SITRA HOLDINGS
(INTERNATIONAL) LIMITED

ANNUAL REPORT 2020

This annual report has been prepared by the Company and its contents has been reviewed by the Company's sponsor RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the rules of Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this annual report.

The annual report has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statement or opinions made or reports contained in this annual report.

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CONTENTS

CORPORATE PROFILE

Sitra Holdings (International) Limited ("Sitra" or the "Company") and its Subsidiaries (the "Group") is an international distributor of high-quality wood-based products and premium lifestyle outdoor furniture. The Group markets its products under its proprietary Comcia, decKING and Pacific brand ranges. The Group's products can be categorised into two main Groups, namely (I) high-value wood-based products such as decks and deckings systems, flooring, a full range of fences, and other DIY products; and (II) premium lifestyle furniture such as outdoor garden furniture, garden accessories and contract furnishings.

Sitra was awarded the Forest Stewardship Council ("FSC") Chain of Custody aimed towards responsible forestry management since 2007. The timber used to manufacture its products can be traced throughout the supply chain from the source of timber to the sale of Sitra's products. The Group serves a network of over 290 corporate customers in 58 countries spanning North America, Europe, Australia/New Zealand and the Asia.

With its lifestyle furniture, Sitra developed its own products and brands and have gained a following amongst customers in Europe.

OUR BRANDS

Comcia

Under the Comcia brand, we provide a wide variety of highvalue wood-based products such as decking, flooring, fencing, door and window components and other moulded products. Each category of our wood-based products offer different designs, specifications and dimensions to suit the varying requirements of our customers.

decKING

As our decking products gain in momentum, the "decKING" brand name was developed in 2004, to reflect our vision – that is to be a leader in this growing segment.

Pacific

The "Pacific" range of brands was developed in 2003 as we embarked on a new segment of business outdoor lifestyle furniture. The word, Pacific, signifies peace and the feeling of being at one with nature.

The Group's products can be categorised into two main Groups, namely (i) high-value wood-based products such as decks and deckings systems, flooring, a full range of fences, and other DIY products; and (ii) premium lifestyle furniture such as outdoor garden furniture, garden accessories and contract furnishings. Our decking products continue to drive the core of the business, and we continue our efforts to develop the business of outdoor lifestyle furniture.

On 4 October 2019, the Group acquired a 54% equity interest in Mapur Rocky Resort Limited with the intention to diversify the business into resort and holiday homes development. The Group's core businesses now include distribution of wood-based products and property development in Bintan, Indonesia.

SUSTAINABLE DESIGN

We aim to promote a message of sustainability for the future and this will also ensure longevity and sustainability in the supply of hardwood. In addition, the Group has put in place a Responsible Wood Purchasing Programme to ensure that timber is sourced only from forests engaged in responsible forest management.

FOREST STEWARDSHIP COUNCIL ("FSC")

FSC is an international organization that brings people together to find solutions which promote responsible stewardship of the world's forests. FSC is also set out to promote environmentally appropriate, socially beneficial and economically viable management of the world's forests.

Through consultative processes, FSC sets international standards for responsible forest management. It accredits independent third party organisations which can certify forest managers and forest product producers to FSC standards.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of directors ("BOD") of Sitra International Holdings Limited, together with its subsidiaries, (the "Group"), I am pleased to present the annual report of the Company for the financial year ended 31 December 2020.

2020 has been a challenging year for many of us. As the company sought to make its maiden foray into the resort and holiday home business, we were unfortunately interrupted by a global pandemic that brought many businesses to a standstill. We were not spared either, as lockdowns and travel bans prevented us from making progress on the property development front.

The timber business was less affected, despite a decline in sales at the start of the pandemic, the trend of work from home and stay at home measures led to an increase in demand for our products. We have also extended local sales efforts through e-commerce platforms, in order to gain a wider market reach. However uneven recovery in the global economy, amidst the pandemic, has led to a shortage of containers and vessel space which have resulted in increasingly higher shipping costs and shipment delays across the industry. Despite these challenges, we managed to increase revenue by 5.1% from S$16.4 million last year to S$17.3 million, and increase gross profit by about 50% from S$0.9 million last year to S$1.4 million.

We expect continued challenges from the ongoing Covid-19 pandemic, and we have adopted measures prescribed by the government to ensure safety of our employees, customers and suppliers. We expect global economic disruptions to persist. However, I am confident that we can weather the storm and emerge resilient with your continued support. We look forward to a better 2021.

I would like to take this opportunity to thank all our stakeholders especially our Board of directors for their invaluable contribution and guidance, our Management and staff for their dedication, our customers, suppliers and business partners for their continued support. Finally, to our shareholders, I wish to express our gratitude for your continuous support and interest in Sitra.

Yours faithfully,

Mr Chew Hua Seng
Non-Executive Chairman

REVENUE

Revenue increased by S$0.832 million from S$16.4 million to S$17.3 million in FY20, due to the increase in revenue from the wood-based products.

In terms of business by geographical regions, the revenue of Australia/New Zealand market increased by S$0.7 million to S$5.0 million in FY20 and the key Europe market increased by S$0.3 million to S$12.0 million in FY20. Revenue of Asia/others decreased slightly from S$0.4 million to S$0.2 million in FY20.

COST OF SALES AND GROSS PROFIT MARGIN

The cost of sales increased by S$0.38 million to S$15.89 million in FY20, in tandem with the increase in revenue. The gross profit margin increased from 5.7% in FY19 to 8.0% in FY20. Despite a business slowdown in the first half of the year, the trend of work from home and stay at home measures led to an increase in demand for our products.

OTHER INCOME

Other income increased by S$0.33 million to S$0.35 million in FY20, due mainly to a one-off reversal of provision for staff income tax provision in the Indonesian subsidiary, and also an increase in Government Grants in FY20.

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses remained similar to FY19 at approximately S$0.4 million in FY20.

ADMINISTRATIVE EXPENSES

Administrative expenses decreased by S$0.4 million from S$2.4 million in FY19 to S$2.0 million in FY20, due mainly to reduced salaries by management and also lower professional fees following the completion of the acquisition of the Mapur Rocky Resort Limited in 2019.

OTHER GAINS/(LOSSES) - NET

Other gains and losses changed from a gain in FY19 of S$0.9 million to a loss of S$5.8 million in FY20 due mainly to recognition of impairment on the value of the Group's 10% shares in World Furnishing Hub Pte Ltd ("WFH"). The group had engaged an independent valuation by Colliers International Consultancy Pte Ltd for the financial year ended 31 December 2020 and recognised an impairment of $4 million as at the last announcement date. The group subsequently entered into a Sale and Purchase agreement to for the disposal of the asset at S$3.7 million. Compared to the book of $9 million as at 31 December 2019, resulting in a total impairment loss of S$5.3 million in connection with the Group's disposal of 10% shares in WFH.

FINANCE EXPENSES

Finance expenses decreased by S$0.02 million to S$0.063 million in FY20, due to refinancing of the Group's trade finance facilities with bank loans resulting in lower interest costs.

The Company recorded an increased loss of S$6.6 million for FY20 as compared to a loss of S$0.9 million in FY19 due mainly to the loss on impairment of S$5.3 million in relation to the disposal of WFH as discussed in paragraph 6 above.

BALANCE SHEET

CURRENT ASSETS

As a result of the impairment loss of $5.3 million, Financial Assets at fair value through profit or loss were written down from S$9 million as at 31 December 2019 to $3.7 million as at 31 December 2020.

Trade and other receivables increased by S$0.55 million to S$1.7 million in FY20 due mainly to the increase in trade receivables, arising from higher trade activities in the month of December 2020 as compared to December 2019. Other receivables increased approximately $0.2 million due to GST Receivables from input tax recoverable in Indonesia, arising from local purchases, and available for offset against future GST payable or sales.

Inventories remained almost similar at S$2.02 million in FY20. The increase in finished goods inventory was mainly due to our French subsidiary which supplies to end consumers as well as retailers, and hence requires a higher level of inventories on hand.

NON-CURRENT ASSETS

Property, plant and equipment remained largely similar at S$10.98 million in FY20 as compared to S$11.02 million in FY19, as the group did not make any significant acquisition or disposal during the year except for the addition of some computers. The difference was due mainly to depreciation charge of S$0.16 million incurred for the year and approximately S$0.08 million due to currency translation differences. This was offset by a slight revaluation gain on property as Management had commissioned an independent professional valuation and based on the report, there was a marginal increase of $0.17 million.

CURRENT LIABILITIES

Trade and other payables increased by $1.2m. This was due mainly to interest free loans from a Director and Shareholder to the Company which were used to settle outstanding payables and operating funding. Trade payables increase by $0.1 million in line with the increase in trading activity at the year end.

Lease liabilities reduced by S$0.068 million due to the settlement of office lease as a result of the adoption of SFRS(I) 16 Leases on 1 January 2019 and the non-current portion of lease becoming current and due in FY2021

NON-CURRENT LIABILITIES

Borrowing increased slightly from S$1.4 million in FY19 to $1.5 million in FY20 due mainly to refinancing with a term loan offset by paying down of bank trust receipts. The bulk of which falls due after 1 year.

SHARE CAPITAL AND RESERVES

Share capital remained unchanged in FY20 compared to FY19.

Other reserves decreased by S$0.12 million from S$0.3 million in FY19 to S$0.18 million in FY20.

The decrease was mainly due to:

(a) Elimination of intercompany amounts owing due to closure of Suncoast Sitra, resulting in a S$0.48 million increase in general reserves.

(b) This was offset by some reclassification of reserve arising from the currency translation of the net asset value of the foreign subsidiaries.

CASH FLOWS

Net cash used in operating activities before working capital changes was S$0.6 million. Net cash used due to changes in working capital was S$1.3 million, mainly arising from

(a) a decrease in trade payables of S$0.1 million

(b) an increase in other payables of S$0.8million

(c) an increase in trade and other receivables of S$0.6 million;

Net cash provided by finance activities was S$2.0 million mainly due to

(a) Shareholder Loan proceeds of S$1.9 million

(b) Increase in Bank borrowings of S$1.5 million

(c) Settlement of trade facilities of $1.4 million and

(d) Payment of lease liabilities.

MR CHEW HUA SENG

Non-Executive Director And Non-Executive Chairman

Date of Appointment as Director : *21 October 2019*
Date of last re-election : *5 June 2020*
Nature of Appointment : *Non-Executive Director*
Board Committees served on : *Member of Nominating Committee*

Mr Chew Hua Seng is the Founder, Chairman and CEO of Raffles Education Corporation Limited (”RafflesEducation”). Under his astute leadership, RafflesEducation has grown to become the premier private education provider.

Mr Chew has led RafflesEducation to achieve an excellent track record of growth since founding the Group in 1990. RafflesEducation listed on the Singapore Exchange in 2002 and was ranked amongst the Top 200 Asia-Pacific companies on Forbes Asia’s “Best Under a Billion” list for four consecutive years, from 2006 to 2009. Mr Chew holds a Bachelor’s Degree in Business Administration from the University of Singapore (now known as the National University of Singapore) and was awarded the National University of Singapore Business School Eminent Business Alumni Award in November 2010 for his outstanding achievements. Mr Chew was also conferred the Public Service Medal in 2010 by the President of Singapore for his contribution to community service.

In 2007, Mr Chew established the Chew Hua Seng Foundation (the “Foundation”) to further charitable causes, predominantly in education. Commissioned with the motto “Compassion through the Generations”, the Foundation’s mission is aligned with RafflesEducation’s overarching principle to provide the invaluable gift of education to needy youths, with a special focus to support poor students in the Asia-Pacific region

MR GUO SHAOZENG

Non-Executive Director And Non-Executive Vice Chairman

Date of Appointment as Director : *21 October 2019*
Date of last re-election : *5 June 2020*
Nature of Appointment : *Non-Executive Director*
Board Committees served on : *Member of Remuneration Committee*

Mr. Guo Shaozeng has more than 20 years of experience in enterprise management and financial investments. Prior to joining the group, he was one of the co-founders of China Fortune Land Development Co., Ltd. Mr. Guo oversaw the company’s investment, financial management and strategic development.

Mr. Guo in 2012 also established Poplar Capital Group as the founding partner. Poplar Capital Group engages in both domestic and international capital market activities, as well as global enterprise integration. Its investment focuses on small to medium sized enterprises in ecological environment, clean technology, healthcare, smart cities and high-tech sectors.

Mr. Guo is the Chairman of Partner Committee of Poplar Capital Group, Vice Chairman of the Bank of Langfang and President of the Tsinghua University School of Economics and Management North America Alumni Association. Mr. Guo holds a Ph.D in Finance from the PBC School of Finance (PBCSF), Tsinghua University. He holds a Master Degree from Tsinghua University and an EMBA Degree from Tsinghua PBCSF.

MR MICHAEL CHIN SEK PENG

Lead Independent Director

Date of Appointment as Director : *20 September 2006*
Date of last re-election : *30 April 2019*
Nature of Appointment : *Independent Non-Executive*
Board Committees served on : *Chairman of Audit Committee and Member of Nominating Committee*

Mr Michael Chin was appointed Lead Independent Director on 20 September 2006. He is the Executive Chairman responsible for managing and growing the professional services of PKF Singapore entities including PKF-CAP LLP, a firm of chartered accountants in Singapore. He is also the co-founding Director of PKF-CAP Advisory Partners Pte Ltd, a company engaged in the provision of consultancy and business advisory services. Mr Chin started his accountancy and audit training in Casson Beckman, a medium sized firm of chartered accountants in London. After qualifying as a chartered accountant, he joined legacy Price Waterhouse and worked in UK, Europe and Singapore from 1983 to 1994. In 1994, he joined the Institute of Singapore Chartered Accountants (“ISCA”) as the first Practice Review Director, heading, running and regulating the compliance of work standards of all audit practices in Singapore. In 1999, Mr Chin joined legacy Arthur Andersen as a partner in its Assurance and Business Advisory division and in 2002 he left the firm to set up his own audit and consultancy practices with another partner. He holds a Bachelor of Arts (Honours) degree in Accounting and Finance from Lancaster University in the United Kingdom and is a Fellow (practising) Chartered Accountant (Singapore) as well as a Fellow Member of the Institute of Chartered Accountants in England and Wales. Mr Chin also serves as Independent Director mainly in the capacity as Audit Committee Chairman to several public companies listed on the Singapore Exchange and is a member of the Institute of Internal Auditors, Singapore and a member of the Singapore Institute of Directors. He is also a member of PKF International Asia Pacific Board and the Chairman of the ASEAN sub-region. He was formerly a Council member of ISCA and the Chairman of ISCA’s Public Accounting Practice Committee until April 2018. He continues to teach practice management on ISCA’s Public Practice Programme.

BOARD OF DIRECTORS

MR TAN ENG KIAT, DOMINIC

Independent Non-Executive Director

Date of Appointment as Director : *22 February 2011*
Date of last re-election : *5 June 2020*
Nature of Appointment : *Independent Non-Executive*
Board Committees served on : *Chairman of NominatingCommittee and a Member of Remuneration and Audit Committees*

Mr. Tan has over 40 years of experience in business development, corporate management, and management of large civil engineering, building, industrial and environmental engineering projects throughout the Asia Pacific Region. He started his career as a Trainee Quantity Surveyor with Gammon (Malaysia) Ltd in 1966 and progressed to the rank of Executive Director. He joined United Engineers Group in 1993 and was promoted to Managing Director in 2000, where he spearheaded the company's regionalisation drive and business activities in West Malaysia, Brunei, Indonesia, Vietnam and the Middle East. This was achieved through his strong linkages, associations and joint ventures with leading international companies. Mr. Tan retired from the United Engineers Group in 2007. Mr. Tan chairs the Nominating Committee and is a member of the Remuneration and Audit Committees. He also sits on the Board of Yongnam Holdings Limited.

MR DANIELS NG BOON HUAN

Independent Non-Executive Director

Date of Appointment as Director : *20 September 2006*
Date of last re-election : *29 April 2019*
Nature of Appointment : *Independent Non-Executive*
Board Committees served on : *Chairman of Remuneration Committee and a member of Nominating and Audit Committees*

Mr Daniels Ng was re-designated as an Independent Non-Executive Director on 28 February 2014. Mr Daniels Ng is the Managing Director of Advisor Associates (S) Pte Ltd, a business advisory firm which he founded in 2001. He has been involved in business advisory and consulting work for more than ten years. Mr Ng started his consultancy career in 1991 as a consultant with Alexander Proudfoot Productivity Management Services Company Singapore Plc Ltd (now known as Management Consulting Group PLC, listed on the London Stock Exchange). In 1995, Mr Daniels Ng joined EPC, a management consultancy firm funded by EDB with a mission to assist Singapore SME to grow and prepare for IPO. He headed the consultancy division. In 2007, Mr. Ng was appointed by the Canberra government as a business advisor at Victorian Industry Chambers of Commerce & Industry (Melbourne, Australia). Mr Ng obtained a Bachelor of Business degree from Edith Cowan University, Australia in 1992 under a scholarship offered by the university and a Master of Business Administration from Birmingham University, UK in 2002. He is also a Certified Management Consultant with the Institute of Management Consultants, Singapore.

MR STEVEN CHEW CHIEW SIANG

Executive Director And Deputy CEO

Date of Appointment as Director : *20 September 2006*
Date of last re-election : *27 April 2017*
Nature of Appointment : *Executive Director and Deputy CEO*

Mr Steven Chew was appointed Deputy CEO on 1 August 2009. He has been with the Group for more than 25 years and has significant experience in the international marketing and operations.

Steven is in charge of formulating the Group's marketing strategies for new and existing export markets, new designs and products launch and the sourcing, distribution and marketing of our Group's products.

Mr. Chew is currently the Vice-President of the Singapore Furniture Industries Council ("SFIC"), a position he holds since 2012 and a Non-Executive Chairman of SFIC Institute Pte Ltd, a wholly owned subsidiary of the SFIC. He also served as Secretary General of the Asean Furniture Industries Council ("AFIC") from 2008 to 2010.

MR MICHAEL YONG WEN WEI

Chief Executive Officer

Mr Michael Yong was appointed Chief Executive Officer on 21 October 2019.

Mr Yong was previously served as Chief Operating Officer at Resort Corporation of Asia, a company in Singapore with interest in real estate development. The company also provides advisory, management and other property related services where he led the development and execution of corporate strategies and transformation plans including mergers and acquisitions. He was also responsible for the incubation of new businesses and led the establishment of various business platforms in new property development sectors.

Mr Yong's career also spans across various positions at multinational companies including VinaCapital, Guocoland Vietnam and Bintan Resort International. He worked with top management teams to evaluate investment opportunities, focused on the development of business strategies and implementation of new property development plans for conglomerates across Asia.

Mr. Yong holds a Bachelor of Science in Hospitality & Tourism Management from the Royal Melbourne Institute of Technology University.

MR GEORGE CHEW AH BA

Director Of Timber Division

Mr George Chew is the co-founder of our Group. Mr Chew has been with our Company since its incorporation in 1979. He is responsible for the overall management, strategic planning and business development of our Group's timber division in Singapore and globally. He has more than 40 years of experience in the timber industry and was instrumental to the establishment, development and expansion of our Group's business. Prior to joining our Group, Mr Chew was a director of Joseph Timbermart Pte Ltd from 1975 to 1979 where he was responsible for its sales and marketing. Mr Chew has completed two terms (total 4 years) as President of the Catholic Business Network in March 2012.

MADAM LIM SOOK HWA

Senior Vice President Operations

Madam Lim Sook Hwa was appointed VP-Operations in November 2006. She has been with the group for more than 22 years. Madam Lim is in charge of formulating the group's pricing plans/ strategies and suppliers and customers relationship management and oversees various key operational functions including logistics planning and purchasing of our Group's timber division. Madam Lim obtained a Diploma in Chemical Process Technology in 1991.

MR KEITH WONG

Financial Controller

Mr Keith Wong brings more than 20 years of finance and operations experience to the group. He was Director of Finance and Operations for a listed company from 2007 to 2016. He subsequently worked as COO with an audio technology business between 2017 to 2020, before joining the group on 1 June 2020 as financial controller. He is responsible for the financial, accounting, internal audit and corporate administration activities of the Group.

Mr Keith Wong obtained a Bachelor of Arts (Honours) in Accounting and Finance from University of Leeds, UK and has an MBA(Finance) from Leeds University Business School, UK.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chew Hua Seng (Non-Executive Chairman)
Guo Shaozeng (Non-Executive Vice Chairman)
Chew Chiew Siang, Steven (Executive Director)
Ng Boon Huan, Daniels (Independent Non-Executive Director)
Chin Sek Peng, Michael (Lead Independent Non-Executive Director)
Tan Eng Kiat, Dominic (Independent Non-Executive Director)

COMPANY SECRETARIES

Joanna Lim Lan Sim, ACIS
Chan Lai Yin, ACIS

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6 Raffles Quay, #24-02
Singapore 048580

SHARE REGISTRAR

Tricor Barbinder Share Registration Services
(a business division of Tricor Singapore Pte Ltd.)
80 Robinson Road #11-02
Singapore 068898

INDEPENDENT AUDITOR

Nexia TS Public Accounting Corporation
Public Accountants and
Chartered Accountants
80 Robinson Road, #25-00
Singapore 068898
Director-in-charge: Loh Hui Nee
Year of appointment: 2020

Sitra Holdings (International) Limited (the "Company") is committed to maintaining a high standard of corporate governance within the Company and its subsidiaries (the "Group"). As a Catalist sponsored issuer, the Company is required to comply with Section B of the SGX-ST Listing Manual ("Rules of Catalist"). This report describes the Company's corporate governance processes and activities that were in place throughout the financial year, with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (the "**2018 Code**") issued on 6 August 2018.

For the financial year ended 31 December 2020 ("**FY2020**"), the Company has complied with the core principles of corporate governance laid down by the 2018 Code. The Company has also largely complied with the provisions that reinforce the principles of the 2018 Code and in areas where there are variations from the provisions of the 2018 Code (namely, variations from Provisions 2.2, 2.4, 8.1, 11.4 and 12.2), appropriate explanation and the reasons for variations has been provided within this report. The Board considers that the alternative corporate governance practices adopted are consistent with the intent of the relevant principle of the 2018 Code.

BOARD MATTERS

The Board's Conduct of its Affairs

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

<u>**Provisions**</u> <u>**Corporate Governance Practices of the Company**</u>

1.1 **Directors are fiduciaries who act objectively in the best interests of the Company**

The Board plays an effective role in leading and controlling the long-term corporate goals and strategies of the Group. It has overall responsibility for corporate governance, strategic policies and direction, key business initiatives, major funding and investment proposals, key capital expenditure decisions and other matters to be implemented by management to ensure that the Group's strategies and affairs are in the interests of the Company and its shareholders. In addition to its statutory responsibilities, the Board approves the Group's financial plans and reviews its financial performance periodically.

All Directors exercise due diligence and independent judgement and are obliged to act in good faith and consider at all times the best interests of the Company. Where there are conflicts of interest, directors recuse themselves from discussions and decisions involving the issues of conflict.

