



# Optimising Energy



ANNUAL REPORT  
2022

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## DEFINITIONS used throughout this Annual Report

<b>TrickleStar</b>	TrickleStar Limited and where the context allows and is appropriate, its subsidiaries
<b>Company</b>	TrickleStar Limited
<b>Board</b>	The Board of Directors of the Company
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>Director(s)</b>	Director(s) of the Company
<b>FY</b>	Financial year ended or ending (as the case may be) 31 December
<b>Group</b>	The Company and its subsidiaries
<b>K</b>	Thousands
<b>SGX-ST</b>	Singapore Exchange Securities Trading Limited
<b>Sponsor</b>	PrimePartners Corporate Finance Pte. Ltd.
<b>US\$</b>	United States dollars

## IMPORTANT INFORMATION

This annual report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr. Shervyn Essex, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, [sponsorship@ppcf.com.sg](mailto:sponsorship@ppcf.com.sg).



# Advanced Keyboard

USB Keyboard + Absence Sensing



Save Energy | Enhance Security



# CORPORATE PROFILE

TrickleStar Group's business is focused on Energy Optimisation and was founded in 2007. TrickleStar Limited is now a Singapore investment company that converted to a public company on 17 May 2019 and listed on the Catalist of SGX-ST on 18 June 2019.

## OUR VISION

To be the world leader in the design and supply of simple, easy to use electric load control products that reduce energy consumption, improve people's lives and help electric utilities manage grids more efficiently.

## OUR GOALS

- Be the world leader in innovative Energy Optimisation products.
- Improve and simplify the way electric utilities around the world deploy demand response solutions.





## OUR BUSINESS

We design and supply affordable, simple and easy-to-use Energy Optimisation products to help consumers reduce energy consumption in their homes and workplaces. These products also protect consumer devices and help minimise environmental impact by reducing energy wastage from appliances and consumer electronic products. Our Energy Optimisation products are primarily purchased by electric utilities, energy efficiency programs, mechanical, electric and plumbing contractors, and energy auditors in the US and Canada.

Our business model is asset-light and consumer-centric with a particular focus on development of intellectual property, brand development and marketing of Energy Optimising products. Our headquarters, which serve as our corporate office, is in Kuala Lumpur, Malaysia. Our sales office and main warehouse facilities are in the USA to facilitate better access and reach to our customers who are based in the USA and Canada.

We outsource our manufacturing to independent electronics contract manufacturers with manufacturing facilities in Malaysia, Vietnam and the PRC. In this way, we can leverage their production efficiencies to achieve better costing to our products, in line with our asset-light business model.



# OUR PRODUCTS

We produce a range of smart powerstrips with energy-saving and surge protection functionality. All our products are protected by patents that TrickleStar owns.

Tier 1 Advanced PowerStrips



Tier 2 Advanced PowerStrips



GSA Approved PowerStrips



Surge Protectors



Energy Monitor



USB Motion Sensor



PowerSwitch



Portable Power Station



Wi-Fi Electric Water Heater Controller



DryerSaver



Advanced Keyboard



# CHAIRMAN'S STATEMENT

Dear Shareholders

There have been significant changes at TrickleStar in 2022, not least among them being the decision of the Group's founder, Bernard Emby, to resign as CEO and, subsequently, as Executive Chairman. I was appointed to be Chair of the Board of Directors in December 2022 and my statement will cover the main events of the year.

## PRODUCTS

One of TrickleStar's key objectives since IPO in June 2019 has been to diversify the product range of the Group. To that end we embarked on an ambitious programme of developing new products to sit alongside our range of Advanced Powerstrips (**APS**). Our Board is very aware that it has been over three years since we embarked on this programme and that TrickleStar needs to see results from its investments. This has been one of our areas of focus in 2022 and several hard decisions have been taken in light of the extremely challenging operating environment with Covid, electronic component shortages, shipping and logistics issues, the ongoing US China trade tariffs and changed credit terms from key suppliers.

## CONNECTED PRODUCTS

Among the products TrickleStar had sought to develop was a Smart Thermostat and a Water Heater Controller that have "smart" capabilities and be connected to the internet. These we term "connected products".

In 2021, concerns were raised over delays in commercialising the connected products and we needed to make substantial provisions against their development cost due to delays in getting to market and generating revenue.

In mid-2022, the Board once again undertook a review of the connected products. The review highlighted a substantial requirement for working capital and ongoing investment in the connected products. The review concluded that we should continue to make efforts to commercialise the Water Heater Controller, but that we did not have the required capital to commercialise and compete successfully in the Smart Thermostat category.

Following that decision, TrickleStar terminated the Manufacturing Services Agreement for the Smart Thermostat and our contractor made claims for items that TrickleStar had committed to. The negotiations that ensued involved legal advisors and an amicable settlement was reached that resulted in TrickleStar incurring write-offs of US\$0.09 million as well as settlement costs of US\$0.34 million. This allowed us to make a clean break from any further liabilities relating to this product.

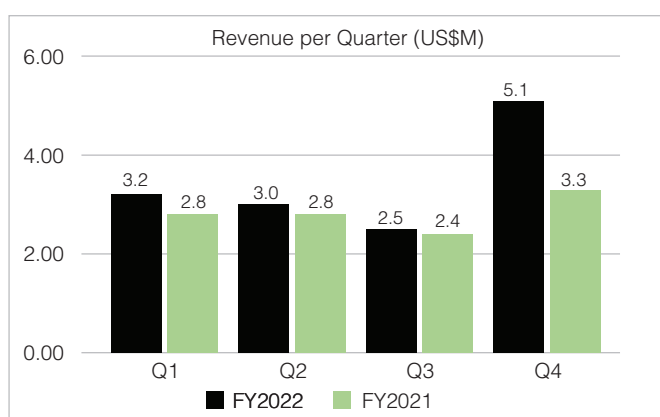
We continue to endeavour to commercialise the Water Heater Controller.



# CHAIRMAN'S STATEMENT

## STAND-ALONE PRODUCTS

Our main stand-alone product, APS, continued to perform satisfactorily in the first months of 2022 but new credit terms from our APS manufacturer increased cash requirements while ongoing investment in the connected products risked starving the core APS business of working capital. By directing cash resources into APS, TrickleStar was able to maximize APS sales which contributed to a stronger set of results in the second half of 2022. The trend of sales can be seen in the following table:



In addition to APS we have developed three additional stand-alone products, a Portable Power Station (**PPS**), an Advanced Keyboard and a Dryer Saver. Sales of the PPS began in 2022 but have been much slower than anticipated and we will continue to examine the best route to market with this product.

Investment in the Advanced Keyboard has been significant. Quality issues have delayed a commercial rollout of the product, but these have been largely resolved and we intend to promote this product in the coming year.

The DryerSaver has had some positive response from our attempts to introduce the product to the US market and we will continue to evaluate this product further in 2023.

## FINANCIALS

The push to develop new products in a very challenging macro environment has been costly.

In the middle of 2022, the management team was directed to focus on cost reduction and sales of APS. I am pleased to inform you that this work was successful in giving a satisfactory outcome from the core business in the second half of the year compared to the first half. For this improved results, I would congratulate all the employees in the Group.

We ended the year with revenue of US\$13.82 million (2021 US\$11.29 million). We made provisions of US\$0.11 million in respect of the Smart Thermostat, after which we recorded a net profit of US\$0.16 million (2021: Net loss of US\$2.40 million) and EBITDA of US\$0.52 million (2021: EBITDA of US\$0.65 million).

We saw a return to cash generation in the final months of 2022, although legacy costs from the product development program have used some of this cash. However, I believe these costs are behind us. We ended 2022 with net cash of US\$2.53 million (2021: US\$1.62 million).

In 2022 we also sold off almost the whole of our legacy stocks and were even able to write-back US\$0.08 million for provisions made in 2021. This work also helped to improve our cash position and the refocusing of our company's strategy should augur well for 2023.

## DIVIDEND

There is no dividend for 2022.

At the time of IPO in 2019, TrickleStar was enjoying a strong and positive cash flow from its APS business. Whilst this continues to be the case, we are aware of the need for us to diversify our revenue streams. To that end we believe that investment of funds back into the business is a more prudent use of cash for long-term value rather than continuing with the current dividend policy. I therefore wish to notify shareholders that in future, dividends will be decided on an annual basis by referral to TrickleStar's cash requirements for developing the business, profits and cash availability rather than by reference to a fixed portion of net profit. Our new dividend policy is set out in detail in the Corporate Governance section of this Annual Report.



# CHAIRMAN'S STATEMENT

## OUTLOOK

We have asked management to be focused on profitability and cash generation. We have ceased the investment on product development and will focus on a smaller selection of the new products which are close to commercialisation.

TrickleStar remains intent on growth through diversification and we will consider opportunities that arise, whilst maintaining focus on sales of our current product range.

We are aware that there is potential for recession, political rivalries impacting business and continued high inflation rates in the USA, our main market. However, the utilities' energy conservation programmes are long-term and are expected to be maintained in the face of these challenges.

Supply chain issues, component issues and logistics bottlenecks that were evident at the start of 2022 have eased for the most part, which allows for better planning of shipments and products being where they are needed at the right time. This is beneficial to our APS business.

The demand for our APS appears to remain good and we will be seeking to sell those products as a priority in 2023. We believe that there is a market for our Advanced Keyboard and, therefore, this will also be a focus for 2023. We will explore potential new distribution methods for this product and anticipate a gradual pick up of interest as it becomes established.

When Bernard Emby resigned as CEO, we put TrickleStar's succession plans into operation and appointed Gunananthan Nithyanantham as Acting CEO. Mr Gunananthan's knowledge of TrickleStar and his business acumen are important to ensuring that we find the right solutions to any problems whilst the business recovers from the last two years' results. We anticipate that Mr Gunananthan will remain in this position in 2023. We will, however, be putting a new succession plan in place in light of the changes in 2022.

## CONCLUSION

The transition that has taken place in 2022 has not been without difficulties. We thank Bernard Emby, our founder, for his contributions to TrickleStar. He remains on the Board and we therefore expect to continue to receive the benefit of his knowledge and experience as we move forward.

I have been very impressed by the commitment of our employees to TrickleStar. They have worked through unusually stressful conditions in 2022 and have all made contributions to helping with the repositioning of the business and to strengthening TrickleStar's financial position. I thank them for their hard work in 2022.

I also thank my fellow directors for their continuing insights and contributions and, of course, all our business partners and stakeholders who contribute to TrickleStar's success.

Yours truly



**Ling Hee Keat**

Non-Executive Independent Chairman

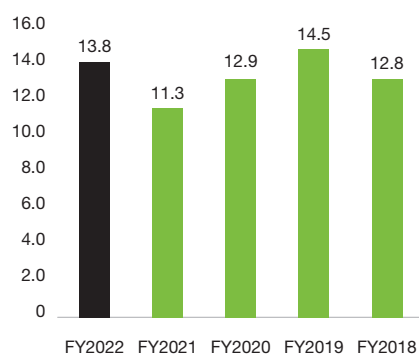
# FINANCIAL HIGHLIGHTS

Year Ended 31 December	2022	2021	2020	2019	2018
Revenue (US\$m)	13.8	11.3	12.9	14.5	12.8
Gross Profit (US\$m)	3.5	1.8	3.2	3.9	4.5
Net Profit (US\$m)	0.2	(2.4)	0.7	0.2 <sup>(2)</sup>	2.0
Total Assets (US\$m)	8.8	9.1	11.4	10.4 <sup>(2)</sup>	11.2
Total Debt (US\$m)	NIL	0.5	NIL	NIL	NIL
<b>Per Share Data</b>					
Net Assets (US\$cents)	6.4	6.1	9.6	8.6	7.7
Earnings (US\$cents)	0.2	(2.9)	0.9	0.2	3.0
Dividend recommended (US\$cents)	NIL	0.15	0.45	NIL	NIL
<b>Ratios</b>					
Gross Profit Margin	25.4%	15.9%	24.9%	26.9%	35.2%
EBITDA Margin	3.8%	(15.7%)	7.0%	2.8% <sup>(2)</sup>	18.8%
Net Profit Margin	1.2%	(21.2%)	5.4%	1.4% <sup>(2)</sup>	15.6%
Return on Equity <sup>(1)</sup>	3.1%	(47.3%)	9.5%	2.9% <sup>(2)</sup>	39.2%
Current ratio	2.6	2.5	3.0	3.0	1.8
Debt to net assets ratio	NIL	9.9%	NIL	NIL	NIL

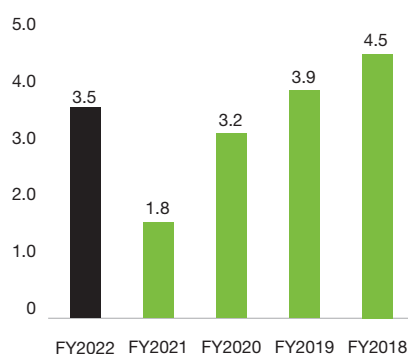
<sup>1</sup> Return on equity is profit after tax divided by equity attributable to the owners of the Company as at end of the financial year.

<sup>2</sup> For FY2019, the listing expenses incurred pursuant to the IPO amounted to approximately US\$1.12 million, net of US\$0.26 million capitalised against share capital.

