024.

On 27 March 2024, the Group and Company entered into a new loan agreement with a director for drawable amount up to $4,000,000 with a maturity date on 26 September 2025. The Group and Company has utilised $2,900,000 of the loan from a director as at 31 December 2024. The carrying amount of this loan is $2,585,008 as at 31 December 2024.

On 11 November 2024, both loans were renewed with a new maturity date on 30 June 2026. A gain on extinguishment of loan of $914,141 was recognised due to the renewal of the loans.

On the same date, the Group and Company entered into a new loan agreement with third parties of $1,000,000. The carrying amount of this loan is $885,293 as at 31 December 2024. Fair value gain on loan of $126,611 (Note 20) was recognised at the inception date when the loan was measured at fair value.

All the loans are unsecured and interest-free.

Equity conversion option

The above loans contained an equity conversion option which enables the Company to convert the loans to ordinary shares of the Company upon resumption of trading of the shares of the Company. This equity conversion feature does not qualify as an equity instrument because the conversion term does not meet the “fixed-for-fixed” test, where the number of ordinary shares to be converted is not fixed and may vary with the changes in fair value of the ordinary shares of the Company.

The equity conversion option meets the definition of derivative financial instrument. The Group and the Company assessed that the fair value of the derivative financial instrument is insignificant as at 31 December 2024 and 2023, respectively, considering the shares of the Company is currently suspended in conjunction with exposure arising from the Notice of Compliance issued by Singapore Exchange Regulation are presently unknown.

17. Trade payables

The Group	**31 December 2024 $**	**31 December 2023 $**
Trade payables - non-related parties	–	35,534

18. Other payables

	The Group		The Company	
	31 December 2024 $	31 December 2023 $	31 December 2024 $	31 December 2023 $
Non-current				
Other payables	**9,987**	–	–	–
Current				
Other payables	**507,171**	1,353,541	**507,171**	1,249,666
Amounts due to former subsidiaries	**426,357**	328,649	**97,708**	97,708
Amounts due to subsidiaries	–	–	–	2,078,643
Due from a director	**876**	844	–	–
Accrued operating expenses	**561,695**	800,228	**437,587**	753,741
	1,496,099	2,483,262	**1,042,466**	4,179,758
Total other payables	**1,506,086**	2,483,262	**1,042,466**	4,179,758

Other payables comprised mainly outstanding payables due to various professional service providers.

The loan from a director of a subsidiary is unsecured, interest-free and repayable on demand.

Former subsidiaries refer to Beef Up Global Pte. Ltd., 3L Asia Capital Pte. Ltd., KC Technologies Pte. Ltd. and KHL Marketing Asia-Pacific Pte. Ltd., which entered into compulsory liquidation on 14 February 2024, 26 January 2024, 26 January 2024 and 5 April 2022 respectively.

The amounts due to former subsidiaries and subsidiaries comprised mainly advances granted and payments made on behalf, which are unsecured, interest-free and repayable on demand.

19. Revenue

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

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following categories, by nature of revenue and geographical regions.

The Group	At a point in time $	Over time $	Total $
For the year ended 31 December 2024			
Revenue from construction contracts			
- Hong Kong	**–**	**46,151**	**46,151**
	–	**46,151**	**46,151**
Sales of goods			
- Hong Kong	**474,620**	**–**	**474,620**
	474,620	**–**	**474,620**
	474,620	**46,151**	**520,771**
For the year ended 31 December 2023			
Revenue from construction contracts			
- Hong Kong	–	1,049,780	1,049,780
	–	1,049,780	1,049,780
Sales of goods			
- Hong Kong	662,351	–	662,351
	662,351	–	662,351
	662,351	1,049,780	1,712,131

(b) *Contract assets and liabilities*

The Group	31 December 2024 $	31 December 2023 $
Over time:		
Contract assets - construction contracts	**31,941**	31,941
Impairment loss recognised (Note 27(c)(iv))	**(24,935)**	–
	7,006	31,941
Over time:		
Contract liabilities - construction contracts	**–**	91,659
Point in time:		
Contract liabilities - sales of goods	**67,172**	60,388
	67,172	152,047

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. Contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer. Credit risk management policy is disclosed in Note 27(c)(iv).

19. Revenue (cont'd)

(b) *Contract assets and liabilities (cont'd)*

Contract liabilities primarily relate to:

- advance consideration received from customers; and
- progress billings issued in excess of the Group's rights to the consideration.

The contract liabilities are recognised as revenue when the Group fulfils its performance obligation under contract when control of goods transfers to the customer.

Revenue recognised in relation to contract liabilities

The Group	**31 December 2024** **$**	**31 December 2023** **$**
Revenue recognised in current year that was included in the contract liability balance at the beginning of year		
- Construction contracts	**91,659**	389,243
- Sale of goods	**60,388**	606,394
	152,047	995,637

There is no revenue recognised in the current financial year from performance obligations satisfied in previous periods.

(c) *Transaction price allocated to the remaining performance obligations of construction contracts*

The revenue from construction contracts expected to be recognised within the next financial year related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date is $Nil (2023 - $200,819).

(d) *Contract costs recognised arising from costs to fulfil contracts*

The Group has no contract costs in relation to costs to fulfil contracts with customers. Contract costs are amortised to profit or loss as cost of sales on a basis consistent with the pattern of recognition of the associated revenue.

Based on the Group's assessment, the expected costs to complete the remaining construction contracts at the reporting date were expected to be completely recovered through contract revenue, hence no expected loss was recognised during the financial year.

20. Other income

The Group	31 December 2024 $	31 December 2023 $
Fair value gain on loan (Note 16)	**126,611**	–
Gain on disposal of property, plant and equipment	**–**	28,204
Gain on extinguishment of loans	**914,141**	–
Gain on foreign exchange differences	**153,998**	–
Gain on lease modification	**6,860**	2,421
Interest income on bank deposits	**1**	1
Reversal of impairment loss on trade receivables	**–**	110,812
Write-back of accruals	**162**	–
Write-back of allowance for inventory write-downs	**–**	38,615
Deposit forfeited	**73,231**	–
Sundry income	**35,305**	4,634
	1,310,309	184,687

21. Finance costs

The Group	31 December 2024 $	31 December 2023 $
Interest expense on borrowings	**97,542**	101,781
Interest expense on lease liabilities	**9,462**	9,200
	107,004	110,981
Bank charges	**1,368**	769
	108,372	111,750

22. Loss before tax

Loss before tax has been arrived at after charging/(crediting):