1.2 **Directors' induction, training and development**

New Directors, upon appointment, will be briefed on the business and organisation structure of the Group. The Directors may participate in seminars and/or discussion groups to keep abreast of latest developments which are relevant to the Group.

To keep abreast with developments in corporate, financial, legal and other compliance requirements, Directors are encouraged to attend relevant courses and seminars funded by the Company. Additionally, new updates relating to changes to the listing Rules issued by the Singapore Exchange Securities Trading Limited which are relevant to the Directors are circulated to the Board. The external auditors also update the AC and the Board on the new and revised accounting standards that are applicable to the Group.

A formal letter is sent to newly-appointed directors upon their appointments explaining their duties and obligations as directors. New Directors, upon appointment, will also be briefed on their duties and obligation as Directors. The Directors are aware of the requirements in respect of disclosure of interests in securities, disclosure of conflicts of interest in transactions involving the Company, prohibition on dealings in the Company's securities and restrictions on the disclosure of price-sensitive information. The Directors are also informed of regulatory changes initiated by or affecting the Company.

The Company has a budget for all Directors to attend appropriate courses, conferences and seminars for them to stay abreast of relevant business development and outlook. These include programmes run by the Singapore Institute of Directors ("**SID**") or other training institutions.

Provisions	Corporate Governance Practices of the Company
	Mr. Guo Shaozeng had been appointed to the Board on 21 October 2019. He is based and residing in China and has attended and completed the online course for the Listed Entity Director Programme in FY2020.
1.3	**Matters requiring Board's approval**
	Key matters which are specifically reserved for decision making by the full Board include, among others, those involving material acquisitions and disposals of assets, corporate and/or financial restructuring, share issues, dividends, other returns to shareholders, interested person transactions, announcements of the Group's half yearly and full year financial results and matters that require shareholders' approval.
1.4	**Board Committees**
	The Board is supported by the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"), each of whose members are drawn from members of the Board (together "**Board Committees**" and each a "**Board Committee**"). Each Board Committee has its own written terms of reference and whose actions are reported to and monitored by the Board. Minutes of the Board Committee meetings are available to all Board members. All the Board Committees are actively engaged and play an important role in ensuring good corporate governance in the Company and within the Group. A summary of the activities of the AC, the NC and the RC during FY2020 are also included within this report.
1.5	**Board Meetings and Attendance**
	The Board has held meetings for particular and specific matters as and when required. The Company's constitution (the "Constitution") allows a Board meeting to be conducted by way of teleconference or videoconference. A record of the directors' attendance at meetings of Board and Board Committees for the financial year ended 31 December 2020 ("**FY2020**"), as well as frequency of such meetings, is set out in **Table A.** Sufficient time and attention are being given by the directors to the affairs of the Company, notwithstanding that some of the directors have multiple board representations as set out in **Table C**.
1.6	**Access to information**
	The members of the Board are provided with adequate and timely information prior to Board meetings, and on an on-going basis. The Board has separate and independent access to the Group's senior management and the Company Secretary at all times. Requests for information from the Board are dealt with promptly by management. The Board is informed of all material events and transactions as and when they occur.
1.7	**Access to Management and Company Secretary**
	The Board seeks independent professional advice as and when necessary to enable it to discharge its responsibilities effectively. The Directors, whether as a group or individually, may seek and obtain legal and other independent professional advice, at the Company's expense, concerning any aspect of the Group's operations or undertakings in order to fulfill their roles and responsibilities as Directors.
	The Company Secretary provides corporate secretarial support to the Board and ensures adherence to Board procedures and relevant rules and regulations which are applicable to the Company. The Company Secretary assists the Chairman by preparing meeting agenda, attending Board and Board Committee meetings and preparing minutes of proceedings. Under the direction of the Chairman, the Company Secretary, with the support of management staff, ensures good information flows within the Board and the Board Committees and between senior management and Non-Executive Directors. The appointment and replacement of the Company Secretary is a Board reserved matter.

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.

Provisions	Corporate Governance Practices of the Company
2.1	**Director Independence**

The Board comprises six Directors, of whom two are Non-Executive Non-Independent Directors three are Non-Executive Independent Directors and one Executive Director. Independent directors make up at least one-third of the Board. A summary of the current composition of the Board and its committees is set out in **Table B**.

The NC reviews the independence of each Director on an annual basis and adopts the 2018 Code's definition of what constitutes an Independent Director. 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. Rule 406(3)(d) of the of the Listing Manual Section B, Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**Rules of Catalist**") also sets out circumstances under which a director will not be independent.

Independence of Directors who have served on the Board Beyond Nine (9) years

The NC noted that prior to 1 January 2022, Guideline 2.4 of the 2012 Code (which states that the independence of any Director who has served on the Board beyond 9 years from the date of his first appointment should be subject to particularly rigorous review) shall continue to apply to Directors who have served on the Board beyond 9 years from the date of his first appointment.

Concerning the independence of directors who have served on the Board beyond nine years, both Mr. Chin Sek Peng, Michael ("Michael Chin") and Mr. Ng Boon Huan, Daniels ("Daniels Ng") who were appointed on 20 September 2006, have served on the Board beyond nine years whilst Mr. Tan Eng Kiat, Dominic ("Dominic Tan") has attained his 9 years of service on 21 February 2020.The NC performs an annual review of their interests in which all potential or perceived conflicts (including time commitments, length of service and other issues relevant to their independence) are considered.

Where a Director has served on the Board for more than nine years, the Board has further reviewed whether such a Director should be considered independent. The following were some of the factors considered in reviewing the independence of the Director who has served beyond nine years:

(a) whether the Director is free from any dealings, relationships or circumstances that could affect or appear to affect his independent judgement, particularly with regards to whether the Director has indicated or demonstrated an alignment or ongoing support for any specific group of stakeholders, instead of representing the interests of all stakeholders;

(b) whether the length of service had any adverse impact on the Director's objectivity and judgement and whether during the tenure there had been any impairment to his ability to discharge his duties and responsibilities in the overall interest of the Group, taking into consideration the interests of all stakeholders; and

(c) whether the Director continues to exhibit a firm commitment to his role and continues to actively contribute his knowledge and experience to the Group;

After due and careful rigorous review, the Board is of the view that all the above-referred three independent directors continue to remain independent in their exercise of judgment and objectivity in Board matters. Each of the long serving directors had duly recused himself from the discussion and taking a decision in respect of his own independence.

Provisions	**Corporate Governance Practices of the Company**
	Rule 406(3)(d) of the Rules of Catalist, requires a director who has been a director for an aggregate period of more than 9 years (whether before or after listing) and whose continued appointment as an independent director ("ID") to seek approval in separate resolutions by (A) all shareholders; and (B) all shareholders, excluding shareholders who also serve as the directors or the chief executive officer of the company, and associates of such directors and chief executive officer. Accordingly, from 1 January 2022, a director will no longer be independent if he has been a director for an aggregate period of more than 9 years, unless his continued appointment as an ID has been sought and approved in separate resolutions by shareholders ("**Two-Tier Vote**"), as required under the 9-Year Rule. The Company is aware that it will be required to adhere to the above two-tier voting mechanism should Mr. Michael Chin, Mr. Daniels Ng and Mr. Dominic Tan continue in office as Non-Executive Independent Directors of the Company after 31 December 2021. The Company has plans to refresh and reorganize its Board to align with the spirit of the 2018 Code.
	The Board also reviewed the performance of each independent director and considers each of these directors brings invaluable expertise, experience and knowledge to the Board and they continue to contribute positively to the Board and Board Committees. Each independent director continues to be committed to carry out his roles and responsibilities, ensuring that the strategies proposed by the Management are constructively challenged, fully discussed and examined, taking into account the long term interests of the Company's stakeholders which include shareholders, employees, customers and suppliers. The Board is satisfied as to the performance and continued independence of judgment of each of these directors.
2.2	**Independent directors make up a majority of the Board if Chairman is not independent**
	The Chairman of the Board is not an Independent Director. Where the Chairman is not independent, the independent directors should make up a majority of the Board. In this regard, while independent directors do not make up a majority of the Board, more than one-third of the Board is made up of independent directors. There is only one executive director and the Chairman of the Board is not an executive director. The Directors consider that the Board's present size of 6 members is of the appropriate size and accordingly, no additional independent directors are proposed to be appointed in order for independent directors to make up a majority of the Board. In addition, the Board is of the view that the independent directors have demonstrated high commitment in their role as directors and have ensured that there is a good balance of power and authority. The Company will endeavor to comply with the requirement for independent directors to make up a majority of the Board at the appropriate time.
2.3	**Non-executive directors make up a majority of the Board**
	The Company has conformed to the 2018 Code's provision for majority of the Board to make up of non-executive directors.
2.4	**Board Composition**
	The Board currently does not have a formal diversity policy but recognizes the importance of an appropriate balance and diversity of skills, experience, age, gender, knowledge and professional qualifications in building an effective Board. For this purpose, the NC reviews the Board's collective skills matrix during the annual assessment of the effectiveness of the Board. The Board considers that the present Board size is appropriate, taking into account the nature and scope of the Group's operation. The current Board comprises Directors who as a group provide core competencies, such as business and management experience, industry knowledge, financial and strategic planning experience and knowledge that are necessary and critical to meet the Group's objectives. The biographies of all Board members are set out in the section entitled "Board of Directors".
2.5	**Meeting of non-executive directors and/or independent directors without management**
	The Non-Executive Directors aim to assist in the development of proposals on strategy by constructively challenging management. The Non-Executive Directors would also review the performance of management in meeting. Where warranted, the Non-Executive Directors meet without the presence of management or Executive Directors to review any matters that should be raised privately.

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.

<u>**Provisions**</u>	<u>**Corporate Governance Practices of the Company**</u>

3.1 **Separation of the roles of the Chairman and the Chief Executive Officer ("CEO")**

The roles of the Chairman (Mr. Chew Hua Seng) and the Chief Executive Officer (Mr. Yong Wen Wei) are clearly separated to ensure appropriate checks and balances, increased accountability and greater capacity of the Board for independent decision-making. The Chairman and the Chief Executive Officer ("CEO") have a relationship of trust and collaborate with each other on the development and communication of strategies and performance monitoring. The Chairman and the CEO are not related to each other.

3.2 **Division of responsibilities between the Chairman and CEO**

The Chairman provides leadership to the Board in accordance with the highest standards of integrity and governance, promotes effective communication and contributions by each Director, manages the business of the Board through the setting of meeting agendas (with the assistance of the Company Secretary and the Management) and by leading the meetings to ensure full discussion of all agenda items. The CEO provides clear and decisive leadership and guidance to Company's employees, runs the Company's business with a clear vision and mission, translating the Board's decisions into executive action and is accountable to the Board. In this sense, the clear division of responsibilities between the role of Chairman and the CEO is implied without having to document in writing by the Board. There is no familial relationship between the Chairman and the CEO.

3.3 **Lead Independent Director**

The Board has appointed Mr. Chin Sek Peng, Michael as the Lead Independent Director ("LID") and he will be available to address any shareholders' concerns when contact through the normal channels via the Chairman, CEO or other management executive have failed to provide satisfactory resolution or when such contact is inappropriate or inadequate.

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.

<u>**Provisions**</u>	<u>**Corporate Governance Practices of the Company**</u>

4.1 **Role of Nominating Committee**

The Board, in conjunction with the NC, reviews the composition of the Board and Board Committees annually, taking into account the performance and contribution of each individual director. Board composition is also evaluated to ensure diversity of skills, experience, age and gender diversity are maintained within the Board and Board committees.
The principal functions of the NC stipulated in its terms of reference are summarized as follows:

(a) Reviews and recommends to the Board on all Board appointments;

(b) Reviews the Board structure, size and composition and recommends to the Board with regards to any adjustments that are deemed necessary;

(c) Reviews and determines annually the independence of each director;

(d) Assesses the effectiveness of the Board and the academic and professional qualifications of each individual director; and

(e) Reviews and recommends Directors retiring by rotation for re-election at each Annual General Meeting ("AGM").

Provisions	Corporate Governance Practices of the Company

Summary of NC's activities in 2020

- Evaluate the Board's composition and size, Director's tenure, competencies and outside commitments, Board and Committee education, nomination of directors for re-election.
- Reviewed the major themes arising from the annual Board Committees and Board performance review process and considered whether any aspects of the Board's oversight framework could be strengthened.
- Reviewed the Director's independence criteria and assessment process including independence of any director who has served on the Board for more than 9 years.

4.2 **Composition of NC**

The NC, regulated by a set of written terms of reference, comprises three members, the majority of whom, including the NC Chairman, are Independent Non-Executive Directors. The NC meets at least once a year. The lead independent director is a member of the NC. The names of the NC members are disclosed in **Table B**.

4.3 **Board renewal and succession planning**

The NC is responsible for identifying and recommending new board members to the Board, after considering the necessary and desirable competencies of the candidates which include:

(i) academic and professional qualifications;

(ii) industry experience;

(iii) number of other directorships and principal commitments;

(iv) relevant experience as a Director; and

(v) ability and adequacy in carrying out required tasks.

The NC leads the process for Board appointments and makes recommendations to the Board. The integrated process of appointment includes:

(a) developing a framework on desired competencies and diversity on Board;

(b) assessing current competencies and diversity on Board;

(c) developing desired profiles of new Directors;

(d) initiating search for new Directors including external search, if necessary;

(e) shortlisting and interviewing potential Director candidates;

(f) recommending appointments and retirements to the Board; and

(g) carrying out re-election at general meeting.

In accordance with the Constitution, at each AGM, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third), selected in accordance with Article 91, shall retire from office by rotation (in addition to any Director retiring pursuant to Article 97) so that all directors shall retire from office once at least every 3 years. Likewise, all directors, including Executive Directors, must submit themselves for re-nomination and re-appointment at least once every three years in accordance with Rule 720(4) of the Rules of Catalist.

Provisions	Corporate Governance Practices of the Company
	All newly appointed directors will have to retire at the next AGM following their appointments pursuant to Article 97 of the Company's Constitution. The retiring directors are eligible to offer themselves for re-election. The following directors will retire by rotation at the forthcoming AGM and have been re-nominated for re-election: Chin Sek Peng, Michael (Article 91) Ng Boon Huan, Daniels (Article 91) The NC has recommended the nomination of the directors retiring by rotation for re-election at the forthcoming AGM. The Board has accepted the NC's recommendation and accordingly, the above-mentioned directors will be offering themselves for re-election at the forthcoming AGM.
4.4	**Continuous review of Director's independence** The NC has reviewed the independence of each Director for FY2020 in accordance with the 2018 Code's guidelines for independence as well as the respective Director's self-declaration in the statement of Director's independence. Although the three Independent Non-Executive Directors has served on the Board for more than nine years, each of the Independent Non-Executive Director is independent in conduct, character and judgement and none of them has a 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. The Board, after a rigorous review, also considers Mr. Michael Chin, Mr. Daniels Ng and Mr. Dominic Tan (having served on the Board as Non-Executive Independent Director ("**NEIDs**") beyond nine years) to be independent for the considerations as set out under Provision 2.1 above. Notwithstanding, the Company is aware that it will be required to adhere to the Rule 406(3)(d) of the Rules of Catalist, should Mr. Michael Chin, Mr. Daniels Ng and Mr. Dominic Tan continue in office as Non-Executive Independent Directors of the Company after 31 December 2021. The Company has plans to refresh and reorganize its Board to align with the spirit of the 2018 Code.
4.5	**Multiple listed company directorships and other principal commitments** The NC reviews annually the time commitment of directors. Notwithstanding that some of the Directors have multiple board representations, the NC is satisfied that sufficient time and attention were expended by the directors on the affairs of the Company and each Director is able to and has been adequately carrying out his duties as a Director of the Company. The NC and the Board are of the opinion that setting a maximum number of listed company board representations would not be meaningful as the contributions of the Directors would depend on many other factors such as whether they are in full time employment and their other responsibilities or principal commitments. In addition, the Board representations presently held by its Directors do not impede the performance of their duties to the Company. No alternate Director has been appointed to the Board. Further information on the directorships and principal commitments of each director are disclosed in **Table C.**

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.

Provisions	Corporate Governance Practices of the Company
5.1	**Assessment of effectiveness of the Board and Board Committees and assessing the contribution by individual directors** The NC is responsible for assessing the effectiveness of the Board as a whole, the Board Committees and where appropriate, the contribution of each individual Director. The NC is also responsible for deciding how the Board's performance may be evaluated, proposing objective performance criteria for the Board's approval and implementing corporate governance measures to achieve good stewardship of the Company.

Provisions	**Corporate Governance Practices of the Company**
5.2	The evaluation of the Board is conducted annually. This evaluation was carried out by having all Board members to complete a questionnaire individually. The assessment parameters include evaluation of the Board's composition, size, skills matrix and expertise, timeliness of information flow and quality of information to the Board, Board pro-activeness, Board accountability and oversight, succession planning as well as standards of conduct. The annual evaluation exercise also provides an opportunity to obtain constructive feedback from each Director on whether the Board committees are functioning properly, and whether the Board's procedures and processes have allowed each Director to discharge his duties effectively and to propose changes which may be made to enhance the Board effectiveness as a whole. For the year under review, the NC assessed the efficiency and effectiveness of the Board Committees in assisting the Board based on the assessment criteria which include amongst others, the Board Committees' composition and size, sufficient and relevant expertise and useful recommendations in assisting the Board for better decision-making, the interaction among committee members, reporting to the Board and recording of minutes. For the year under review, there was also a self-appraisal to evaluate each director's performance and contribution. Self-appraisal forms were sent to the directors for completion and the results were reviewed by the NC and the Board. Factors which were taken into account include readiness to contribute at meetings of Board and Board Committees, contribution of effort such as preparedness, being informed and having sufficient knowledge of the Company's business, personal relationships with fellow directors and professionals. Additionally, the process to the re-nomination of Directors for the current year takes into account their attendances, commitment of time and contributions made at meetings of Board and Board Committees, general meetings as well as informal contribution via e-mail and telecommunication discussion. No external facilitators were used in the assessment of the Board and its Board Committees.

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.

Provisions	**Corporate Governance Practices of the Company**
6.1	**RC to recommend remuneration framework and packages** The principal function of the RC is to ensure that a formal and transparent procedure is in place for fixing the remuneration packages of Directors and key management personnel of the Group. The RC recommends to the Board a remuneration framework for the Directors and key management personnel and makes remuneration recommendations, in consultation with the Chairman, the specific remuneration packages for each Executive Director. The recommendations of the RC are subject to the final decision and endorsement by the entire Board. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options and benefits-in-kind are reviewed by the RC. Any Director who may have an interest in the outcome of the Board decisions is required to abstain from participation in the approval process.
6.2	**Composition of RC** The RC, regulated by a set of written terms of reference, comprises three members, all of whom are Non-Executive Directors, the majority of whom, including the RC Chairman, are independent. The names of the members of the RC are disclosed in Table B.

Provisions	Corporate Governance Practices of the Company
6.3	**RC to consider and ensure all aspects of remuneration is fair**
	The RC considers all aspects of remuneration, namely, director's fees, salaries, allowances, bonuses, share-based incentives and awards, other benefits and termination terms, to ensure that they are fair. The remuneration packages of the executive Directors are based on their respective service agreements. The service agreements of the executive directors are for a period of two years. There are no onerous compensation commitments on the part of the Company in the event of an early termination of the service of the executive directors and key management personnel.
6.4	**Expert advice on remuneration**
	No independent consultant is engaged to advise on the remuneration of all directors. The Company will seek independent expert advice should such need arise.
	Summary of RC's activities in 2020
	● Reviewed the remuneration packages for each executive director; key management personnel (who are not also directors or the CEO); and employees who are substantial shareholders, or are immediate family members of a director, the CEO or substantial shareholder;
	● Reviewed the outstanding balance owing to each Non-executive Independent Director; and
	● Reviewed the remuneration level for Non-executive independent and non-independent Directors;

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.

Provisions	Corporate Governance Practices of the Company
7.1 & 7.3	**Remuneration of executive directors and other key management personnel are appropriately structured to link rewards to performance**
	The Company's remuneration policy is to provide compensation packages at market rates which reward good performance and attract, retain and motivate Directors and managers.
	The Company has entered into separate service agreement ("Service Agreement") with the Executive Director, Mr. Steven Chew, CEO, Mr. Michael Yong and Director (Timber Division), Mr. George Chew. Under the Service Agreement, their salaries are subject to annual review by the Board and the Executive Directors do not receive a Directors' fee.
	The Chairman is consulted by the RC on matters relating to the other Executive Directors and key management personnel who report to him on matters relating to the performance of the Company. He duly abstained from participation in discussions and decisions on his own remuneration.
	The remuneration of the Group's key management personnel takes into account the pay and employment conditions within the industry and is performance-related. The Company has not adopted the use of contractual provisions to reclaim incentive components of the remuneration of executive directors and key management personnel as it was considered unnecessary in the Company's current context.

Provisions	Corporate Governance Practices of the Company
7.2	**Remuneration of non-executive directors dependent on contribution, effort, time spent and responsibilities**

In reviewing the recommendation for independent Non-Executive Directors' remuneration for FY2020, the RC had continued to adopt a framework of basic fees for serving on the Board and Board Committees, as well as fees for chairing each Board Committee and the role of Lead Independent Director. The fees take into consideration the amount of time and effort that each Board member may be required to devote to their role. The fee structure is as follows:

	S$
Base fee of Directors	10,000
AC Chairman	20,000
NC/RC Chairman	10,000
AC/NC/RC Member	5,000
Lead Independent Director	5,000

Fees for Independent Non-Executive Directors are subject to the approval of shareholders at the AGM.
For non-executive and non-independent directors they are remunerated based on basic fees for serving on the Board and Board Committees.

DISCLOSURE OF REMUNERATION

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

Provisions	Corporate Governance Practices of the Company
8.1	**Remuneration disclosures of directors and key management personnel; Details of employee share schemes**

The Company discloses the remuneration paid to each Director and the key management personnel (who are not Directors or the CEO) using a narrower band of S$100,000 to improve transparency.

Executive Directors do not receive directors' fees but are remunerated as members of management. The remuneration package of the Executive Directors and the compensation structure of the key management personnel (who are not Directors or the CEO) comprise three key components namely, basic salary, bonus and other benefits. The bonus component is based on the performance of the Group as a whole and their individual performance. This is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance so as to promote long-term sustainability of the Group.

Regarding the 2018 Code's recommendation to fully disclose the remuneration of directors and the top five key management personnel (who are not directors or the CEO), given the highly competitive environment it is operating in and the confidentiality attached to the remuneration matters, the Company believes that disclosing remuneration using a narrower band of S$100,000 and disclosing in aggregate the total remuneration paid to the Directors and the key management personnel (who are not Directors or the CEO) in percentages provide sufficient overview of the remuneration of Directors and the key management personnel (who are not Directors or the CEO).

Table D and Table D1 set out the breakdown of the remuneration of the Directors and the top five key management personnel (who are not Directors or the CEO), respectively, for FY2020.