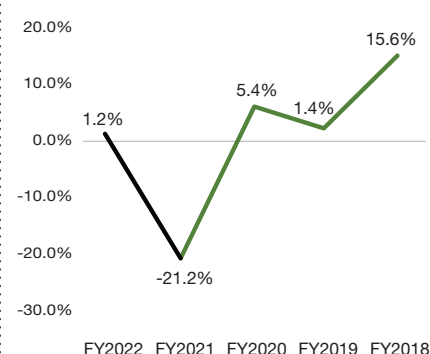
**Revenue (US\$m)**



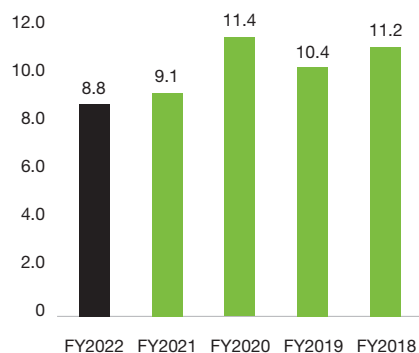
**Gross Profit (US\$m)**



**PAT Margin (%)**



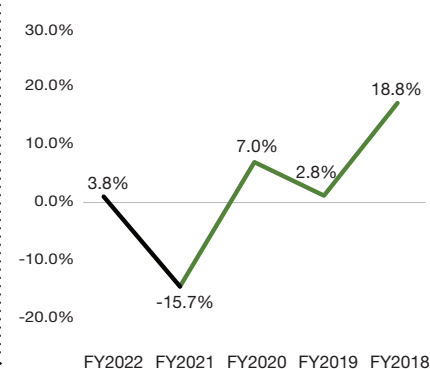
**Total Assets (US\$m)**



**PAT (US\$m)**



**EBITDA Margin (%)**



# BOARD OF DIRECTORS



**LING HEE KEAT**

*Non-Executive Independent Chairman*

Date of first appointment as a Director: 28 March 2019

Date of first appointment as Chairman:

8 December 2022

Mr. Ling, 51, graduated with a Bachelor of Laws degree from the University of Bristol, England in 1994 and was awarded the Degree of an Utter Barrister from Lincoln's Inn in 1995. He began his career in Malaysia in the securities research and corporate finance industry and in 1998 was appointed as a director of UT Securities Sdn. Bhd. with the responsibility for setting-up and managing the Research and the Corporate Advisory departments.

He was associated with SHH Resources Holdings Berhad, a furniture manufacturer listed on Bursa Malaysia between 1999 and 2016. He was first appointed as a non-executive non-independent director before being appointed as the deputy chairman in 2015, a post he held until December 2016.

Since 2013, Mr. Ling has been a senior associate at Leong Partnership Advocates and Solicitors, a boutique law firm focusing on corporate work and conveyancing. He is also a Certified Mediator with the Bar Council of Malaysia.

In November 2018, he was appointed as an independent non-executive director of IRIS Corporation Berhad, a company listed on the ACE Market of Bursa Malaysia, a position he continues to hold till this day.



**GUNANANTHAN NITHYANANTHAM**

*Executive Director, Chief Operating Officer and Acting Chief Executive Officer*

Date of first appointment as a Director:

31 October 2018

Appointed Executive Director and COO:

1 January 2022

Appointed Acting Chief Executive Officer:

1 November 2022

Mr. Gunananthan, 54, is the Group's Acting CEO and COO. He is responsible for the overall management of TrickleStar's day-to-day operations.

He graduated with a BSc (cum laude), with four majors in Physics, Mathematics, Computer Science, and Non-Western Studies from Mount Union College, Alliance, Ohio in 1992, an MSc in Electrical Engineering from Yale University, Connecticut in 1993 and an MBA with an operations and research specialisation, from Bowling Green State University, Ohio in 1994.

He has founded or co-founded several businesses including SmartTransact Sdn. Bhd. (1999), a company which developed e-commerce solutions, Malaysian Street Sdn. Bhd. (2000), a company which provided web-based advisory services and Navigos Corporation Sdn. Bhd. (2003), where he was primarily responsible for overseeing and evaluating investment opportunities and financial transactions. He joined TrickleStar Hong Kong in January 2012 and was appointed as finance director, with responsibility for overseeing the finances, logistics control and administrative activities of the Group.

Mr. Gunananthan received the Environmentalist Award 2018 granted by the Malaysian-China Chamber of Commerce.



# BOARD OF DIRECTORS



**BERNARD CHRISTOPHER EMBY**

*Executive Director and Chief Executive Officer*

Date of first appointment as a Director:  
31 October 2018

Mr. Emby, 52, founded TrickleStar in November 2007. He held the position of Chairman until he resigned from that role on 7 December 2022. He is currently the Chief Executive Officer and will resign from this role on 28 April 2023 and becoming Non-Executive Non-Independent Director.

His career began in 1993 as a product marketing manager. In 1995, he was appointed as a managing director of Electronic Lifestyles Pty Ltd. and, in June 1998, became managing director of Clipsal Integrated Systems, a business unit of the publicly listed Clipsal Group. From October 2005 to February 2007, he was a management consultant with Honeywell, Novar ED&S, responsible for mapping out the product strategy for that company's residential lighting control and home automation products in Europe, the Middle East and Africa. He left Honeywell Novar to found TrickleStar.

Mr. Emby graduated with a Bachelor of Arts from the University of Western Australia in 1992 and also holds a Graduate Diploma in Business from the Curtin University.



**CHUAH JERN ERN**

*Non-Executive Independent Director*

Date of first appointment as a Director:  
28 March 2019

Mr. Chuah Jern Ern, 52, is the chief intellectual property advisor to the Board, covering matters such as intellectual property strategy, intellectual property policy, intellectual property valuation, intellectual property commercialisation, intellectual property dispute resolution, mediation, and negotiations.

He began his career in 1994 as an Advocate and Solicitor in Malaysia before moving into the commercial sector as a specialist in resolving intellectual property matters and was responsible for managing intellectual property work in relation to mediation, negotiation settlements, mergers and acquisitions, licensing, and technology transfer.

In 2000, Mr. Chuah founded and was appointed CEO of an intellectual property specialist corporation in Malaysia and oversaw the development of that company until the business was sold in 2018 to the Australian public listed entity QANTM IP Limited.

Mr. Chuah graduated with a Bachelor of Laws (Honours) from the University of Nottingham in 1992 and was called to the Degree of an Utter Barrister, Lincoln's Inn, England in July 1993. He is registered as a Patent Agent, Trademark Agent, Geographical Indication Agent, and Industrial Design Agent with the Intellectual Property Corporation of Malaysia and remains an Advocate and Solicitor of the High Court of Malaya (non-practicing).

# BOARD OF DIRECTORS



**JEREMY JOHN FIGGINS**

*Non-Executive Independent Director*

Date of first appointment as a Director:  
31 October 2018

Mr. Figgins, 69, is an Independent Director and is appointed to be available to Shareholders where they have concerns, and for which contact through normal channels is not appropriate.

In a career covering finance, commerce, and industry he has held positions up to and including Managing Director for international banking and finance organizations such as HSBC, 3i and Standard Chartered. In the commercial and industrial field, he has held positions up to Chief Corporate Officer and has been advisor to the owners of several substantial groups with core interests in a variety of industries including property, mining, securities, engineering, food processing, IT and e-commerce.

He began his career in London, England in 1973 and first worked in Asia, in Singapore, in 1985, becoming the head of corporate finance of Wardley Limited (the investment banking arm of HSBC). He has also lived and worked in Hong Kong, Malaysia, and Indonesia.

Mr. Figgins was admitted as a Solicitor of the Supreme Court of England and Wales in 1977 and is a member of The Law Society of England and Wales. He has published three novels about business and energy sources.

# KEY MANAGEMENT PROFILE



## **GUNANANTHAN NITHYANANTHAM**

*Executive Director, Chief Operating Officer and Acting Chief Executive Officer*

Mr. Gunananthan re-joined the management team at the start of 2022. His profile is included in the Board of Directors' Profiles in this Annual Report.



## **BERNARD CHRISTOPHER EMBY**

*Executive Director and Chief Executive Officer*

Mr. Bernard's profile is included in the Board of Directors' Profiles in this Annual Report.





# KEY MANAGEMENT PROFILE



## **JON ALAN LANNING**

*President of TrickleStar Inc., North America*

Mr. Lanning, 58, has over 25 years of sales management and business development experience with a demonstrated history of working in the electrical and electronic manufacturing industry. His experience includes sales and marketing, contract negotiation, business planning, operations management and personnel development. Jon was the first US-based employee of TrickleStar, joining the team in December 2012 and has been promoted to President, North America since January 2023.

Mr. Lanning is also responsible for developing TrickleStar's brand, covering public, media and corporate relations, strategic partnerships and other initiatives that contribute to awareness of TrickleStar's portfolio of energy optimisation products.

Additionally, he leads the North American team on product development, marketing, and sales. He directly oversees TrickleStar's key accounts and develops the strategies that are needed to achieve TrickleStar's objectives and growth, including gaining acceptance of TrickleStar products into utilities' energy efficiency programs.



## **S KRISHNAN A/L SINNAPPAN**

*Chief Technical Officer*

Mr. Krishnan, 50, has over 23 years' experience in R&D management of new consumer products. He is also highly experienced as an E&E engineer in the international manufacturing industry and quality assurance. He joined the TrickleStar team in November 2014 as a Project Manager and now oversees all technological interests of TrickleStar products, which includes responsibility for research of new products, drafting specifications and managing product design and development. The technical team provides technical support to the sales team in USA, as well as ensuring effective communication with design centers in Taiwan, Denmark, Australia, Hong Kong and our contract manufacturers in China, Malaysia, and Vietnam.

He began his career with Panasonic, Malaysia in 1998, and worked as a University Lecturer prior to joining TrickleStar. He obtained a degree in Electrical and Electronics Engineering in 1996 and an MSc in Telecommunication Engineering in 1997 from the University of East London, England. In 2011, he was elected as Graduate of the Institute of Engineers, Malaysia and appointed to the Malaysian Board of Engineers, Malaysia.

# KEY MANAGEMENT PROFILE

**LOH PENG KOK***Financial Controller*

Mr. Loh, 30, is a member of the Malaysian Institute of Accountants, a member of the Association Chartered Certified Accountants (“ACCA”), United Kingdom and holds a Bachelor of Commerce (Honours) degree from Tunku Abdul Rahman University College. He was appointed Financial Controller in June 2022 and is responsible for the oversight and control of TrickleStar’s accounting and Finance functions, including monitoring and coordinating the statutory financial accounts, consolidation and financial reporting to the SGX-ST.

Mr. Loh started his career as an auditor having served various capacities in audit firms. In January 2022, he joined TrickleStar as Group Accountant and progressed within the Group to the position of Finance Controller in June 2022.

**YAP SAW CHENG***Executive Secretary to the Board**Head of Admin and Human Resources*

Ms. Yap, 56, has over 25 years’ experience in finance and accounting. She joined the TrickleStar team in July 2011 as an Accountant and was responsible for oversight of the finance, shipping, logistics, human resource, and administration for the Group until May 2018, when she was appointed as Director for TrickleStar Malaysia and Executive Secretary to the Malaysian company’s board. She was involved in the Group restructuring and IPO exercise prior to TrickleStar’s listing on the Catalist market of the SGX-ST in June 2019.

She is responsible for providing secretarial support to the Board of Directors and Board Committees and oversees human resources and administration. She was appointed as Head of Sustainability in May 2021 with responsibility for sustainability reporting and assisting in driving the Company sustainability initiatives.

# KEY MANAGEMENT PROFILE



## YU SEE MEI

*Logistics & Systems Manager*

Ms. Yu, 34, graduated with a Bachelor of Arts (Honours) degree in Business Administration from UCSI University. She joined TrickleStar in July 2015.

She is responsible for overall supply chain management, information systems and technology. Since joining, she has implemented an ERP system to enhance efficiency and productivity of the business.

Prior to joining TrickleStar, Ms. Yu worked on end-to-end fulfillment in supply chain management with IBM. She was also involved in information systems planning and system automation in a US-listed Information Technology & Services company. Her other career experience includes purchasing, logistics, inventory and warehouse management, order fulfillment, system integration and automation.





# FINANCIAL AND OPERATIONS REVIEW

## Revenue

The Group recorded revenue of US\$13.82 million for FY2022. This represents a 22.4% increase from FY2021 (US\$11.29 million). The revenue increase was due to a stronger demand for our core APS products and the redirecting of management's concentration from its new product development program back to our main stand-alone product starting from 2H 2022.

## Gross profit and gross profit margin

Gross profit increased by 95.0% to US\$3.50 million in FY2022 from US\$1.80 million in FY2021. Gross profit margin, excluding a US\$0.22 million net provision against stock, increased to 26.9% in FY2022 from 20.6% in FY2021. (Including the stock provision, the gross margin of FY2022 was 25.3%.) This was mainly attributable to the impact of decrease in logistics costs.

## Other income

Other income decreased by US\$0.56 million in FY2022, mainly due to the non repeat of the exceptional income in FY2021 from recovery of US\$0.35 million in legal costs and the forgiveness of US\$0.13 million advances to ensure employment during Covid-19 crisis under the PPP ("Paycheck Protection Program") by the US Government, which was no longer repeated after 31 May 2021.

## Selling and distribution expenses

Selling and distribution expenses increased by 17.7% or US\$0.16 million, from US\$0.89 million in FY2021 to US\$1.05 million in FY2022, due mainly to the following:

- (i) an increase of US\$0.07 million in salaries and other staff benefits from increased USA sales staff headcount;
- (ii) an increase of US\$0.04 million in shipping costs as a result of increased sales;

- (iii) an increase of US\$0.03 million in travelling and accommodation expenses; and
- (iv) an increase of US\$0.02 million in advertising and trade show expenses.