The Group	31 December 2024 $	31 December 2023 $
Audit fees paid to:		
- auditors of the Company	**166,000**	280,000
- other auditors	**18,179**	71,758
Cost of inventories recognised as an expense included in cost of sales (Note 9)	**243,917**	442,705
Depreciation of property, plant and equipment (Note 5)	**96,036**	307,172
Directors' fees	**250,000**	139,306
Impairment loss on contract assets (Note 27(c)(iv))	**25,594**	–
Impairment loss on investment in associate (Note 7)	**–**	1,790,529
Impairment loss/(reversal of impairment loss) on trade receivables (Note 27(c)(iv))	**19,270**	(110,812)
Impairment loss on other receivables (Note 27(c)(iv))	**9,729**	–
Impairment loss on property, plant and equipment (Note 5)	**103,348**	69,388
Legal and professional fees	**770,106**	1,501,078
Rental expense on operating lease (Note 15(c))	**10,964**	211,570
Unrealised foreign exchange differences, net	**(153,998)**	114,935
Write-back of accruals	**(162)**	–
Write-back of allowance for inventory write-down	**–**	(38,615)
Write-off of prepayments	**61,102**	–
Employee benefits expense		
Salaries and related costs	**1,002,396**	700,871
Contributions to defined contribution plans	**110,703**	56,970
	1,113,099	757,841

23. Tax expense

The Group	31 December 2024 $	31 December 2023 $
Continuing operations		
- Deferred tax	**–**	–
- Underprovision of current tax in prior years	**1,391**	–
	1,391	–
Discontinued operations		
- Underprovision of current tax in prior years	**–**	–
	–	–
	1,391	–

23. Tax expense (cont'd)

Reconciliation of effective tax rate

The Group	31 December 2024 $	31 December 2023 $
(Loss)/profit before tax:		
- Continuing operations	**(1,716,935)**	(5,558,223)
- Discontinued operations	**3,998**	–
	(1,712,937)	(5,558,223)
Tax calculated using Singapore tax rate of 17%	**(291,199)**	(944,898)
Effect of tax rates in foreign jurisdictions	**14**	(517)
Tax effect on non-deductible expenses	**492,721**	877,964
Tax effect on non-taxable income	**(191,855)**	(59,484)
Tax effect of share of results of associate	**–**	85,590
Tax effect of utilisation of previously unrecognised tax losses	**(9,681)**	–
Deferred tax assets not recognised	**–**	41,345
Underprovision of current tax in prior years	**1,391**	–
Income tax expense	**1,391**	–

Non-deductible expenses relate mainly to depreciation and impairment of non-qualifying property, plant and equipment, and other disallowed expenses incurred in the ordinary course of business.

Non-taxable income relates mainly to gain on extinguishment of loans.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom:

The Group	2024 $	2023 $
Attributable to:		
Unutilised tax losses	**3,813,486**	3,731,392

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

24. Discontinued operations

The Company's former subsidiaries, Beef Up Global Pte. Ltd., 3L Asia Capital Pte. Ltd. and KC Technologies Pte. Ltd., entered into compulsory liquidation on 14 February 2024, 26 January 2024 and 26 January 2024, respectively. Accordingly, the assets and liabilities of these former subsidiaries had been presented in the statement of financial position as "Discontinued operations".

Results of discontinued operations

	Year ended 31 December 2024
	$
Revenue	–
Cost of sales	–
Gross loss	–
Other income	–
Selling and distribution expenses	–
Other operating expenses	–
General and administrative expenses	–
Loss from operations	–
Finance costs	–
Loss before tax	–
Tax expense	–
Profit from discontinued operations	–
Gain on derecognition of discontinued operations	3,998
Profit for the year	3,998
	Cents
Earnings per share	
Basic earnings per share from discontinued operations	–*
Diluted earnings per share from discontinued operations	–*

* Below 0.001 cent

Effect of derecognition of the subsidiaries

The amounts of assets and liabilities of discontinued operation are summarised are as follows:

	$
Cash and bank balances	2
Other payables	(4,000)
	(3,998)
Foreign currency translation differences reclassified to profit or loss	–
Gain on derecognition of discontinued operation	(3,998)

24. Discontinued operations (cont'd)

Effect of derecognition of the subsidiaries (cont'd)

The impact of the discontinued operations on the cash flows of the Group for the financial year ended 31 December 2024 are as follows:

	$
Net cash outflow	
Net cash outflow arising from derecognition of the subsidiaries	**(2)**

25. Loss per share

The calculation of the basic and diluted loss per share attributable to equity holders of the Company is based on the following:

(a) *Basic loss per share*

The Group	Continuing operations $	Discontinued operations $	Total $
Year ended 31 December 2024			
(Loss)/profit for the year attributable to equity holders of the Company	**(1,527,799)**	**3,998**	**(1,523,801)**
Weighted average number of ordinary shares in issue	**424,665,283**	**424,665,283**	**424,665,283**
Basic loss per share (cents per share)	**(0.4)**	**–***	**(0.4)**

* Below 0.001 cent

The Group	Continuing operations $	Discontinued operations $	Total $
Year ended 31 December 2023			
Loss for the year attributable to equity holders of the Company	(5,602,020)	–	(5,602,020)
Weighted average number of ordinary shares in issue	424,665,283	–	424,665,283
Basic loss per share (cents per share)	(1.3)	–	(1.3)

(b) *Diluted loss per share*

There were no dilutive potential ordinary shares for the financial years ended 31 December 2024 and 31 December 2023. The diluted loss per share was the same as the basis loss per share for both financial periods.

26. Related corporations and related party transactions

Related corporations in these financial statements refer to members of the holding company's group of companies. Some of the Company's transactions and arrangements are between members of the Group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

Some of the Group's transactions and arrangements are with related parties and the effects of these on the basis determined between the parties are reflected in these financial statements.

Compensation of executive directors and key management personnel

The remuneration of executive directors and other members of key management during the financial year are as follows:

The Group	**31 December 2024 $**	**31 December 2023 $**
Salaries, bonuses and short-term benefits	**661,261**	284,134
Employer's contribution to defined contribution plans including CPF	**31,416**	7,318
	692,677	291,452
Comprised amounts paid to:		
Executive Chairman and Chief Executive Officer of the Company	**411,219**	64,000
Executive directors of the Company	**201,384**	104,128
Directors of subsidiaries	**–**	123,324
Other key management personnel	**80,074**	–
	692,677	291,452

27. Financial instruments, financial risks and capital management

(a) ***Categories of financial instruments***

The following table sets out the financial instruments at the reporting date.

	The Group		The Company	
	31 December 2024 $	**31 December 2023 $**	**31 December 2024 $**	**31 December 2023 $**
Financial assets at amortised cost				
Trade receivables	**31,078**	201,553	**–**	–
Other receivables*	**195,095**	207,021	**184,970**	189,870
Cash and bank balances	**725,607**	475,835	**544,171**	458,661
	951,780	884,409	**729,141**	648,531
Financial liabilities at amortised cost				
Lease liabilities	**157,814**	58,086	**154,641**	–
Borrowings	**6,956,790**	4,000,000	**6,956,790**	4,000,000
Trade payables	**–**	35,534	**–**	–
Other payables	**1,506,086**	2,483,262	**1,042,466**	4,179,758
	8,620,690	6,576,882	**8,153,897**	8,179,758

* Excludes prepayments

(b) ***Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements***

The Group and the Company do not have any financial instruments which are subject to offsetting, enforceable master netting arrangements or similar netting agreements.

(c) ***Financial risk management policies and objectives***

The Group is exposed to various financial risks arising from the normal course of business. It has adopted risk management policies and utilises a variety of techniques to manage its exposure to these risks. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board with management is responsible for developing and monitoring the Group's risk management policies. The management reports regularly to the Board of Directors on its activities.