8.2 **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**

Saved as disclosed in Table D1, there are no other substantial shareholders of the Company, or immediate family member (defined in the Listing Manual as the spouse, child, adopted child, step-child, brother, sister and parent) of a director, the CEO or a substantial shareholder, in the employment of the Company whose annual remuneration exceeded S$100,000 during FY2020.

Provisions	Corporate Governance Practices of the Company
8.3	**Details of Employee share schemes**

The Company has two share incentive schemes known as the Sitra Holdings Employee Share Option Scheme (the "**Scheme**") and the Sitra Holdings Performance Share Plan (the "**Plan**") which was approved at the Extraordinary General Meeting of the Company held on 30 April 2015. Both Scheme and the Plan are administered by the RC, comprising Mr Daniels Ng (Chairman), Mr. Dominic Tan and Mr. Guo Shaozeng as at the date of this report. The Circular to Shareholders containing the details of both Scheme and Plan are available to shareholders upon their request.

No share options or share awards were granted under the Scheme or Plan for FY2020.

Disclosure on all forms of remuneration has been sufficiently disclosed in this report under Principles 6, 7 and 8 and in the financial statements of the Company and the Group.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

Provisions	Corporate Governance Practices of the Company
9.1	**Board determines the nature and extent of risks**

The Group's system of internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives. It can only provide reasonable and not absolute assurance against material misstatement or loss. During the year, the AC, on behalf of the Board and through the assistance of internal and external auditors, had reviewed the effectiveness of the Group's internal control systems as well as its financial, operational, compliance and information technology controls, and risk management systems. The process used by the AC to monitor and review the effectiveness of the system of internal controls and risk management includes:-

(i) discussions with management on risks identified by management;

(ii) the audit processes;

(iii) the review of internal and external audit plans; and

(iv) the review of significant issues arising from internal and external audits.

The Group had engaged external consultants from Mazars LLP to set up an Enterprise Risk Management (ERM) Framework (the "**ERM Framework**"), which governs the risk management process in the Group. Through this framework, risk capabilities and competencies would be continuously enhanced. The ERM Framework also enables the identification, prioritisation, assessment, management and monitoring of key risks to the Group's business. The risk management process in place covers, inter alia, financial, operational, compliance and information technology risks faced by the Group. The key risks of the Group are deliberated by the Management and reported to the AC. The AC reviews the adequacy and effectiveness of the ERM Framework against leading practices in risk management and vis-à-vis the external and internal environment which the Group operates in.

Based on the framework established, the work carried out by the internal and external auditors, the discussion with the auditors and management including the assurance received from the CEO and Financial Controller as described below, the Board opines, with the concurrence of the AC, that there are adequate controls in place within the Group to address its key financial, operational, and compliance risks at reporting date. Additionally, the Board is satisfied that it has a risk management system in place to address the Group's key risks including information technology risk.

<u>**Provisions**</u> <u>**Corporate Governance Practices of the Company**</u>

Management assists the Board in its oversight of the Company's risk management framework and policies by regularly reviewing the Company's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. Management reviews all significant control policies and procedures and highlights all significant matters to the Directors and AC. Details of the Group's risk management policy are set out in Note 31 "Financial Risk Management" of the Notes to Consolidated Financial Statements of the Group.

9.2 **Assurance from the CEO, Financial Controller and other key management personnel**

The Board has received assurance from (a) the CEO and the Financial Controller that the financial records of the Company 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, that the Company's risk management and internal control systems are adequate and effective.

AUDIT COMMITTEE

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

<u>**Provisions**</u> <u>**Corporate Governance Practices of the Company**</u>

10.1 **Duties of AC**

The AC has specific written terms of reference and performed the following key functions:

(a) Reviews the audit plans of the external auditor and internal auditor, including the review of the auditors' evaluation of the adequacy of the Company's system of internal controls, their report to management and the management's response.

(b) Reviews the balance sheet of the Company, the consolidated financial statements of the Group and the external auditor's report on those financial statements, and discusses any significant adjustments, major risk areas, changes in accounting policies, compliance with Singapore Financial Reporting Standards (International), concerns and issues arising from external audit including any matters which the auditor may wish to discuss in the absence of management, where appropriate, before submission to the Board for approval;

(c) Reviews and discusses with the auditors on any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the operating results or financial position including management's response to these matters;

(d) Reviews the co-operation given by the Company's officers to the auditors;

(e) Reviews the nature and extent of all non-audit services provided by the Group's external auditor, if any, and determine if such services would affect the independence of the external auditor; Nominates auditor for appointment or re-appointment;

(f) Reviews internal control procedures and guidelines for all interested person transactions, and if during these periodic reviews, the AC believes that the procedures are not sufficient, the Company will revise the internal control procedures;

(g) Reviews and ratifies all interested person transactions falling within the scope of Chapter 9 of the Rules of Catalist, if any;

(h) Reviews any potential conflicts of interest;

Provisions	Corporate Governance Practices of the Company

(i) Undertakes such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(j) Reviews the appointment of different external auditors for its subsidiaries and/or significant associated companies (if any); and

(k) Undertakes such other functions and duties as may be required by the relevant laws or provisions of the Rules of Catalist (as may be amended from time to time).

Apart from the above functions, the AC will commission and review the findings of internal investigations into matters where there is suspicion of fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation, which has or is likely to have a material impact on the operating results and/or financial position.

In the event that a member of the AC is interested in any matter being considered by the AC, he will abstain from reviewing that particular transaction or voting on that particular resolution.

Nexia TS Public Accounting Corporation, the Company's external auditor, carried out, as part of their statutory audit, a review of the effectiveness of the Company's internal accounting controls on an annual basis. Any material internal accounting control weaknesses noted in the course of the statutory audit were reported by the external auditor to the AC.

The AC also meets with the Company's external and internal auditors without the presence of management. Ad-hoc meetings may be carried out from time to time, as circumstances require.

In recommending the re-appointment of the auditors, the Audit Committee considered and reviewed various factors including the adequacy of resources, the experience of the auditing firm and the audit engagement partner, the firm's other audit engagements, the number and experience of supervisory and professional staff to be assigned to the audit, the size and complexity of the Group and its businesses and operations. The AC shall continue to monitor the scope and results of the external audit, its cost effectiveness, as well as the independence and objectivity of the external auditors and give its recommendations to the Board and the Company regarding the appointment, re-appointment or removal of the external auditors.

The total audit fees paid to the external auditor are stated on page 63 of this Annual Report. There were no non-audit fees payable to the external auditor in FY2020 that would affect the independence of the auditor. The AC having assessed the independence of auditor and size of resources and expertise, has recommended to the Board the re-appointment of Nexia TS Public Accounting Corporation as auditor of the Company.

The AC had recommended and the Board had approved the tabling of the re-appointment of Nexia TS Public Accounting Corporation as auditors of the Company for shareholders' approval at the forthcoming AGM. The auditors, Nexia TS Public Accounting Corporation have indicated their willingness to accept re-appointment.

The Group has a Whistle-Blowing Policy where employees of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters. The objective for such arrangement is to ensure independent investigation of such matters and for appropriate follow-up action. The AC has the full authority at the Company's expense to engage a firm of independent professional service firm including if considered appropriate legal counsel to advise and/or to investigate the allegation.

The AC has full access to and full co-operation of the Management and external auditors. It also has the full discretion to invite any Director or executive officer to attend its meetings. The AC also has the power to conduct or authorise investigations into any matters within its terms of reference.

Provisions	**Corporate Governance Practices of the Company**

Summary of AC's activities in FY2020

During the year, the AC performed the following activities including reviewing:

(a) the half yearly and full year financial statements including announcements to shareholders;

(b) the external auditor's plan (including, among others, the nature and scope of the audit before the audit commenced and the risk management issues of the Group);

(c) the internal auditor's plan and internal control report based on their evaluation of the system of internal controls;

(d) the external auditor's report on year end findings including their resolutions;

(e) the assistance given to the external and internal auditors by the Company's officers; and

(f) the consolidated financial statements of the Group, including the balance sheet of the Company.

Financial reporting and significant financial judgement

The AC noted the key audit matters ("KAMs") raised by the external auditor in its audit report. These matters are considered significant as they involved significant judgement and estimates by management. Below are the AC's commentary on these KAMs.

Key audit matters involving significant judgement and estimates	Matters considered	Conclusion by AC
Valuation of financial assets, at fair value through profit or loss ("FVPL") Refer to Note 3(c) and Note 13 to the financial statements	The financial assets at fair value through profit or loss amounted to \$3.7 million (2019: \$9.0 million), which represented 20% (2019: 38%) of the Group's total assets as at 31 December 2020. The Group recognised fair value loss of \$5.3 million (2019: nil) for the financial year ended 31 December 2020. The fair value of the financial assets was based on independent external valuation and the Sale and Purchase Agreement ("SPA") that the Group entered into to dispose the financial asset. As these financial assets do not have observable market price, the valuation of these instruments is considered as key audit matter because of its nature, financial significance, and the significant judgement applied in determining the appropriate valuation methodology and assumptions. The accounting policies for FVPL are set out in Note 2.10 to the financial statements.	The AC has reviewed the report from the independent external valuer and has also considered the qualification and reputation of the valuer and the valuation methodology adopted in arriving at the market value of the underlying asset relating to the FVPL. Furthermore the company has entered into a SPA for the disposal of the financial asset at S\$3.7 million. Based on the review and discussion with the management and the external auditor, the AC concurred with management on the fair value loss of \$5.3 million recognized in profit or loss for FY2020.

Provisions **Corporate Governance Practices of the Company**

Key audit matters involving significant judgement and estimates	Matters considered	Conclusion by AC
Valuation of leasehold building and land classified under property, plant and equipment *Refer to Note 3(b) and Note 20 to the financial statements*	As at 31 December 2020, included in the Group's property, plant and equipment are leasehold properties with carrying amount of $10.64 million (2019: $10.79 million) which represented 56% (2019: 46%) of the Group's total assets. Leasehold properties consisted of right-of-use assets and leasehold land and buildings. Leasehold land and buildings are initially recognised at cost and are subsequently carried at the revalued amount less accumulated depreciation and accumulated impairment losses. The valuation of the Group's leasehold land and buildings was derived from the indicative value determined from the valuation reports performed by independent external valuers engaged by management. The independent external valuers adopted the depreciated replacement cost approach for the buildings and market approach for leasehold land. The valuation of land and buildings is identified as a key audit matter due to the magnitude of the carrying amount as at 31 December 2020. The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The accounting policies for property, plant and equipment are set out in Note 2.5 to the financial statements.	Based on the AC's discussion with management and the external auditor and review of the valuation report prepared by the independent external valuation expert, the AC concurred with management on the valuation of the Group's leasehold land and buildings with carrying amount of $10.64 million as at 31 December 2020.

Rule 1207(6), Rules 712 and 715 and/or Rule 716 of the Rules of Catalist

The Board and AC have reviewed the appointment of different auditors for some of its subsidiaries and significant associated companies and were satisfied that such appointment would not compromise the standard and effectiveness of the audit of the Group and that Rule 716 of the Listing Manual has been complied with. Refer to Note 17 "Investment in subsidiary corporations" of the Notes to the Financial Statements for the subsidiaries audited by different auditors.

In appointing the audit firms for the Company, its subsidiaries and significant associated companies, the Audit Committee and the Board are satisfied that the Group has complied with Listing Rules 712, 715 and 716 of the Rules of Catalist.

Provisions	Corporate Governance Practices of the Company
10.2	**Composition of AC**
	The AC, regulated by a set of written terms of reference, comprises three members, all of whom including the Chairman are Independent Non-Executive Directors. The names of the members of the AC are disclosed in **Table B.** The members of the AC, collectively, have the expertise or experience in accounting, financial reporting and financial management and are qualified to discharge the AC's responsibilities.
10.3	**AC does not comprise former partners or directors of the Company's auditing firm**
	None of the AC members were previous partners or directors of the existing auditing firm within the previous twelve months and none of the AC members hold any financial interest in the auditing firm.
10.4	**Primary reporting line of the internal audit function is AC; internal audit function has unfettered access to Company's documents, records, properties and personnel**
	The Group has outsourced its internal audit function to audit professionals, Mazars LLP. The internal auditor ("IA") plans its internal audit schedule and scope of work in consultation with the AC and reports directly and independently to the AC. Being an independent function; the internal audit work is conducted with impartiality and professional care and in accordance with the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The IA has full access to all the Group's documents, records, properties and personnel, including the AC.
	To ensure that the IA is staffed with relevant, qualified and experienced persons, the AC approves the hiring, removal, evaluation and compensation of the IA. The IA has confirmed that all its team members are equipped with and practising the recommended standards of internal audit. The AC is satisfied that the internal audit function is staffed with suitably qualified and experienced professionals with the relevant experience.
	The Board recognized that it is important to maintain a system of internal controls to safeguard shareholders' investments and the Group's businesses and assets, while the management is responsible for establishing and implementing effective internal control procedures. The role of IA is to assist the AC in ensuring that controls are properly in place, effective and functioning as intended.
	The internal auditor prepares and executes a risk-based audit plan, which complements that of the external auditor, so as to review the adequacy and effectiveness of the Group's financial, operational, compliance and information technology controls, and risk management. The IA will follow up on all recommendations to ensure that Management has implemented them on a timely and appropriate manner and reports the results to the AC.
	In addition, the independent auditor will highlight any material internal control weaknesses which have come to their attention in the course of their statutory audit. All internal and external audit findings and recommendations made by the internal and external auditors are reported to the AC. Significant issues are discussed at AC meetings.
	The FY2020, internal audit review was carried out by Mazars LLP. No significant internal control weaknesses were noted by Mazars LLP during their internal audit review in FY2020 and the Group's activities remained largely similar to prior year with no major changes in products, processes, policies, systems, management and people. Management and AC plan to discuss with Mazars LLP the key processes in FY2021 to be subjected to internal audit review.
10.5	**AC meets with the auditors without the presence of Management annually**
	Annually, the AC meets with the external auditors without the presence of Management. The AC also meets with the internal auditors without the presence of Management to review any important matters that should be discussed.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

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

Provisions	Corporate Governance Practices of the Company
11.1	**Company provides shareholders with the opportunity to participate effectively and vote at general meetings** The management supports the 2018 Code's principle and encourages shareholder participation and voting at general meetings. Shareholders are encouraged to attend the Company's AGM to stay informed of the Company's strategy and goals. The Board welcomes questions from shareholders who have an opportunity to raise issues either informally or formally before or at the AGM. All shareholders of the Company will receive the annual report and notice of AGM. The notice will also be advertised in the newspapers. Results announcements, any other material information or press releases are also made available to the public through SGXNET. In accordance with Rule 730A(2) of the Listing Manual and to have greater transparency in the voting process, the Company conducts the voting of all its resolutions by poll at its AGM. The detailed voting results of each of the resolutions tabled are announced on the same day after the meetings. The total number of votes cast for or against the resolutions is also announced after the meetings via SGXNET. In view of the current COVID-19 situation, the Annual Report, Notice of AGM and Proxy form will be made available to shareholders solely by electronic means via publication on SGXNET. The upcoming AGM will be held by way of electronic means. Shareholders may submit questions in advance of the AGM and appoint the Chairman of the Meeting as proxy to attend, speak and vote on their behalf at the AGM.
11.2	**Separate resolution on each substantially separate issue** Resolutions to be passed at general meetings are always separate and distinct in terms of issue and are consistent with the Code's recommendation that companies avoid 'bundling' resolutions unless the resolutions are interdependent and linked so as to form one significant proposal.
11.3	**All Directors attend general meetings** All directors will be in attendance at the Company's AGM to address shareholders' questions relating to the work of the Board and Board Committees. The external auditors have also been invited to attend the AGM and will be available to assist the directors in addressing any shareholders' queries relating to the conduct of audit and the preparation and content of the auditors' report. Due to Covid pandemic, the Company is holding its AGM via electronic means. Directors will address the shareholders' queries prior to or during the electronic AGM. All directors attended the Company's AGM duly held on 5 June 2020 via electronic means. A record of the directors' attendance at AGM is set out in **Table A.**

Provisions	Corporate Governance Practices of the Company

11.4 **Company's Constitution on absentia voting of shareholders**

Under the Company's Constitution and pursuant to the Companies Act, Chapter 50 of Singapore (the "**Companies Act**"), a relevant intermediary (as defined in the Companies Act) may appoint more than two proxies to attend AGMs and any other general meeting. The Company allows relevant intermediaries such as the Central Provident Fund Board or corporations which provide nominee or custodial services to appoint more than two proxies so that shareholders who hold shares through such bodies can attend and participate in general meetings as proxies. A registered shareholder who is not a relevant intermediary may appoint up to two proxies. The Company is not implementing absentia voting methods such as voting via mail, e-mail or fax until security, integrity and other issues are satisfactorily resolved. Accordingly, the Company's Constitution does not currently expressly provide for such absentia voting methods at general meetings of shareholders.

11.5 **Minutes of general meeting are published via SGXNet and on the Company's website**

Questions, comments received from shareholders and responses from the Board and Management were recorded in the minutes of general meetings. In view of the requirements of Covid-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies') Order 2020, the Company had published the minutes of its 2020 Annual General Meeting on SGXNet within one month after the date of the meeting.

11.6 **Dividend Policy**

The Company does not have a dividend policy based on payout ratio. As the Company had accumulated losses as at 31 December 2020 and its current priority is to achieve long-term capital growth for the benefit of shareholders, any profits generated shall therefore be retained for investment into the future. The Board will continue to monitor the financial position of the Company and will propose dividends at the appropriate time to the best interest of the shareholders. No dividend has been proposed for FY2020.

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.

Provisions	Corporate Governance Practices of the Company

12.1 **The Company provides avenues for communication between the Board and shareholders**

The Board views the general meetings as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the proposed resolutions and/or ask the Directors or management questions regarding the Company and its operations.

The Company communicates information to shareholders and the investing community through announcements that are released to the SGX-ST via SGXNET. Such announcements include the half yearly and full year results, material transactions and other developments relating to the Group requiring disclosure under the corporate disclosure policy of the Rules of Catalist.

Investor relations (if any) and mechanism of communication between the shareholders and the Company

12.2 Although the Company has not put in place an investor relations policy to promote regular and proactive communication with shareholders, the Company will review such a need when the need arises. The Company strengthens relationships with the investing community and solicits their views through one-on-one meetings.

Provisions	Corporate Governance Practices of the Company
12.3	The Company does not practice selective disclosure. In line with continuous obligations of the Company pursuant to the Rules of Catalist and the Singapore Companies Act, Chapter 50, the Board's policy is that all shareholders should be equally, adequately and timely informed of all major developments impacting the Group. Price-sensitive information and results are released to the public through SGXNET on a timely basis in accordance with the requirements of the Rules of Catalist. The Board welcomes the views of shareholders on matters affecting the Company, whether at shareholders' meetings or on an ad hoc basis.

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.

Provisions	Corporate Governance Practices of the Company
	Engagement with material stakeholder groups
13.1	The Company has appropriate channels in place to identify and engage with its key stakeholder groups. The Company recognizes the importance of understanding the Group's businesses and regular interactions with key stakeholders to determine material issues for the Group's businesses.
13.2	The Company embarked on a stakeholder engagement exercise with customers, shareholders, employees, suppliers, Government and Regulatory Agencies and the media in FY2019 for its sustainability reporting. The objective was for the Company to identify areas that are material, sustainable and necessary for future development. Feedback from all stakeholder groups was solicited through open dialogues on a regular basis. Internal stakeholder workshops for account-drivers and overseas markets were also organized to gather more in-depth views to enhance the Company's sustainability reporting.
13.3	**Corporate website to engage stakeholders** The strategy and key areas of focus in relation to the management of stakeholder relationships are disclosed under "Accountability to Stakeholders" on Page 6 of the FY2019 Sustainability Report. The Board views the general meetings as the principal forum for dialogue with shareholders, being an opportunity for shareholders to raise issues pertaining to the proposed resolutions and/or ask the Directors or management questions regarding the Company and its operations.

OTHER CORPORATE GOVERNANCE MATTERS

Securities Transactions

Rule1204(19) of the Rules of Catalist	The Company has adopted an internal policy to govern the conduct of securities transactions by its Directors and officers. The Company's Directors and officers are not allowed to deal in the Company's shares at least one month before the announcement of the Company's half yearly and full year results until the day after the announcement. The Directors and officers should not deal in the Company's securities on short-term considerations. Directors and officers are required to observe insider trading provisions under the Securities and Futures Act, Cap. 289 at all times; even when dealing in the Company's securities within the permitted trading periods. Directors of the Company are required to report all dealings to the Company Secretary.

MATERIAL CONTRACTS

Rule 1204(8) of the Rules of Catalist

Pursuant to the acquisition of 54% of Mapur Rocky Resort Limited on 4 October 2019, the Company further agreed to grant to Mr Chew Hua Seng (the “Subscriber”) an option (the “Call Option”) to require the Company to allot and issue to the Subscriber up to 255,000,000 new ordinary shares in the capital of the Company (the “Option Shares”), and the Subscriber has agreed to grant to the Company an option (the “Put Option”) to require the Subscriber to subscribe for up to the number of Option Shares (collectively, the “Proposed Options”).

No conversion of the Call Option or the Put Option has taken place since the date of grant.

Save for the above and the service agreements entered into with Mr. Steven Chew and Mr. Yong Wen Wei which are still subsisting as at the end of FY2020, there are no material contracts involving the interests of the CEO, the Directors or controlling shareholders entered into by the Group which are still subsisting as at the end of the financial year or entered into during the financial year.

INTERESTED PERSON TRANSACTIONS

Rule 907 of the Rules of Catalist

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

During the year under review, there were no material interested person transactions of S$100,000, or more during FY2020 requiring disclosure pursuant to the Rules of Catalist.

CATALIST SPONSOR

Rule 1204(21) of the Rules of Catalist

The Company’s sponsor, RHT Capital Pte. Ltd. had not rendered any non-sponsorship services to the Company for FY2020.

SUSTAINABILITY REPORTING

Rule 711A -711B of the Rules of Catalist

The Company believes in contributing back to society in meaningful ways and continues to play our part in sustainable development. We believe that the effective management of environmental, social and governance (ESG) risks and opportunities can help us to deliver long-term value to our stakeholders.

The Company will be releasing its Sustainability Report for FY2020 (the “SR”) which is aligned to SGX-ST’s Listing Rules – Sustainability Reporting Guide by end of May 2021. This SR will be publicly accessible through the SGXNet.