## Administrative expenses

Administrative expenses decreased by US\$0.60 million or 18.9% from US\$3.18 million in FY2021 to US\$2.58 million in FY2022 mainly due to the following:

- (i) a decrease of US\$0.99 million in impairment losses for intangible assets;
- (ii) a decrease of US\$0.31 million in professional fees;
- (iii) a decrease of US\$0.03 million in performance share plan expense;

which were partially offset by the following increases in expenses:

- (i) an increase of US\$0.41 million in salaries and other staff benefits; and
- (ii) an increase of US\$0.34 million in settlement costs.

## Finance costs

The increase in finance costs in FY2022 was due to US\$0.03 million interest incurred on a bank.

## Profit before tax

As a result of the reasons aforementioned, the Group recorded a loss before tax of US\$0.16 million in FY2022, as compared to a loss before tax of US\$1.72 million in FY2021.

# FINANCIAL AND OPERATIONS REVIEW

## Income tax

In FY2022, the Group recorded income tax credit of US\$0.59 million for FY2022, which was mainly due to the reversal of deferred tax liabilities for our US subsidiary for FY2022.

## Profit after tax

Profit after tax increased by US\$2.56 million, from a loss of US\$2.39 million in FY2021 to a profit of US\$0.16 million in FY2022.

## STATEMENT OF FINANCIAL POSITION

### Property, plant and equipment

Property, plant and equipment as at 31 December 2022 increased by US\$0.10 million due to the renewal of leasehold buildings which was partially offset by depreciation charge of US\$0.08 million and write-off of property, plant and equipment of US\$0.02 million.

### Intangible assets

Intangible assets as at 31 December 2022 decreased by US\$0.36 million after allowing for impairment loss for product development costs by US\$0.51 million which included the product development costs of US\$0.15 million during the financial period.

### Current assets

Current assets as at 31 December 2022 decreased by US\$0.03 million mainly due to the following:

- (i) an increase in inventory of US\$0.46 million as explained below in the review of the Group's statement of cash flows; and

which were offset by:

- (i) a decrease in cash and bank balances of US\$0.39 million;
- (ii) a decrease in trade and other receivables of US\$0.06 million; and
- (iii) a decrease in prepayments of US\$0.04 million

### Non-current liabilities

Non-current liabilities as at 31 December 2022 decreased by US\$0.43 million due to a decrease of deferred tax liabilities by US\$0.57 million, which was offset by increase of lease liabilities of US\$0.14 million.

### Current liabilities

Current liabilities as at 31 December 2022 decreased by 3.18% or US\$0.11 million mainly due to an increase of US\$0.39 million in trade and other payables which was partially offset by a decrease of US\$0.50 million in bank borrowings due to repayments during the financial period.

# SUSTAINABILITY REPORT

## ABOUT THIS REPORT

### Reporting scope and standard

TrickleStar Limited ("**TrickleStar**"), (an expression used in this report that includes TrickleStar Limited and its subsidiaries where the content allows) was admitted to the Catalist Market of Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 18 June 2019 following a restructuring exercise. TrickleStar is committed to perform its sustainability reporting on an annual basis, and this sustainability report ("**Report**") covers the non-financial performance of TrickleStar for the financial year ended 31 December 2022 ("**FY2022**"). We have included the historical data for FY2021 for comparison where available.

This Report has been prepared in accordance with the Global Reporting Initiative ("**GRI**") Standards: Core Option ("**GRI Standards**") – *G4 Sustainability Reporting Guidelines* issued by the Global Sustainability Standards Board and is guided by Practice Note 7F of the *Sustainability Reporting Guide* under the SGX-ST Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"). In addition, the Singapore Exchange Regulation (SGX RegCo), had also in December 2021, amended the listing rules to require issuers to provide climate-related reporting in the sustainability report from the financial year commencing in 2022 based on the recommendations from the Task Force on Climate-related Financial Disclosures ("**TCFD**"). This is our first report based on the TCFD recommendations and TrickleStar aims to progress further each year in adopting the TCFD recommendations into our report.

TrickleStar has adopted the GRI framework in reporting by considering its activities, impacts and substantive expectations and interests of its stakeholders. Currently, TrickleStar has highlighted four principles for its direction in sustainability: economic, environmental, social and governance ("**EESG**") including climate-related risks and opportunities.

As TrickleStar continues its commitment towards sustainability reporting, TrickleStar will continue to work towards expanding its sustainability reporting scope and gathering quantitative performance data for future reports.

Please refer to the Appendix 1 at the end of this Report for the GRI Content Index which summarises the relevant information disclosed as per GRI Standards requirements and Appendix 2 for the TCFD Content Index.

All data, including its data collection process, has been submitted for internal review and verification by our outsourced internal auditor before being approved by the Board.

In line with TrickleStar's commitment to environmental sustainability, no hardcopies of this Report have been printed. The Report can be viewed on our website <https://www.tricklestar.com/investors.html>

We welcome feedback and suggestions from our stakeholders on this Report or on TrickleStar's sustainability initiatives. You may contact us through our investor relations email at [investor.relations@tricklestar.com](mailto:investor.relations@tricklestar.com)

## BOARD STATEMENT

The Board of Directors ("**Board**") is always mindful of its responsibilities to TrickleStar's shareholders and various stakeholders to create and deliver sustainable value and long-term success through its leadership and oversight of management of TrickleStar's business.

Identified key EESG factors for TrickleStar have been recommended by management and are reviewed and approved by the Board. Sustainability is a part of TrickleStar's wider strategy to create long term value for all its stakeholders. Going forward, TrickleStar will continue its efforts to further build on its sustainability efforts together with its key stakeholders.



# SUSTAINABILITY REPORT

This Report is prepared in relation to TrickleStar's EESG initiatives and performance in FY2022. When considering EESG including climate-related matters, the Board is mindful that:

- TrickleStar produces energy-optimisation products, which, by definition, are aimed to benefit the environment;
- Manufacturing and assembly of its products are contracted out;
- TrickleStar had 18 employees at the end of FY2022; and
- Indirectly, through its contract manufacturers where there are lines dedicated to production of TrickleStar products, up to another 179 people depend on TrickleStar's success for their employment.

For the accuracy of data monitoring and verification of this Report, we have used internal and publicly available resources only.

Stakeholders should note that, with the planned expansion of products and sales volumes, TrickleStar will require time to collect and consider data to set targets for EESG in all relevant categories under normal operational circumstances. To ensure reporting quality, we have observed the principles of balance, comparability, accuracy, timeliness, clarity, and reliability.

TrickleStar is committed to its stakeholders, which includes employees, business partners and consumers who use TrickleStar's energy-optimising products. TrickleStar employs strategies that are aimed to reduce manufacturing costs and take advantage of scale through contracts relating to manufacturing and assembly of products, while building its brand and protecting its technical know-how.

TrickleStar's Board recognises the need to adopt a sustainable approach in relation to policies, strategies and major decisions. TrickleStar's goals are to become the world leader in intelligent, internet-connected, energy-optimisation products and improve and simplify the way electric utilities around the world deploy demand response solutions.

Therefore, TrickleStar will aim to introduce new energy-optimisation products with customised applications and, where feasible, diversion of the manufacture and assembly of its products by sub-contractors. TrickleStar intends to grow in a way where its environmental impact is minimised, employees are treated fairly and good governance and ethical business practices are adhered to.

## SUSTAINABILITY GOVERNANCE STRUCTURE

The Board sets the tone, drives sustainability and is responsible for the approach and integration of sustainability principles. The Chief Executive Officer (who was also Executive Chairman of the Board during 2022) is closely involved in the development and refinement of sustainability policies and initiatives. Following the direction set out by the Board, the Chief Executive Officer or Acting Chief Executive Officer oversee the day-to-day execution and adherence of sustainability policies and practices, including tracking TrickleStar's performance against material matters.

# SUSTAINABILITY REPORT

## STAKEHOLDER ENGAGEMENT

We engage with our stakeholders to align our sustainability approach with their expectations to better understand the material factors that will impact them. The table below sets out the platforms through which we continued to actively engage our key stakeholders during FY2022, the period under review:

Stakeholders	Engagement platform in 2022	Frequency of engagement	Main Interest/Concerns
Employees	<ul style="list-style-type: none"> <li>Open dialogues</li> <li>Annual performance review</li> <li>Mainly electronic communication due to Company's initiative to control/minimise spread of Covid-19</li> </ul>	Formal Annual/ Ad hoc as required	<ul style="list-style-type: none"> <li>Employee welfare and benefits</li> <li>Safe working environment</li> <li>Work-life balance</li> <li>Training and development needs</li> <li>COVID-19 protection</li> </ul>
Government and regulators	<ul style="list-style-type: none"> <li>Annual report</li> <li>SGX-ST announcements</li> </ul>	Annual/As required	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Compliance with laws and regulations</li> </ul>
Investors and shareholders	<ul style="list-style-type: none"> <li>Annual reports and circulars</li> <li>Sustainability reports</li> <li>Annual General Meetings</li> <li>SGX-ST announcements/press release</li> </ul>	Annual/half-yearly/ As required	<ul style="list-style-type: none"> <li>Stable and sustainable growth and profitability</li> <li>Reasonable returns to shareholders</li> <li>Corporate governance</li> <li>Financial performance and stability</li> </ul>
Business partners	<ul style="list-style-type: none"> <li>Regular dialogues and meetings (mainly restricted to electronic sessions due to Company's initiative to control/minimise spread of Covid-19)</li> <li>E-mail communication</li> <li>Phone calls</li> </ul>	As required	<ul style="list-style-type: none"> <li>Quality of products and services</li> <li>Financial stability</li> <li>Fair payment terms</li> <li>Sustainability approach</li> </ul>

# SUSTAINABILITY REPORT

Stakeholders	Engagement platform in 2022	Frequency of engagement	Main Interest/Concerns
Customers	<ul style="list-style-type: none"> <li>Regular dialogues and meetings (restricted to electronic sessions due to Company's initiative to control/minimise spread of Covid-19)</li> <li>Website inquiries</li> <li>E-mail and phone inquiries</li> <li>Trade partner inquiries (such as Amazon)</li> </ul>	As required	<ul style="list-style-type: none"> <li>Quality and pricing of products and services</li> </ul>
Banker	<ul style="list-style-type: none"> <li>Meetings (restricted to electronic sessions due to Company's initiative to control/minimise spread of Covid-19)</li> <li>Informal discussions</li> </ul>	As required	<ul style="list-style-type: none"> <li>Compliance with covenants</li> <li>Financial performance and stability</li> <li>Business outlook</li> <li>Future banking needs</li> </ul>

We recognise that TrickleStar's sustainable growth and stable long-term returns require continuous engagement with stakeholders. As TrickleStar grows and expands its range of energy-optimisation products, we intend to improve our employees' understanding of the impact of sustainability, improve disclosures on EESG practices and consider engaging various stakeholder groups in identifying material factors for subsequent sustainability reporting.

We aim to continue identifying, setting and refining key targets for sustainability matters that are material to our business and important for our stakeholders.

At this time, our key stakeholders outside of shareholders and employees are customers and contract manufacturers. The success of our business is inherently intertwined with the satisfaction of our customers. In some cases, the success of our customers e.g. utility distributors, is also of high importance as they have set goals that they expect to achieve through distribution of our products to end users.

We remain committed to working with all customers on their requirements and applications of our energy-optimisation products and to contribute to our customers' successes in achieving their goals.

# SUSTAINABILITY REPORT

## MANAGEMENT APPROACH

With regards to materiality, this Report addresses factors that reflect TrickleStar's significant EESG impacts, which we believe influence the assessments and decisions of stakeholders.

Management and the Board have been conscious of TrickleStar's need to conserve cash resources in FY2022 and has had a priority for management to prioritise cash preservation. Due to this and limited resources, new sustainability initiatives have not been advanced in FY2022. However, the Management continues to focus on the material EESG factors that have been identified to help TrickleStar grow in a responsible and sustainable manner.

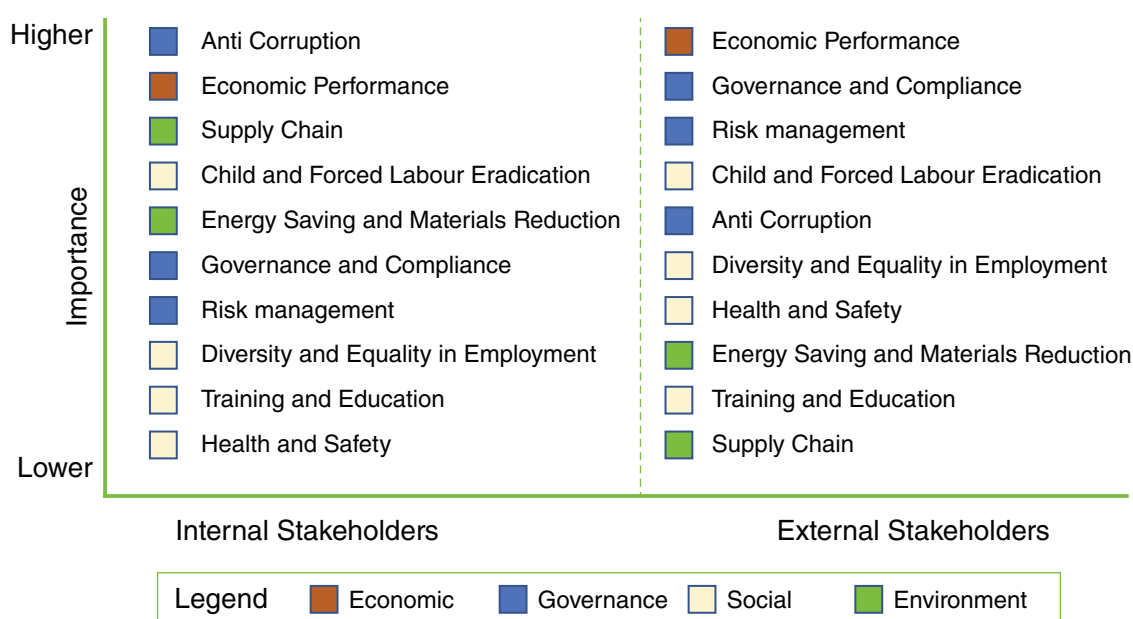
## MATERIALITY

### Identification of material factors

The Company has expanded its ERM process to integrate ESG risk management by applying existing risk ranking, prioritisation and structures. The assessment aimed to identify EESG risks and opportunities that could have an impact on TrickleStar's business.