The Group does not hold nor issue derivative financial instruments.

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. Market risk exposures are measured using sensitivity analysis indicated below.

27. Financial instruments, financial risks and capital management (cont'd)

(c) ***Financial risk management policies and objectives (cont'd)***

(i) Foreign currency risk management

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. Such significant foreign currencies include Singapore Dollar ("SGD") and Euro ("EUR"). The Group does not enter into any derivative financial investments to hedge this risk.

The Group uses natural hedges that arise from offsetting assets and liabilities that are denominated in foreign currencies.

At the reporting date, the carrying amounts of monetary assets (including trade and other receivables and cash and bank balances) and monetary liabilities (including trade and other payables) denominated in currencies other than the respective Group entities' functional currencies are as follows:

	The Group		**The Company**	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
	$	**$**	**$**	**$**
Financial assets				
SGD	**–**	392	**–**	–
EUR	**5,794**	196	**–**	–

Foreign currency sensitivity

The sensitivity analyses of the possible change in the relevant foreign currencies against the functional currency of each group entity are not represented as they are assessed to be insignificant to the Group's profit or loss for the financial years ended 31 December 2024 and 2023, respectively.

(ii) Cash flow and fair value interest rate risk management

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income is substantially independent of changes in market interest rates.

The Group's policy is to maintain its borrowings in both fixed and variable rate instruments. The Group's exposure to interest rate risks arises mainly from non-current variable-rate borrowings. The Company's exposure to cash flow interest rate risk arises mainly from non-current borrowings at variable rates.

27. Financial instruments, financial risks and capital management (cont'd)

(c) ***Financial risk management policies and objectives (cont'd)***

(ii) Cash flow and fair value interest rate risk management (cont'd)

Interest rate sensitivity

The sensitivity analyses of the possible change in the market interest rates are not presented as the Group and the Company do not have variable rate instruments. As a result, a change in market interest rate would not affect profit or loss of the Group and the Company.

Fair value sensitivity analysis for fixed rate instruments

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

(iii) Liquidity risk management

In the management of liquidity risk, the Group monitors and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group achieves this mainly by managing its working capital very tightly and maintaining an adequate level of cash and bank balances.

Liquidity risk analysis

Non-derivative financial liabilities

The following table details the remaining contractual maturity for non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows.

The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statements of financial position.

			Cash flows		
	Carrying amounts	**Total**	**Less than 1 year**	**Between 2 and 5 years**	**More than 5 years**
	$	**$**	**$**	**$**	**$**
The Group					
31 December 2024					
Lease liabilities	**157,814**	**(165,678)**	**(75,600)**	**(90,078)**	**–**
Borrowings	**6,956,790**	**(7,900,000)**	**–**	**(7,900,000)**	**–**
Other payables	**1,506,086**	**(1,506,086)**	**(1,506,086)**	**–**	**–**

27. Financial instruments, financial risks and capital management (cont'd)

(c) ***Financial risk management policies and objectives (cont'd)***

(iii) Liquidity risk management

Non-derivative financial liabilities (cont'd)

			Cash flows		
	Carrying amounts	**Total**	**Less than 1 year**	**Between 2 and 5 years**	**More than 5 years**
	$	**$**	**$**	**$**	**$**
The Group					
31 December 2023					
Lease liabilities	58,086	(60,194)	(53,071)	(7,123)	–
Borrowings	4,000,000	(4,000,000)	(4,000,000)	–	–
Trade payables	35,534	(35,534)	(35,534)	–	–
Other payables	2,483,262	(2,483,262)	(2,483,262)	–	–

			Cash flows		
	Carrying amounts	**Total**	**Less than 1 year**	**Between 2 and 5 years**	**More than 5 years**
	$	**$**	**$**	**$**	**$**
The Company					
31 December 2024					
Lease liabilities	**154,641**	**(162,489)**	**(75,600)**	**(86,889)**	**–**
Borrowings	**6,956,790**	**(7,900,000)**	**–**	**(7,900,000)**	**–**
Other payables	**1,042,466**	**(1,042,466)**	**(1,042,466)**	**–**	**–**
31 December 2023					
Borrowings	4,000,000	(4,000,000)	(4,000,000)	–	–
Other payables	4,179,758	(4,179,758)	(4,179,758)	–	–

(iv) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has credit policies in place to mitigate the risk of financial loss from defaults. The Group does not require collateral in respect of trade and other receivables. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's and the Company's cash and bank balances are held with creditworthy financial institutions.

Trade receivables consist of various customers spread across different geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, letters of credit will be obtained on the trade receivables.

27. Financial instruments, financial risks and capital management (cont'd)

(c) ***Financial risk management policies and objectives (cont'd)***

(iv) Credit risk management (cont'd)

The Group's customers are mainly property development main contractors, property developers and individuals. The Group's historical experience in the collection of accounts receivable fall within the recorded allowance for impairment. Due to these factors, management believe that no additional credit risk beyond the amounts provided for collection losses is inherent in the Group's trade receivables. The good credit history of these customers reduces the risk to the Group to an acceptable level.

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowance for impairment, and the exposure to defaults from financial guarantees above, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

The Group and the Company determine concentration of credit risk by monitoring the country and business segment profile of it trade and other receivables on an ongoing basis. The maximum exposure to credit risk for trade and other receivables at the reporting date by geographic region was as follows:

	The Group		**The Company**	
	31 December 2024	**31 December 2023**	**31 December 2024**	**31 December 2023**
	$	**$**	**$**	**$**
Trade and other receivables				
Singapore	**186,086**	190,986	**184,970**	189,870
Hong Kong	**40,087**	217,588	**–**	–
	226,173	408,574	**184,970**	189,870

Trade receivables and contract assets

In measuring the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due. The contract assets relate to unbilled work in progress, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group considers a financial asset as in default if the counterparty fails to make contractual payments within 90 days when they fall due, and writes off the financial asset when a debtor fails to make contractual payments greater than 120 days past due. Where receivables are written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

27. Financial instruments, financial risks and capital management (cont'd)

(c) ***Financial risk management policies and objectives (cont'd)***

(iv) Credit risk management (cont'd)

At the reporting date, the Group has outstanding trade receivables from the top 3 customers (2023 - 3 customers) which represent 65% (2023 - 57%) of total trade and other receivables at the reporting date. Ongoing credit evaluation is performed on the financial condition of customers.

Movement in the allowance for impairment in respect of trade receivables during the year was as follows:

The Group	**31 December 2024 $**	**31 December 2023 $**
At beginning of financial year	**144,694**	263,601
Impairment loss/(reversal of impairment loss) recognised (Note 22)	**19,270**	(110,812)
Exchange differences on translation	**5,902**	(8,095)
At end of financial year	**169,866**	144,694

Movement in the allowance for impairment in respect of contract assets during the year was as follows:

The Group	**31 December 2024 $**	**31 December 2023 $**
At beginning of financial year	**–**	–
Impairment loss recognised (Note 22)	**25,594**	–
Exchange differences on translation	**(659)**	–
At end of financial year	**24,935**	–

Other receivables (excluding prepayments and advances to suppliers)

The Group and the Company assessed the credit exposure of these receivables to be insignificant based on the historical default rates and measured the impairment losses based on 12-month expected loss basis, except for amount of $18,861,533 (2023 - $18,842,254) and $23,169,032 (2023 - $23,085,680) which are measured at an amount equal to lifetime ECLs.