TABLE A – DIRECTORS' ATTENDANCE AT BOARD AND BOARD COMMITTEE MEETINGS AND OTHER MEETINGS FOR FY2020

	Board of Directors		Nominating Committee		Audit Committee		Remuneration Committee		AGM	Attendance	
	Number of Meetings										
Directors	Held	Attended	Held	Attended	Held	Attended	Held	Attended	Attended	Total	%
Chew Hua Seng	2	2	1	1	2	2	1	1	1	7/7	100%
Guo Shao Zeng	2	2	1	1	2	2	1	1	1	7/7	100%
Chew Chiew Siang, Steven	2	2	1	1	2	2	1	1	1	7/7	100%
Chin Sek Peng, Michael	2	2	1	–	2	2	1	1	1	6/6	100%
Ng Boon Huan, Daniels	2	2	1	1	2	2	1	1	1	7/7	100%
Tan Eng Kiat, Dominic	2	2	1	1	2	2	1	1	1	7/7	100%

TABLE B - BOARD AND BOARD COMMITTEES AS AT THE DATE OF THIS REPORT

	Board	Nominating Committee	Audit Committee	Remuneration Committee
Non-Independent Directors				
Chew Hua Seng (non-executive)	Chairman	Member	–	–
Guo Shao Zeng (non-executive)	Member	–	–	Member
Chew Chiew Siang, Steven (executive)	Member	–	–	–
Independent Non-Executive Directors				
Chin Sek Peng, Michael (also Lead Independent Director)	Member	Member	Chairman	–
Ng Boon Huan, Daniels	Member	Member	Member	Chairman
Tan Eng Kiat, Dominic	Member	Chairman	Member	Member

TABLE C – DATE OF DIRECTOR'S INITIAL APPOINTMENT, LAST RE-ELECTION AND THEIR DIRECTORSHIPS/ PRINCIPAL COMMITMENTS

Name of Director	Age	Date of initial appointment	Date of last re-election	Present directorships in listed companies	Past (preceding 5 years) directorships in listed companies	Principal Commitments
Chew Hua Seng	67	21/10/2019	05/06/2020	• Raffles Education Corporation Limited • Oriental University City Holdings (H.K.) Limited • 2W2Q Harmony Limited • Sitra Holdings (International) Limited	–	Full time employment with Raffles Education Corporation Limited and its subsidiaries.
Guo Shaozeng	58	21/10/2019	05/06/2020	• Oriental University City Holdings (H.K.) Limited • Sitra Holdings (International) Limited • China Fortune Foundation Co., Ltd	China Fortune Land Development Co., Ltd	Chairman of Partner Committee of Poplar Capital Group Vice Chairman of the Bank of Langfang
Chew Chiew Siang, Steven	51	20/09/2006	05/06/2020	Sitra Holdings (International) Limited	–	Full time employment with the Group
Chin Sek Peng, Michael	65	20/09/2006	29/04/2019	• Sitra Holdings (International) Limited • Cortina Holdings Ltd • Sunpower Group Ltd • Amcorp Global Ltd (FKA Tee Land Ltd)	–	Senior Partner of PKF-CAP LLP and Head of Risk Consulting and Executive Chairman of PKF related entities in Singapore
Ng Boon Huan, Daniels	60	20/09/2006	29/04/2019	Sitra Holdings (International) Limited	–	Managing Director of Capitale Ventures Pte Ltd, Capitale Advisory Pte Ltd and Advisor Associates (S) Pte Ltd
Tan Eng Kiat, Dominic	77	22/02/2011	05/06/2020	• Sitra Holdings (International) Limited • Yongnam Holdings Limited	Capital World Limited	–

The term "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, etc., Therefore, the disclosure is appropriate.

TABLE D – REMUNERATION OF DIRECTORS

The breakdown of the total remuneration of the directors of the Company for the year ended 31 December 2020 is set out below:

Name of Director	Position	Breakdown of Remuneration in Percentage: Directors' fees[(1)]	Salary[(2)]	Other benefits[(3)]	Total	Actual Total Remuneration in Compensation Bands of $100,000
Chew Chiew Siang, Steven	ED	–	99.0%	1%	100%	$100,001 - $200,000
Chew Hua Seng	NENI	–	–	–	–	Nil
Guo Shaozeng	NENI	–	–	–	–	Nil
Chin Sek Peng, Michael	NEID	100%	–	–	100%	<$100,000
Ng Boon Huan, Daniels	NEID	100%	–	–	100%	<$100,000
Tan Eng Kiat, Dominic	NEID	100%	–	–	100%	<$100,000
The aggregate total remuneration of directors		**$99,233**	**$156,372**	**$1,595**	**$257,200**	
		38.6%	**60.8%**	**0.6%**	**100.0%**	

Notes

ED: Executive director

NEID: Non-executive independent director

NENI: Non-executive non-independent director

(1) The director's fees are subject to shareholders' approval at the Annual General Meeting.

(2) Salary comprises basic salary and the Company's contribution towards the Singapore Central Provident Fund where applicable.

(3) Other benefits include transport allowance, motor vehicles running expenses and club subscription fees.

TABLE D1 – REMUNERATION OF KEY MANAGEMENT PERSONNEL

The breakdown of total remuneration of key management personnel of the Group (who are not directors or the CEO) for the year ended 31 December 2020 is set out below:

Name of Key Management Personnel	Position/ Relationship	Breakdown of Remuneration in Percentage			Actual Total Remuneration in Compensation Bands of $100,000
		Salary[1]	Other Benefits[2]	Total	
Ong Chai Tiam@	CFO	100%	–	100%	< $100,000
Chew Ah Ba	Director Timber Division/ Immediate family member of a director and substantial shareholders	96.2%	3.8%	100%	$100,001 - $200,000
Lim Sook Hwa Jacinta	Senior VP Operations / Immediate family members of a director and substantial shareholders	100%	–	100%	< $100,000
Yong Wen Wei	CEO	100%	–	100%	$100,001 - $200,000
Wong Kuan Kit, Keith#	Financial Controller	100%	–	100%	< $100,000
The aggregate total remuneration of key management personnel		**$541,027**	**$6,184**	**$547,211**	
		98.6%	**1.4%**	**100%**	

@ Resigned on 27 May 2020

\# appointed on 1 June 2020

Notes:

(1) *Salary comprises basic salary and the Company's contribution towards the Singapore Central Provident Fund where applicable.*

(2) *Other benefits include transport allowance, motor vehicles running expenses and club subscription fees.*

The Directors present their statement to the members together with the audited financial statements of Sitra Holdings (International) Limited and its subsidiary corporations (the "Group") for the financial year ended 31 December 2020 and the balance sheet of Sitra Holdings (International) Limited (the "Company") as at 31 December 2020.

In the opinion of the directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 43 to 99 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2020 and the financial performance, changes in equity and cash flows of the Group for the financial year then ended, and

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

Directors

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

Chew Hua Seng
Guo Shaozeng
Chew Chiew Siang, Steven
Chin Sek Peng, Michael
Ng Boon Huan, Daniels
Tan Eng Kiat, Dominic

Arrangements to enable Directors to acquire shares and debentures

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

Directors' 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	
The Company (No. of ordinary shares)	**At 31.12.2020**	**At 1.1.2020 or date of appointment, if later**
Chew Chiew Siang, Steven	24,393,900	24,393,900
Chin Sek Peng, Michael	6,300,000	6,300,000
Ng Boon Huan, Daniels	4,120,000	4,120,000
Chew Hua Seng	399,033,520	399,033,520
Guo Shaozeng	364,313,780	364,313,780

The Directors' interests in the ordinary shares of the Company as at 21 January 2021 were the same as those as at 31 December 2020.

By virtue of Section 7 of the Singapore Companies Act, Cap 50, Chew Hua Seng and Guo Shaozeng are deemed to have interests in all of the shares of the subsidiary corporations at the beginning and at the end of the financial year.

Share options

The Company has entered into a share sale cum subscription and option agreement which resulted in an option granted to a director to subscribe up to 255,000,000 new ordinary shares in the capital of the Company (the "Option Shares") at an exercise price of $0.011 per share. The Option Shares shall be exercisable within a period of 24 months from the acquisition completion date of 4 October 2019. The Options Shares may be exercised at any time and from time to time in respect of any or all of the Option Shares, but each exercise shall be in respect of not less than 50,000,000 Option Shares.

No options have been granted to subscribe for unissued shares of the Company or its subsidiary corporations during the financial year.

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

There were 255,000,000 unissued shares of the Company under option at the end of the financial year.

Audit committee

The members of the Audit Committee at the end of the financial year were as follows:

Chin Sek Peng, Michael (Chairman)
Ng Boon Huan, Daniels
Tan Eng Kiat, Dominic

All members of the Audit Committee were non-executive and independent Directors.

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

- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the compliance with legal and other regulatory requirements;
- the appointment of the independent auditor and review of the audit and non-audit fees;
- the assistance given by the Company's management to the independent auditor;
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2020 before their submission to the Board of Directors, as well as the independent auditors' report on the balance sheet of the Company and the consolidated financial statements of the Group;
- the scope and the results of internal audit procedures with the internal auditor;
- interested person transactions as defined under Chapter 9 of the Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual to ensure that they are on normal commercial terms and not prejudicial to the interest of the Company or its shareholders; and
- the independence and objectivity of the independent auditor.

Audit committee

The Audit Committee has met with the independent auditor without the presence of the Company's management at least once a year.

The Audit Committee has recommended to the Board that the independent auditor, Nexia TS Public Accounting Corporation, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, Nexia TS Public Accounting Corporation, has expressed its willingness to accept re-appointment.

On behalf of the directors

Chin Sek Peng, Michael
Director

Chew Chiew Siang, Steven
Director

15 April 2021

INDEPENDENT AUDITOR'S REPORT

To the members of Sitra Holdings (International) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Sitra Holdings (International) Limited (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 43 to 99.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the current financial year. These matters were addressed in context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters

Key Audit Matter	How our audit addressed the Key Audit Matter
1. **Valuation of financial assets, at fair value through profit or loss ("FVTPL")** *Refer to Notes 3(a) and 13 to the financial statements*	
The Group's financial assets, at fair value through profit or loss amounted to $3.7 million (2019: $9.0 million) which represent 20% (2019: 38%) of the Group's total assets as at 31 December 2020. As these financial assets do not have observable market price, the valuation of these instruments is considered as key audit matter because of its nature, financial significance, and the` significant judgement applied in determining the appropriate valuation methodology and assumptions. The fair value measurement was determined using a valuation technique to estimate the price at which the Group can sell these financial assets in an orderly transaction under current market conditions. The fair value initially determined by a professional independent valuer was used as underlying basis to negotiate and agree on the final selling price with the promoter. The adjusted fair value of the financial assets of $3.7 million was based on the selling price concluded on the Sale and Purchase Agreement ("SPA") that the Group had entered into. The Group had recognised a fair value loss of $5.3 million (2019: $Nil) for the financial year ended 31 December 2020 from the fair value measurement above. The accounting policies for impairment for financial assets are set out in Note 2.10 to the financial statements.	In obtaining sufficient audit evidences, the following procedures have been performed: ● We assessed the competency, capabilities and objectivity of the professional independent valuer's scope of work and terms of engagement; ● We evaluated the appropriateness of the valuation techniques used by the professional independent valuer for the financial assets. We also challenged the key assumptions used in the valuation by reference to externally published industry data and comparable asset transactions, where available, and we also considered whether these assumptions are consistent with the current market environment; ● We reviewed the SPA on the disposal of the financial assets to ascertain that the fair value of the financial assets as at 31 December 2020 approximates the agreed selling price; ● We assessed the adequacy and appropriateness of the disclosures in the financial statements.

Key Audit Matters

Key Audit Matter	How our audit addressed the Key Audit Matter
2. Valuation of leasehold land and buildings classified under property, plant and equipment *Refer to Notes 3(b) and 19 to the financial statements* As at 31 December 2020, included in the Group's property, plant and equipment are leasehold properties with carrying amount of $10.81 million (2019: $10.79 million) which represent 57% (2019: 46%) of the Group's total assets. Leasehold properties consisted of right-of-use assets and leasehold land and buildings. Leasehold land and buildings are initially recognised at cost and are subsequently carried at the revalued amount less accumulated depreciation and accumulated impairment losses. The valuation of the Group's leasehold land and buildings was derived from the indicative value determined from the valuation reports performed by professional independent valuers engaged by management. The professional independent valuers adopted the depreciated replacement cost approach for the buildings and market approach for leasehold land. The valuation of leasehold land and buildings is identified as a key audit matter due to the magnitude of the carrying amount as at 31 December 2020. The valuation process involves significant judgement in determining the appropriate valuation methodology to be used, and in estimating the underlying assumptions to be applied. The accounting policies for property, plant and equipment are set out in Note 2.5 to the financial statements.	In obtaining sufficient audit evidences, the following procedures have been performed: ● We assessed the competency, capabilities and objectivity of the professional independent valuer's scope of work and terms of engagement; ● We discussed the key assumptions and critical judgemental areas with the professional independent valuers and understood the approaches taken by the professional independent valuers in determining the valuation of the leasehold land and buildings; ● We evaluated the appropriateness of the valuation techniques used by the professional independent valuers for the respective leasehold land and buildings. We also challenged the key assumptions used in the valuation by reference to externally published industry data and comparable land transactions, where available, and we also considered whether these assumptions are consistent with the current market environment; ● We assessed the adequacy of the related disclosures in the financial statements.

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the members of Sitra Holdings (International) Limited

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement director on the audit resulting in this independent auditor's report is Loh Hui Nee.

Nexia TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore
15 April 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2020

	Note	The Group 2020 $	2019 $
Revenue	4	17,267,560	16,435,263
Cost of sales		(15,888,454)	(15,505,231)
Gross profit		1,379,106	930,032
Other income	7	350,153	23,870
Other (losses)/gains – net	8	(5,813,266)	944,342
Expenses			
- Selling and marketing		(417,300)	(389,958)
- Administrative		(2,023,436)	(2,378,449)
- Finance	9	(63,404)	(88,081)
Loss before income tax		(6,588,147)	(958,244)
Income tax (expense)/credit	10	(23,334)	183
Loss for the financial year		**(6,611,481)**	**(958,061)**
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation			
- Gains/(losses)	26(b)(ii)	(78,902)	(401,666)
Items that will not be reclassified subsequently to profit or loss:			
Revaluation gain on property, plant and equipment	26(b)(v)	167,785	823,821
Reversal of general reserve	26(b)(iv)	486,350	–
Reversal of fair value reserve	26(b)(iii)	36,000	–
Other comprehensive income, net of tax		611,233	422,155
Total comprehensive loss for the financial year		**(6,000,248)**	**(535,906)**
(Loss)/profit attributable to:			
Equity holders of the Company		(6,608,110)	(967,312)
Non-controlling interests		(3,371)	9,251
		(6,611,481)	(958,061)
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		(6,331,198)	(532,512)
Non-controlling interests		330,950	(3,394)
		(6,000,248)	(535,906)
Loss per share attributable to equity holders of the Company (cents per share)			
- Basic and diluted	11	(0.54)	(0.11)

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

BALANCE SHEET

As at 31 December 2020

	Note	The Group 2020 $	The Group 2019 $
ASSETS			
Current assets			
Cash and bank balances	12	238,576	212,196
Financial assets, at fair value through profit or loss (“FVPL”)	13	3,700,000	9,000,000
Trade and other receivables	14	1,719,177	1,172,805
Inventories	15	2,018,816	2,029,558
Other current assets	16	191,418	206,390
		7,867,987	12,620,949
Non-current assets			
Property, plant and equipment	19	10,983,514	11,024,959
Deferred income tax assets	24	30,566	58,457
		11,014,080	11,083,416
Total assets		18,882,067	23,704,365
LIABILITIES			
Current liabilities			
Trade and other payables	22	4,394,752	3,212,900
Borrowings	23	343,896	1,494,205
		4,738,648	4,707,105
Non-current liabilities			
Borrowings	23	1,282,817	92,108
Deferred income tax liabilities	24	195,000	239,302
		1,477,817	331,410
Total liabilities		6,216,465	5,038,515
NET ASSETS		**12,665,602**	**18,665,850**
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	25	22,992,180	22,992,180
Other reserves	26	581,919	305,007
Accumulated losses		(14,572,307)	(7,964,197)
		9,001,792	15,332,990
Non-controlling interests	17	3,663,810	3,332,860
TOTAL EQUITY		**12,665,602**	**18,665,850**

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

BALANCE SHEET

As at 31 December 2020

	Note	The Company 2020 $	2019 $
ASSETS			
Current assets			
Cash and bank balances	12	129,430	3,555
Trade and other receivables	14	3,187,871	3,433,135
Other current assets	16	53,772	53,772
		3,371,073	3,490,462
Non-current assets			
Investments in subsidiary corporations	17	3,560,202	3,560,202
Property, plant and equipment	19	39,734	60,166
		3,599,936	3,620,368
Total assets		6,971,009	7,110,830
LIABILITIES			
Current liabilities			
Trade and other payables	22	4,162,208	3,559,174
Borrowings	23	–	5,005
		4,162,208	3,564,179
Non-current liability			
Borrowings	23	1,567	1,580
Total liabilities		4,163,775	3,565,759
NET ASSETS		**2,807,234**	**3,545,071**
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	25	22,992,180	22,992,180
Other reserves	26	14,393	(21,607)
Accumulated losses	27	(20,199,339)	(19,425,502)
		2,807,234	3,545,071
TOTAL EQUITY		**2,807,234**	**3,545,071**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2020

		← Attributable to equity holders of the Company →					
	Note	Share capital	Other reserves	Accumulated losses	Total	Non-controlling interests	Total
		$	$	$	$	$	$
2020							
Balance as at 1 January 2020		**22,992,180**	**305,007**	**(7,964,197)**	**15,332,990**	**3,332,860**	**18,665,850**
Total comprehensive income/(loss) for the financial year		–	276,912	(6,608,110)	(6,331,198)	330,950	(6,000,248)
Balance as at 31 December 2020		**22,992,180**	**581,919**	**(14,572,307)**	**9,001,792**	**3,663,810**	**12,665,602**
2019							
Balance as at 1 January 2019		17,817,108	(129,793)	(6,996,885)	10,690,430	159,091	10,849,521
Issuance of new shares	25	5,248,100	–	–	5,248,100	–	5,248,100
Share issue expenses	25	(73,028)	–	–	(73,028)	–	(73,028)
Acquisition of subsidiary corporation	32(c)	–	–	–	–	3,177,163	3,177,163
Total comprehensive income/(loss) for the financial year		–	434,800	(967,312)	(532,512)	(3,394)	(535,906)
Balance as at 31 December 2019		**22,992,180**	**305,007**	**(7,964,197)**	**15,332,990**	**3,332,860**	**18,665,850**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2020

	Note	The Group 2020 $	2019 $
Cash flows from operating activities			
Loss for the financial year		(6,611,481)	(958,061)
Adjustments for:			
- Depreciation of property, plant and equipment	5	159,381	357,428
- Fair value loss on financial assets at fair value through profit or loss	8	5,300,000	–
- Bad debts written-off – non-trade receivables from related party	8	–	38,484
- Reversal of fair value reserve	8	36,000	–
- Reversal of general reserve		486,350	–
- Revaluation gain on property, plant and equipment		167,785	
- Gain on bargain purchase on acquisition of subsidiary corporations	8	–	(218,509)
- Loss allowance on trade receivables – non-related parties	8	–	20,857
- Reversal on impairment loss of property, plant and equipment	8	–	(350,000)
- Unrealised currency translation losses/(gains)		(186,498)	(471,044)
- Interest income	7	(211)	(1,812)
- Interest expense	9	63,404	88,081
- Income tax expenses/(credit)	10	23,334	(183)
		(561,936)	(1,494,759)
Change in working capital, net of effects from acquisition of subsidiary corporations:			
- Trade and other receivables		(546,372)	(904,438)
- Inventories		10,742	1,187,028
- Other current assets		14,972	(41,861)
- Trade and other payables		(715,948)	(436,731)
Cash used in operations		(1,798,542)	(1,690,761)
Interest received		211	1,812
Interest paid		(54,963)	(73,213)
Income tax (paid)/ refunded		(39,745)	183
Net cash used in operating activities		(1,893,039)	(1,761,979)
Cash flows from investing activities			
Net cash inflow on acquisitions of subsidiary corporations	32(b)	–	2,055
Additions of property, plant and equipment	19	(10,340)	(12,001)
Net cash used in investing activities		(10,340)	(9,946)
Cash flows from financing activities			
Proceeds from issuance of new shares		–	1,738,000
Share issue expenses		–	(73,028)
Principal payment of lease liabilities		(72,933)	(87,137)
Repayment of trust receipts		(1,406,361)	–
Proceeds from term loan		1,500,000	–
Proceeds from director loan		1,897,800	–
Interest paid		(8,441)	(14,868)
Net cash provided by financing activities		1,910,065	1,562,967
Net increase/(decrease) in cash and cash equivalents		6,686	(208,958)
Cash and cash equivalents			
Beginning of financial year		197,272	409,836
Effects of currency translation on cash and cash equivalents		–	(3,606)
End of financial year	12	203,958	197,272

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2020

Reconciliation of liabilities arising from financing activities:

	1 January 2020 $	Proceeds $	Principal and interest payments $	Non-cash changes Interest expense $	31 December 2020 $
Lease liabilities	165,028	–	(81,374)	8,441	92,095
Term loan	–	1,500,000	–	–	1,500,000
Trust receipt	1,406,361	–	(1,406,361)	–	–
Director loan	–	1,897,800	–	–	1,897,800

	1 January 2019 $	Principal and interest payments $	Non-cash changes		31 December 2019 $
			Adoption of SFRS(I) 16 $	Interest expense $	
Lease liabilities	28,345	(102,005)	223,820	14,868	165,028
Trust receipt	1,406,361	–	–	–	1,406,361

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

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

1. General Information

Sitra Holdings (International) Limited (the "Company") is listed on the Catalist, the sponsor-supervised listing platform of Singapore Exchange Securities Trading Limited ("SGX-ST") and incorporated and domiciled in Singapore. The address of its registered office and principal place of business is 15 Hillview Terrace, Singapore 669226.

The principal activities of the Company are that of investment holding, importers and exporters of wood-based and other related products. The principal activities of its subsidiary corporations are set out in Note 17 to the financial statements.

2. Significant accounting policies

2.1 Basis of preparation

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

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

Impact of COVID-19

The COVID-19 pandemic has affected almost all countries of the world, and resulted in border closures, production stoppages, workplace closures, movement controls and other measures imposed by the various governments. The Group's significant operations are in Singapore, Republic of Indonesia and France, all of which have been affected by the spread of COVID-19 in 2020.

Set out below is the impact of COVID-19 on the Group's financial performance reflected in this set of financial statements for the year ended 31 December 2020:

(a) The Group has assessed that the going concern basis of preparation for this set of financial statements remains appropriate.

(b) In 2020, border closures, production stoppages and workplace closures have resulted in periods where the Group's operations were temporarily suspended to adhere to the respective governments' movement control measures. These have negatively impacted business production and volume in 2020, resulting in a negative impact on the Group's financial performance for 2020.

(c) The Group has considered the market conditions (including the impact of COVID-19) as at the balance sheet date, in making estimates and judgements on the recoverability of assets and provisions for onerous contracts as at 31 December 2020.

As the global COVID-19 situation remains very fluid as at the date these financial statements were authorised for issuance, the Group cannot reasonably ascertain the full extent of the probable impact of the COVID-19 disruptions on its operating and financial performance for the financial year ending 31 December 2021. If the situation persists beyond management's current expectations, the Group's assets may be subject to further write downs in the subsequent financial periods.