The risks management profile of the Group which was updated in FY2022, has guided the contents of this Report and our overall sustainability agenda. The management has reviewed and concluded that the material EESG factors for FY2022 remain unchanged from the financial year ended 31 December 2021 ("FY2021") and these are set out below. TrickleStar will continue to adjust and address these material EESG factors.

### STAKEHOLDER MATERIALITY ASSESSMENT





# SUSTAINABILITY REPORT

## Material Factors and Targets

As TrickleStar widens the scope of its assessment into the impacts to the business, we have established performance targets for material areas and track the progress we have made in those areas as reported below:

Material Factor	Target	FY 2022 Progress
Economic Performance	Penetration of new markets.	The target set for FY2022 was not met as management initially concentrated their time on development of new products and then on cash preservation.
Governance and Compliance	Zero non-compliance applicable laws and compliance-related regulations (SGX and governments).	Target was achieved.
Risk Management	Half-yearly reporting of risks and opportunities.	Risk register was presented in June and December in FY2022 to the Board of Directors.
Child and Forced Labour Eradication	Zero child or forced labour in supply chain.	Confirmation obtained from our major contract manufacturers that they have no child or forced labour.
Anti-Corruption	Zero corruption.	Target was achieved.
Diversity and Equality in Employment	Maintain a diverse and equal workforce.	Zero records of complaints on discrimination based on race, age, gender, religion, ethnicity, physical impairment, marital status or nationality in FY2022
Health and Safety	Zero accident in the workplace.	Zero accidents reported in FY2022.
Energy Saving and Materials Reduction	Achieve energy/materials saving by at least 10% annually.	<p>There was an increase consumption of electricity on lighting and air-conditioning of 4,251 kWh energy or by 74% compared to FY2021. Chilled water consumption for air-conditioning increased to 25,318 kW.h or 109% compared to FY2021. The higher consumption of electricity and chilled water for air conditioning in FY2022 was due to resumption of office activities while there were limited office activities in FY2021 due to a series of movement control order by the Government of Malaysia.</p> <p>In FY2023, we will identify and assess materials saving that can be adopted by the company.</p>
Training and Education	Average 8 training hours per employee.	Employees participated in several trainings and courses in FY2022 and met the average hours.
Supply Chain	Zero complaint on product defects and zero non-compliance by manufacturers with regulatory/TrickleStar's sustainability policies.	Zero complaint on product defects from customers and zero non-compliance reported in FY2022.

# SUSTAINABILITY REPORT

## ECONOMIC PERFORMANCE

TrickleStar's growth and its performance in relation to environmental, social and governance factors are interconnected. Since TrickleStar was listed on the Catalist Board of the SGX-ST in June 2019 (SGX-ST: CYW), our financials are publicly available. Please refer to the Financial Statements and Notes to Financial Statements for FY2022.

To date, our primary source of revenue has been through the sales of advanced power strips and surge protectors mainly through distributors to utility companies in USA and Canada.

TrickleStar seeks to achieve long-term sustainable growth through strengthening its core business by introducing new energy-optimisation products and raising market awareness of its products and their economic and social benefits.

We have had to undertake a significant evaluation of our strategy as some new products that were in development were assessed as needing heavier capital requirements to commercialise and complete successfully. Following management changes and work to stabilise cash flow, we believe that we are on track for future growth as we introduce new products, raise sales volumes and distribute our proprietary products through established lines. We intend to review the potential for distribution networks in new markets.

Economic value generated in FY2021 and FY2022 from our operations are set out in the table below:

	FY2022 (US\$m)	FY2021 (US\$m)
Direct Economic Value Generated (Revenue)	13.8	11.3
Economic value distributed (costs, wages, taxes and etc.)	13.6	13.7
Profit/(Loss) net of tax	0.2	(2.4)

For a detailed analysis of our economic performance, please refer to Performance Review, Financial Statements and Notes to Financial Statements.

## GOVERNANCE

TrickleStar is committed to upholding high standards of corporate governance and regulatory compliance, ensuring the sustainability of our business while safeguarding our stakeholders' interests and value in the long term. We commit to conduct our business with integrity and require the Board and management to comply with all laws and regulations. We aim to achieve a target of nil incidents of non-compliance.

We are committed to upholding high standards of corporate transparency and disclosures. We comply with the principles and guidelines set out in the Singapore Revised Code of Corporate Governance 2018. Please refer to the Report on Corporate Governance section that forms part of this 2022 Annual Report, for details that include Corporate Governance and Compliance, Risk Management, Anti-Corruption and Whistleblowing.

### Corporate Governance and Compliance

TrickleStar strives to maintain a high standard of corporate governance to safeguard the interests of all its stakeholders.

In FY2022, there were no incidences of non-compliance with laws and/or regulations resulting in fines and sanctions. We aim to maintain good corporate governance track records.

# SUSTAINABILITY REPORT

## Risk Management

TrickleStar has in place a risk management framework that is designed to measure and manage its exposure to risk associated with our business (including climate-related) and to safeguard shareholders' interests. A comprehensive set of internal controls for key operations' processes have been put in place to address financial, operational, compliance, information technology and risk management. The risk profiles are reviewed by the Board at least bi-annually. For further details, please refer to the Corporate Governance Report in the FY2022 Annual Report.

As this is the company first report in line with the TCFD recommendations, the following table illustrates the key climate-related risks and opportunities for TrickleStar:

RISKS	Likelihood	Impacts	Rating	Management Response
Description				
1. Failing to effectively design and market climate-related products	Unlikely	Catastrophic	Significant	We continue to raise market awareness of TrickleStar products by publishing articles on the benefits of energy efficiency and optimising energy use.
2. Investment in research and developing climate-related products may increase operating costs of the company and eventually affecting P&L	Likely	Major	High	We have had to cut back on management's spend in this area and the Board has instructed a review to be undertaken in this area.

OPPORTUNITIES	Likelihood	Impacts	Rating	Management Response
Description				
1. Government grant or incentive for research and developing new climate-related products	Medium	Minor	Medium	The Head of Sustainability will be tasked with responsibility to be looking out for government grants or incentives that can be available to TrickleStar for its research and development activities.
2. Increase energy efficiency on the usage of energy saving products.	Medium	Minor	Medium	To promote and market TrickleStar products by leverage on governments' drives for energy efficiency and energy conservation.

Going forward, TrickleStar will endeavour to develop its risk management measures further as its business evolves.

# SUSTAINABILITY REPORT

## Anti-Corruption

TrickleStar will not compromise on corruption and has a zero-tolerance position on fraudulent or corrupt practices. TrickleStar has policies to support this stance, such as an Anti-Corruption, Foreign Corrupt Practices Act and No Gift Policy, Conflict of Interest Policy and Whistleblowing Policy, to prevent, govern and facilitate the reporting of any illegal and/or unethical practices. The Anti-Corruption, Foreign Corrupt Practices and No Gift Policy and Whistleblowing Policy are published at our website, [www.tricklestar.com](http://www.tricklestar.com).

In addition, all TrickleStar employee were also requested to sign an Anti-Corruption Commitment and Declaration Form to commit and comply with all applicable laws and regulations in relation to bribery and corruption and the Company's Anti-Corruption Policy.

## Whistleblowing

TrickleStar is committed to the highest standards of integrity and openness, and maintains a high standard of accountability in the conduct of its business and operations. TrickleStar has established a Whistleblowing Policy for employees and other stakeholders to raise, in confidence, concerns of misconduct and possible improprieties so that appropriate remedial action can be taken if concerns are deemed legitimate.

All whistleblowing complaints will be reviewed by the Audit Committee to ensure independent, thorough investigation and appropriate follow-up.

In November FY2022, there was one whistleblowing report received that there had been tampering with the complainant's electronic messaging. The matter was investigated, discussed with the complainant and the complaint was found to have no substance.

## SOCIAL

### Employee Welfare

TrickleStar believes a work-life balance is important for employees. TrickleStar has adopted a paid annual leave policy based on length of service of each employee and allows only limited days carry-over to another calendar year. This is to encourage employees to take time off and utilise their leave entitlements.

In FY2022, TrickleStar Malaysia complied with Malaysia's Employment (Amendment) Act 2022 with the extension of maternity and paternity leaves, sexual harassment awareness, discrimination in employment. Employees can also apply to have a flexible work arrangement, however, subject to management approval and assessment of the employees' role's suitability.

TrickleStar also encourages employees' participation in sports as this improves physical and mental health, promotes teamwork, communication and increase productivity.

### Training and Education

Pursuant to the announcement from Singapore Exchange Regulation (SGX RegCo) on 17 March 2022, SGX RegCo have announced eight sustainability training courses that directors of listed companies can attend to equip themselves with basic knowledge on sustainability matters. Directors must attend one of the courses to meet the enhanced SGX listing rules that mandated sustainability training for all board directors.



# SUSTAINABILITY REPORT

TrickleStar affirmed that all Directors have attended the following sustainability training:

Directors	Course Name	Date Attended
Ling Hee Keat	LED-Environmental, Social and Governance Essentials (Core)	2 August 2022
Gunananthan Nithyanantham	LED-Environmental, Social and Governance Essentials (Core)	2 August 2022
Bernard Christopher Emby	LED-Environmental, Social and Governance Essentials (Core)	8 November 2022
Chuah Jern Ern	LED-Environmental, Social and Governance Essentials (Core)	2 August 2022
Jeremy John Figgins	LED-Environmental, Social and Governance Essentials (Core)	14 July 2022

Our employees have always been a key pillar in contributing to TrickleStar's growth and success. TrickleStar is committed to investing resources in training and development of its employees and aims to ensure that all its employees can have opportunities to attend training and career development programs to upgrade their skill and knowledge so that they have the necessary skillset to perform their duties in an ever-changing environment. Aside from this, such training helps in enhancing employees' work satisfaction as employees gain a sense of belonging, loyalty and self-actualisation knowing that TrickleStar is investing in their future. The continuous learning process builds motivation and also facilitates greater employee involvement in the growth and progress of TrickleStar.

In 2021, TrickleStar Malaysia registered with the Human Resource Development Corporation and started contributing to the Human Resource Development monthly levy as required from January 2022 onwards. The levy collection to be utilised for future employees' training and development.

In 2022, selected employees underwent training and further education in areas such as AWS fundamental programmes, Reviewing HR Policies and Procedures, Demand Response Program Design and Project Management Professional.

The training and development programmes our employees attended in 2022 are as set out below:

	Training and development programme	Institution
1	LED – Audit Committee Essentials	Singapore Institute of Directors
2	AWS Builders Online Series Track 1-Building applications	Amazon Web Services (AWS)
3	AWS Builders Online Series Track 1-AWS Fundamentals 1	Amazon Web Services (AWS)
4	Reviewing HR Policies and Procedures	LS Human Capital
5	Demand Response Program Design and Implementation	Inhouse training
6	Project Management Professional (Certificate)	Iverson Associates Sdn Bhd
7	SGX ESGenome Onboarding Seminar	SGXFirst and Prime Partners Corporate Finance Pte. Ltd.

# SUSTAINABILITY REPORT

	Average training hours per employee	FY2022
1	Male	3.25
2	Female	11.3

In 2023, TrickleStar plans to improve the variety of training courses for its employees. Heads of Departments have been requested to address the training needs for staff.

## Employment Diversity and Equality

TrickleStar does not discriminate against employees or potential recruits according to race, age, gender, religion, ethnicity, physical impairments, sexual preference, political viewpoints, marital status or nationality. Unlawful discrimination is a serious offence in TrickleStar. TrickleStar has in place an employee handbook and human resources manual that adheres to the legislation and guidelines in the relevant countries of operation.

In FY2022, there were no employee complaints received with regards to discrimination in the workplace.

Our hiring practices are based on merits such as skill and experience. We value the diversity of our workforce and have an equal remuneration policy regardless of gender and nationality. The number of new employees in 2022 totalled 7.