27. Financial instruments, financial risks and capital management (cont'd)

(c) ***Financial risk management policies and objectives (cont'd)***

(iv) Credit risk management (cont'd)

Movement in the allowance for impairment in respect of other receivables during the year was as follows:

	The Group		The Company	
	31 December 2024 $	**31 December 2023 $**	**31 December 2024 $**	**31 December 2023 $**
At beginning of financial year	**18,842,254**	18,939,961	**23,085,680**	23,084,210
Impairment loss recognised (Note 22)	**9,729**	–	**83,352**	99,177
Written off	**–**	(97,707)	**–**	(97,707)
Derecognition of subsidiaries	**9,448**	–	**–**	–
Exchange differences on translation	**102**	–	**–**	–
At end of financial year	**18,861,533**	18,842,254	**23,169,032**	23,085,680

(v) Determination of fair values

Other financial assets and financial liabilities that are not carried at fair value but approximate to fair value

The carrying amounts of cash and bank balances, trade and other receivables and trade and other payables and current borrowings approximate their respective fair values due to the relatively short-term maturity of these financial instruments. Non-current borrowings are initially measured at fair value of proceeds received using effective interest method. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

(d) ***Capital risk 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, to maximise the return to stakeholders through the optimisation of the debt and equity balance, and to ensure externally imposed capital requirements are complied with.

The capital structure of the Group consists of paid up capital, reserves, accumulated losses and non-controlling interests.

The Group's management will review the capital structure periodically. As part of this review, management will consider the cost of capital and the risks associated with each class of capital. The Group will seek to balance its overall capital structure through the payment of dividends, issue of new shares, issue of new debt or the redemption of existing debt.

The Group's overall strategy remains unchanged from prior year.

27. Financial instruments, financial risks and capital management (cont'd)

(d) ***Capital risk management policies and objectives (cont'd)***

The gearing ratio of the Group at the reporting date is as follows:

The Group	**31 December 2024 $**	**31 December 2023 $**
Debts (including borrowings and lease liabilities)	**7,114,604**	4,058,086
Cash and bank balances	**(725,607)**	(475,835)
Net debts	**6,388,997**	3,582,251
Equity	**(7,433,641)**	(5,572,163)
Net debt to equity ratio (%)	**N/A**	N/A

(i) Debt is defined as borrowings and lease liabilities.

(ii) Equity includes all paid up capital, reserves, accumulated losses and non-controlling interests.

28. Segment information

The Group is organised into business units based on its products and services for management purposes. The reportable segments are residential projects, distribution and retail, and others.

Residential projects segment is involved in designing, assembling, installing, testing and inspection of various furniture and fittings, kitchen equipment and related products.

Distribution and retail segment is involved in selling and distributing of products through a network of authorised dealers and retailers.

Discontinued operations refer to the deconsolidated subsidiaries' residential project, distribution and retail segment.

Others are the investment holding, dormant and inactive companies.

Management monitors the operating results of its reportable segments separately for making decisions about allocation of resources and assessment of performances of each segment.

28. Segment information (cont'd)

The segment information provided to Management for the reportable segments is as follows:

	Residential Projects		Distribution and Retail		Others		Discontinued operations		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	$	$	$	$	$	$	$	$	$	$
Segment revenue	**46,151**	1,049,780	**474,620**	662,351	**-**	-	-	**-**	**520,771**	1,712,131
Interest income	**-**	1	**1**	-	**-**	-	-	-	**1**	1
Finance costs	**(1,338)**	(20,619)	**(11,301)**	(13,606)	**(95,733)**	(77,525)	-	-	**(108,372)**	(111,750)
Segment losses	**(1,769)**	(321,936)	**(32,434)**	(222,711)	**(2,396,070)**	(2,538,439)	-	-	**(2,430,273)**	(3,083,086)
Segment assets	**38,957**	389,933	**374,628**	252,062	**840,636**	514,771	-	-	**1,254,221**	1,156,766
Segment liabilities	**122,416**	1,288,826	**1,133,866**	849,008	**7,431,580**	4,591,095	-	-	**8,687,862**	6,728,929
Capital expenditure	**3,497**	62,146	**27,974**	39,733	**318,210**	-	-	-	**349,681**	101,879
Other material non-cash income/(expenses)										
Depreciation of property, plant and equipment	**(960)**	(91,127)	**(7,683)**	(59,119)	**(87,393)**	(156,926)	-	-	**(96,036)**	(307,172)
Fair value gain on loan	**1,266**	-	**10,129**	-	**115,216**	-	-	-	**126,611**	-
Gain on extinguishment of loan	**9,142**	-	**73,131**	-	**831,868**	-	-	-	**914,141**	-
Impairment loss on contract assets	**(2,303)**	-	**(23,291)**	-	**-**	-	-	-	**(25,594)**	-
(Impairment loss)/ reversal of impairment on trade receivables	**(1,734)**	67,595	**(17,536)**	43,217	**-**	-	-	-	**(19,270)**	110,812
Impairment loss on other receivables	**(476)**	-	**(4,703)**	-	**(4,550)**	-	-	-	**(9,729)**	-
Impairment loss on investment in associate	**-**	(268,579)	**-**	(179,053)	**-**	(1,342,897)	-	-	**-**	(1,790,529)
Impairment loss on property, plant and equipment	**(1,033)**	(5,685)	**(8,268)**	(57,334)	**(94,047)**	(6,369)	-	-	**(103,348)**	(69,388)
Write-off of prepayments	**(5,499)**	-	**(55,603)**	-	**-**	-	-	-	**(61,102)**	-

28. Segment information (cont'd)

A reconciliation of reportable segment revenue, profit or loss before tax, assets and liabilities is as follows:

The Group	31 December 2024 $	31 December 2023 $
Revenue		
Total revenue for reportable segments	**520,771**	1,712,131
Exclude discontinued operations	**–**	–
Consolidated revenue	**520,771**	1,712,131
Profit or loss before tax		
Segment losses	**(2,430,273)**	(3,083,086)
Interest income	**1**	1
Finance costs	**(108,372)**	(111,750)
Share of results of associate	**–**	(503,471)
Fair value gain on loan	**126,611**	–
Gain on extinguishment of loan	**914,141**	–
Impairment loss on contract assets	**(25,594)**	–
Impairment loss on trade receivables	**(19,270)**	–
Impairment loss on other receivables	**(9,729)**	–
Impairment loss on investment in associate	**–**	(1,790,529)
Impairment loss on property, plant and equipment	**(103,348)**	(69,388)
Write-off of prepayments	**(61,102)**	–
Consolidated loss before tax from continuing operations	**(1,716,935)**	(5,558,223)

The Group	31 December 2024 $	31 December 2023 $
Assets		
Total assets for reportable segments/consolidated total assets	**1,254,221**	1,156,766
Liabilities		
Total liabilities for reportable segments/consolidated total liabilities	**8,687,862**	6,728,929

28. Segment information (cont'd)

Geographical information

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

The Group	31 December 2024 $	31 December 2023 $
Revenue		
Hong Kong	**520,771**	1,712,131
Non-current assets		
Singapore	**150,297**	–

Non-current assets information presented above are non-current assets (excluding financial assets and deferred tax assets) as presented on the consolidated statement of financial position.