2. Significant accounting policies

2.1 Basis of preparation

Interpretations and amendments to published standards effective in 2020

On 1 January 2020, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

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

2.2 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 amounts 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 over time or at a point in time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Sale of goods

Revenue from these sales is recognised at a point in time when the Group has delivered the products to the customers, the customers have accepted the products and the collectability of the related receivables are reasonably assured. Payment of the transaction price is due immediately when the customer purchases the goods.

(b) Rendering of services – Sawmill, moulding and kiln-dry

Revenue from rendering of services is recognised when the performance obligation is satisfied at a point in time i.e. when the services are rendered.

(c) Commission income

Commission income is recognised at the point of entitlement.

(d) Interest income

Interest income is recognised using the effective interest method.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2. Significant accounting policies

2.4 Group accounting

(a) Subsidiary corporations

(i) Consolidation

Subsidiary corporations are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

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

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

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

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

Acquisition-related costs are expensed as incurred.

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

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

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on goodwill. If those amounts are less than the fair value of the identifiable net assets of the subsidiary corporation acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a gain from bargain purchase.

2. Significant accounting policies

2.4 Group accounting

(a) Subsidiary corporations

(iii) Disposals

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

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

Please refer to the paragraph "Investments in subsidiary corporations" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) Transactions with non-controlling interests

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

2.5 Property, plant and equipment

(a) Measurement

(i) Land and buildings

Leasehold land and buildings are initially recognised at cost and are subsequently carried at the revalued amount less accumulated depreciation and accumulated impairment losses.

Leasehold land and buildings are revalued by independent professional valuers on a triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the assets.

Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income and accumulated in equity, unless they reverse a revaluation decrease of the same assets previously recognised in profit or loss. In this case, the increase is recognised in profit or loss. Decrease in carrying amounts are recognised in other comprehensive income to the extent of any credit balance existing in the equity in respect of that asset and reduces the amount accumulated in equity. All other decreases in carrying amounts are recognised in profit or loss.

(ii) Other property, plant and equipment

All other items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

2. Significant accounting policies

2.5 Property, plant and equipment

(a) Measurement

(iii) Components of costs

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

(b) Depreciation

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

	Useful lives
Leasehold land	13 years
Leasehold buildings	3 and 13 years
Furniture, fixtures and office equipment	6 to 10 years
Plant and equipment	10 to 15 years
Renovation	5 to 10 years
Motor vehicles	5 years
Computers	3 years

(b) Depreciation

Vacant leasehold land included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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

Fully depreciated property, plant and equipment still in use are retained in the financial statements.

(c) Subsequent expenditure

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

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within “Other gains/(losses) - net”. Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

2. Significant accounting policies

2.6 Intangible assets

Goodwill

Goodwill on acquisitions of subsidiary corporations and businesses represents the excess of (i) the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable assets acquired.

Goodwill on subsidiary corporations is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of subsidiary corporations include the carrying amount of goodwill relating to the entity sold.

2.7 Borrowing costs

Borrowings costs are recognised in profit or loss using the effective interest method.

2.8 Investments in subsidiary corporations

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

2.9 Impairment of non-financial assets

(a) *Goodwill*

Goodwill recognised separately as an intangible asset is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating units ("CGU") expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(b) *Property, plant and equipment*
Right-of-use assets
Investments in subsidiary corporations

Property, plant and equipment, right-of-use assets and investments in subsidiary corporations are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

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

2. Significant accounting policies

2.9 Impairment of non-financial assets

(b) *Property, plant and equipment*
Right-of-use assets
Investments in subsidiary corporations

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

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease. Please refer to the paragraph "Property, plant and equipment" for the treatment of a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also recognised in profit or loss.

2.10 Financial assets

(a) *Classification and measurement*

The Group classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

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 assets.

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

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

(i) At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) At subsequent measurement

D*ebt instruments*

Debt instruments of the Group mainly comprise cash and cash equivalents, trade and other receivables and unlisted debt security.

2. Significant accounting policies

2.10 Financial assets

(a) Classification and measurement

(ii) At subsequent measurement

Debt instruments

There are three subsequent measurement categories, depending on the Group's business model in managing the assets and the cash flow characteristic of the assets:

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

- FVOCI: Debt instruments that are held for collection of contractual cash flows where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "Other gains/(losses)-net". Interest income from these financial assets is recognised using the effective interest rate method and presented in "Interest income".

Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains/(losses)-net", except for those equity securities which are not held for trading. The Group has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Group considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "Fair value gains/losses" in OCI. Dividends from equity investments are recognised in profit or loss as "dividend income

(b) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 29 to the financial statements details how the Group determines whether there has been a significant increase in credit risk.

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

For other receivables and cash and cash equivalents, the general 3 stage approach is applied. Credit loss allowance is based on 12 month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is significant increase in credit risk since initial recognition, lifetime expected loss will be calculated and recognised.

2. Significant accounting policies

2.10 Financial assets

(c) Recognition and derecognition

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

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

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

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.11 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.12 Financial guarantee

The Company has issued corporate guarantee to bank on its subsidiary corporation's term loan. This financial guarantee requires the Company to reimburse the bank if the subsidiary corporation fails to make principal or interest payments when due in accordance with the terms of their borrowings. Intra-Group transactions are eliminated on consolidation.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

a) premium received on initial recognition less the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15; and

b) the amount of expected loss computed using the impairment methodology under SFRS(I) 9.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.14 Trade and other payables

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

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

2. Significant accounting policies

2.15 Leases

(a) *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.

- 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.

- 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.

  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 included in the measurement of the lease liability comprise fixed payments, including in-substance fixed payments

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

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

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

  Lease liability is remeasured with a corresponding adjustment to the 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.

2. Significant accounting policies

2.15 Leases

(a) When the Group is the lessee:

- 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.

(b) When the Group is the lessor:

- Lessor - Operating leases

  Leases of warehouse where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

  Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

  Contingent rents are recognised as income in profit or loss when earned.

2.16 Inventories

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

2.17 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

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

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

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

2. Significant accounting policies

2.17 Income taxes

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

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

The Group accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2.18 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

2.19 Employee compensation

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

(a) 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.

(b) Bonus plans

The Group recognises a liability and an expense for bonuses based on a certain formula. The Group recognises an accrual when contractually obliged to pay or when there is a past practice that has created a constructive obligation to pay.

(c) Short-term compensated absences

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 balance sheet date.

2. Significant accounting policies

2.20 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar ("SGD"), which is the functional currency of the Company.

(b) Transactions and balances

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

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

Foreign exchange gain and losses that relate to borrowings are presented in income statement within "Finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "Other gains/(losses) - net".

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

(c) Translation of Group entities' financial statements

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

(i) assets and liabilities are translated at the closing exchange rates at the balance sheet date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

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

2. Significant accounting policies

2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive directors whose members are responsible for allocating resources and assessing performance of the operating segments.

The Group is principally engaged in import and export of wood-based, lifestyle furniture and other related products. The Group also start to embark on the property development business. No separate segmental information by business segment is presented, except for segment revenue, as both business segments use the same resources and share the same costs. Management is of the opinion that is not practicable to separate the costs, assets and liabilities for each business segment.

2.22 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet.

2.23 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.

2.24 Dividends to Company's shareholders

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

3. Critical accounting estimates, assumptions and judgements

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

Critical accounting estimates, assumptions and judgements

(a) *Valuation of financial assets. at fair value through profit or loss*

The valuation of financial assets, at fair value through profit or loss was initially determined by a professional independent valuer using valuation technique to estimate the market price at which the Group can sell these financial assets in an orderly transaction under current market conditions, and subsequently adjusted based on the actual selling price agreed with the buyer. The inputs to this valuation model are derived from sales prices of comparable properties in close proximity and adjusted for difference in key attributes such as property size. The carrying amount of the financial assets at fair value through profit or loss is disclosed in Note 13 to the financial statements.

(b) *Valuation of leasehold land and buildings*

Leasehold land and buildings under property, plant and equipment are initially recognised at cost and are subsequently carried at the revalued amount less accumulated depreciation and impairment losses. The revalued amounts are determined by professional independent valuers using valuation techniques including the depreciated replacement cost method for building and direct comparison method for leasehold land. The key assumption and estimation input for depreciation replacement cost method are unit price of material and wages while input for direct comparison method are location, size area and date of transaction of comparable properties. The information about the valuation techniques and unobservable input used in determining fair value of leasehold land and buildings is disclosed in Note 19(c) to the financial statements.

4. Revenue

The Group derives revenue from the transfer of goods and services at a point in time in the following major product lines and geographical regions. Revenue is attributed to countries by location of customers.

	The Group	
	2020	2019
	$	$
At a point in time		
Sales of goods		
- Australia/ New Zealand	5,044,472	4,320,902
- Europe	12,007,937	11,742,810
- Asia	109,213	235,971
	17,161,622	16,299,683
Rendering of services		
- Asia	105,938	135,580
	17,267,560	16,435,263

5. Expenses by nature

	The Group	
	2020	2019
	$	$
Bank charges	69,004	69,207
Changes in inventories	10,742	1,189,276
Commission expense	53,194	75,295
Depreciation of property, plant and equipment (Note 19)	159,381	357,428
Directors' fees	93,315	108,946
Employee compensation (Note 6)	1,386,257	1,495,463
Freight and other costs	640,982	533,906
Fees on audit services paid/payable to:		
- Auditor of the Company	80,111	69,944
- Internal auditors	1,838	6,844
Insurance	50,690	46,548
Legal and professional fees	71,283	237,194
License fee and permit	1,966	8,287
Listing fees and services	20,400	20,400
Purchases of inventories	15,119,097	13,651,802
Rental expense on operating leases	46,733	27,752
Repair and maintenance	11,376	27,904
Telecommunication	36,867	26,631
Travelling	22,163	42,676
Upkeep of motor vehicles	9,542	2,449
Water and electricity	64,281	86,231
Others	379,968	189,455
Total cost of sales, selling and marketing and administrative expenses	18,329,190	18,273,638

There are no non-audit fees paid/payable to auditors of the Company.

6. Employee compensation

	The Group	
	2020	2019
	$	$
Wages and salaries	1,301,381	1,385,451
Employer's contribution to defined contribution plans including Central Provident Fund	84,876	75,567
Other short-term benefits	–	34,445
	1,386,257	1,495,463

Key management's remuneration is disclosed in Note 30(b) to the financial statements.

7. Other income

	The Group	
	2020	2019
	$	$
Commission income	567	3,538
Interest income from bank deposits	211	1,812
Government grants (1)	155,812	10,220
Overprovision of staff related taxes	193,563	–
Other	–	8,300
	350,153	23,870

(1) Government grants of $155,812 was recognised during the financial year under the Jobs Support Scheme (the "JSS"). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

8. Other gains/(losses) – net

	The Group	
	2020	2019
	$	$
Bad debts written-off – other receivables from related corporation	–	(38,484)
Fair value loss on financial assets, at FVPL (Note 13)	(5,300,000)	–
Gain on bargain purchase on acquisition of subsidiary corporations (Note 32(c))	–	218,509
Loss allowance on trade receivables – non-related parties (Note 29 (b))	–	(20,857)
Reversal on impairment loss of property, plant and equipment (Note 19)	–	350,000
Foreign currency translation (loss)/gain – net	(476,196)	435,174
Others	(37,070)	–
	(5,813,266)	944,342

9. Finance expenses

	The Group	
	2020	2019
	$	$
Interest expense		
- Bank overdrafts	72	307
- Trust receipts	54,891	72,906
- Lease liabilities (Note 20)	8,441	14,868
	63,404	88,081

10. Income tax (expense)/credit

	The Group	
	2020	2019
	$	$
Tax (expense)/credit attributable to loss is made up of:		
Current income tax	(6,923)	183
Deferred income tax	(16,411)	–
	(23,334)	183

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	The Group	
	2020	2019
	$	$
Loss before income tax	(6,588,147)	(958,244)
Tax calculated at tax rate of 17% (2019: 17%)	(1,119,985)	(162,901)
Effects of:		
- Different tax rates in other countries	(23,334)	(16,820)
- Expenses not deductible for tax purposes	611,765	103,912
- Income not subject to tax	(57,092)	(126,338)
- Deferred income tax assets not recognised	581,723	222,343
- Utilisation of previous unrecognised tax loss	(16,411)	(18,985)
- Utilisation of previous unabsorbed capital allowance	–	(1,211)
- Overprovision in prior financial year	–	183
	(23,334)	183

11. Loss per share

(a) Basic loss per share

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

(b) Diluted loss per share

For the purpose of calculating diluted loss per share, loss attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. The dilutive potential ordinary shares of the Company are share options.

For share options, the weighted average number of shares on issue has been adjusted as if all dilutive share options were exercised. The number of shares that could have been issued upon the exercise of all dilutive share options less the number of shares that could have been issued at fair value (determined as the Company's average share price for financial year) for the same total proceeds is added to the denominated as the number of shares issued for no consideration. No adjustment is made to the net losses.

The 255,000,000 outstanding share options were excluded from the calculation of diluted earnings per shares because they are anti-dilutive for the financial years ended 31 December 2020 and 2019.

Basic and diluted loss per share for attributable to equity holders of the Company is calculated as follows:

	The Group	
	2020	2019
Loss attributable to equity holders of the Company ($)	(6,608,110)	(967,312)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share ('000)	1,228,300	867,534
Basic and diluted loss per share (cents per share)	(0.54)	(0.11)

12. Cash and bank balances

	2020	2019
	$	$
The Group		
Cash at bank	236,063	211,794
Cash on hand	2,513	402
	238,576	212,196
The Company		
Cash at bank	129,430	3,555

12. Cash and bank balances

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

	The Group	
	2020	2019
	$	$
The Group		
Cash and bank balances (as above)	238,576	212,196
Less: Bank overdrafts (Note 23)	(34,618)	(14,924)
Cash and cash equivalents per consolidated statement of cash flows	203,958	197,272

13. Financial assets, at FVPL

	The Group	
	2020	2019
	$	$
Designated as at fair value on initial recognition - Unquoted securities shares:		
Beginning of financial year	9,000,000	9,000,000
Fair value loss recognised in profit or loss (Note 8)	(5,300,000)	–
End of financial year	3,700,000	9,000,000

Financial assets, at FVPL represent the Group's 10% equity investment in World Furnishing Hub Pte Ltd which includes a put option to sell the 10% equity interest to the promoter in connection with the disposal of the Group's property located at 18 Sungei Kadut Street 2, Singapore 729236 in the financial year ended 31 December 2014. As at the acquisition date, the Group was unable to measure separately the equity investment and the put option as their separate fair values cannot be measured reliably. Hence, the Group accounted the financial assets as FVPL on initial recognition with fair value changes recognised in profit or loss.

The financial assets, at FVPL of the Group were valued by a professional independent valuer using the market comparison method of valuation approach as at 31 December 2020.

On 24 March 2021, the Group has entered into a Sale and Purchase Agreement with the promoter to dispose of the 10% equity investment in World Furnishing Hub Pte Ltd for an aggregate consideration of $3.7 million in cash, the put option will then be terminated once the consideration is fully satisfied.

In consideration of the event above, the Group has written down the financial assets to $3.7 million as at 31 December 2020 to reflect the fair value of the financial asset (Note 33(b)).

14. Trade and other receivables

	The Group	
	2020	2019
	$	$
Trade receivables – non-related parties	1,548,414	1,212,491
Less: Loss allowance (Note 29(b)(ii))	(108,105)	(111,439)
Trade receivables – net	1,440,309	1,101,052
Other receivables		
- Advances to suppliers[(1)]	67,792	56,466
- Non-related parties	1,432	15,287
- GST receivables	209,644	–
Other receivables – net	278,868	71,753
	1,719,177	1,172,805

	The Company	
	2020	2019
	$	$
Other receivables		
- Subsidiary corporations	12,752,871	17,635,139
Less: Loss allowance – subsidiary corporations (Note 29 (b)(ii))	(9,565,000)	(14,202,004)
Other receivables – net	3,187,871	3,433,135

(1) Advances to suppliers relates to the advances made to the non-related parties on the confirmed purchase orders. These advances are refundable.

The other receivables from subsidiary corporations are unsecured, interest free and repayable on demand.

15. Inventories

	The Group	
	2020	2019
	$	$
Raw materials	–	23,153
Work-in-progress	200,915	317,431
Finished goods	1,817,901	1,688,974
	2,018,816	2,029,558

The cost of inventories recognised as an expense and included in “Cost of sales” amounted to $15,129,839 (2019: $14,841,078).

16. Other current assets

	The Group	
	2020	2019
	$	$
Deposits	132,623	112,322
Prepayments	58,795	94,068
	191,418	206,390

	The Company	
	2020	2019
	$	$
Deposits	1,410	1,410
Prepayments	52,362	52,362
	53,772	53,772

17. Investments in subsidiary corporations

	The Company	
	2020	2019
	$	$
Equity investments, at cost		
Beginning of financial year	3,560,202	1,642,142
Acquisition of subsidiary corporations (Note 32)	–	3,510,100
Incorporation of subsidiary corporations [a]	–	100
Struck-off [b] [c] [d]	–	(140,826)
Disposal [e] [f]	–	–
	3,560,202	5,011,516
Less: Allowance for impairment	–	(1,451,314)
End of financial year	3,560,202	3,560,202
Accumulated impairment:		
Beginning of financial year	1,451,314	1,414,706
Impairment loss recognised	–	177,434
Struck-off [b] [c] [d]	(1,451,314)	(140,826)
End of financial year	–	1,451,314

(a) On 13 August 2019, the Company has incorporated Berakit Development Pte. Ltd., a new wholly-owned subsidiary corporation with a paid-up share capital of $100 comprising 100 ordinary shares.

(b) On 8 February 2021, the Company's wholly-owned dormant subsidiary corporation, Suncoast Sitra Pte. Ltd., a company incorporated in Singapore, was struck off, the cost of investment was fully impaired in prior financial years.

(c) On 3 September 2020, the Company's wholly-owned dormant subsidiary corporation Sitra BMG Middle East LLC, a company incorporated in United Arab Emirates, was struck off, the cost of investment was fully impaired in prior financial years.

(d) On 18 March 2019, the Company's wholly-owned dormant subsidiary corporation, Sitra Dove Logistics Sdn. Bhd. has been struck-off.

(e) On 30 June 2020, the Company's wholly-owned dormant subsidiary corporation Energetic Industries Sdn. Bhd., a company incorporated in Malaysia, was disposed of, the cost of investment was fully impaired in prior financial years.

(f) On 28 February 2020, the Company's wholly-owned dormant subsidiary corporation Sitra Ukraine Limited, a company incorporated in Ukraine, was disposed of, the cost of investment was fully impaired in prior financial years.

17. Investments in subsidiary corporations

The Group had the following subsidiary corporations as at 31 December 2020 and 2019.

Name of companies	Principal activities	Country of business/ corporation	Proportion of ordinary shares directly held by the Company		Proportion of ordinary shares directly held by the Group		Proportion of shareholding held by non-controlling interests	
			2020	2019	2020	2019	2020	2019
			%	%	%	%	%	%
Held by the Company								
Energetic Industries Sdn. Bhd.[e]	Inactive	Malaysia	–	100	–	100	–	–
Sitra Global Pte. Ltd.[a]	Importer, exporter of wood-based and other related products	Singapore	100	100	100	100	–	–
Sitra Agencies Pte. Ltd.[a]	Importer, exporter of wood-based and other related products	Singapore	100	100	100	100	–	–
Suncoast Sitra Pte. Ltd.[b]	Struck off	Singapore	–	56.5	–	95.4	–	4.6
Berakit Development Pte. Ltd.[a]	Property development	Singapore	100	100	100	100	–	–
Mapur Rocky Resort Limited[d]	Investment holding	British Virgin Islands	54	54	54	54	46	46
Held by Sitra Agencies Pte Ltd								
Sitra Ukraine Limited[e]	Inactive	Ukraine	–	–	–	97	–	3
Sitra BMG Middle East LLC[b]	Struck off	United Arab Emirates	–	–	–	49	–	51
Held by Sitra Global Pte. Ltd.								
PT Jaya Raya Trasindo[d]	Manufacturing, supplying and distribution of wood-based and other related products	Indonesia	–	–	100	100	–	–
Suncoast Sitra Pte. Ltd.[b]	Struck off	Singapore	–	–	–	95.4	–	4.6
Societe 3A[c]	Importing, exporting, trading and brokering of all origins and all kinds of wood	France	–	–	51	51	49	49
Held by Mapur Rocky Resort Limited								
PT East Bintan Resort[d]	Property development	Indonesia	–	–	54	54	46	46

(a) Audited by Nexia TS Public Accounting Corporation (Singapore), a member firm of Nexia International.
(b) The Company has been struck off.
(c) Audited by Malandain Associes (France).
(d) Reviewed by Nexia TS Public Accounting Corporation (Singapore) for consolidation purpose.
(e) The Company was disposed of.

17. Investments in subsidiary corporations

In accordance to Rule 716 of The Singapore Exchange Securities Trading Limited – Listing Rules, the Audit Committee and the Board of Directors of the Company confirmed that they are satisfied that the appointment of different auditors for its subsidiary corporations would not compromise the standard and effectiveness of the audit of the consolidated financial statements.

On 4 October 2019, the Group acquired a 54% equity interest in Mapur Rocky Resort Limited for a consideration of $3,510,100. The acquisition resulted in the Group obtaining control with an aggregate 54% interest in Mapur Rocky Resort Limited and indirect 54% interest in its target subsidiary corporation - PT East Bintan Resort, which was consolidated with the effect from the date of acquisition. Details of the acquisition are disclosed in Note 32 to the financial statements.

Carrying value of non-controlling interests

	The Group	
	2020	2019
	$	$
Societe 3A	405,583	387,862
PT East Bintan Resort	2,828,473	2,737,757
Mapur Rocky Resort Limited	429,754	430,508
Other subsidiary corporations with immaterial non-controlling interests	–	(223,267)
	3,663,810	3,332,860

Set out below are the summarised financial information for the subsidiary corporation that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

There were no transactions with non-controlling interests for the financial years ended 31 December 2020 and 2019.