The analysis of new employees by region, age range and gender is:

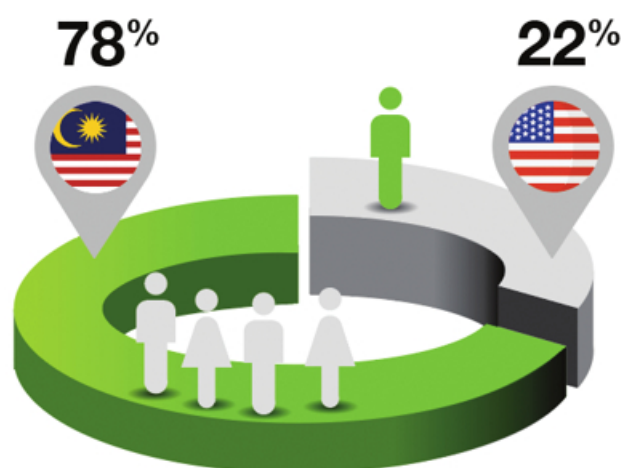
Age Range	Year 2021					Year 2022				
	Malaysia		US		Total	Malaysia		US		Total
	Male	Female	Male	Female		Male	Female	Male	Female	
>=20 to < 30		1			1	1		2		3
>=30 to < 40	3	1	1		5			1		1
>=40 to < 50		1			1					0
>=50			1		1	1		2		3
<b>Total</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>8</b>	<b>2</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>7</b>

TrickleStar's employees are key to success and achievement of our goals. We believe in staff development to widen the values of our employees and to assist them to contribute further to the success of our businesses.

At the end of 2022, the total number of our employees in both Malaysia and USA was 18. All our employees are permanent and full-time. Additionally we assessed that our contract manufacturers employ up to 179 people on lines dedicated to TrickleStar products.

# SUSTAINABILITY REPORT

An analysis of employees by region and gender, employment type of full-time and permanent can be found below.



Full-time & Permanent	US	22%
Female:	0	0%
Male:	4	22%
Full-time & Permanent	MY	78%
Female:	6	33%
Male:	8	45%
<b>Total</b>	<b>18</b>	<b>100%</b>

## Employee Turnover

The employee turnover rate in 2022 was 51.28%.

As the organisation grows and matures, particularly with the increase in sales volumes and expectations of listed companies, we have to support the growth by increasing our workforce.

Long and short-term incentives are granted to eligible employees based on their performance and contributions to TrickleStar. We conduct an annual performance review facilitated with an open discussion on the staff's performance for all employees. Remuneration policies and packages are reviewed regularly to ensure that compensation and benefits are in line with the industry and country norms, which helps TrickleStar in our recruitment and retention of talent.

## Workplace Health and Safety

TrickleStar is committed to providing employees with a healthy and safe working environment. TrickleStar has focused on creating a culture which requires all members of our workforce to create a safe work environment. We aim to identify and manage occupational risks, minimise occurrences of occupational illness and promote healthy lifestyles with a work-life balance.

Although threats from the COVID-19 pandemic reduced in FY2022, one of our priorities was to ensure the health and safety of our employees. Implementation of robust measures were continued from FY2020, which were at least in line with government mandated precautions to ensure the well-being of our employees. Our employees were directed to work from home during lockdown periods, and TrickleStar kept in close contact with all employees to ensure they had the right resources at home and were adapting to the required working conditions.

In FY2022, the Board approved the Workplace Safety and Health Policy to set the tone that TrickleStar places great emphasis on health and safety. We are also pleased to note that there were no work-related incidents or injuries at our workplace.

# SUSTAINABILITY REPORT

## Child Labour, Forced or Compulsory Labour

TrickleStar does not tolerate child labour, forced labour or compulsory labour, in any of its operations. We are firmly opposed to all forms of child exploitation and forced labour. We will not engage with any company in our supply chain that does not share the same views on zero tolerance for child or forced labour.

In FY2022, TrickleStar have obtained confirmation from its two major manufacturers confirming there was no child or forced labour in their factories.

## ENVIRONMENT

### Supply Chain

TrickleStar is selective in choosing its business partners. We carefully assess the reputation of each of our main suppliers and contract manufacturers and, to date, we have had no cause for concern.

Currently, we outsource all manufacturing to selected companies that comply with all necessary safety regulations. This results in economies of scale and reduces TrickleStar's footprint in emissions and transporting products. We assess and re-evaluate the performance of the contractors regularly. Immediate feedback will be provided to our business partners when issues arise. To date, we have not had any environmental or other issues of concern with any of our business partners.

In FY2022, we undertook an initial review of the sustainable and EESG policies of our main sub-contractors. The review confirmed that their approach to EESG is in line with TrickleStar's own objectives as outlined in this Report. We believe that like-minded business partners that share our commitment to sustainability will mitigate operational and reputation risks. Our main sub-contractors have policies on sustainable issues which can be assessed at [https://www.power-tech.com.tw/en/corporate\\_social.php](https://www.power-tech.com.tw/en/corporate_social.php) and [https://www.computime.com/wp-content/uploads/2021/01/e0320\\_210624\\_esg.pdf](https://www.computime.com/wp-content/uploads/2021/01/e0320_210624_esg.pdf)

TrickleStar endeavours to minimise the negative effects of conducting its business whenever feasible. Our principle contract manufacturers and product assemblers conform to recognised quality and safety standards, including internationally recognised standards of ISO 9001, ISO 14001:2015 and ISO 45001:2018. TrickleStar's proprietary brands and products conform to international standards and requirements in the markets in which we sell, including the UL, ETL, FCC, IC and CE certifications.

### Diversity of Supply Chains

In FY2021 and FY2022, TrickleStar diversified its contract manufacturers, knowing this would assist innovation, cost effectiveness and lower the risk on dependency of a sole manufacturer that may lead to disruption in the business.

	FY2021	FY2022
No. of Contract Manufacturers	5	4

There was a reduction of one contract manufacturer in FY2022 when compared to FY2021 and this was mainly because the contract manufacturer was not able to meet TrickleStar's quality and service expectations. TrickleStar will continuously source for other contract manufacturers to expand its supply chain and to be cost competitive.



# SUSTAINABILITY REPORT

## Energy and Materials Reduction

TrickleStar has undertaken initiatives to create sustainability and environmentally friendly office with go green at workplace. This also benefits TrickleStar through cost cutting by reduction on consumption of energy and materials being re-used. In the future, we are looking to implement additional initiatives to maximise the use of recyclable materials in the production and packaging of our products. We had intended to begin performing benefit reviews during FY2022 and into FY2023 but, due to the need to conserve cash, we will not begin the review until at least H2 2023 and will need to complete these initiatives before making any decisions.

In FY2022, TrickleStar undertook the following:

- 1) Relocation of TrickleStar Malaysia employees to one office.  
There was an increase consumption in electricity on lighting and air-conditioning of 4,251 kWh energy or by 74% compared to 2021. Chilled water consumption for air-conditioning also showed increased of 25,318 kWh.hr or by 109% compared to year 2021. FY2022 showed increases in consumption when compared to FY2021 due to limited activities in FY2021 with a series of movement control order implemented by the Government of Malaysia.
- 2) Usage of TrickleStar Products
  - (a) TrickleStar Advanced Keyboard  
TrickleStar produces an advanced keyboard which uses highly-accurate radar sensing technology to detect when the user is absent from their computer. It puts the computer to sleep quickly and automatically when absence is detected. A savings calculator is available to use that determines the energy and cost saving at our website. This proposed new product was a Red Dot winner in 2022 for its outstanding design in the category of computer and information technology. In addition, an ECOS Research report showed potential estimated savings of 128.5kWh per computer per year by using a TrickleStar keyboard.  
  
All TrickleStar employees use the keyboard with an estimated saving/year/computer of 45.03kWh during office working hours. The total saving for all users in TrickleStar is estimated at 811kWh.
  - (b) Advanced Powerstrip (“**APS**”)  
We use TrickleStar APS and surge protectors for our entire both offices in Malaysia and USA. There are 26 units of powerstrip currently in use and per unit saving is 75kWh. Total savings are estimated at 1,950 kWh energy from the usage.
  - (c) Wi-Fi Water Heater Controller  
The Wi-Fi Water Heater Controller was a winner in the 2022 Consortium for Energy Efficiency (CEE), Integrated Home Competition and demonstrated elements of the CEE Integrated Home Initiative: energy savings, demand flexibility, consumer amenity and security. This allows users to control loads in one place and easily see energy use data. Our USA office is currently using the product along with the Smart Thermostat that TrickleStar had developed (but has now discontinued) and had showed energy savings as illustrated below:

	FY2021	FY2022
Energy Savings	3,125 kWh	2,708 kWh

# SUSTAINABILITY REPORT

- (d) Raising awareness on ESG
- Raising market awareness of TrickleStar products on economic and social benefits. Articles on benefits of energy efficiency and optimising energy use can be found at our company website, <https://tricklestar.com/pages/news>. TrickleStar will continue writing articles to raise awareness.
  - Raising awareness to employees  
We aim to increase employees' understanding of their behaviour in relation to energy consumption. We encourage and inspire behavioural change among employees by sharing articles related to ESG.

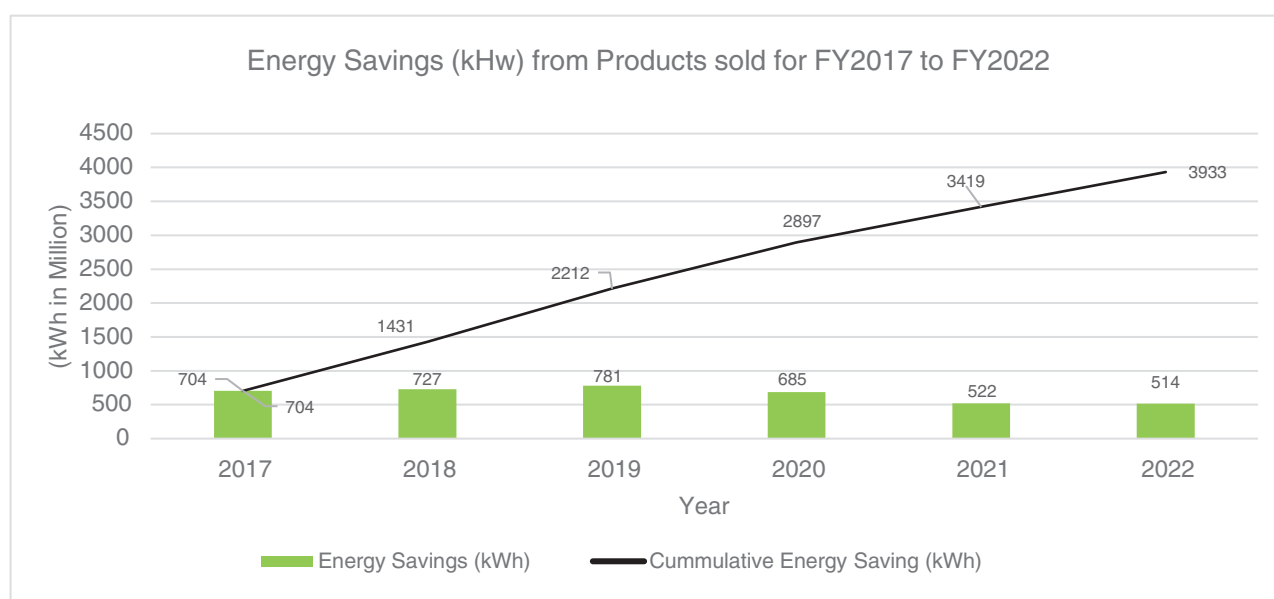
As to the benefits that are derived from the use of TrickleStar APS mentioned above, various assumptions must be made to quantify the energy savings. These include the level of kWh of electricity saved by use of each the products, which we have quantified based on the assumptions as below:

- A TrickleStar APS Tier 1 product saves 75 kWh pa based on the research by NYSERDA's "Advanced Power Strip Research Report, Final Report August 2011" and/or "RLPNC 17-3: Advanced Power Strip Metering Study, March 18, 2019" by NMR Group; and
- APS Tier 2 product saves 141 kWh pa based on the research by RLPNC 17-3: Advanced Power Strip Metering Study, March 18, 2019" by NMR Group Inc.

Using these assumptions and the EPA's calculator:

- APS Tier 1 products help save 355,019,250 kWh energy over their expected lifespan;
- APS Tier 2 products help save 159,012,750 kWh energy over their expected lifespan;
- We have helped our customers save USD61,683,840 in energy demand costs;
- This saved energy is also equivalent to 364,285 metric tons of CO<sub>2</sub>; and
- This 364,285 metric tons of CO<sub>2</sub> emissions are equivalent to planting 431,108 forested acres of trees or removing greenhouse gas emission from 78,492 cars from the road or decommissioning 0.098 coal-fired power plants in one year.

The graph below shows the yearly and the cumulative energy saving in kWh from the total usage of TrickleStar APS Tier 1 and 2 from year 2017 to 2022.



# SUSTAINABILITY REPORT

TrickleStar has undertaken an energy saving estimate on one of our new products, the Dryer Saver that was based on testing conducted by Underwriter's Laboratory (UL), an independent company recognised for safety testing. The research suggested that one TrickleStar DryerSaver is able to generate 140 to 175 kWh/year of energy savings.

## Use of Sustainably Sourced Packaging

TrickleStar is committed to the use of paper-based packaging sourced from sustainably sourced materials. TrickleStar will endeavour to work to transition to usage of sustainably sourced cardboard and paper at all contract manufacturing facilities and ensure all paper-based packaging is certified. We have set a target for this to be achieved within five years.

In FY2022, TrickleStar did not begin an intended study to evaluate the business impact and how to convert the product packaging, as the focus during the year was on development of new products and, in the second half of the year, conserving cash. The Board has issued a directive that the work must commence in FY2023.

## Plastics Reduction

TrickleStar is committed to the reduction of plastics used in packaging of products. Where possible, use of plastics will be eliminated and we will work to transition to the use of certified, biodegradable plastics moving forward.