Information about major customer

Revenue of approximately $46,151 (2023 - $976,795) is derived from 1 major external customer (2023 - 2 major external customers) who individually contributed 10 percent or more of the Group's revenue, and is attributable to the residential project segment. The details are tabled below.

The Group	31 December 2024 $	31 December 2023 $
Customer 1	**46,151**	558,163
Customer 2	**–**	418,632

29. Significant events

(a) On 12 July 2021, the Company voluntarily suspended its shares trading as the Board of Directors (the "Board") was unable to confirm that all relevant material information has been announced, pending, *inter alia*, the completion of the additional agreed-upon-procedures or a special audit then being considered by then Audit and Risk Committee ("ARC") now redesignated as the Audit Committee. Please refer to the Company's announcement dated 12 July 2021 for further details.

(b) The Company has on 14 July 2021 and 19 August 2021 received notices of compliance from the Singapore Exchange Regulation ("SGX RegCo"):

(i) The first NOC issued by SGX RegCo on 14 July 2021 required the Company's ARC to commission its Internal Auditor ("IA") to expand its scope of work (the "Additional Scope") to include, among others, looking into the circumstances that led to breaches and/or potential breaches of the Exchange's Catalist Rules as well as internal control weaknesses as stated in the IA's draft interim report ("Interim Report") which was mentioned in the Company's announcement dated 12 July 2021.

29. Significant events (cont'd)

(b) The Company has on 14 July 2021 and 19 August 2021 received notices of compliance from the Singapore Exchange Regulation ("SGX RegCo"): (cont'd)

In December 2021, the ARC (by way of majority votes) has also mandated the IA to perform the following:

- Review the implementation status of the remedial steps taken by management to address the internal control weaknesses and potential lapses as stated in the Interim Report ("Follow-up Review"); and

- Perform certain Agreed Upon Procedures ("AUP") for the utilisation of proceeds up to 30 November 2021.

(ii) The second NOC issued by SGX RegCo on 19 August 2021 directed the Company to appoint a suitable independent special auditor ("Special Auditor") as recommended by the Company's continuing sponsor and approved by SGX RegCo. The second NOC superseded the instruction in the first NOC. The Special Audit must cover the following:

- Review the matters raised in the First NOC;

- Review the circumstances surrounding the payroll matter as disclosed below under (d), including but not limited to whether the payments were made in accordance with the respective employment contracts and whether proper approvals had been obtained for such payments;

- Review the circumstances surrounding the unauthorised transactions and assess if there were other unauthorised transactions in the past one (1) year;

- Review the Group's internal controls, processes and procedures in relation to due diligence performed on acquisitions and disposals in the past one (1) year;

- Review the Group's whistleblowing policies, processes and procedures and advise on whether such policies, processes and procedures are adequate and effective. In addition, the Special Auditor must review all whistleblowing reports received by the Company and/or its directors, assess whether internal policies, processes and procedures have been adhered to, whether issues brought up by the whistleblower(s) have been robustly investigated into by non-conflicted persons and addressed in the process;

- Where internal control weaknesses are noted by the IA (in its Interim Report prior to the issue of the second NOC) and the Special Auditor, the Special Auditor must make recommendations on enhancements to ensure adequacy and effectiveness of the internal controls going forward; and

- Where breaches/potential breaches of the Exchange's Catalist Rules, laws or regulations are noted, the Special Auditor must set out clearly the circumstances that led to the breaches and / or potential breaches as well as the parties responsible.

The Special Auditor reports only and directly to SGX RegCo and the Company's continuing sponsor.

29. Significant events (cont'd)

(c) On 23 March 2022, the ARC received the Follow-up Review report and AUP report issued by the IA in connection with the utilisation of proceeds up to 30 November 2021. These Follow-up Review report and AUP report had been shared by the management with the Special Auditor on 31 March 2022 for their information.

Following the release of the Follow Up Review Report, the management revised the draft Policies, Procedures and Delegation of Authority manual for the ARC's review and recommendation to the Board for Board's approval. In addition, the Board will continue to monitor Management's ongoing implementation of the recommendations raised in the Interim Report and the Follow Up Report.

Following the release of AUP Report, there were certain unmatched expenses items reported by the IA in connection with the utilisation of proceeds up to 30 November 2021. The Management was in the midst of conducting further analysis and investigations of the "unmatched" items quantified in the AUP Report in order to assess the accuracy of (i) the allocated amounts, the utilised amounts and the remaining balance of the proceeds, and (ii) the breakdown of the use of proceeds up to 30 November 2021.

The Company had subsequently provided multiple announcements on the information of the use of proceeds. On 19 October 2022, the Company further announced that, pending the finalisation of the Special Audit, the Board provided an update on the use of net proceeds raised to 30 September 2022, where the proceeds utilised has been further broken down into 5 separate time periods, (a) up to 7 July 2021, (b) from 8 July 2021 to 30 November 2021, (c) from 1 December 2021 to 31 March 2022, (d) from 1 April 2022 to 31 July 2022, and (e) from 1 August 2023 to 30 September 2022, for the purposes of identifying the amounts of proceeds that were utilised by the Group during the respective periods in which Mr Lim Wee Li (former CEO of the Company) and Mr Lincoln Teo Choong Han (former Interim CEO of the Company), were respectively principally responsible for the management and conduct of the business of the Group during the period under review in the AUP Report, where Mr Lim Wee Li ceased to be the CEO of the Company on 7 July 2021, and Mr Lincoln Teo Choong Han was appointed as Interim CEO of the Company on 8 July 2021 and ceased to be the Interim CEO of the Company on 15 July 2022.

(d) On 21 July 2023, the Special Auditor issued the first phase of the Special Audit, which covered the auditing findings of Payroll Matter and Unauthorised Transaction.

- *Payroll Matter*

  This is in respect of suspected payroll irregularities of $520,000 arising from the past employment of two foreign nationals by its subsidiary, KHL Marketing Asia-Pacific Pte Ltd ("KHLM"). The Special Auditor was unable to independently verify whether the two former employees were meaningfully employed by KHLM. Based on the available evidence, it appeared that Mr Lim Wee Li had directed the said employment for the purpose of securing employment passes in exchange for monetary benefits, which may be a contravention of Sections 22 and 23 of the Employment of Foreign Manpower Act. Additionally, the Special Auditor also noted that the employment and determination of their compensation appeared to lack justification, and the hiring and termination process departed from the Group's policy and practice.