Summarised balance sheets as at 31 December

	Societe 3A		PT East Bintan Resort		Mapur Rocky Resort Limited	
	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$
Current						
Assets	1,309,247	1,277,491	18,667	5,575	93,884	30,041
Liabilities	(490,450)	(494,774)	(116,919)	(27,998)	(99,522)	(34,042)
Total current net assets/ (liabilities)	818,797	782,717	(98,252)	(22,423)	(5,638)	(4,001)
Non-current						
Assets	8,923	8,838	6,247,106	5,974,069	939,887	939,887
Net assets	827,720	791,555	6,148,854	5,951,646	934,249	935,886

17. Investments in subsidiary corporations

Summarised statement of comprehensive income for the financial year ended 31 December

	Societe 3A		PT East Bintan Resort		Mapur Rocky Resort Limited	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**	**$**	**$**
Revenue	3,871,281	3,841,433	–	–	–	–
Profit/ (loss) before income tax	57,196	29,267	(76,823)	(18,562)	(1,637)	(763)
Income tax	(23,334)	183	–	–	–	–
Net profit/ (loss)	33,862	29,450	(76,823)	(18,562)	(1,637)	(763)
Other compre-hensive (loss)/gain	2,303	(45,208)	274,031	–	–	–
Total compre-hensive income/ (loss)	36,165	(15,758)	197,208	(18,562)	(1,637)	(763)
Total compre-hensive income/ (loss) allocated to non-controlling interests	17,721	(7,721)	90,716	(8,548)	(754)	(351)

Summarised statements of cash flow for the financial year ended 31 December

	Societe 3A		PT East Bintan Resort		Mapur Rocky Resort Limited	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**	**$**	**$**
Net cash (used in)/ provided by operating activities	(69,791)	(1,469)	(76,823)	2,133	(68,960)	3,478
Net cash used in investing activity	–	(5,847)	–	–	–	–
Net cash provided by/(used in) financing activities	19,695	14,924	77,215	–	65,482	–
Net (decrease)/ increase in cash and cash equivalents	(50,096)	7,608	(392)	2,133	(3,478)	3,478
Cash and cash equivalents						
Beginning of financial year	87,857	83,905	4,095	2,055	3,478	–
Effects of currency translation	–	(3,656)	(392)	(93)	–	–
End of financial year	37,761	87,857	3,703	4,095	–	3,478

18. Financial assets, at FVOCI

At the balance sheet date, the unquoted securities in Singapore classified as financial assets at FVOCI has a carrying amount of $Nil (2019: $Nil).

The Group has recognised fair value loss of $36,000 in the financial year 2015. The previously recognised fair value loss was charged to other comprehensive income and presented as fair value reserve. The fair value reserve has been reversed as at 31 December 2020 subsequent to the disposal of the financial asset (Note 26(b)(iii)).

19. Property, plant and equipment

	Leasehold land and buildings	Furniture, fixtures and office equipment	Plant and equipment	Renovation	Motor vehicles	Computers	Total
	$	$	$	$	$	$	$
The Group							
2020							
At cost or valuation							
Beginning of financial year	10,857,926	196,219	667,396	107,018	681,473	163,140	12,673,172
Currency translation differences	(43,039)	(279)	(18,675)	(3,202)	(8,906)	2,480	(71,621)
Revaluation surplus (Note 26)	215,795	–	–	–	–	–	215,795
Additions	–	–	–	–	–	10,340	10,340
Disposals	–	–	–	–	(1,607)	–	(1,607)
End of financial year	11,030,682	195,940	648,721	103,816	670,960	175,960	12,826,079
Representing:							
Cost	223,820	195,940	648,721	103,816	670,960	175,960	2,019,217
Valuation	10,806,862	–	–	–	–	–	10,806,862
	11,030,682	195,940	648,721	103,816	670,960	175,960	12,826,079
Accumulated depreciation and impairment losses							
Beginning of financial year	68,868	178,004	479,006	102,597	665,207	154,531	1,648,213
Currency translation differences	(36,639)	(279)	(14,111)	(3,088)	(8,906)	1,853	61,170
Revaluation adjustment (Note 26)	97,748	–	–	–	–	–	97,748
Depreciation charge (Note 5)	91,589	5,925	39,741	4,182	10,326	7,618	159,381
Disposals	–	–	–	–	(1,607)	–	(1,607)
End of financial year	221,566	183,650	504,636	103,691	665,020	164,002	1,842,565
Net book value							
End of financial year	**10,809,116**	**12,290**	**144,085**	**125**	**5,940**	**11,958**	**10,983,514**

19. Property, plant and equipment

	Leasehold land and buildings	Furniture, fixtures and office equipment	Plant and equipment	Renovation	Motor vehicles	Computers	Total
	$	$	$	$	$	$	$
The Group							
2019							
At cost or valuation							
Beginning of financial year	3,801,765	200,388	641,919	103,708	672,261	175,277	5,595,318
Currency translation differences	28,844	1,169	19,323	3,310	9,212	(860)	60,998
Adoption of SFRS(I) 16	223,820	–	–	–	–	–	223,820
Acquisition of subsidiary corporations (Note 32(c))	6,912,779	–	–	–	–	–	6,912,779
Additions	–	–	6,154	–	–	5,847	12,001
Disposals	–	(5,338)	–	–	–	(17,124)	(22,462)
Revaluation surplus (Note 26)	823,821	–	–	–	–	–	823,821
Revaluation adjustments	(933,103)	–	–	–	–	–	(933,103)
End of financial year	10,857,926	196,219	667,396	107,018	681,473	163,140	12,673,172
Representing:							
Cost	223,820	196,219	667,396	107,018	681,473	163,140	2,039,066
Valuation	10,634,106	–	–	–	–	–	10,634,106
	10,857,926	196,219	667,396	107,018	681,473	163,140	12,673,172
Accumulated depreciation and impairment losses							
Beginning of financial year	1,050,923	174,772	430,035	95,064	645,669	166,019	2,562,482
Currency translation differences	7,361	1,163	13,667	3,065	9,212	(600)	33,868
Reversal of impairment loss (Note 8)	(350,000)	–	–	–	–	–	(350,000)
Depreciation charge (Note 5)	293,687	7,407	35,304	4,468	10,326	6,236	357,428
Disposals	–	(5,338)	–	–	–	(17,124)	(22,462)
Revaluation adjustments	(933,103)	–	–	–	–	–	(933,103)
End of financial year	68,868	178,004	479,006	102,597	665,207	154,531	1,648,213
Net book value							
End of financial year	**10,789,058**	**18,215**	**188,390**	**4,421**	**16,266**	**8,609**	**11,024,959**

19. Property, plant and equipment

	Furniture, fixtures and office equipment	Plant and equipment	Motor vehicles	Computers	Total
	$	$	$	$	$
<u>**The Company**</u>					
2020					
At cost					
Beginning and end of financial year	118,431	37,800	383,618	133,656	673,505
Accumulated depreciation					
Beginning of financial year	100,215	12,516	367,352	133,256	613,339
Depreciation charge	5,926	3,780	10,326	400	20,432
End of financial year	106,141	16,296	377,678	133,656	633,771
Net book value					
End of financial year	**12,290**	**21,504**	**5,940**	**–**	**39,734**
2019					
At cost					
Beginning and end of financial year	118,431	37,800	383,618	133,656	673,505
Accumulated depreciation					
Beginning of financial year	93,060	8,736	357,026	132,197	591,019
Depreciation charge	7,155	3,780	10,326	1,059	22,320
End of financial year	100,215	12,516	367,352	133,256	613,339
Net book value					
End of financial year	**18,216**	**25,284**	**16,266**	**400**	**60,166**

19. Property, plant and equipment

(a) Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 20 to the financial statements.

(b) Bank borrowings are secured on property, plant and equipment of the Group and the Company with carrying amounts of $Nil and $Nil (2019: $184,278 and $29,326) respectively.

(c) The leasehold properties of the Group were valued by the professional independent valuers based on the properties' highest-and-best-use using the direct market comparison method and depreciated replacement cost method in financial years ended 31 December 2020 and 2019. These are regarded as level 2 and level 3 fair values.

Fair value hierarchy

	Fair value measurements at 31 December using		
Description	**Quoted prices in active markets foridentical assets (Level 1)**	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
	$	**$**	**$**
2020			
Recurring fair value measurements			
Leasehold land and buildings:			
- Land and buildings in Indonesia	–	2,008,027	1,793,186
- Vacant land in Indonesia	–	7,005,649	–
	–	9,013,676	1,793,186
2019			
Recurring fair value measurements			
Leasehold land and buildings:			
- Land and buildings in Indonesia	–	1,909,322	1,815,908
- Vacant land in Indonesia	–	6,908,876	–
	–	8,818,198	1,815,908

Valuation techniques used to derive Level 2 fair values

Level 2 fair values of the Group's properties have been generally derived using the sales comparison approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach was selling price per square metre.

Valuation techniques used to derive Level 3 fair values

Level 3 fair value of the Group's properties have been generally derived using depreciated replacement cost approach. The approach is referred to costs that are relevant in determining the price at which market participants will pay, which is based on replacing assets with equal utility rather than physically creating the same assets. The most significant input into this valuation approach was unit price of material and wages.

Valuation processes of the Group

The Group engages professional independent valuers to determine the fair value of the Group's properties based on the properties' highest and best use which is carried out on a triennial basis and whenever their carrying amounts are likely to differ from their revalued amounts due to any objective evidence or indication, these assets may be impaired. The fair values of the properties have been determined by KJPP Rinaldi Alberth Baroto & Partners as at 31 December 2020 (2019: KJPP Hari Utomo dan Rekan (Indonesia) and KJPP Rinaldi Alberth Baroto & Partners).

19. Property, plant and equipment

(d) If the leasehold land and buildings stated at valuation were included in the financial statements at cost less accumulated depreciation, their net book values would be $7,653,684 (2019: $7,711,685).

(e) As at 31 December 2020 and 2019, the details of the Group's leasehold land held for development are as follow:

Location	Intended use	Area (sq m)	Group's effective interest in the Leasehold land
Jalan H. Abdul Salam Teluk Merbau, Berakit, Teluk Sebong, Bintan, Indonesia.	Commercial	123,534	54%

The Group has not commenced the construction of the development project and the leasehold land above remains vacant as at 31 December 2020 and 2019.

20. Leases – The Group as a lessee

Nature of the Group's leasing activities

Leasehold building
The Group leases office premises for the purpose of back office operations.

Plant and equipment
The Group leases forklift to render logistic services.

Office equipment
The Group leases office equipment for office operation purpose.

(a) Carrying amounts – ROU assets

	2020	2019
	$	$
Leasehold building	86,084	154,952
Plant and equipment	–	25,284
Office equipment	–	4,042
	86,084	184,278

(b) Depreciation charge during the financial year

	2020	2019
Leasehold building	68,868	68,868
Plant and equipment	–	3,780
Office equipment	–	2,575
	68,868	75,223

20. Leases – The Group as a lessee

Nature of the Group's leasing activities

Office equipment

(c) Interest expenses

	2020	2019
	$	$
Interest expense on lease liabilities (Note 9)	8,441	14,868

(d) Lease expense not capitalised in lease liabilities

Lease expense – short-term leases	46,733	27,752

(e) Total cash outflow for all leases in 2020 was $128,107 (2019: $129,757).

(f) There is no addition of ROU assets during the financial year ended 31 December 2020 and 2019.

21. Goodwill on consolidation

	The Group	
	2020	2019
	$	$
Cost		
Beginning and end of financial year	37,699	37,699
Accumulated impairment		
Beginning and end of financial year	37,699	37,699
Net book value	–	–

In the financial year ended 31 December 2006, the Group acquired Sitra Global Pte Ltd and Sitra Agencies Pte Ltd for a total aggregate purchase price of $412,276, resulting in the recognition of goodwill amounting to $37,699. Goodwill was fully impaired since the financial year 31 December 2010 as the recoverable amount was estimated to be lower than the carrying amount.

22. Trade and other payables

	The Group 2020 $	The Group 2019 $
Trade payables		
- Non-related parties	1,319,073	1,205,394
Other payables		
- Directors	2,253,237	1,287,731
- Non-related parties	316,509	282,913
	2,569,746	1,570,644
Accruals for operating expenses	433,218	428,119
Advances received from customers	63,386	–
Deposit received	9,329	8,743
	4,394,752	3,212,900

	The Company 2020 $	The Company 2019 $
Other payables		
- Subsidiary corporations	1,903,182	1,947,219
- Directors	2,149,497	1,287,731
- Non-related parties	24,732	132,675
	4,077,411	3,367,625
Accruals for operating expenses	78,101	184,853
Deposit received	6,696	6,696
	4,162,208	3,559,174

The other payables to directors and subsidiary corporations are unsecured, interest free and payable on demand.

23. Borrowings

	The Group 2020 $	The Group 2019 $
Current		
Bank overdrafts (Note 12)	34,618	14,924
Trust receipts	–	1,406,361
Term loan	218,750	–
Lease liabilities	90,528	72,920
	343,896	1,494,205
Non-current		
Lease liabilities	1,567	92,108
Term loan	1,281,250	–
	1,282,817	92,108
Total borrowings	1,626,713	1,586,313

23. Borrowings

	The Company	
	2020	2019
	$	$
Current		
Lease liabilities	–	5,005
Non-current		
Lease liabilities	1,567	1,580
Total borrowings	1,567	6,585

The exposure of the borrowings of the Group and of the Company to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	The Group	
	2020	2019
	$	$
6 months or less	34,618	1,421,285

The term loan and lease liabilities are not exposed to interest rate changes as these borrowings bear fixed interest rate.

Security granted

The term loan of the Group is secured by the corporate guarantee issued by the Company.

Lease liabilities of the Group are secured by the rights to the leasehold building, leased plant and equipment and office equipment as the legal title is retained by the lessors. Legal title of the leased plant and equipment and office equipment will be transferred to the Group upon full settlement of the lease liabilities.

24. Deferred income taxes

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

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

	The Group	
	2020	2019
	$	$
Deferred tax assets		
(to be recovered after one year)		
Unutilised tax losses	(30,566)	(58,457)
Deferred tax liabilities		
(to be settled after one year)		
- Accelerated tax depreciation	–	44,302
- Asset revaluation	195,000	195,000
	195,000	239,302
	164,434	180,845

24. Deferred income taxes

Movement in deferred tax account is as follows:

	The Group	
	2020	2019
	$	$
Beginning of financial year	180,845	181,283
Currency translation differences	–	(438)
Utilised tax losses and tax depreciation	(16,411)	–
End of financial year	164,434	180,845

Deferred tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group have unrecognised tax losses of approximately $9,207,925 (2019:$12,629,825) at the balance sheet date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation. The unrecognised tax losses have no expiry date.

25. Share capital

	No. of ordinary shares	Amount
		$
The Group and the Company		
2020		
Beginning and end of financial year	1,228,300,000	22,992,180
2019		
Beginning of financial year	751,200,000	17,817,108
Shares issued	477,100,000	5,248,100
Share issue expenses	–	(73,028)
End of financial year	1,228,300,000	22,992,180

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

On 4 October 2019, the Company allotted and issued 477,100,000 ordinary shares as follows:

(a) 158,000,000 ordinary shares were issued for a total consideration of $1,738,000 to provide additional working capital for the operation of the Company;

(b) 319,100,000 ordinary shares were issued for the acquisition of 54% shares of Mapur Rocky Resort Limited (Note 32(a)).

The newly issued shares rank pari passu in all respects with the previously issued shares.

26. Other reserves

	The Group	
	2020	2019
	$	$
(a) Composition:		
Capital reserve	14,393	14,393
Currency translation reserve	658,301	1,021,784
Fair value reserve	–	(36,000)
General reserve	(1,032,643)	(1,518,991)
Asset revaluation reserve	941,868	823,821
	581,919	305,007
(b) Movements:		
(i) Capital reserve		
Beginning and end of financial year	14,393	14,393
(ii) Currency translation reserve		
Beginning of financial year	1,021,784	1,410,805
Net currency translation differences of financial statements of:		
- Foreign subsidiary corporations	(78,900)	(401,666)
Less: Non-controlling interests	(284,583)	12,645
	(363,483)	(389,021)
End of financial year	658,301	1,021,784
(iii) Fair value reserve		
Beginning of financial year	(36,000)	(36,000)
Reversal (Note 18)	36,000	–
End of financial year	–	(36,000)
(iv) General reserve		
Beginning of financial year	(1,518,991)	(1,518,991)
Reversal	486,348	–
End of financial year	(1,032,643)	(1,518,991)
(v) Asset revaluation reserve		
Beginning of financial year	823,821	–
Revaluation gains (Note 19)	167,785	823,821
Less: Non-controlling interests	(49,738)	–
End of financial year	941,868	823,821

Other reserves are non-distributable

26. Other reserves

	The Company	
	2020	2019
	$	$
(a) Composition:		
Capital reserve	14,393	14,393
Fair value reserve	–	(36,000)
	14,393	(21,607)
(b) Movements:		
(i) Capital reserve		
Beginning and end of financial year	14,393	14,393
(ii) Fair value reserve		
Beginning of financial year	(36,000)	(36,000)
Reversal (Note 18)	36,000	–
End of financial year	–	(36,000)

Other reserves are non-distributable.

27. Accumulated losses

Movement in accumulated losses for the Company is as follows:

	The Company	
	2020	2019
	$	$
Beginning of financial year	(19,425,502)	(17,623,011)
Net loss for the financial year	(773,837)	(1,802,491)
End of financial year	(20,199,339)	(19,425,502)

28. Commitments

Operating lease commitments – where the Group is a lessee

The Group leases office premise and equipment from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

As at 31 December 2020, the future minimum lease payables under non-cancellable operating leases contracted for but not recognised as liabilities, are as follows:

	The Group	
	2020	2019
	$	$
Not later than one year	–	65,142
Between one and five years	–	–
	–	65,142

The Group has adopted SFSR(I) 16 on 1 January 2019. These lease payments have been recognised as ROU assets and lease liabilities on the balance sheet as at 1 January 2019 and 31 December 2019, except for short-term and low value leases.

29. Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk, price risk and interest rate risk), credit risk, liquidity risk and capital risk. The Group's overall risk management strategy seeks to minimise any adverse effects from the unpredictability of financial markets on the Group's financial performance. The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group.

(a) Market risk

(i) Currency risk

The Group's foreign currency risk arises from certain trading activities denominated in foreign currencies and its investments in subsidiary corporations which are located in foreign countries.

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies such as the United States Dollar ("USD"), Euro ("Euro") and Indonesian Rupiah ("IDR").

The Group's currency exposures based on the information provided to key management are as follows:

	SGD	USD	EUR	IDR	Others	Total
	$	$	$	$	$	$
As at 31 December 2020						
Financial assets						
Cash and bank balances	166,447	57,920	9,218	4,187	804	238,576
Financial assets, at FVPL	3,700,000	–	–	–	–	3,700,000
Trade and other receivables	24,810	733,911	63,510	221,523	607,631	1,651,385
Receivables from subsidiary corporations	198,988	7,355	–	12,606,223	–	12,812,566
Other current assets	14,170	–	118,453	–	–	132,623
	4,104,415	799,186	191,181	12,831,933	608,435	18,535,150
Financial liabilities						
Trade and other payables	(2,642,988)	(1,173,343)	(214,596)	(300,439)	–	(4,331,366)
Payables to subsidiary corporations	(198,988)	(7,355)	–	(12,606,223)	–	(12,812,566)
Borrowings	(1,592,095)	–	(34,618)	–	–	(1,626,713)
	(4,434,071)	(1,180,698)	(249,214)	(12,906,662)	–	(18,770,645)
Net financial (liabilities)/ assets	(329,656)	(381,512)	(58,033)	(74,729)	608,435	(235,495)
Less: financial (liabilities)/ assets denominated in the respective entities' functional currencies	308,076	–	22,771	8,732	–	339,579
Currency exposure of financial (liabilities)/assets net of those denominated in the respective entities' functional currencies	(21,580)	(381,512)	(35,262)	(65,997)	608,435	104,084

29. Financial risk management

Financial risk factors

(a) Market risk

(i) Currency risk

The Group's currency exposures based on the information provided to key management are as follows:

	SGD	USD	EUR	IDR	Others	Total
	$	$	$	$	$	$
As at 31 December 2019						
Financial assets						
Cash and bank balances	11,176	84,185	88,773	3,582	24,480	212,196
Financial assets, at FVPL	9,000,000	–	–	–	–	9,000,000
Trade and other receivables	6,997	932,218	8,290	–	168,834	1,116,339
Receivables from subsidiary corporations	3,726,228	17,812,884	–	–	–	21,539,112
Other current assets	21,572	–	90,750	–	–	112,322
	12,765,973	18,829,287	187,813	3,582	193,314	31,979,969
Financial liabilities						
Trade and other payables	(1,669,322)	(893,737)	(361,318)	(274,141)	(14,382)	(3,212,900)
Payables to subsidiary corporations	(3,726,228)	(17,812,884)	–	–	–	(21,539,112)
Borrowings	(165,028)	(1,406,362)	(14,923)	–	–	(1,586,313)
	(5,560,578)	(20,112,983)	(376,241)	(274,141)	(14,382)	(26,338,325)
Net financial assets/ (liabilities)	7,205,395	(1,283,696)	(188,428)	(270,559)	178,932	5,641,644
Less: financial (assets)/ liabilities denominated in the respective entities' functional currencies	(7,203,637)	–	189,346	270,648	3,854	(6,739,789)
Currency exposure of financial assets/(liabilities) net of those denominated in the respective entities' functional currencies	1,758	(1,283,696)	918	89	182,786	(1,098,145)

29. Financial risk management

Financial risk factors

(a) Market risk

(i) Currency risk

The Company's currency exposures based on the information provided to key management is as follows:

	SGD	USD	IDR	Total
	$	$	$	$
As at 31 December 2020				
Financial assets				
Cash and bank balances	126,089	2,239	1,102	129,430
Trade and other receivables	146,649	–	3,041,222	3,187,871
Other current assets	1,410	–	–	1,410
	274,148	2,239	3,042,324	3,318,711
Financial liabilities				
Trade and other payables	(4,155,461)	(6,747)	–	(4,162,208)
Borrowings	(1,567)	–	–	(1,567)
	(4,157,028)	(6,747)	–	(4,163,775)
Net financial (liabilities)/assets	(3,882,880)	(4,508)	3,042,324	(845,064)
Less: financial liabilities denominated in the Company's functional currency	3,882,880	–	–	3,882,880
Currency exposure of financial assets net of those denominated in the Company's functional currency	–	(4,508)	3,042,324	3,037,816
As at 31 December 2019				
Financial assets				
Cash and bank balances	1,025	2,440	90	3,555
Trade and other receivables	74,863	3,358,272	–	3,433,135
Other current assets	1,410	–	–	1,410
	77,298	3,360,712	90	3,438,100
Financial liabilities				
Trade and other payables	(1,878,289)	(1,680,885)	–	(3,559,174)
Borrowings	(6,585)	–	–	(6,585)
	(1,884,874)	(1,680,885)	–	(3,565,759)
Net financial (liabilities)/ assets	(1,807,576)	1,679,827	90	(127,659)
Less: financial liabilities denominated in the Company's functional currency	1,807,576	–	–	1,807,576
Currency exposure of financial assets net of those denominated in the Company's functional currency	–	1,679,827	90	1,679,917

29. Financial risk management

Financial risk factors

(a) Market risk

(i) Currency risk

If the USD, EUR, IDR and other currencies change against the SGD by 1% each respectively (2019: 1%) with all other variables including tax rate being held constant, the effects arising from the net financial (liabilities)/assets position will be as follows:

	As 31 December 2020		**As at 31 December 2019**	
	Increase / (decrease)			
	Net Loss	**Equity**	**Net Loss**	**Equity**
	$	**$**	**$**	**$**
The Group				
USD against SGD				
- Strengthened	(3,167)	(3,167)	10,655	10,655
- Weakened	3,167	3,167	(10,655)	(10,655)
EUR against SGD				
- Strengthened	(293)	(293)	8	8
- Weakened	293	293	(8)	(8)
IDR against SGD				
- Strengthened	(548)	(548)	1	1
- Weakened	548	548	(1)	(1)
Other currencies against SGD				
- Strengthened	5,050	5,050	1,517	1,517
- Weakened	(5,050)	(5,050)	(1,517)	(1,517)
The Company				
USD against SGD				
- Strengthened	(37)	(37)	13,943	13,943
- Weakened	37	37	(13,943)	(13,943)
IDR against SGD				
- Strengthened	25,251	25,251	1	1
- Weakened	(25,251)	(25,251)	(1)	(1)

(ii) Price risk

The Group has no exposure to equity securities price risk as the equity investments classified as financial assets, at FVPL and at FVOCI are both unquoted securities. The financial assets, at FVOCI have been fully impaired.