However, TrickleStar has yet to set target for this in FY2022 to give priority to commercialisation of new products due to limited resources. The Management will evaluate this in FY2023.

## Avoidance of Conflict Mineral

TrickleStar is committed to the ban of usage of conflict minerals in products. TrickleStar will require sub-contractors to verify and confirm that conflict minerals are not used in their factories or products that they produce for TrickleStar

In FY2022, TrickleStar have obtained confirmation from its major manufacturers that the minerals used in their factories for producing customer's products was DRC conflict free.

# SUSTAINABILITY REPORT

## APPENDIX 1

### GRI CONTENT INDEX: CORE OPTION

GRI STANDARDS		REPORT REFERENCE	PAGE
<b>GRI-102: GENERAL DISCLOSURES</b>			
<i>1. Organisational profile</i>			
102-1	Name of the organisation	Corporate Profile	4
102-2	Activities, brands, products, and services	Corporate Profile	5
102-3	Location of headquarters	Corporate Profile	5
102-4	Location of operations	Corporate Profile	5
102-5	Ownership and legal form	Corporate Profile	5
102-6	Market served	Corporate Profile	5
102-7	Scale of the organisation	Corporate Profile	5
102-8	Information on employees and other workers	Chairman's Statement	7
102-9	Supply chain	Supply Chain	32
102-10	Significant changes to organisation and its supply chain	Chairman's Statement	7
102-11	Precautionary principle or approach	Management Approach	24
102-12	External initiatives	Not applicable	Nil
102-13	Membership of associations	Corporate member of Singapore Business Federation (SBF)	–
<i>2. Strategy</i>			
102-14	Statement from senior decision maker	Board Statement	20
<i>3. Ethics and integrity</i>			
102-16	Values, principles, standard, and norms of behaviour	Risk Management and Internal Control	27
<i>4. Governance</i>			
102-18	Governance structure	Corporate Governance Statement	26
<i>5. Stakeholder Engagement</i>			
102-40	List of stakeholder groups	Stakeholder Engagement	22
102-41	Collective bargaining agreements	Stakeholder Engagement	22
102-42	Identifying and selecting stakeholders	Stakeholders Engagement	22
102-43	Approach to stakeholder engagement	Stakeholder Engagement	22
102-44	Key topics and concerns raised	Stakeholder Engagement	22



# SUSTAINABILITY REPORT

GRI STANDARDS		REPORT REFERENCE	PAGE
<b>GRI-102: GENERAL DISCLOSURES</b>			
<i>6. Reporting Practice</i>			
102-45	Entities included in the consolidated financial statements	Financial Statement and Notes	114
102-46	Defining report content and topic boundaries	Board Statement	20
102-47	List of material topics	Materiality	24
102-48	Restatements of information	None	–
102-49	Changes in reporting	Not applicable	–
102-50	Reporting period	About this report	20
102-51	Date of most recent report	About this report	20
102-52	Reporting cycle	About this report – Annual	20
102-53	Contact point for questions regarding the report	About this report	20
102-54	Claims of reporting in accordance with GRI Standards	About this report	20
102-55	GRI Content index	GRI Content Index	36
102-56	External assurance	About this report	20
<b>GRI 103: MANAGEMENT APPROACH</b>			
103-1	Explanation of the material topic and its boundaries	Management Approach	24
103-2	The management approach and its components	Management Approach	24
103-3	Evaluation of the management approach	Management Approach	24
<b>TOPIC-SPECIFIC STANDARDS</b>			
<i>1. Economic</i>			
<b>GRI 201: Economic Performance</b>			
201-1	Direct economic value generated and distribution	Economic Performance	26
<b>GRI 205: Anti-Corruption</b>			
205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption	28

# SUSTAINABILITY REPORT

GRI STANDARDS		REPORT REFERENCE	PAGE
<b>2. Social</b>			
<b>GRI 401: Employment</b>			
401-1	New employee hires and employee turnover	Employment Diversity and Equality	30
<b>GRI 403: Occupational Health and Safety</b>			
403-2	Type of injury and rates of injury, occupational diseases, lost and absenteeism and number of work-related fatalities	Workplace Health and Safety	31
<b>GRI 404: Training and Education</b>			
404-3	Percentage employees receiving regular performance and career performance and career development reviews	Training and Education	28
<b>GRI 405: Diversity and Equal Opportunity</b>			
405-1	Diversity of governance bodies and employees	Employment Diversity and Equality	30
<b>GRI 406: Non-Discrimination</b>			
406-1	Incidents of discrimination and corrective actions taken	Employment Diversity and Equality	30
<b>GRI 408: Child Labour</b>			
408-1	Operations and suppliers at significant risk for accidents	Child Labour, Forced or Compulsory Labour	32
<b>GRI 409: Forced or Compulsory Labour 2016</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Child Labour, Forced or Compulsory Labour	32
<b>GRI 301: Materials</b>			
301-1	Materials	1) Use of Sustainability Sourced Packaging 2) Plastics Reduction 3) Avoidance of Conflict Minerals	35
<b>GRI 302: Energy</b>			
302-5	Reduction in energy requirements of products and services	Energy and Material Reductions	33

# SUSTAINABILITY REPORT

## APPENDIX 2

### TCFD CONTENT INDEX

TCFD recommended disclosure		TRICKLESTAR'S APPROACH	REPORT REFERENCE (PAGE)
<b>Governance</b> Disclose the organisation's governance around climate-related issues and opportunities.	a. Describe the board's oversight of climate-related risks and opportunities.	<p>The Board of Directors is responsible for oversight and review of the climate-related risks and opportunities.</p> <p>As such, the Board also approves the Sustainability Report that provides disclosure on sustainability initiative undertaken by the Company.</p>	20-24
	b. Describe the management's role in assessing and managing climate related risks and opportunities.	<p>The management team, led by our CEO or Acting CEO, is responsible for assessing and managing the climate-related risks and opportunities.</p> <p>Identified key EESG factors for TrickleStar have been recommended by management, and are reviewed and approved by the Board.</p> <p>In addition. TrickleStar have also appointed a Head of Sustainability to assist the Board in driving. tracking and reporting the material sustainability matters</p>	

# SUSTAINABILITY REPORT

TCFD recommended disclosure	TRICKLESTAR'S APPROACH	REPORT REFERENCE (PAGE)
<b>Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	<p>a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</p> <p>b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</p> <p>c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p> <p>As this is our first report, we have begun identifying climate-related risks and opportunities which could potentially affect our business lines and operational activities.</p> <p>Going forward, we will continue to monitor and review our risks and opportunities between medium and longer term.</p> <p>Our Plan:            We will first strengthen our understanding of the various climate scenario affecting our business and any potential interdependencies with other risks faced.</p> <p>Then, in the next three (3) years, we will attempt to explore the use of climate scenario to enhance our assessment of risks and opportunities to support the Company's strategic direction.</p>	27
<b>Risk Management</b> Disclose how the organisation identifies, assesses, and manages climate-related risks.	<p>a. Describe the organisation's processes for identifying and assessing climate-related risks.</p> <p>b. Describe the organisation's processes for managing climate-related risks.</p> <p>c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p> <p>Our process of identifying and assessing climate-related risks are integrated into our company risk management process.</p> <p>Climate-related risks, like other strategic, operational and financial risks, will be reviewed by the Board at least bi-annually.</p> <p>By embedding the climate-related risks in our risk management process, we will apply similar risk taxonomy for identifying, assessing and managing climate-related risks affecting our businesses as similar to other strategic, operational and financial risks.</p>	27

# SUSTAINABILITY REPORT

TCFD recommended disclosure	TRICKLESTAR'S APPROACH	REPORT REFERENCE (PAGE)
<p><b>Metrics and Targets</b></p> <p>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</p>	<p>a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>TrickleStar has prepared the Sustainability Report based on guidelines from sustainability standards such as GRI and in line with the TCFD recommendations, we have also reported the key climate-related risks and opportunities for TrickleStar under Risk Management in our Sustainability Report.</p> <p>Other energy reduction is measured in kWh of electricity saving.</p> <p>b. Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p> <p>We have yet to identify the best method of measuring Scope 1-3 as TrickleStar contracts out its manufacturing processes.</p> <p>Nevertheless, TrickleStar has reported the Energy and Materials Reduction in our Sustainability Report.</p> <p>c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</p> <p>Our primary measure is carbon savings achieved through use of TrickleStar products. We aim to increase these savings annually.</p> <p>Our performance targets for material areas including energy and materials reduction have been reported in our Sustainability Report.</p>	<p>33-35</p>



# REPORT ON CORPORATE GOVERNANCE

## Introduction

TrickleStar Limited (“**TrickleStar**”), an expression used in this corporate governance report (“**Report**”) that includes our subsidiaries where the context is appropriate, is committed to maintaining high standards of corporate governance because our directors (“**Directors**”) believe that good corporate governance is a critical element of corporate success. Our board of directors (“**Board**”) therefore aims to provide a sound base for good corporate governance whilst overseeing management’s (“**Management**”) control and accountability framework.

This Report outlines TrickleStar’s corporate governance practices and work during our financial year ended 31 December 2022 (“**FY2022**”). TrickleStar has endeavoured to comply in all material respects with the principles and provisions set out in the Code of Corporate Governance issued by Monetary Authority of Singapore on 6 August 2018 (“**Code**”), and where applicable, the disclosure guide developed by the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) in January 2015 (“**Guide**”), together with other applicable laws, rules and regulations, including the SGX-ST Listing Manual Section B: Rule of Catalist (“**Catalist Rules**”). TrickleStar has also taken the Code into account in the terms of reference for TrickleStar’s Board of Directors and its Committees.

Where there are deviations from the Code, explanations are provided.

## A. BOARD MATTERS

### 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.*

### The Board Members

Each Director’s position, date of initial appointment, date of last re-election and directorships/chairmanships held by TrickleStar’s Directors in other listed companies is as follows:

Name of Director	Position	Date of Initial Appointment	Date of Last Re-election	Directorships in other listed companies	
				Current	Past 3 Years
Ling Hee Keat	Non-Executive Independent Chairman <sup>(4)</sup>	28 March 2019 8 December 2022	25 March 2022	Iris Corporation Bhd	Nil
Gunananthan Nithyanantham	Executive Director, Chief Operating Officer and Acting Chief Executive Officer <sup>(1)</sup>	31 October 2018 1 January 2022 1 November 2022	26 March 2020	Nil	Nil
Bernard Christopher Emby	Executive Director and Chief Executive Officer <sup>(1)&amp;(2)</sup>	31 October 2018	26 March 2021	Nil	Nil
Chuah Jern Ern	Non-Executive Independent Director	28 March 2019	25 March 2022	Nil	Nil
Jeremy John Figgins	Non-Executive Independent Director <sup>(3)</sup>	31 October 2018	26 March 2021	Nil	Nil

# REPORT ON CORPORATE GOVERNANCE

## Notes:

1. Bernard Christopher Emby has tendered his resignation as the CEO of the Company. His resignation as CEO will take effect on 28 April 2023. In the interim, Gunananthan Nithyanantham has been appointed as Acting CEO of the Company effective 1 November 2022.
2. Bernard Christopher Emby resigned as the Executive Chairman on 7 December 2022. He will continue to remain as an Executive Director of the Company until 28 April 2023, following which Bernard Christopher Emby will become a Non-Executive Non-Independent Director.
3. Following the resignation of Bernard Christopher Emby as the Executive Chairman, Jeremy John Figgins was appointed as Non-Executive Independent Chairman on 7 December 2022 and resigned on 8 December 2022. Accordingly, Jeremy John Figgins was re-designated as Non-Executive Independent Director with effect from 8 December 2022.
4. Ling Hee Keat was appointed as Non-Executive Independent Chairman on 8 December 2022 in place of Jeremy John Figgins.

The principal commitments of the Directors, if any, and other key information regarding the Directors are set out in the “Board of Directors” section in this Annual Report.

## Role of the Board

The Board, in addition to its statutory responsibilities, is primarily responsible for overseeing and supervising Management, the overall performance of TrickleStar and holding Management accountable for performance. The Directors know that they have a duty to act objectively in TrickleStar’s best interests, to protect and enhance long-term shareholder value and, in achieving this, that they must at all times act honestly, fairly, diligently and lawfully.

A Code of Conduct exists. The Board has required that TrickleStar’s Code of Conduct forms part of all employees’ contracts of employment.

The Board sets TrickleStar’s overall strategy, a tone-from-the top and TrickleStar’s culture. In addition to ensuring proper accountability within TrickleStar, the Board’s role is to:

- (a) provide entrepreneurial leadership, and set strategic objectives, which include appropriate focus on value creation, innovation and sustainability;
- (b) ensure that the necessary resources are in place for TrickleStar to meet its strategic objectives;
- (c) establish and maintain a sound risk management framework to effectively monitor and manage risks, and to achieve an appropriate balance between risks and performance;
- (d) constructively challenge Management and review its performance;
- (e) instill an ethical corporate culture and ensure that TrickleStar’s values, standards, policies and practices are consistent with the culture; and
- (f) ensure transparency and accountability to key stakeholder groups.