29. Significant events (cont'd)

(d) On 21 July 2023, the Special Auditor issued the first phase of the Special Audit, which covered the auditing findings of Payroll Matter and Unauthorised Transaction. (cont'd)

- *Unauthorised Transaction*

  This is in respect of transfer of the Company's fund of US$480,010 carried out by Mr Lincoln Teo Choon Han without the requisite approval of the Board of the Company. The Special Auditor uncovered a total of five agreements that Mr Lincoln Teo Choon Han had executed on behalf of the Company's wholly-owned subsidiary, KC Technologies Pte Ltd ("KC Technologies") without obtaining approval from the Board of the Company. Under the agreements, KC Technologies and Sino Allied (HK) Limited ("Sino Allied") were to jointly set up a structured finance scheme for one year, to support Amazon's e-commerce merchants with their collective procurements. KC Technologies was to fund 80% (US$480,000) of the total investment amount (US$600,000) and Sino Allied was to fund the remaining 20% (US$120,000). It was not in the Group's ordinary course of business to provide such financing. The Group had since terminated the financing business and recovered monies extended in relation to the Unauthorised Transaction and its corresponding interest pursuant to the agreements on 14 October 2021.

Arising from the above issues surrounding the Payroll Matter and Unauthorised Transaction, the Special Auditor highlighted potential listing rule breaches relating to internal control lapses involving the Company's hiring processes and new investment proposals, potential breaches of the Employment of Foreign Manpower Act and Ministry of Manpower guidelines, as well as potential contravention of directors' fiduciary duties under Section 157 of the Companies Act.

As at the date of these financial statements, notwithstanding the draft Special Audit report has been issued, the Special Audit mentioned under Note 29(b)(ii) in connection with the internal control weaknesses identified by the IA in its Interim Report, Follow-Up Report and AUP Report has yet to be finalised.

(e) On 26 June 2023, the Company entered into a loan agreement with Asian Accounts Receivable Exchange Pte Ltd for an interest-free loan of $4,000,000 with a maturity period of one year. On 27 March 2024, the Company renewed the loan with a new maturity date on 26 September 2025. On 11 November 2024, the Company further renewed the loan with a new maturity date on 30 June 2026.

On 27 March 2024, the Company entered into a loan agreement with a director of the Company for an interest-free loan of $4,000,000 with a maturity date on 26 September 2025. On 11 November 2024, the Company renewed the loan with a new maturity date on 30 June 2026.

(f) On 8 October 2024, the Company incorporated a wholly-owned subsidiary, Hainan Blue Code Biotechnology Co., Ltd. (formerly known as Beijing Blue Code Biotechnology Co., Ltd.) in the People's Republic of China, and the said subsidiary is currently dormant.

(g) On 11 November 2024, the Company entered into four separate redeemable loan agreements with (a) Mr Chee Tuck Hong, (b) Ms Elizabeth Widjaja, (c) Mr Tan Kee Tuan, and (d) Mr Chan Lung Tin for an interest-free loan of an aggregate principal sum of $1,000,000 with a maturity date on 30 June 2026.

STATISTICS OF SHAREHOLDINGS

As at 19 March 2025

Issued and fully paid capital	–	S$59,371,003.33[1]
Class of shares	–	Ordinary shares
Total number of shares in issue	–	424,665,283
Voting rights	–	1 vote per share
Number of treasury shares	–	Nil
Number of subsidiary holdings held	–	Nil
Percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares in issue (excluding shares and subsidiary holdings)	–	Nil

Note:

(1) The issued and paid-up share capital of the Company was extracted from the records of the Accounting and Corporate Regulatory Authority Singapore.

SHAREHOLDINGS HELD IN THE HANDS OF PUBLIC

Based on the information provided and to the best knowledge of the Directors, approximately 57.61% of the total number of issued ordinary shares of the Company were held in the hands of the public as of 19 March 2025, and therefore the Rule 723 of the Catalist Rules is complied with.

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 19 MARCH 2025

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	4	0.59	229	0.00
100 - 1,000	16	2.34	9,765	0.00
1,001 - 10,000	81	11.86	571,600	0.13
10,001 - 1,000,000	532	77.89	78,043,412	18.38
1,000,001 AND ABOVE	50	7.32	346,040,277	81.49
TOTAL	**683**	**100.00**	**424,665,283**	**100.00**

TWENTY LARGEST SHAREHOLDERS AS AT 19 MARCH 2025

No.	Name	No. of Shares	%
1	OOWAY GROUP LTD.	90,000,000	21.19
2	LIM WEE LI	66,148,657	15.58
3	CHEE TUCK HONG	23,859,060	5.62
4	CITIBANK NOMINEES SINGAPORE PTE LTD	14,595,260	3.44
5	DBS NOMINEES (PRIVATE) LIMITED	13,300,900	3.13
6	RAFFLES NOMINEES (PTE.) LIMITED	12,412,000	2.92
7	OCBC SECURITIES PRIVATE LIMITED	9,451,200	2.23
8	HSBC (SINGAPORE) NOMINEES PTE LTD	7,147,200	1.68
9	LIN SONGXIAN	6,740,700	1.59
10	CHIANG SIEW KAY	5,521,000	1.30
11	IFAST FINANCIAL PTE. LTD.	5,167,700	1.22
12	MAYBANK SECURITIES PTE. LTD.	4,976,600	1.17
13	ONG SOON LIONG @ONG SOON CHONG	4,900,000	1.15
14	PHILLIP SECURITIES PTE LTD	4,875,800	1.15
15	UOB KAY HIAN PRIVATE LIMITED	4,772,736	1.12
16	WONG HONG ENG	4,603,308	1.08
17	CHEE TAI CHIEW	4,508,200	1.06
18	POON POH MUI OR NG TZE KIONG	4,300,000	1.01
19	YANG XIANZHENG	3,859,060	0.91
20	PAMELA RACHEL KWAN KA FOONG	3,659,060	0.86
	TOTAL	**294,798,441**	**69.41**

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholders	Direct Interest Number of shares	Direct Interest %	Deemed Interest Number of shares	Deemed Interest %
OOWAY Group Ltd.[1]	90,000,000	21.2	–	–
OOWAY Holding Ltd.[1]	–	–	90,000,000	21.2
Hao Dongting[1]	–	–	90,000,000	21.2
Lim Wee Li	66,148,657	15.6	–	–
Chee Tuck Hong	23,859,060	5.6	–	–

Note:

(1) OOWAY Holding Ltd. is deemed to be interested in all the ordinary shares in the capital of the Company held by OOWAY Group Ltd. under Section 7 of the Companies Act 1967 of Singapore ("**Companies Act**") and Section 4 of the Securities and Futures Act 2001 of Singapore ("**SFA**"), as it holds 70.08% shareholding in OOWAY Group Ltd.. Mdm Hao Dongting is also deemed to be interested in all the shares held by OOWAY Group Ltd. under Section 7 of the Companies Act and Section 4 of the SFA as she holds 100% shareholding in OOWAY Holding Ltd..