(iii) Cash flow and fair value interest rate risks

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 obtains financing through bank facilities and seeks to minimise its interest rate exposure by obtaining the most favourable interest rates available.

29. Financial risk management

Financial risk factors

(a) Market risk

(iii) Cash flow and fair value interest rate risks

The Group's 5-year term loan bears fixed interest rate of 3% per annum effectively eliminating interest rate risk.

Other borrowings such as bank overdrafts and trust receipts bear variable interest rates on which effective hedges have not been entered into. If the interest rates increase/decrease by 1% (2019: 1%) with all other variables including tax rate being held constant, the impact on the net loss of the Group will not be significant as a result of higher/lower interest expense on these borrowings.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in the financial loss to the Group. The major classes of the financial assets, at amortised cost of the Group and the Company are cash and cash equivalents and trade and other receivables.

For trade receivables, all credit terms and limits for each customer are reviewed and are approved by the management. The amount of deposit, credit terms and limit for each customer is based on factors such as assessment of the customer's financial condition, financial strength, credit history, past collection history, volume of sales and its business performance. If necessary, the management will amend the credit terms granted to the customers.

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

	The Company	
	2020	**2019**
	$	**$**
Corporate guarantee provided to bank on subsidiary corporation's borrowings	1,500,000	1,406,361

The trade receivables of the Group comprise 6 debtors (2019: 6 debtors) that individually represented more than 5% of trade receivables.

The credit risk for trade and other receivables based on the information provided to key management is as follows:

	The Group	
	2020	**2019**
	$	**$**
By geographical areas		
Australia/New Zealand	835,374	523,861
Europe	584,800	562,844
Asia/Others	299,003	86,100
	1,719,177	1,172,805
By types of customers		
Non-related parties		
- Corporate	1,719,177	1,172,805

29. Financial risk management

Financial risk factors

(b) Credit risk

	The Company	
	2020	**2019**
	$	**$**
By geographical areas		
Europe	–	34,040
Asia/Others	3,187,871	3,399,095
	3,187,871	3,433,135
By types of customers		
Subsidiary corporations	3,187,871	3,433,135

(i) Credit rating

The Group and the Company uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables from customers.

The ECL computed is purely derived from historical data which management is of the view that the historical conditions are representative of the conditions prevailing at the reporting date.

In measuring the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and days past due.

The Group uses the following categories of internal credit risk rating for financial assets which are subject to expected credit losses under the 3-stage general approach. These four categories reflect the respective credit risk and how the loss provision is determined for each of those categories.

Category of internal credit rating	Definition of category	Basis of recognition of expected credit losses
Performing	Issuer have a low risk of default and a strong capability to meet contractual cash flows	12-month expected credit losses
Under-performing	Issuer for which there is a significant increase in credit risk; as significant in credit risk is presumed if interest and/or principal repayment are 180 days past due	Lifetime expected credit losses
Non-performing	Interest and/or principal payment are 270 days past due	Lifetime expected credit losses
Write-off	Interest and/or principal repayments are 365 days past due and there is no reasonable expectation of recovery.	Asset is written off

29. Financial risk management

Financial risk factors

(b) Credit risk

(ii) Impairment of financial assets

The Group and the Company has applied the simplified approach by using the provision matrix to measure the lifetime expected credit losses for all trade receivables and the general approach for other receivables.

To measure the expected credit losses, these receivables have been grouped based on shared credit risk characteristics and days past due. In calculating the expected credit loss rates, the Group and the Company consider historical loss rates for each category of customers.

Receivables 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 categorises a receivable for write off when a debtor fails to make contractual payment greater than 90 days past due based on historical loss rates for each category of customers and adjust to reflect current and forward looking information. Where receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Trade receivables

The Group's and the Company's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 December 2020 is set out in the provision matrix as follows:

		Past due				
	Current	Within 30 days	30 to 60 days	60 to 90 days	More than 90 days	Total
	$	$	$	$	$	$
2020						
The Group						
Sale of goods						
Expected loss rate	0%	0%	0%	0%	0%	
Trade receivables	124,225	1,129,068	187,016	–	–	1,440,309
Loss allowance	–	–	–	–	–	–
Lifetime expected credit loss (Note 14)	–	–	–	–	–	–
Rendering of services						
Expected loss rate	0%	0%	0%	0%	100%	
Trade receivables	–	–	–	–	108,105	108,105
Loss allowance	–	–	–	–	–	–
Lifetime expected credit loss (Note 14)	–	–	–	–	(108,105)	(108,105)

The Company has no credit risk exposure in the relation to trade receivable.

29. Financial risk management

Financial risk factors

(b) Credit risk

(ii) Impairment of financial assets

Trade receivables

The Group's credit risk exposure in relation to trade receivables under SFRS(I) 9 as at 31 December 2019 is set out in the provision matrix as follows:

		Past due				
	Current	Within 30 days	30 to 60 days	60 to 90 days	More than 90 days	Total
	$	$	$	$	$	$
2019						
The Group						
Sale of goods						
Expected loss rate	0%	0%	0%	0%	0%	
Trade receivables	1,101,052	–	–	–	–	1,101,052
Loss allowance	–	–	–	–	–	–
Lifetime expected credit loss (Note 14)	–	–	–	–	–	–
Rendering of services						
Expected loss rate	0%	0%	0%	0%	100%	
Trade receivables	–	–	–	–	111,439	111,439
Loss allowance	–	–	–	–	–	–
Lifetime expected credit loss (Note 14)	–	–	–	–	(111,439)	(111,439)

The Company has no credit risk exposure in the relation to trade receivable.

The movements in loss allowance are as follows:

	The Group	
	2020	2019
	$	$
Beginning of financial year	111,439	104,387
Currency translation differences	(3,334)	(13,805)
Loss allowance (Note 8)	–	20,857
End of financial year (Note 14)	108,105	111,439

29. Financial risk management

Financial risk factors

(b) Credit risk

(ii) Impairment of financial assets

Other receivables

As at 31 December 2020 and 2019, there are no credit risk exposures in relation to the Group's other receivables. Management has assessed the application of the expected credit loss model and no addition loss allowances are recognised for these financial assets.

The Company applies the SFRS(I) 9 general model for measuring expected credit losses for its non-trade receivables from its subsidiary corporations.

The Company has other receivables due from its subsidiary corporations of $12,752,871 (2019: $17,635,139) for the purpose of capital funding. The Company has made loss allowances amounting to $9,565,000 (2019: $14,202,004) as the amount has no indication of full recovery.

The movement in loss allowance is as follows:

	The Company	
	2020	2019
	$	$
Beginning of financial year	14,202,004	13,600,000
Loss allowance	–	602,004
Reversal of loss allowance	(4,637,004)	–
End of financial year (Note 14)	9,565,000	14,202,004

Cash and cash equivalents

The Group considers cash and cash equivalents as low credit risk as it is held with bank and financial institution counterparties, which have high credit-rating assigned by the international credit-rating agency.

(c) Liquidity risk

The Group and the Company manage the liquidity risk by maintaining sufficient cash and cash equivalents to enable them to meet their normal operating commitments, having an adequate amount of committed bank facilities.

29. Financial risk management

Financial risk factors

(c) Liquidity risk

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year	Between 1 and 2 years
	$	$
The Group		
2020		
Trade and other payables	4,331,366	–
Borrowings	343,896	1,282,817
	4,675,262	1,282,817
2019		
Trade and other payables	3,212,900	–
Borrowings	1,494,205	92,108
	4,707,105	92,108

	Less than 1 year	Between 1 and 2 years
	$	$
The Company		
2020		
Trade and other payables	4,162,208	–
Borrowings	–	1,567
Financial guarantee contracts	1,500,000	
	5,662,208	1,567
2019		–
Trade and other payables	3,559,174	–
Borrowings	5,005	1,580
Financial guarantee contracts	1,406,361	–
	4,970,540	1,580

(d) Capital management

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

Management monitors capital based on a gearing ratio. As at 31 December 2020, the Group and the Company's gearing ratio was 32% and 59% respectively (31 December 2019: 20% and 50% respectively).

29. Financial risk management

Financial risk factors

(d) Capital management

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	The Group		The Company	
	2020	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**
Net debt	5,782,889	4,587,017	4,034,345	3,562,204
Total equity	12,665,602	18,665,850	2,807,234	3,545,071
Total capital	18,448,491	23,252,867	6,841,579	7,107,275
Gearing ratio	31%	20%	59%	50%

The Group and the Company are not exposed to any externally imposed capital requirements for the financial years ended 31 December 2020 and 31 December 2019.

(e) Fair value measurements

The table below presents assets and liabilities measured and carried at fair value and classified by level of the following fair value measurement hierarchy:

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(ii) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

See Note 19 to the financial statements for disclosure of the property, plant and equipment that are measured at fair value.

The Group	Level 2
	$
2020	
Financial assets, at FVPL	3,700,000
2019	
Financial assets, at FVPL	9,000,000

There were no transfers between Levels 1 and 2 during the financial year.

The carrying amount less impairment of trade and other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated based on quoted market prices or dealer quotes for similar instruments by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of current borrowings approximates their carrying amount.

29. Financial risk management

Financial risk factors

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the balance sheet and in Notes 13 and 18 to the financial statements, except for the following:

	The Group	
	2020	2019
	$	$
Financial assets, at amortised costs	2,022,584	1,440,857
Financial liabilities, at amortised cost	5,958,079	4,799,213

	The Company	
	2020	2019
	$	$
Financial assets, at amortised costs	3,318,711	3,438,100
Financial liabilities, at amortised cost	4,163,775	3,565,759

30. Related party transactions

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

(a) Sales and purchases of goods and services

	The Group	
	2020	2019
	$	$
Short-term lease payment to a related party	25,852	5,922

Related party comprises company which is controlled by one of the director of the Company.

Outstanding balances from related parties as at 31 December 2020 and 2019 are unsecured and receivable/payable within 12 months from the balance sheet date and are disclosed in Notes 14 and 22 to the financial statements.

(b) Key management personnel compensation

Key management personnel compensation is as follows is as follows:

	The Group	
	2020	2019
	$	$
Directors' fees	93,315	108,946
Salaries	412,272	871,130
Employer's contribution to defined contribution plans, including Central Provident Fund	42,273	46,553
Other short-term benefits	14,606	34,445
	562,445	1,061,074

Included in the above is total compensation to directors of the Company amounting to $251,282 (2019: $495,557).

31. Segment information

Management has determined the operating segments based on the reports reviewed by executive directors that are used to make strategic decisions.

Executive directors consider the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the following primary geographic areas: Australia, New Zealand, Europe and Asia. All geographic locations are engaged in the sale of wood-based products and outdoor lifestyle furniture.

No separate segmental information by business segment is presented, except for segment revenue, as all business segments use the same resources and share the same costs. Management is of the opinion that it is not practicable to separate the costs, assets and liabilities for each business segment.

No revenue was generated from the Group's property development business segments as the Group has not commence the construction of the development project in Bintan, Indonesia.

(a) Revenue from major products

Revenues from external customers are derived mainly from the sale of wood-based products and outdoor lifestyle furniture. Breakdown of the revenue is as follows:

	2020 Revenue		**2019 Revenue**	
	$	**%**	**$**	**%**
The Group				
Wood-based products	17,168,920	**99.4**	16,276,721	**99.0**
Outdoor lifestyle furniture	98,640	**0.6**	158,542	**1.0**
Total	17,267,560	**100.0**	16,435,263	**100.0**

(b) Geographical information

The Group's two business segments operate in three main geographical areas:

- Australia/New Zealand - the operations in this area are principally the sales of wood-based products and outdoor lifestyle furniture.
- Europe - the operations in this area are principally the sales of wood-based products and outdoor lifestyle furniture.
- Asia/Others - the operations in this area are principally the sales of wood-based products and outdoor lifestyle furniture.

31. Segment information

(b) Geographical information

	2020 Revenue		2019 Revenue	
	$	%	$	%
The Group				
Europe	12,007,937	**69.5**	11,742,810	**71.4**
Australia/New Zealand	5,044,472	**29.2**	4,320,902	**26.3**
Asia/Others	215,151	**1.3**	371,551	**2.3**
	17,267,560	**100.0**	16,435,263	**100.0**

	2020 Non-current assets		2019 Non-current assets	
	$	%	$	%
Europe	8,756	**0.08**	5,439	**0.05**
Asia/Others	11,005,324	**99.92**	11,077,977	**99.95**
	11,014,080	**100.00**	11,083,416	**100.00**

No significant revenue is derived from a single external customer.

32. Business Combinations

On 4 October 2019, the Group acquired a 54% equity interest in Mapur Rocky Resort Limited. The principal activity of Mapur Rocky Resort Limited is investment holding company. As a result of the acquisition, the Group indirectly holds 54% of PT East Bintan Resort – ("Target Subsidiary Corporation").

The acquisition is beneficial to the Group as it would enable the Group to embark on the property development business. The Group may undertake future property development projects through the Target Subsidiary.

Details of the consideration paid, the assets acquired and liabilities assumed, the non-controlling interest recognised and the effects on the cash flows of the Group, at the acquisition date, are as follows:

(a) Purchase consideration

	$
Cash paid	–
Fair value of share consideration[1]	3,510,100
Consideration transferred for the business	3,510,100

(1) The purchase consideration is satisfied by allotment and issue of an aggregate of 319,100,000 ordinary shares of the Company (Note 25) to Madam Doris Chung Gim Lian and Mr Chew Han Wei ("Vendors") or their nominee at an issue price of $0.011 per consideration share, credited as fully paid-up.

(b) Effect on cash flows of the Group

	$
Cash paid (as above)	–
Cash and cash equivalents in subsidiary corporations acquired	2,055
Cash inflow on acquisition	2,055

32. Business Combinations

(c) Identifiable assets acquired and liabilities assumed

	At fair value
	$
Cash and cash equivalents	2,055
Property, plant and equipment (Note 19) (Note 32 (f))	6,912,779
Total assets	6,914,834
Trade and other payables	(9,062)
Total liabilities	(9,062)
Total identifiable net assets	6,905,772
Less: Non-controlling interest at fair value	(3,177,163)
Less: Gain from bargain purchase (Note 8)	(218,509)
Consideration transferred for the business	3,510,100

(d) Acquisition-related costs

Acquisition-related costs of $104,224 are included in "Administrative expenses" in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

(e) Non-controlling interests

The Group has chosen to recognise the non-controlling interests at its fair value of $3,177,163. The fair value was estimated based on number of shares owned by the non-controlling interests multiplied by the share price at acquisition date. This is a Level 1 fair value measurement.

(f) Acquired property, plant and equipment

The fair value of acquired identifiable property, plant and equipment at acquisition date is IDR70,538,000,000 (approximately $6,912,779). The cost of property, plant and equipment is IDR2,911,031,480 (approximately $383,284), and was adjusted to the fair value determined by a professional independent valuer at acquisition date.

(g) Revenue and profit contribution

The acquired business contributed net loss of $19,325 to the Group from 4 October 2019 to 31 December 2019. No revenue was contributed by the acquired business during the financial year.

Had Mapur Rocky Resort Limited been acquired from 1 January 2019, the consolidated revenue and profit for the year ended 31 December 2019 would have not significantly deviated from the reported consolidated revenue and profit as Mapur Rocky Resort Limited is a dormant entity.

33. Events occurring after balance sheet date

(a) On 8 February 2021, the Group completed the strike-off of a dormant Singapore-incorporated subsidiary, Suncoast Sitra Private Limited (Note 17).

(b) On 24 March 2021, the Group has entered into a Sales and Purchase Agreement with the promoter to dispose of its 10% equity investment in World Furnishing Hub Pte Ltd for an aggregate consideration of $3.7 million in cash, the put option will then be terminated once the consideration is fully satisfied.

In consideration of the event above, the Group has written down the financial assets to $3.7 million as at 31 December 2020 to reflect the fair value of the financial asset, at FVPL (Note 13).

34. Contingent liabilities

The Company gives letters of financial support to certain subsidiary corporations in the Group with capital deficiencies at financial year end.

The Company has issued corporate guarantee to a bank for a term loan of a subsidiary corporation which was used to refinance trust receipts financing. This amounted to $1,500,000 (2019: $1,406,361) at balance sheet date.

35. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2021 and which the Group has not early adopted.

(a) Amendments to SFRS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the balance sheet date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

(b) Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use (effective for annual periods beginning on or after 1 January 2022)

The amendment to SFRS(I) 1-16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

The Group does not expect any significant impact arising from applying these amendments.

(c) Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts – Cost of Fulfilling a Contract (effective for annual periods beginning on or after 1 January 2022)

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the costs of fulfilling it and any compensation or penalties arising from failure to fulfil it. The amendment to SFRS(I) 1-37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts.

The Group does not expect any significant impact arising from applying these amendments.

36. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of Sitra Holdings (International) Limited on 15 April 2021.

STATISTICS OF SHAREHOLDINGS

As at 19 March 2021

SHARE CAPITAL

Number of Issued Shares	:	1,228,300,000
Share Capital	:	S$23,356,421
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share

The Company has no treasury shares and *subsidiary holdings as at 19 March 2021.

*subsidiary holdings – defined in the Listing Manual Section B, Rules of Catalist of the Singapore Exchange Securities Trading Limited to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Cap 50.

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 19 MARCH 2021

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	5	0.94	90	0.00
100 - 1,000	28	5.25	18,700	0.00
1,001 - 10,000	58	10.88	422,600	0.03
10,001 - 1,000,000	395	74.11	76,041,301	6.20
1,000,001 and above	47	8.82	1,151,817,309	93.77
Total	**533**	**100.00**	**1,228,300,000**	**100.00**

TWENTY LARGEST SHAREHOLDERS

As at 19 March 2021

	SHAREHOLDER'S NAME	NO OF SHARES	%
1	CHEW HUA SENG	399,033,520	32.49
2	CITIBANK NOMINEES SINGAPORE PTE LTD	364,913,780	29.71
3	CHEW AH BA	120,949,081	9.85
4	TAN TERESA	86,029,318	7.00
5	MAYBANK KIM ENG SECURITIES PTE. LTD	35,325,100	2.88
6	CHEW CHIEW SIANG STEVEN	24,393,900	1.99
7	DBS NOMINEES PTE LTD	8,417,810	0.69
8	ANG CHIN SAN	8,351,000	0.68
9	YEO LAI CHOO @YEO LAI CHOO CECILIA	8,162,000	0.66
10	TAN LYE SENG	6,933,800	0.56
11	CHIN SEK PENG	6,300,000	0.51
12	LIM CHYE HUAT @ BOBBY LIM CHYE HUAT	6,000,000	0.49
13	NG BOON HUAN DANIELS	4,120,000	0.34
14	PEREIRA GERARD WILSON	4,000,000	0.33
15	KARUPPIAH PALANIAPPAN	3,800,000	0.31
16	RAFFLES NOMINEES (PTE) LIMITED	3,392,800	0.28
17	SATPAL KAUR	3,300,000	0.27
18	PRIMALANI CHANDRU GULABRAI	3,168,000	0.26
19	KWA LECK TIEW	3,121,000	0.25
20	PHILLIP SECURITIES PTE LTD	3,044,300	0.25
	Total	**1,102,755,409**	**89.80**

SUBSTANTIAL SHAREHOLDERS

As at 19 March 2021 as shown in the Company's Register of Substantial Shareholders

	Direct / Beneficial Interest		Deemed Interest		Total Interest	
Name of Substantial Shareholder	**Number of Shares**	**%**	**Number of Shares**	**%**	**Number of Shares**	**%**
Chew Ah Ba, George[(1)]	120,949,081	9.85	86,029,318[(1)]	7.00	206,978,399	16.85
Tan Teresa[(1)]	86,029,318	7.00	120,949,081[(1)]	9.85	206,978,399	16.85
Guo Shaozeng	364,313,780	29.66	-	-	364,313,780	29.66
Chew Hua Seng	399,033,520	32.49	-	-	399,033,520	32.49

Note:

(1) By virtue of Section 4 of the Securities and Futures Act (Cap. 289), Chew Ah Ba, George is deemed to have an interest in the shareholdings of his spouse, Mdm Tan Teresa and vice versa.

Free Float

Based on the Register of Substantial Shareholders as at 19 March 2021, approximately 18.17% of the total number of issued ordinary shares of the Company was held in the hands of the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual, Section B, Rules of Catalist of the Singapore Exchange Securities Trading Limited.

ANNUAL GENERAL MEETING
IN 2021

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders ("Shareholders") of Sitra Holdings (International) Limited (the "**Company**") will be held by way of electronic means on 30 April 2021 at 9.30 a.m. to transact the following businesses:-

AS ORDINARY BUSINESS

1 To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2020, the Directors' Statement and the Auditors' Report thereon. **(Resolution 1)**

2(a) To re-elect Mr Chin Sek Peng, Michael who retires by rotation in accordance with Article 91 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company. **(Resolution 2)**

*Mr Chin Sek Peng, Michael will, upon re-election as a Director of the Company, remain as the Chairman of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Listing Manual Section B, Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**Rules of Catalist**”).*

2(b) To re-elect Mr Ng Boon Huan, Daniels who retires by rotation in accordance with Article 91 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company. **(Resolution 3)**

Mr Ng Boon Huan, Daniels will, upon re-election as a Director of the Company, remain as a member of the Audit Committee and will be considered independent for the purposes of Rule 704(8) of the Rules of Catalist.