To fulfil these roles the Board recognises that its responsibilities include:

- (a) putting in place policies, structures and mechanisms to ensure compliance with law and regulations and setting standards of ethical behaviour;
- (b) setting strategic objectives and giving directions for planning of financial and human resources to be in place for TrickleStar to achieve its objectives;

# REPORT ON CORPORATE GOVERNANCE

- (c) reviewing the adequacy and effectiveness of risk management systems and internal controls, including financial, operational, compliance and information controls, and assessing actions needed to address and monitor any areas of concern;
- (d) reviewing the performance of TrickleStar towards achieving shareholder value;
- (e) approving matters that it has reserved for itself (described below);
- (f) identifying key stakeholder groups and the manner of liaising with them;
- (g) approving annual budgets, key operational matters, major funding proposals, investment and divestment proposals, corporate or financial restructuring, material acquisitions and disposal of assets, interested person transactions, dividend payments, convening of shareholders' meetings and share buybacks;
- (h) approving Board appointments or re-appointments and appointments of the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of TrickleStar ("**KMP**");
- (i) establishing and regularly reviewing the framework of corporate governance, sustainability approach, risk management systems and other prudent, adequate and effective internal controls to safeguard shareholders' interests and TrickleStar's assets; and
- (j) evaluating the performance and compensation of Directors and KMP.

## Conflicts of Interest

TrickleStar's Conflicts of Interest Policy includes requirements for Directors to avoid any conflicts of interest with TrickleStar. Where a Director's personal or business interest interferes, or even appears to interfere, in any way with the interests of TrickleStar, the Director must disclose such interest at a meeting of the Directors or by sending a written notice to TrickleStar's Company Secretary, containing details of the interest and the nature of the conflict and recuse themselves from participating in any discussion or decision on the transaction or proposed transaction. The Policy extends to debate of the matter by any Board Committee.

## Directors' Training

Newly appointed Directors are provided with background information about TrickleStar's history, structure, business operations, vision, values, strategic direction, policies and governance practices. They will also be briefed and given an orientation by Management to familiarise themselves with the business and operations of TrickleStar. Directors who do not have prior experience or are not familiar with the duties and obligations required of a Director of a listed company in Singapore, will undergo the necessary training and briefing as prescribed by the SGX-ST.

The Board recognises the importance of ongoing professional development for the Directors and gives opportunities to Directors to develop their skills and knowledge. Training needs are considered formally every year, with appropriate programmes, at TrickleStar's expense, being recommended through our Nominating Committee. If required, briefings by external consultants or counsel are organised for the Board.

Through these programmes and training, TrickleStar's Directors have been made aware of their duties at law, which include acting in good faith and the best interests of TrickleStar; exercising due care, skills and diligence; and avoiding conflicts of interest.

Pursuant to Rule 720(6) of the Catalist Rules, all Directors will be required to attend a one-time training on sustainability matters as prescribed by the SGX-ST. In FY2022, all the Directors of the Company attended the training on sustainability organised by Singapore Institute of Directors (SID), which was LED-Environmental, Social and Governance (ESG) Essentials to gain a better understanding of ESG, climate-related risks and opportunities for businesses. Besides that, the Directors also received training on how to cyber secure business and data organized by Singapore Business Federation (SBF).

# REPORT ON CORPORATE GOVERNANCE

## Limits on Authority

Through financial authorisation and approval limits for operating and capital expenditure and the procurement of good and services that the Board has put in place, the Board seeks to optimise operational efficiencies. The Board has requested the CEO to ensure that all policies, including TrickleStar's authorisation matrix are on a secure online portal that is available to Management and that Management understands the policies.

The Board approves transactions exceeding certain threshold amounts while delegating authority to Management for transactions below those limits. The Board has also reserved certain important matters that are not in the ordinary course of business which requires the Board's specific approval, which includes the following:

- (a) announcement of half-year and full year financial results;
- (b) the strategic plan, the annual operating plan and budget;
- (c) joint ventures, mergers, corporate acquisitions or divestments;
- (d) appointment of KMP
- (e) recommendations for subdivision of shares, issuance of shares or stock dividends;
- (f) share buybacks;
- (g) award under share option or share scheme;
- (h) interested person transactions;
- (i) borrowings;
- (j) commencement of significant litigation;
- (k) appointment and removal of the Company Secretary; and
- (l) any change to the terms of reference for any Board Committee.

## Board Committees

The Board has delegated certain areas of responsibility to three Board Committees, but ensures that all important decisions are made by the Board:

- The Audit Committee ("**AC**"),
- The Nominating Committee ("**NC**") and
- The Remuneration Committee ("**RC**").

The Board has not formed an Executive Committee.

The composition of each committee ("**Committee**") and its activities are detailed later in this Report. Each Committee is tasked to oversee specific responsibilities based on a charter ("**Charter**"). The Charter will be reviewed by each Board Committee from time to time to ensure relevance. Any change to the Charter requires Board approval.

Each Committee is chaired by an Independent Director and their members comprise only Non-Executive Directors. The appointment of Board Committee members is carried out to ensure the Committees comprise Directors with the appropriate qualifications and skills, to maximise their effectiveness. All Board Committee appointments require the approval of the Board.

The key deliberations, recommendations and decisions taken by each Board Committee are reported to the Board by the Committee's Chair. If appropriate, the Board endorses the Committee's decisions and adopts its recommendations and so accepts ultimate responsibility on such matters.

# REPORT ON CORPORATE GOVERNANCE

## Directors' Commitment and Meeting Attendance

The attendance of each Director at Board, Board Committee (when the Director was appointed as a member of the Committee) and shareholders general meetings for FY2022 is set out below.

	Board	Board Committees			Annual General Meeting
		AC	RC	NC	
<b>Number of Meetings Held</b>	5	10	10	10	1
<b>Name of Director</b>					
Ling Hee Keat	5/5	10/10	10/10	10/10	1/1
Gunananthan Nithyanantham	5/5	NA	NA	NA	1/1
Bernard Christopher Emby	5/5	NA	NA	NA	1/1
Chuah Jern Ern	5/5	10/10	10/10	10/10	1/1
Jeremy John Figgins	5/5	10/10	10/10	10/10	1/1

The NC has considered each Director's other board representations and principal commitments and is satisfied that each Director is able to carry out and has been adequately carrying out their duties as a Director and that each has given sufficient time and attention to the affairs of TrickleStar. The maximum number of board representations a Director may hold in other listed companies has been set at five.

The NC has also determined that each Director has attended and actively participated in the discussions and deliberations of the Board and, where they hold Board Committee membership, of the Board Committees.

The Board does not encourage the appointment of alternate Directors. No alternate Director has been or is currently appointed to the Board.

## Information Flow

As a general statement, all Directors are satisfied that Management provides them with complete, adequate and timely information prior to meetings and on an on-going basis, to enable them to make informed decisions and discharge their duties and responsibilities. However, the Board believes that certain information may not have been made available to allow for a complete picture of matters under review. This has been discussed with the relevant management and corrective actions have been made so that the Board is now satisfied that the statement above is correct.

The agenda for each Board or Board Committee meeting is set by the relevant chairman with consultation with the CEO where they consider necessary. The agenda of every Board Committee meeting includes an update from its Chair if any significant matter relating to the scope of that Board Committee has arisen. Sufficient time is allowed for each agenda item to ensure proper attention is given to the matter. Management assists in the preparation of the formal papers for the meetings and delivers the papers to Directors electronically prior to each meeting via a secure method.

In between Board meetings, the Board receives updates on important matters affecting the business from the CEO. The CEO is always available to answer questions from any Director and the Directors may discuss such information from the CEO among themselves, raising any concerns at the next Board meeting. The Directors receive copies of TrickleStar's monthly management accounts and, in respect of budget, the Financial Controller ("FC") is required to explain any material variance between the budget and actual results.



# REPORT ON CORPORATE GOVERNANCE

The Board sets aside time for discussion without the presence of Management, Directors have separate and independent access to Management, TrickleStar's Company Secretary and external advisers (where necessary) at TrickleStar's expense.

Directors may approach Management directly but, for protocol, approaches are normally made through the CEO. When needed, Directors make further enquiries on a matter they have discussed with Management to make informed decisions. In 2022, all Directors found that Management responded to their requests in a timely manner.

## The Company Secretary

The Board is supported by the Company Secretary. The Company Secretary's responsibilities include advising the Board on corporate and administrative matters, ensuring that Board procedures and applicable rules and regulations are complied with and (if required) facilitating orientation and assisting with professional development.

The Company Secretary, Goh Siew Geok is a member of the Chartered Secretaries Institute of Singapore and has more than two decades of corporate secretarial experience in professional consultancy firms and public listed companies.

TrickleStar's Company Secretary and/or their representative(s) attend all Board and Board Committee meetings (except those that are called at short notice where notice to the Company Secretary is not practical). If a meeting is held without the Company Secretary being present, they are consulted subsequently to ensure that procedures, rules and regulations have been adhered to.

The appointment and removal of the Company Secretary is a decision of the Board as a whole.

## 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.*

## Board Independence

The Board comprises two Executive Directors and three Independent Non-Executive Directors. There is therefore a strong and independent element on the Board, with Independent Directors making up a majority of the Board.

Mr Emby will cease to be an Executive Director on 28 April 2023 after which he will become a Non-Executive Non-Independent Director.

Rule 406(3)(d) of Catalist Rules provides circumstances for which a director will not be independent, including if he is employed by the issuer or any of its related corporations for the current or any of the past three financial years and if he has been a director for an aggregate period of more than 9 years (whether before or after listing). Under the Code, a director 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, is considered to be independent.

No Director has served on the Board for more than nine years.

# REPORT ON CORPORATE GOVERNANCE

On an annual basis, the NC will determine the independence of each Director, taking into consideration the Catalyst Rules, as well as whether there is any circumstance or relationship that might impact the Director's independence or perception of independence. Each Director is required annually to complete an independence checklist and to declare whether they consider themselves independent – even if they have any of the relationships which are deemed to be non-independent based on the standards of independence in the Code. Such declarations assist the NC in its determination of the Directors' independence.

All Directors have made declarations on their respective status of independence and the Board has accepted the NC's assessment of Directors' independence. The Board has determined that:

Ling Hee Keat, Chuah Jern Ern and Jeremy John Figgins are independent; and Bernard Christopher Emby and Gunanantham Nithyanantham are non-independent.

Each member of the NC and the Board recused themselves from the deliberations on their independence.

The Independent Directors and their immediate family members have no relationship with TrickleStar, 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 judgment with a view to the best interests of TrickleStar.

In addition to their role and duties as Non-Executive Directors, the Independent Directors provide an independent, objective check on Management. In certain cases, the Independent Directors are required to make certain decisions and determinations under the Catalyst Rules. As with all directors, they are to act in the best interests of TrickleStar as a whole and not of any particular group of shareholders or stakeholders.

The roles of Chairman and CEO are separated. TrickleStar has also ensured that Independent Directors make up a majority of the Board, with three out of five Directors, constituting more than 50% of the Board, being independent.

The Board believes that no individual or small group of individuals is dominating the Board's decision making, and is satisfied that there is a strong and independent element on the Board, which is able to exercise independent, objective judgment on corporate affairs.

## Non-Executive Directors

Non-Executive Directors are neither Management nor employees of TrickleStar. They contribute to the Board process by monitoring and reviewing Management's performance against goals and objectives. Their views and opinions provide alternative perspectives for TrickleStar. When challenging Management's proposals or decisions, they bring independent judgement to bear on business activities and transactions involving conflicts of interest and/or other complexities.

Non-Executive directors make up a majority of the Board. The proportion of Non-Executive Directors avoids the undue influence of Management over the Board and ensures that appropriate checks and balances are in place.

## Board Size

The size and composition of the Board and Board Committees is reviewed annually by the NC to ensure that their size is appropriate so as to facilitate effective decision making. The review aims to ensure that there is an appropriate mix of expertise and experience, which TrickleStar may tap on for assistance in furthering its business objectives and shaping its business strategies.

# REPORT ON CORPORATE GOVERNANCE

The Board, with the concurrence of the NC, is of the opinion that its current Board size of five members, and the size of each Board Committee, are appropriate, taking into account the nature and scope of TrickleStar's operations, and the requirements of the business. Also, that the Directors as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid group think and foster constructive debate.

## Board Competencies

Together, the Board and Board Committees comprise Directors who, as a group, provide a broad range and an appropriate balance and diversity of expertise in areas such as accounting, finance, legal, patent protection, business, management, operations, strategic planning, information technology and global business as well as familiarity with regulatory requirements. The diversity of the Directors' experience allows for useful exchange of ideas and views.

The NC, which is tasked with the review of the succession and renewal plans for Board continuation, noted that none of the Directors has served more than five years on the Board.

As regards succession planning, this was a continuing focus for the NC in FY2022. Succession planning has been developed by the NC with Management to the point where the Board is now satisfied with TrickleStar's succession planning.

## Board Diversity

The ages of Directors ranges from 51 to 69. All Directors are male. TrickleStar recognises the importance and benefits of diversity in all ways, including gender, skill and experience, background and other distinguishing factors/qualities and that diversity on the Board is an essential element to support the attainment of TrickleStar's strategic objectives and to a sustainable and balanced development. TrickleStar has adopted a Board diversity policy ("**Diversity Policy**") with NC responsible to review and monitor its implementation. The Diversity Policy applies to the Board and to TrickleStar's workforce. The Board is aware that the Diversity Policy should include the following:

- (a) the company's targets to achieve diversity on its board;
- (b) the company's accompanying plans and timelines for achieving the targets;
- (c) the company's progress towards achieving the targets within the timelines; and
- (d) a description of how the combination of skills, talents, experience and diversity of its directors serves the needs and plans of the company.

