

SUPPLEMENTAL ANNOUNCEMENT IN RESPONSE TO SGX REGCO'S QUERIES

The Board of Directors (the “**Board**”) of Bromat Holdings Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 15 October 2024 and 25 October 2024 (“**Announcements**”) in relation to the appointment of Mr Low See Lien (“**Mr Low**”), the appointment and cessation of Mr Gavin Mark McIntyre (“**Mr McIntyre**”) as an Independent Director of the Company respectively. Singapore Exchange Regulation (“**SGX Regco**”) has made initial engagement with the Sponsor on 18 October 2024 on the matter and raised queries on 28 October 2024 with respect to the Announcements. Specifically, the SGX Regco has, among others, requested for further elaboration on (i) the assessment by the Board, the Nominating Committee of the Company (the “**NC**”) and the continuing sponsor, SAC Capital Private Limited (the “**Sponsor**”), in relation to Mr Low’s independence, (ii) the reason for Mr McIntyre’s resignation, and (iii) the assessment by the Board, the NC and the Sponsor on whether there are concerns or issues leading to Mr McIntyre’s resignation. In consultation with the SGX Regco, the Company wishes to supplement further details in respect of the Announcements.

A. Initial assessment of the independence of Mr Low by the NC and the Board

Mr Low is currently an external audit partner of Baker Tilly TFW LLP (“**BT**”). Baker Tilly Consultancy (Singapore) Pte. Ltd. (“**BTCS**”) was the internal auditor for the Company for the financial year ended 30 September (“**FY**”) 2022 and FY2023.

The Board wishes to clarify that BTCS has completed the Company’s internal audit for FY2022 and FY2023¹ prior to the appointment of Mr Low. During these periods, BTCS reported directly to the Company’s former Audit Committee which comprised of three (3) Independent Directors, namely Mr Francis Ding Yin Kiat (“**Mr Ding**”), the Chairman of the Audit Committee, Mr Lo Kim Seng (“**Mr Lo**”) and Mr Benjamin Cho Kuo Kwang (“**Mr Cho**”), members of the Audit Committee (“**Former AC**”). The Former AC had approved the engagement, scope of work, and the internal audit reports during FY2022 and FY2023 before the cessation of Mr Francis Ding Yin Kiat and Mr Benjamin Cho Kuo Kwang and appointment of Mr Low and Mr McIntyre as the Independent Directors of the Company on 15 October 2024. Due to the changes in operations, the internal audit for FY2024 has not started. Coupled with the proposed appointment of Mr Low, the Company put the commencement of the internal audit for FY2024 on hold as it was deliberating the continued engagement of BTCS and was pending for the new Board to be re-constituted for further deliberation. As at the date of this announcement, BTCS is no longer the internal auditors of the Company and the Company will appoint another internal auditor to perform the internal audit for FY2024.

In deliberating and considering Mr Low’s independence, the Former NC (which is chaired by Mr Cho and whose members are Mr Lo and Mr Ding) and the former Board² had considered, among others, (i) Mr Low’s clarification that he is not involved in nor has any oversight of the internal audit function that is housed under BTCS, (ii) Mr Low’s confirmation of his independence, and (iii) that the fees paid to BTCS for internal audit services did not exceed the quantum stipulated under Practice Guidance 2 of the Code of Corporate Governance 2018. Accordingly, the Former NC and the former Board was of the opinion that Mr Low should be confirmed as independent for the purpose of Rule 704(7) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (“**Catalist Rules**”) and he is sufficiently experienced to be the Chairman of the Audit Committee. The former Board also considered the Company’s policy that where any situation of actual or potential conflict arises, the Board would require full and frank disclosure of the nature of the conflict and will ensure that Mr Low recuse himself from the relevant discussion and decision-making. This would include any matters relating to, amongst others, the appointment of internal auditor for the Company.

Taking into account of the above considerations, the Sponsor concurred with the above assessment by the

¹ The internal audit fees paid by the Company to BTCS for FY2022 and FY2023 were below S\$20,000 for each of the financial years.

² The former Board prior to the appointment of Mr Low and Mr McIntyre comprises of Mr Tan Keng Tiong, Mr Lim Teck-Ean, Mr Lo, Mr Cho and Mr Ding.

Former NC and the former Board.

B. Chronology of events

Mr Low and Mr McIntyre were appointed as Independent Directors of the Company on 15 October 2024. Due to feedback from relevant stakeholders, the re-constituted Board³ held a board meeting on 21 October 2024 to discuss and deliberate on potential course of action to address the feedback in relation to potential conflict of interest that may arise a result of Mr Low's appointment as BTCS was the Company's internal auditor as at the relevant point in time and the independence of Mr Low. During the meeting, the re-constituted Board (excluding Mr Low who was conflicted) had intended not to continue the engagement with BTCS as internal auditor. It was also discussed during the meeting that a clarification announcement shall be released to address the feedback received.

Subsequent to the board meeting, the Company received the notice of resignation dated 21 October 2024 (the "**IA Resignation Notice**") from BTCS to notify the Company of its decision to resign from its role as internal auditor for the Company due to conflict of interest.

During the review of the intended clarification announcement and subsequent to the receipt of the IA Resignation Notice, Mr McIntyre highlighted that he was appointed on the same day as Mr Low and had not participated in the previous deliberations on Mr Low's independence and assessment as an Independent Director of the Company. He had expressed that he holds a different view that Mr Low is not considered independent at the point of Mr Low's appointment as Mr Low is an external audit partner at BT while BTCS was the internal auditor of the Company which presented a conflict of interest. After deliberation and consideration, Mr McIntyre has decided to resign as an Independent Director.

C. Re-assessment of Mr Low's independence and suitability by the NC and the Board

As at the date of this announcement, BTCS has resigned as the Company's Internal Auditor hence the occurrence of potential conflicts of interest, if any, has been resolved. Additionally, any prior internal audit work done for FY2022 and FY2023 was before the appointment of Mr Low. The Board and the NC have assessed and is of the view, that Mr Low is suitable to continue to be the Independent Director of the Company and considered to be independent for the purpose of Rule 704(7) of the Catalist Rules. The Sponsor concurred with the above assessment by the Board and the NC.

To the best of the Company's knowledge, there are no unresolved differences and no matters that would have a material impact on the Group's and its financial reporting and there is no other information to be brought to the attention of shareholders. The Company is in the process of appointing new internal auditor and will make the necessary announcement as and when required. The Board confirms that all material information relating to the Group has been announced to shareholders.

By Order of the Board

Lim Teck-Ean
Executive Director and Chief Executive Officer
30 October 2024

*This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**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.*

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³ The re-constituted Board comprises of Mr Tan Keng Tiong, Mr Lim Teck-Ean, Mr Lo, Mr Low and Mr McIntyre.