



---

**SGX QUERIES PERTAINING TO THE COMPANY'S ANNUAL REPORT 2020**

---

The Board of Directors (the "Board") of Acma Ltd (the "Company") wishes to announce the following in response to queries raised by Singapore Exchange Securities Trading Limited with respect to the Company's Annual Report 2020 (the "AR").

**SGX Query 2 (a)**

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the "Code"), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 2.4 of the Code as you have not disclosed your board diversity policy and progress made towards implementing the board diversity policy, including objectives, and there were no explanations were provided for in your FY2020 annual report on how it is consistent with the intent of Principle 2 of the Code. Please clarify how the practices the Company had adopted are consistent with the intent of Principle 2 of the Code, which requires the Board to have an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Company.

**Company Response**

As disclosed on page 13 of the AR, the Board is committed to attracting experienced individuals to serve as Directors, regardless of their gender, race, ethnicity, religion, age or other aspects of diversity.

While the Board has not implemented a fixed diversity policy, the Board and the Nominating Committee ("NC") are satisfied that the current Board has the appropriate balance and diversity of expertise and experience that as a group, provides an appropriate balance and diversity of skills, experience, perspectives and knowledge for effective stewardship of the Group's business.

Each director has been appointed on the strength of his calibre, experience and expertise to contribute to the development of the Company.

The Board regularly examines its composition and size to assess the optimal number needed to facilitate robust engagement and effective decision-making. Board membership is periodically renewed with the appointment of new members with the right mix of skills, talents and experience, and who have the capacity to contribute effectively.

The Board currently has five members, comprising one Executive Director and four Non-Executive Directors, three of whom are independent. The Nominating Committee is charged with the responsibility of determining annually whether or not a director is independent. Each independent director is required to complete a confirmation of independence drawn up according to the guidelines stated in the Code. He is required to disclose to the Board any

relationships or circumstances which are likely to affect, or could appear to affect, his judgment.

Given the above, the Board and the NC are satisfied that 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 interest of the Company.

### **SGX Query 2 (b)**

Listing Rule 710 requires issuers to explicitly state, when deviating from the provisions prescribed in the Code of Corporate Governance 2018 (the “Code”), an explanation on how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 9.2(b) of the Code with regard to the disclosure in the annual report that the Board has received assurance from the CEO and other key management person who are responsible, regarding the adequacy and effectiveness of the issuer’s risk management and internal control system. Please let us have the Board’s confirmation that it has received such assurance and if not, please provide the reason for the deviation and explain how the Company’s practices are consistent with the intent of Principle 9 of the Code.

### **Company Response**

The Board confirms that it has received assurances from the CEO and other key management persons, who are responsible, regarding the adequacy and effectiveness of risk management and internal control systems.

### **By Order of the Board**

Quek Sim Pin  
Executive Chairman  
26 April 2021