

SEROJA INVESTMENTS LIMITED

(Company Registration Number: 198300847M)

(Incorporated in the Republic of Singapore)

RESPONSE TO SGX-ST QUERY

In response to the query raised by the Singapore Exchange Securities Trading Limited on 14 April 2021 in relation to the Company's announcements made on 31 March 2021, the Board of Directors wishes to provide the following information:

SGX Query:

We refer to the Company's SGXNet announcements as follows:-

i. SGXNet announcement of 31 March 2021 on the re-designation of Mr Ng Soon Kai from non-executive director to independent director, available via the following web-link:- <https://links.sgx.com/1.0.0/corporate-announcements/E3WS633NRHKCLZL/c342efbb5f4359f48ffcfb9e83cc6b5d154b51de0773bcb1341a6b8f607cb0d0>; and

ii. SGXNet announcement of 31 March 2021 titled:- "Resignation and re-designation of directors and changes in board composition and board committees", available via the following web-link:- <https://links.sgx.com/1.0.0/corporate-announcements/SG32CAET9WIVUKCV/96ff4320172366a687fcc7661823c558096b83a773b8d2802d11884fbd39fe5>, which states amongst others:- ".....Mr Ng Soon Kai ("Mr Ng") shall be re-designated as Independent Director of the Company from Non-Executive Director of the Company."

In this regard, please clarify the considerations by the Nominating Committee in re-designating Mr. Ng Soon Kai from non-executive director to independent director. In your response, please provide the Nominating Committee's assessment of Mr. Ng Soon Kai's independence, noting the Code of Corporate Governance 2018.

Company's Response:

With regard to the re-designation of Mr Ng Soon Kai ("**Mr Ng**") from Non-Executive Director of the Company to Independent Director of the Company, the Nominating Committee ("**NC**") has taken into consideration and made assessments based on the Code of Corporate Governance 2018 (the "**Code**") as follows:-

1. Mr Ng is not employed by the Company or any of its related corporations for the current or any of the past three financial years.
2. Mr Ng does not have an immediate family member who is employed or has been employed by the Company or any of its related corporations in the current or any of the past three financial years, and whose remuneration is or was determined by the Remuneration Committee of the Company.
3. Mr Ng is not a Director who, and does not have an immediate family member who, has provided to or received from the Company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services), other than compensation for board service, in the current or immediate past financial year.
4. Mr Ng is not a Director who, and does not have an immediate family member who, is or was a substantial shareholder of or a partner in (with 5% or more stake), or an executive officer of, or

a director of, any organisation which provided to or received from the Company or any of its subsidiaries significant payments or material services (which may include auditing, banking, consulting and legal services), in the current or immediate past financial year.

5. Mr Ng is not a director who is or has been directly associated with a substantial shareholder (with 5% or more stake) of the Company, in the current or immediate past financial year.
6. There is no relationship between Mr Ng and the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of Mr Ng's independent business judgement in the best interests of the Company. During discussions at Board meetings and any Committee meetings (Audit Committee, Remuneration Committee and NC) which Mr Ng was required or invited to attend, he was able to, without fear and favour, express his viewpoints and made enquires as well as challenged management with a view to seeking facts or clarifications on matters discussed. The NC is satisfied that Mr Ng is able to demonstrate strong independence in conduct, character and judgement in the discharge of his duties and responsibilities as an Independent Director of the Company.
7. The NC noted the requirements under the Code that Independent Directors need to make up majority of the Board where the Chairman is not independent and that Non-executive Directors make up a majority of the Board. With the re-designation of Mr Ng as Independent Director, the Board will be comprised of one Non-executive Director and two Independent Directors. With the current Board composition, the NC is satisfied that this will enable the Board to be more independent in approving decisions made in the best interests of the Company.
8. Notwithstanding re-designation of Mr Ng as Independent Director of the Company which was recommended by the NC and approved by the Board, the NC has emphasized the need to comply with Rule 210(5)(d)(iii) of SGX-ST's Listing Manual (which will take effect from 1 January 2022), with the continued appointment of Mr Ng as an Independent Non-Executive Director to be approved in separate resolutions at the forthcoming Annual General Meeting by (i) all shareholders; and (ii) shareholders, excluding the directors and the chief executive officer of the company, and associates of such directors and chief executive officer (as required by Rule 210(5)(d)(iii) of SGX-ST's Listing Manual). As such, the Company will be tabling the resolutions for Mr Ng's continued appointment as an Independent Non-Executive Director of the Company for shareholders' approval at the forthcoming Annual General Meeting.

Taking into account the above considerations and assessments made by the NC, the Board has concurred with the NC to re-designate Mr Ng as Independent Director of the Company, whose continued appointment as Independent Director of the Company shall be subject to the two-level approval by shareholders at the forthcoming Annual General Meeting as above-mentioned.

By order of the Board

Lim Poh Chen
Financial Controller
16 April 2021