[*See Explanatory Note (a)*]

3 To approve the payment of Directors' fees of S$99,233 for the financial year ended 31 December 2020 (2019: S$108,946). **(Resolution 4)**

4 To approve the payment of Directors' fees of S$100,000 for the financial year ending 31 December 2021, payable quarterly in arrears (2020: S$99,233). **(Resolution 5)**

[*See Explanatory Note (b)*]

5. To re-appoint Messrs Nexia TS Public Accounting Corporation as external auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

6. To transact any other ordinary business that may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

7. Authority to allot and issue shares

THAT pursuant to Section 161 of the Companies Act, Chapter 50 and Rule 806 of the Rules of Catalist, authority be and is hereby given to the Directors of the Company to:

(a) (i) 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) 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 in their absolute discretion deem fit;

(b) (notwithstanding that the authority conferred by this Ordinary Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Ordinary Resolution was in force, provided that:

(i) the aggregate number of Shares to be issued pursuant to this Ordinary Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution) does not exceed 100% of the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with subparagraph (ii) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Ordinary Resolution) does not exceed 50% of the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (ii) below);

(ii) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (i) above, the percentage of issued share capital shall be based on the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings at the time of passing of this Ordinary Resolution, after adjusting for:

(1) new Shares arising from the conversion or exercise of any convertible securities which were issued and are outstanding or subsisting at the time this Resolution is passed;

(2) new Shares arising from exercise of share options or vesting of share awards which were issued and are outstanding or subsisting at the time of passing of this Ordinary Resolution, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Rules of Catalist; and

(3) any subsequent bonus issue, consolidation or subdivision of Shares;

and, in sub-paragraph (i) above and this sub-paragraph (ii), "subsidiary holdings" has the meaning given to it in the Rules of Catalist;

(iii) in exercising the authority conferred by this Ordinary Resolution, the Company shall comply with the provisions of the Rules of Catalist for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited) and the Constitution for the time being of the Company; and

(iv) unless revoked or varied by the Company in general meeting, the authority conferred by this Ordinary Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier; and

(c) the Directors be and are hereby authorized to do any and all acts which they deem necessary and expedient in connection with paragraphs (a) and (b) above.

(Resolution 7)

8. Authority to offer and grant options and to allot and issue Shares under the Sitra Holdings Employee Share Option Scheme

"That approval be and is hereby given to the Directors of the Company to:

(A) offer and grant options in accordance with the Sitra Holdings Employee Share Option Scheme (the "**Scheme**") and the Constitution of the Company; and

(B) allot and issue from time to time such number of fully paid-up Shares as may be required to be delivered pursuant to the exercise of options under the Scheme,

provided that the aggregate number of Shares over which options may be granted under the Scheme on any date, when added to the number of Shares issued and/or issuable or transferred and/or transferable in respect of all options granted under the Scheme, all awards granted under the Sitra Holdings Performance Share Plan and all Shares, options or awards granted under any other share option or share scheme of the Company then in force, shall not exceed fifteen per centum (15%) of the issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding that date."

(Resolution 8)

9. Authority to grant Shares awards and to allot and issue Shares under the Sitra Holdings Performance Share Plan

“That approval be and is hereby given to the Directors of the Company to:

(A) grant awards in accordance with the Sitra Holdings Performance Share Plan (the “**Plan**”) and the Constitution of the Company; and

(B) allot and issue from time to time such number of fully paid-up Shares as may be required to be delivered pursuant to the vesting of awards under the Plan,

provided that the aggregate number of Shares for which an award may be granted under the Plan on any date, when added to the number of Shares issued and/or issuable or transferred and/or transferable in respect of all awards granted under the Plan, all options granted under the Scheme and all Shares, options or awards granted under any other share option or share scheme of the Company then in force, shall not exceed fifteen per centum (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding that date.” **(Resolution 9)**

By Order of the Board

Chew Hua Seng
Non-Executive Chairman

Singapore, 15 April 2021

Explanatory Notes

(a) In relation to Resolutions 2 and 3 proposed under items 2(a) and 2(b) above, the detailed information on Mr Chin Sek Peng, Michael and Mr Ng Boon Huan, Daniels are set out in the section entitled “Board of Directors”, Table C in the “Corporate Governance Report” section and “Additional Information on Directors Seeking Re-Election” section of the Company’s 2020 Annual Report.

There are no relationships (including immediate family relationships) between Mr Chin Sek Peng, Michael and the Company, its related corporations, its substantial shareholders or its officers.

There are no relationships (including immediate family relationships) between Mr Ng Boon Huan, Daniels and the Company, its related corporations, its substantial shareholders or its officers.

(b) In relation to Resolution 5 proposed in item 4 above, the Board of Directors proposes the payment of directors’ fees to all Independent Non-Executive Directors to be approved by shareholders in advance during the forthcoming Annual General Meeting. Upon approval, the directors’ fees would then be paid in arrears on a quarterly basis by the Company.

Statement Pursuant to Article 54 of the Company’s Constitution

Ordinary Resolution 7

Ordinary Resolution 7 proposed in item 7 above, if passed, will empower the Directors from the date of this Meeting until the date of the next Annual General Meeting, or the date by which the next Annual General Meeting is required by law to be held or when varied or revoked by the Company in general meeting, whichever is the earlier, to issue shares in the capital of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding 100% of the issued shares in the capital of the Company excluding treasury shares and subsidiary holdings, of which up to 50% may be issued other than on a *pro rata* basis to shareholders. The aggregate number of shares which may be issued shall be based on the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time that Ordinary Resolution 7 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time that Ordinary Resolution 7 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares.

Ordinary Resolution 8

Ordinary Resolution 8 proposed in item 8 above, if passed, will empower the Directors of the Company to offer and grant options and allot and issue from time to time such number of fully paid-up Shares pursuant to the Scheme, provided that the aggregate number of Shares over which options may be granted under the Scheme on any date, when added to the number of Shares issued and/or issuable or transferred and/or transferable in respect of all options granted under the Scheme, all awards granted under the Sitra Holdings Performance Share Plan and all Shares, options or awards granted under any other share option or share scheme of the Company then in force shall not exceed fifteen per centum (15%) of the issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding that date.

Ordinary Resolution 9

Ordinary Resolution 9 proposed in item 9 above, if passed, will authorise the Directors of the Company to grant awards and to allot and issue from time to time such number of fully paid-up Shares pursuant to the Plan, provided that the aggregate number of Shares over which an award may be granted under the Plan on any date, when added to the number of Shares issued and/or issuable or transferred and/or transferable in respect of all awards granted under the Plan, all options granted under the Scheme and all Shares, options or awards granted under any other share option or share scheme of the Company then in force, shall not exceed fifteen per centum (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) on the date preceding that date.

Notes:

(1) This Annual General Meeting ("**AGM**") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

(2) Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions before or at the AGM and voting by appointing the Chairman of the AGM as proxy at the AGM, are set out in the accompanying Company's announcement dated April 15, 2021 which has been uploaded on SGXNET on the same day.

(3) **In view of the current COVID-19 control measures in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.** The Proxy Form is available on SGXNET.

(4) The Chairman of the AGM, as proxy, need not be a member of the Company.

(5) The Proxy Form must be submitted in the following manner:

(a) if submitted electronically, be submitted via email to the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com; or

(b) if submitted by post, be deposited at the at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898,

in either case, by 9.30 a.m. on Wednesday, 28 April 2021.

A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

In view of the current COVID-19 situation in Singapore, members are strongly encouraged to submit completed Proxy Forms electronically via email.

(6) The Annual Report 2020, the Notice of AGM and Proxy Form may be accessed on the SGX's website at the URL https://www.sgx.com/securities/company-announcements

PERSONAL DATA PRIVACY

By submitting an instrument appointing the Chairman of the AGM to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the appointment of the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance list, 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, take-over rules, regulations and/or guidelines.

ADDITIONAL INFORMATION ON ANNUAL GENERAL MEETING ON 30 APRIL 2021 ("AGM") TO BE HELD BY WAY OF ELECTRONIC MEANS

1. **Background**. The Board of Directors (the "**Board**") of Sitra Holdings (International) Limited (the "**Company**") refers to:

   (a) the COVID-19 (Temporary Measures) Act 2020 which enables the Minister for Law by order to prescribe alternative arrangements for listed companies in Singapore to, *inter alia*, conduct general meetings, either wholly or partly, by electronic communication, video conferencing, tele-conferencing or other electronic means;

   (b) the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (the "**Order**") which sets out the alternative arrangements in respect of, *inter alia*, general meetings of companies; and

   (c) the joint statement by the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and Singapore Exchange Regulation of 13 April 2020 (and subsequently updated on 27 April 2020, 22 June 2020 and 1 October 2020) which provides guidance on the conduct of general meetings amid the evolving COVID-19 situation during the period from 27 March 2020 to 30 June 2021.

2. **Date, time and conduct of AGM**. The Company wishes to announce that pursuant to the Order, the AGM will be convened and held on Friday, 30 April 2021 at 9.30 a.m. (Singapore time) by way of electronic means to transact the business set out in the AGM Notice.

   The Company's Non-Executive Chairman, Mr. Chew Hua Seng, will conduct the proceedings of the AGM. Substantial and relevant questions that are submitted by shareholders in advance will be addressed at the AGM or through an SGXNet announcement to be released before the AGM.

3. **Notice of AGM and proxy form**. The Notice of AGM and proxy form may be accessed on the SGX website at the URL https://www.sgx.com/securities/company-announcements

4. **No personal attendance at AGM**. As the AGM will be held by way of electronic means, **shareholders will not be able to attend the AGM in person**.

5. **Pre-Registration.** Shareholders who wish to attend the AGM via live audio-visual webcast or live audio-only stream, must pre-register at the pre-registration website at https://globalmeeting.bigbangdesign.co/sitra/ **by 9.30 a.m. on 28 April 2021** ("**Registration Cut-Off Date**") to enable the Company to verify their status as shareholders.

   Following the verification, authenticated shareholders will receive a confirmation email **by 9.30 a.m. on 29 April 2021** which will contain login details to access the live audio-visual webcast or a toll-free number with details to access the live audio-only stream of the AGM proceedings.

   Shareholders should not disclose such login details to persons who are not entitled to attend the AGM. Shareholders who do not receive the confirmation email by **9.30 a.m. on 29 April 2021**, but have registered by the 28 April 2021 deadline should contact our webcast service provider by email at webcast@bigbangdesign.co for assistance.

   Persons who hold shares through relevant intermediaries, including CPF and SRS investors, and who wish to participate in the AGM should approach their respective relevant intermediaries at least seven (7) working days before the AGM in order for necessary arrangements to be made for their participation in the AGM.

6. **Submission of Proxy Form.** In view of the current Covid-19 control measures in Singapore, the AGM will be held by electronic means and a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. The Chairman of the AGM, as proxy, need not be a member of the Company. The Proxy Form is available on SGXNET. A printed copy of the Proxy Form can also be found in the Annual Report 2020. A member must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid. The Proxy Form must be submitted in the following manner:

   - if submitted electronically, be submitted via email to the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com or

- if submitted by post, be deposited at the at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898.

In either case, **by 9.30 a.m. on 28 April 2021**.

A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

CPF or SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM.

7. **Submission of Questions.** Shareholders can submit their questions related to the resolutions to be tabled at the AGM to the Chairman of the AGM, in advance of the AGM, via the pre-registration URL: https://globalmeeting.bigbangdesign.co/sitra/ or by mail to sg.is.proxy@sg.tricorglobal.com or by post to the company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02, Singapore 068898.

   When sending in your questions by post or by email, please also provide the following details:

   a. your full name;
   b. contact number
   c. address
   d. NRIC, passport number or company registration number;
   e. number of shares held; and
   f. the manner in which you hold shares in the Company (e.g. via CDP, CPF or SRS).

   All questions must be submitted **by 9.30 a.m. on Friday, 23 April 2021**. Shareholders will be not able to ask questions at the AGM live during the webcast or audio-stream.

   The Company will endeavour to address all substantial and relevant questions related to the resolutions to be tabled for approval before or at the AGM. A summary of the questions and responses will be published on SGXNET.

8. **Important reminder**. Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to make further changes to its arrangements for the AGM at short notice. Shareholders should check SGXNet for the latest updates on the status of the AGM.

The Company would like to thank all Shareholders for their patience and co-operation in enabling the Company to hold its AGM with the optimum safe distancing measures amidst the current COVID-19 pandemic.

For and on behalf of
Sitra Holdings (International) Limited
15 April 2021

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Leong Weng Tuck - Registered Professional, 6 Raffles Quay, #24-02, Singapore 048580, sponsor@rhtgoc.com.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr. Chin Sek Peng, Michael and Mr. Ng Boon Huan, Daniels are the Directors seeking re-election at the forthcoming Annual General Meeting ("AGM") (collectively, the "Retiring Directors" and each a "Retiring Director").

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

	Chin Sek Peng, Michael	**Ng Boon Huan, Daniels**
Date of Initial Appointment	20 September 2006	20 September 2006
Date of last re-appointment	29 April 2019	29 April 2019
Age	65	59
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Chin Sek Peng, Michael as the Non-Executive Independent Director was recommended by the Nominating Committee ("**NC**") and the Board has accepted the recommendation after taking into consideration his qualifications, expertise, past experiences and overall contribution since he was appointed as a Director of the Company.	The re-election of Mr Ng Boon Huan, Daniels as the Non-Executive Independent Director was recommended by the Nominating Committee ("**NC**") and the Board has accepted the recommendation after taking into consideration his qualifications, expertise, past experiences and overall contribution since he was appointed as a 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, Audit Committee Chairman and Nominating Committee member.	Non-Executive Independent Director, Remuneration Committee Chairman, Audit Committee member and Nominating Committee member.
Professional qualifications	Bachelor of Arts (Honours) Degree in Accounting and Finance; Fellow Member of the Institute of Chartered Accountants in England and Wales; Fellow (practising) Chartered Accountant (Singapore)	Bachelor of Business Degree Master of Business Administration Certified Management Consultant with the Institute of Management Consultants, Singapore
Working experience and occupation(s) during the past 10 years	Currently, Executive Chairman of PKFCAP entities in Singapore. Joined legacy Price Waterhouse and worked in UK, Europe and Singapore from 1983 to 1994. In 1994, joined the Institute of Singapore Chartered Accountants ("**ISCA**") as the first Practice Review Director, heading, running and regulating the compliance of work standards of all audit practices in Singapore. In 1999, joined legacy Arthur Andersen as a partner in its Assurance and Business Advisory division. In 2002, he set up his own consultancy and accounting firms with another partner.	Managing Director of Capitale Ventures Pte Ltd, Capitale Advisory Pte Ltd and Advisor Associates (S) Pte Ltd Started his consultancy career in 1991 as a consultant with Alexander Proudfoot Management Services Company Plc Ltd (now known as Management Consulting Group PLC, listed on the London Stock Exchange). In 1995, joined EPC, a management consultancy firm funded by EDB with a mission to assist Singapore SME to grow and prepare for IPO. He headed the consultancy division. In 2007, he was appointed by the Canberra government as a business advisor at Victorian Industry Chambers of Commerce & Industry (Melbourne, Australia)
Shareholding interest in the listed issuer and its subsidiaries	6,300,000 shares	4,120,000 shares

	Chin Sek Peng, Michael	Ng Boon Huan, Daniels
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.	Shareholder of the Company.	Shareholder of the Company
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments* Including Directorships#	Senior Partner of PKF-CAP LLP and Head of Risk Consulting and Executive Chairman of PKF related entities in Singapore	Managing Director of Capitale Ventures Pte Ltd, Capitale Advisory Pte Ltd and Advisor Associates (S) Pte Ltd
Past (for the last 5 years)	Singapore Women's and Children's Medical Group Pte Ltd	Nil
Present	1 Sitra Holdings (International) Limited 2 Cortina Holdings Ltd 3 Sunpower Group Ltd 4 Amcorp Global Ltd (FKA Tee Land Ltd) 5 C&L Business Advisors Pte Ltd 6 PKF-ACPA Management Consultants Pte. Ltd. 7 PKF-HT KHOO PAC 8 PKF- Khoo Management Services Pte Ltd 9 PKF-CAP Advisory Partners Pte. Ltd. 10 PKF-CAP Risk Consulting Pte. Ltd. 11 PKF-CAP Tax Solutions Pte. Ltd.	Sitra Holdings (International) Limited
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No

		Chin Sek Peng, Michael	Ng Boon Huan, Daniels
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

		Chin Sek Peng, Michael	Ng Boon Huan, Daniels
f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	In October 2019, Mr Chin and his partner were appointed joint receivers by their client (Lender) over the charged assets of the Borrowers in relation to a loan made to the Borrowers in 2016. In the loan agreement, the Lender is entitled to additional interest on the loan and the interest is calculated based on the valuation of certain properties owned by the Borrowers. The Borrowers disputed this additional interest claimed by the Lender and in January 2020, the Borrowers took up a lawsuit against the Lender on grounds that the loan agreement is not valid. Additionally, the Borrowers also took legal action against Mr Chin and his partner as joint receivers by challenging the validity of their appointment as receivers under the security documents. At the pre-trial conference in April 2020, Parties agreed to pursue mediation in an attempt to settle the dispute. The mediation was held in June 2020 but was not successful. The case is proceeding to trial in the second half of 2021.	No
g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust	No	No
i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–		
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Chin Sek Peng, Michael	Ng Boon Huan, Daniels
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
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
Disclosure is applicable to appointment of Director Only		
Any prior experience as a director of a listed company? If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A

SITRA HOLDINGS (INTERNATIONAL) LIMITED
(Company Registration No.: 197901237E)
(Incorporated in the Republic of Singapore)

IMPORTANT

(1) In view of the current Covid-19 control measures in Singapore, the Annual General Meeting ("**AGM**") will be held by way of electronic means and a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.

(2) This Proxy Form is not valid for use by investors who hold shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act (Chapter 50 of Singapore), including CPF and SRS investors, and shall be ineffective for all intents and purposes if used or purported to be used by them.

(3) CPF Investors and SRS Investors who wish to appoint the Chairman of the AGM as proxy to vote on their behalf should approach their respective CPF Agent Banks and SRS Operators to submit their voting instructions at least seven (7) working days before the AGM. Other investors holding shares in the Company through relevant intermediaries who wish to vote should approach their relevant intermediaries as soon as possible to specify voting instructions.

(4) Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman of the AGM as a member's proxy to attend, speak and vote on his/her/its behalf at the AGM.

PERSONAL DATA PRIVACY:

By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 15 April 2021.

ANNUAL GENERAL MEETING PROXY FORM

I*I/We(Name)____________________________

(NRIC/Passport/UEN)____________________________

of (Address)____________________________

being a *member/ members of SITRA HOLDINGS (INTERNATIONAL) LIMITED (the "Company"), hereby appoint the Chairman of the AGM as my/our proxy/proxies, to vote for me/us on my/our behalf at the AGM of the Company to be held by electronic means on Friday, 30 April 2021 at 9.30 a.m. and at any adjournment thereof.

*I/We direct *my/our proxy to vote for or against, or abstain from voting on, the Ordinary Resolutions to be proposed at the AGM as indicated hereunder.

In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.

No.	Ordinary Resolutions	For	Against	Abstain
ORDINARY BUSINESS				
1.	To receive and adopt the Audited Financial Statements for the financial year ended 31 December 2020, the Directors' Statement and the Reports of Auditors thereon.			
2.	To re-elect Mr Chin Sek Peng, Michael as a Director (Retiring under Article 91).			
3.	To re-elect Mr Ng Boon Huan, Daniels as a Director (Retiring under Article 91).			
4.	To approve the payment of Directors' fees of S$99,233 for the financial year ended 31 December 2020 (2019: S$108,946).			
5.	To approve the payment of Directors' fees of S$100,000 for the financial year ending 31 December 2021, payable quarterly in arrears. (2020: S$99,233).			
6.	To re-appoint Messrs Nexia TS Public Accounting Corporation as the Company's external auditors and to authorise the Directors to fix their remuneration.			
SPECIAL BUSINESS				
7.	To authorise the Directors to allot and issue shares.			
8.	To authorise the Directors to offer and grant options and to allot and issue shares under the Sitra Holdings Employee Share Option Scheme. .			
9.	To authorise the Directors to grant share awards and to allot and issue shares under the Sitra Holdings Performance Share Plan.			

Voting will be conducted by poll. If you wish the Chairman of the AGM as your proxy to cast all your votes "For" or "Against" a Resolution, please indicate "X" in the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box in respect of that Resolution. If you wish the Chairman of the AGM as your proxy to "Abstain" from voting on a resolution, please indicate "X" in the "Abstain" box in respect of that resolution. Alternatively, please indicate the number of shares that the Chairman of the AGM as your proxy is directed to abstain from voting in that resolution. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as your proxy for that resolution will be treated as invalid.

Dated this ________ day of ________________ 2021

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

____
Signature of Member(s) or Common Seal of Corporate Member

* Delete as appropriate

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORMNotes:

Notes:

1. If the member has shares entered against his name in the Depository Register (maintained by The Central Depositary (Pte) Limited), he should insert that number of shares. If the member has shares registered in his name in the Register of Members (maintained by or on behalf of the Company), he should insert that number of shares. If the member has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members, he should insert the aggregate number. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
2. Due to the current COVID-19 restriction orders in Singapore, a member will not be able to attend the AGM in person. A member (whether individual or corporate) must appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM. Please note that a member may not vote at the AGM otherwise than by way of appointing the Chairman of the AGM as the member's proxy.

   Where a member (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the proxy form, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.
3. A member who is a relevant intermediary entitled to vote at the AGM must appoint the Chairman of the AGM to vote at the AGM instead of the member.

   "Relevant intermediary" means:

   (i) a banking corporation licensed under the Banking Act, Chapter 19 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;

   (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Future Act, Chapter 289 of Singapore and who holds shares in that capacity; or

   (iii) the Central Provident Fund Board established by the Central Provident Fund Act, Chapter 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Central Provident Fund Act, Chapter 36 of Singapore, providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

   CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes at by 9.30 a.m. on Wednesday, 21 April 2021.
4. The Chairman of the AGM, as proxy, need not be a member of the Company.

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Stamp
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SITRA HOLDINGS (INTERNATIONAL) LIMITED
c/o Tricor Barbinder Share Registration Services
80 Robinson Road, #11-02 Singapore 068898

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5. The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner:

   (i) if submitted electronically, be submitted via email to the Company's Share Registrar, Tricor Barbinder Share Registration Services at sg.is.proxy@sg.tricorglobal.com; or

   (ii) if submitted by post, be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services at 80 Robinson Road #11-02 Singapore 068898.

   in either case, by no later than **Wednesday 28 April 2021, 9.30 a.m.,** being at least 48 hours before the time for holding the AGM. A member who wishes to submit an instrument of proxy must complete and sign the proxy form, before scanning and sending it by email to the email address provided above, or submitting it by post to the address provided above.

   In view of the current COVID-19 situation in Singapore, shareholders are strongly encouraged to submit completed proxy forms electronically via email.
6. The instrument appointing the Chairman of the Meeting as proxy must be under the hand of the appointer or his attorney duly authorised in writing. Where the instrument appointing the Chairman of AGM as proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its authorised officer(s) or its attorney duly authorised.
7. Where an instrument appointing the Chairman of the AGM as proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) if the instrument appointing the Chairman of the AGM as proxy is submitted by post, be lodged with the instrument of proxy, if the instrument appointing the Chairman of the AGM as proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.
8. The Company shall be entitled to reject an instrument appointing the Chairman of the AGM as proxy 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 on the instrument appointing Chairman of the AGM as proxy (including any related attachment). In addition, in the case of members whose shares entered against their names in the Depository Register, the Company may reject an instrument appointing the Chairman of the Meeting as proxy lodged or submitted if such members are not shown to have shares against their names in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.
9. Members should take note that once this proxy form is submitted electronically via email to sg.is.proxy@sg.tricorglobal.com or posted/deposited to office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, they cannot change their vote as indicated in the box provided above.

SITRA
®

**SITRA HOLDINGS
(INTERNATIONAL) LIMITED**

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