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting ("**AGM**") of SDAI Limited (the "**Company**") will be held on Tuesday, 22 April 2025, at 10.00 a.m. (Singapore Time) at 6 Clementi Loop, #02-18 EAC Building, Singapore 129814, to transact the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial statements of the Company for the financial year ended 31 December 2024 ("**FY2024**") together with the directors' statement and the auditor's report thereon. **(Resolution 1)**

2. To re-elect Mr Lam Kwong Fai, a director of the Company ("**Director**") retiring pursuant to Regulation 107 of the Company's Constitution. (*see explanatory note 1*) **(Resolution 2)**

3. To re-elect Mr Cheung Wai Man Raymond, a Director retiring pursuant to Regulation 107 of the Company's Constitution. (*see explanatory note 2*) **(Resolution 3)**

4. To approve the payment of directors' fees of S$250,000 for the financial year ending 31 December 2025 ("**FY2025**"), payable quarterly in arrears. **(Resolution 4)**

5. To re-appoint Messrs Foo Kon Tan LLP as the external auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 5)**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution (with or without amendments) as an Ordinary Resolution:

6. That pursuant to Section 161 of the Companies Act 1967 of Singapore ("**Companies Act**") and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Catalist Rules**"), the Directors be authorised and empowered to: **(Resolution 6)**

   (a) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may at their absolute discretion deem fit; and

   (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force, provided that:

(1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution does not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a pro rata basis to existing shareholders of the Company does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(a) new Shares arising from the conversion or exercise of convertible securities;

(b) new Shares arising from exercising of share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares.

Adjustments in accordance with sub-paragraphs (2)(a) and (2)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), the Companies Act and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company at a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

(*see explanatory note 3*)

7. To transact any other business that may be properly transacted at an AGM of the Company.

BY ORDER OF THE BOARD

Ms Tan Swee Gek
Company Secretary
7 April 2025

Explanatory Notes:

1. Mr Lam Kwong Fai will, upon re-election as a Director, remain as the Lead Independent Director of the Company, Chairman of the Audit Committee ("**AC**"), as well as a member of the Remuneration Committee ("**RC**"), Nominating Committee ("**NC**") and Board Risk Committee ("**BRC**") of the Company. He is considered independent by the Board for the purposes of Rule 704(7) of the Catalist Rules. Please refer to the "Information on Directors seeking Re-Election" section of the annual report for FY2024 of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

2. Mr Cheung Wai Man Raymond will, upon re-election as a Director, remain as an Independent Director of the Company, Chairman of the RC and BRC, as well as a member of each of the AC and NC of the Company. He is considered independent by the Board for the purposes of Rule 704(7) of the Catalist Rules. Please refer to the "Information on Directors seeking Re-Election" section of the annual report for FY2024 of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

3. The Ordinary Resolution 6 proposed in item 6 above, if passed, will empower the Directors, from the date of the AGM until the conclusion of the next AGM of the Company, the date by which the next AGM of the Company is required by law and the Catalist Rules to be held or the date on which such authority is varied or revoked by the Company at a general meeting, whichever is earliest, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 50% may be issued other than on a pro-rata basis to existing shareholders of the Company.

Notes:

1) The members of the Company are invited to attend physically at the annual general meeting of the Company (the "**Meeting**" or "**AGM**"). There will be no option for members to participate virtually. This Notice of AGM and together with the accompanying instrument appointing a proxy or proxies ("**Proxy Form**") and the request form for a printed copy of the annual report for FY2024 will be despatched to members by post. A printed copy of the annual report for FY2024 will only be despatched to the members upon submission of the request form by the members. Members may access the Notice of AGM, the Proxy Form, the request form and the annual report for FY2024 from the SGXNet at the URL https://www.sgx.com/securities/company-announcements or the Company's corporate website at the URL https://www.sdai.com.sg.

2) Shareholders (incluing Supplementary Retirement Scheme investors ("**SRS Investors**")) may participate in the AGM by (a) attending the AGM in person; (b) submitting questions to the Chairman of the Meeting in advance of, or at, the AGM; and/or (c) voting at the AGM (i) themselves personally or (ii) through their duly appointed proxy(ies). For the avoidance of doubt, SRS Investors will not be able to appoint third-party proxy(ies) (i.e. persons other than the Chairman of the Meeting) to attend, speak and/or vote at the AGM on their behalf.

3) SRS Investors (a) may vote at the AGM if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators if they have any queries regarding their appointment as proxies; or (b) may request their respective SRS Operators to appoint the Chairman of the Meeting as their proxy in respect of their Shares held by such SRS Operators to vote on their behalf at the AGM, in either case they should approach their respective SRS Operators at least seven (7) working days prior to the date of the AGM, i.e. by 5.00 p.m. (Singapore Time) on 10 April 2025.

4) Shareholders (including SRS Investors) can submit questions in advance of, or at the AGM. Shareholders (including SRS Investors) can submit substantial and relevant questions related to the ordinary resolutions to be tabled for approval at the AGM to the Chairman of the Meeting, in advance of the AGM, in the following manner:

   (a) by post to the Share Registrar of the Company, **In.Corp Corporate Services Pte. Ltd., at 36 Robinson Road, City House #20-01, Singapore 068877**; or

   (b) if submit electronically, be submitted via email to **shareregistry@incorp.asia**.

   Shareholders who submit questions via email or by post must provide the Company with the following details:

   - the Shareholder's full name;
   - the Shareholder's address;
   - the Shareholder's contact number and/or email address; and
   - the manner in which the Shareholder holds shares in the Company (e.g., via CDP, SRS and/or scrip).

   The Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

5) All questions submitted in advance of the AGM via any of the channels as mentioned under note 4 above must be received by the Company by 5.00 p.m. (Singapore Time) on 14 April 2025 ("**Cut-Off Time**"). Shareholders (including SRS Investors) and (where applicable) duly appointed proxy(ies) can also ask the Chairman of the Meeting substantial and relevant questions related to the ordinary resolutions to be tabled for approval at the AGM itself.

6) The Company will endeavour to address all substantial and relevant questions related to the ordinary resolutions to be tabled for approval at the AGM received from Shareholders by the Cut-Off Time, by publishing its responses to such questions on the SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's corporate website at the URL https://www.sdai.com.sg by 10.00 a.m. (Singapore Time) on 17 April 2025, i.e. forty-eight (48) hours prior to the deadline for the submission of instruments appointing a proxy(ies). The Company will also address any subsequent clarifications sought or follow-up questions (which are related to the ordinary resolutions to be tabled for approval at the AGM) received after the Cut-Off Time which have not already been addressed prior to the AGM, as well as those substantial and relevant questions received at the AGM, at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions, and consequently, not all questions may be individually addressed.

7) The Company will publish the minutes of the AGM on the SGXNet within one (1) month from the date of the AGM, and the minutes will include the responses to substantial and relevant questions from Shareholders which are addressed during the AGM.

8) Except for a member who is a relevant intermediary as defined under Section 181(6) of the Companies Act, a member is normally entitled to appoint not more than two (2) proxies to participate and vote at the AGM. Where such member appoints more than one (1) proxy, the proportion of his concerned shareholder to be represented by each proxy shall be specified in the Proxy Form. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of Shares held by the member and any second named proxy as an alternate to the first named.

9) Pursuant to Section 181(1C) of the Companies Act, any member who is a relevant intermediary is entitled to appoint more than two (2) proxies to participate in the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

10) Persons who hold the Shares through relevant intermediaries, other than SRS Investors, and who wish to participate in the AGM by: (a) attending the AGM in person; (b) submitting questions to the Chaiman of the Meeting in advance of, or at, the AGM; and/or (c) voting at the AGM (i) themselves personally or (ii) by appointing the Chairman of the Meeting as proxy in respect of their Shares held by such relevant intermediaries on their behalf, should contact the relevant intermediary through which they hold such Shares as soon as possible and in any event, at least seven (7) working days prior to the date of the AGM, i.e. by 10 April 2025 in order for the necessary arrangements to be made for their participation in the AGM.

11) A proxy need not be a member of the Company.

12) A member can appoint the Chairman of the Meeting as his/her/its proxy, but this is not mandatory. If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid.

13) All voting will be carried out by way of a poll.

14) The duly executed Proxy Form must be submitted to the Company in the following manner:

    (a) by post to the Share Registrar of the Company, **In.Corp Corporate Services Pte. Ltd., at 36 Robinson Road, City House #20-01, Singapore 068877**; or

    (b) if submit electronically, be submitted via email to **shareregistry@incorp.asia**,

    in any case no later than seventy-two (72) hours before the time and date fixed for the AGM, being 10.00 a.m. (Singapore Time) on 19 April 2025, and failing which, the Proxy Form will not be treated as valid.

15) The instrument appointing a proxy(ies) must be signed by the appointer or his attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised. A copy of the power of attorney or such other authority must be submitted together with the instrument appointing a proxy(ies).

16) The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies).

17) Completion and submission of the instrument appointing a proxy(ies) by a Shareholder will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the Shareholder attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.

18) A Depositor's name must appear in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore) maintained by The Central Depository (Pte) Limited not later than seventy-two (72) hours before the time set for the AGM for the Depositor to be entitled to attend, speak and vote at the AGM.

Personal Data Privacy Terms:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration 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 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, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared for the AGM. Accordingly, the member's personal data and/or representative's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the abovementioned purposes and retained for such period as may be necessary for the Company's verification and record purposes.

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*This notice has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This notice has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this 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 Yang Zhenni, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

SDAI LIMITED
(Company Registration Number: 201107179D)
(Incorporated in the Republic of Singapore)

IMPORTANT:
1. For investors who have used their Supplementary Retirement Scheme monies to buy shares in the Company (the "**SRS Investors**"), this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
2. SRS investors:
   (a) may vote at the AGM if they are appointed as proxy by their respective SRS Operators, and should contact their respective SRS Operators if they have any queries regarding their appointment as proxy; or
   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM in which case they should approach their respective SRS Operators to submit their votes at least seven (7) working days before the AGM, i.e., by 5.00 p.m. (Singapore Time) on 10 April 2025, to allow sufficient time for their respective relevant intermediaries to, in turn, submit a Proxy Form to appoint the Chairman of the Meeting to vote on their behalf.

PROXY FORM

I/We* ____________________ (*Name*) ________________ (*NRIC/Passport No./Company Registration No.*)

of ____ (*Address*)

being a member/members* of SDAI LIMITED (the "**Company**") hereby appoint:

Name	**NRIC/Passport Number**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

and/or*

Name	**NRIC/Passport Number**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Address			

or failing the person, or either or both of the persons referred to above, the Chairman of the annual general meeting ("**AGM**" or the "**Meeting**") of the Company as my/our* proxy(ies) to attend, speak and vote for me/us* on my/our* behalf at the AGM of the Company to be held on Tuesday, 22 April 2025 at 10.00 a.m. (Singapore Time) in a wholly physical format at 6 Clementi Loop, #02-18 EAC Building, Singapore 129814 or at any adjournment thereof.

I/We*direct my/our* proxy(ies) to vote for, against or abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder. **If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the *proxy/proxies (except where the Chairman of the Meeting is appointed) will vote or abstain from voting at *his/her/their discretion. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the Meeting for that resolution will be treated as invalid.**

Please indicate with a "√" in the space provided below to exercise your vote "For" or "Against", or "Abstain" from voting on, the Resolutions as set out in the Notice of AGM dated 7 April 2025. Alternatively, please indicate the number of shares as appropriate.

The Resolutions put to the AGM will be decided by way of a poll.

No.	**Resolution**	**Number of votes**		
	Ordinary Business	**For****	**Against****	**Abstain****
1.	To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2024 together with the Independent Auditor's Report thereon.			
2.	To re-elect Mr Lam Kwong Fai as a Director of the Company.			
3.	To re-elect Mr Cheung Wai Man Raymond as a Director of the Company.			
4.	To approve the payment of Directors' fees of S$250,000 for the financial year ending 31 December 2025, to be paid quarterly in arrears.			
5.	To re-appoint Messrs Foo Kon Tan LLP as the external auditors of the Company and to authorise the Directors to fix their remuneration.			
	Special Business			
6.	To authorise the Directors to allot and issue shares and convertible securities.			

Please note that the short description given above of the Resolutions to be passed does not in any way whatsoever reflect the intent and purpose of the Resolutions. The short description has been inserted for convenience only. Shareholders are to refer to the Notice of AGM dated 7 April 2025 for the full purpose and intent of the Resolutions to be passed.

Dated this ________ day of ____________ 2025.

Total no. of shares in	**No. of shares**
(a) in CDP Register	
(b) in Register of Members	

____
Signature(s) / Common Seal of Member(s)

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF

NOTES FOR PROXY FORM

1. For this AGM, members of the Company (including relevant intermediaries) may vote by way of this Proxy Form appointing the Chairman of the Meeting to vote in accordance with the Proxy Form or by their duly appointed proxy(ies) as set out in the Notice of AGM.

2. Please insert the total number of shares held by you: (a) if you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), you should insert that number; (b) if you have shares registered in your name in the Register of Members of the Company, you should insert that number; and (c) if you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members of the Company, you should insert the aggregate of the numbers. If no number is inserted, this Proxy Form shall be deemed to relate to all the shares held by you.

3. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies. Where such member's instrument appointing a proxy(ies) appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares held by the member and any second named proxy as an alternate to the first named.

4. A member who is a relevant intermediary is entitled to appoint more than two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

5. "Relevant intermediary" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967 of Singapore.

6. A proxy need not be a member of the Company.

7. The instrument appointing a proxy(ies) must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer. A copy of the power of attorney or such other authority must be submitted together with the instrument appointing a proxy(ies), failing which this Proxy Form may be treated as invalid.

8. The Proxy Form, duly executed, must be submitted to the Company in the following manner:

   (a) by post to the Share Registrar of the Company, **In.Corp Corporate Services Pte. Ltd., at 36 Robinson Road, City House #20-01, Singapore 068877**; or

   (b) if submitted electronically, be submitted via email to shareregistry@incorp.asia,

   in any case no later than seventy-two (72) hours before the time and date of the AGM, being 10.00 a.m. (Singapore Time) on 19 April 2025, and failing which, the Proxy Form will not be treated as valid.

9. By submitting this Proxy Form, a member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 7 April 2025.

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

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 7 April 2025.

SDAI Limited
UEN: 201107179D
Level 39 Marina Bay Financial Centre Tower 2
10 Marina Boulevard
Singapore 018983