TrickleStar has a small number of employees and that the Board believes that the mix of ethnicities and sexes is already sufficiently diverse. Likewise, after considering the experience of the Board members as shown in Directors' profiles in this Annual Report, the Board believes that no action at this time would give additional benefits to TrickleStar. Accordingly, the NC has not recommended that any measurable quantitative objectives in relation to diversity be adopted at this stage of TrickleStar's development. Neither the Board nor NC has identified any discriminatory practices in TrickleStar. The NC reviews its targets for diversity from time to time and may recommend changes or additional targets to achieve greater diversity. In addition, the NC reviews the Company's Board Diversity Policy from time to time, as appropriate, to ensure its continued effectiveness and relevance, and any revisions, where necessary, will be recommended to the Board for approval.

# REPORT ON CORPORATE GOVERNANCE

## Board Discussion Without Management

During FY2022, our Non-Executive Directors met without the presence of Management, formally in Board Committee meetings and informally on an ad hoc basis at various times throughout the year. Formal meetings are recorded by minutes that are available to all Board members. In respect of ad hoc meetings, one of the Directors present will be assigned to provide feedback to the chairman of the Board ("**Chairman**") and other Directors on relevant issues arising from the discussion.

## 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.*

Ling Hee Keat is the Non-Executive Independent Chairman. Bernard Christopher Emby is the CEO and will cease to be CEO on 28 April 2023 after which he will be redesignated to Non-Executive Non-Independent Director. Gunananthan Nithyanantham is Acting CEO. 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.

The Board is mindful that a majority of Directors are independent.

The responsibilities of the Chairman include:

- (a) be available to shareholders and stakeholders where they have concerns, and for which contact through the normal channels of communication with Management are inappropriate or inadequate;
- (b) provide leadership of the Board;
- (c) coordinate and lead the Independent Directors to provide a Non-Executive perspective and to contribute (a balanced viewpoint to the Board; and
- (d) provide a channel to Non-Executive Directors for confidential discussions on any concerns and to resolve (conflicts of interest as and when necessary.

The responsibilities of the CEO include management of the day to day activities of TrickleStar.

## Approaches to Independent Directors

The Board has appointed Jeremy John Figgins as the person who stakeholders may contact confidentially at [jeremy.figgins@tricklestar.com](mailto:jeremy.figgins@tricklestar.com). His role and responsibilities in this regard are:

- (a) be available to shareholders and stakeholders where they have concerns, and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate;
- (b) carry out the functions of the Chairman in relation to any matter if he is unable to do so; and
- (c) assist the Chairman in leading the Board when required to do so.

The Independent Directors serve on the AC, RC and NC, participating in the annual performance evaluation and development of succession plans for the Chairman and CEO. Since the Chairman of the RC is also Chairman of the Board, he recuses himself from discussions on the design and assessment of the Chairman's remuneration.

The Chairman and other Independent Directors meet alone together from time to time. In FY2022, there were four such meetings held formally.

# REPORT ON CORPORATE GOVERNANCE

## 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.*

## Nominating Committee

TrickleStar's NC is regulated by a set of written terms of reference. The composition of the NC is:

- Chuah Jern Ern (*Chair*);
- Jeremy John Figgins; and
- Ling Hee Keat.

The following are the NC's key terms of reference:

- (a) review of succession plans for Directors;
- (b) recommending the appointment and/or replacement of the CEO and other KMP;
- (c) creating a process and setting criteria for evaluation of the performance of the Board, Board Committees and Directors. In this regard, the NC will decide how performance is to be evaluated and, in the case of the Board, propose objective performance criteria which address how long-term shareholder value can be seen to have enhanced;
- (d) reviewing training and professional development programmes for the Board and the Directors; and
- (e) the appointment and re-appointment of Directors (including alternate Directors, if any). In this respect the NC will have regard to each Director's contribution, performance, and ability to commit sufficient time, resources and attention to the affairs of TrickleStar, and each Director's commitments outside TrickleStar including his principal occupation and board representations on other companies.

In addition, the NC undertakes the following duties:

- (a) reviewing and determining annually or as and when circumstances require, if a Director is independent;
- (b) reviewing the composition of the Board annually to ensure that the Board and the Board Committees comprise Directors who, as a group, provide an appropriate balance and diversity of skills, knowledge, experience and other aspects of diversity, and provide core competencies;
- (c) determining whether each Director is able to and has been adequately carrying out their duties as a Director;
- (d) assessing the effectiveness of the Board as a whole, the Board Committees and the contribution of the Chairman of the Board and each individual Director to the effectiveness of the Board and each Board Committee on which they sit;
- (e) reviewing and approving employment of any managerial staff and employees who are related to any of the Directors, substantial shareholders or the CEO and the proposed terms of their employment; and
- (f) reviewing the statements made in the annual report relating to TrickleStar's policies on selection, nomination and evaluation of Board members.

A new Director must submit themselves for re-election at TrickleStar's next annual general meeting following their appointment.

As prescribed by TrickleStar's Constitution, each year, one-third of the Directors are required to retire from office and are individually subject to re-election by shareholders at TrickleStar's annual general meeting ("**AGM**"). In addition, every Director is required to retire from office and be subject to re-election at least once every three years.



# REPORT ON CORPORATE GOVERNANCE

The selection of the Directors who retire and are subject to re-election is applied first by reference to which Directors must retire under the three-year rule and then determining which Directors were most recently subjected to retirement (so that those who retired most recently will not be first to be requested to stand for re-election). The NC will review the contributions and performance of the Directors who are retiring at the AGM to determine their eligibility for re-nomination.

At the forthcoming AGM:

- Bernard Christopher Emby (under Regulation 89 of the Constitution); and
- Gunananthan Nithyanantham (under Regulation 89 of the Constitution),

will be submitting themselves for re-election. The NC, having considered the attendance and participation of these Directors at Board and Board Committee meetings and their contributions to the business and operations of TrickleStar, has recommended to the Board the re-election of both of them. The Board has endorsed the re-elections, based on recommendations of the NC.

Each of these Directors has given their consent to stand for re-election and abstained from participating in discussion, voting, or making any recommendation in respect of their own re-election as a Director of TrickleStar.

Mr. Emby will, upon re-election as a Director, remain as Executive Director and CEO until 28 April 2023, after which he will become a Non-Executive Non-Independent Director. The Board considers Mr. Emby to be non-independent under Rule 406(3)(d) of the Catalist Rules. Further information on Mr. Emby can be found in this Annual Report.

Mr. Gunananthan will, upon re-election as a Director, remain as Executive Director, COO and Acting CEO. The Board considers Mr. Gunananthan to be non-independent under Rule 406(3)(d) of the Catalist Rules. There are no relationships including family relationships between Mr. Gunananthan and the other Directors, TrickleStar and its related corporations, its substantial shareholders and its officers. Further information on Mr. Gunananthan can be found in this Annual Report.

The NC comprises three Directors, all of whom, including the Chair, are Independent Directors.

## Selection of Directors

When a Director chooses to retire or is required to retire from office by rotation, or the need for a new Director arises, the NC considers the appointment or re-appointment using a selection process described below.

*Stage 1.* NC reviews the range of expertise, skills and attributes of the Board and the composition of the Board and will consider TrickleStar's Diversity Policy. The NC also considers the need for progressive renewal, as well as each Director's competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation) including, if applicable, his or her performance as an Independent Director.

*Stage 2.* The NC will draw candidates from a wide pool of individuals, not limited to persons known directly to the Directors and is empowered to engage professional search firms to aid in this process.

*Stage 3.* When a potential candidate is identified, NC will evaluate the candidate by undertaking background checks, assessing individual competency for matters such as knowledge, management skills, financial literacy experience and qualifications, ensuring the fulfilment of the criteria as closely as possible.

# REPORT ON CORPORATE GOVERNANCE

*Stage 4.* After evaluation of candidates, the NC will make its shortlist recommendations to the Board and arrange to meet with the approved shortlisted candidates to (a) confirm the suitability of the candidate; (b) communicate to the candidates the level of commitment expected (including time commitment); and (c) provide sufficient information for the candidate to make an informed decision on accepting the role.

*Stage 5.* NC will make its final recommendation to the Board and the Board will make a final decision.

## **Assessing the Independence of Directors**

The NC, which is responsible for reviewing the independence of each Director on an annual basis, uses Catalist Rule 406(3)(d) and the Code's definition of an Independent Director and provisions as to relationships in determining the independence of a Director. In determining independence, each Director has been required to provide the NC with details of their relationships with TrickleStar, its related corporations, its substantial shareholders, or its officers, if any, which may affect their independence.

Bernard Christopher Emby and Gunananthan Nithyanantham are not independent Directors. The NC considered the continuing independence of the other Board members in February 2023 and determined that they are independent.

None of the Independent Directors have had to claim to be independent despite having any of the relationships identified in the Code which would deem them not to be independent.

## **Appointment of New Directors**

On appointment, all Directors are given a letter of appointment or execute a service agreement that explains TrickleStar's expectations their role, duties, obligations, and responsibilities. The letter also explains about how the Director may request on-going training, if required, to develop competencies to effectively discharge their duties.

Key information on each Director's academic and professional qualifications and other principal commitments is presented in the "Board of Directors" section of this Annual Report. Their directorships or chairmanships in other listed companies, can be found above in this Corporate Governance Report and their shareholdings in TrickleStar and its related corporations and relationships (if any) are presented in the "Directors' Statement" section of this Annual Report.

No Director is considered to hold a significant number of other Directorships and commitments which could affect their ability to diligently discharge their duties.

## **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.*

The NC recommended and the Board approved the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, the effectiveness of each Board Committee separately and the contribution by the Chairman and each individual Director to the Board. The NC is responsible for undertaking these evaluations on an annual basis.

# REPORT ON CORPORATE GOVERNANCE

For FY2022, the basis of evaluation was the same as FY2021. Each Director was asked to complete a questionnaire that considered:

- (a) the Board's and Board Committees' composition, (covering balance of skills, experience, independence, knowledge of TrickleStar, and diversity), governance and team dynamics;
- (b) the Board's and Board Committees' practices and conduct;
- (c) the Board's performance as a whole and how it adds value to TrickleStar;
- (d) the Board's, each Board Committee's and each Director's experience, integrity and competence;
- (e) the effectiveness of debate at meetings;
- (f) succession planning;
- (g) expertise of each Director; and
- (h) Directors' knowledge of the industry in which we operate.

All Directors are invited to participate in the assessment process and all Directors submitted a completed and signed assessment questionnaire to the NC for FY2022 with the exception of Mr Emby who did not complete the evaluation.

The NC debated the findings of the questionnaire. The discussion evaluated the contributions of each Director at Board and Board Committee meetings including the level of their participation, their independence and time commitment. The debate also assessed whether each Director is willing and able to constructively challenge and contribute effectively to the Board and demonstrate commitment to their roles on the Board.

The results of the assessment were discussed by the NC Chair with the Independent Directors before the findings were reported to the Chairman and the Board.

No external facilitator assisted the NC in the evaluation for FY2022.

## Outcome of Evaluations

On the basis of the evaluation, the NC is satisfied that:

- (a) for FY2022, the Board and its Board Committees were effective in the conduct of their respective duties; and
- (b) after taking corrective actions regarding shortfalls that were identified in 2022, the Directors have since each contributed to the effectiveness of the Board and its Board Committees (as applicable).

The results of the NC's assessment have been accepted by the Board.

## 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.*

### Remuneration Committee

The RC is regulated by a set of written terms of reference.

The composition of the RC is

- Ling Hee Keat (Chair);
- Chuah Jern Ern; and
- Jeremy John Figgins.

# REPORT ON CORPORATE GOVERNANCE

While remuneration matters are deliberated in detail by the RC, its remit is only to make recommendations to the Board in relation to the framework of remuneration and specific remuneration packages for the Board, each Director and KMP. The Board is ultimately accountable for these remuneration decisions. The RC's role is to review and make recommendations to the Board on:

- (a) a remuneration framework and guidelines for remuneration for the Board and KMP; and
- (b) specific remuneration packages for each Director and KMP.

All three members of the RC are Independent Directors. The RC Chairman is an Independent Director.

RC considers all aspects of remuneration (including Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind and termination payments) and aims to ensure they are fair and avoid rewarding poor performance.

In addition to the recommendations explained above, RC's role includes recommending:

- (a) the remuneration policy for the members of the Board of Directors and KMP, including guidelines on incentive pay;
- (b) recommending performance targets for benchmarking the performance of each KMP;
- (c) considering and reviewing remuneration packages in order to maintain attractiveness, to retain and motivate Directors and KMP and to align the level and structure of remuneration with the long-term interests and risk policies of TrickleStar;
- (d) reviewing TrickleStar's obligations arising in the event of termination of any Executive Director or KMP's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses that are not overly generous;
- (e) conducting an annual review of the remuneration packages of any managerial staff and employees who are related to any of the Directors or substantial shareholders, to ensure that their remuneration packages are in line with TrickleStar's remuneration guidelines and commensurate with their respective job scopes and level of responsibilities; in addition, reviewing and recommending any bonuses, pay increases and/or promotions for these persons; and
- (f) other tasks requested by the Board relating to compensation.

In its annual review and recommendations for remuneration and the remuneration framework, the RC takes into account the performance of TrickleStar and the performance and responsibilities of individual Directors and KMP, linking rewards to corporate and individual performance.

With regards to TrickleStar's obligations arising in the event of termination of service contracts of TrickleStar's CEO or other KMP, these contracts are framed so as not contain any special or exceptional clauses providing for additional compensation payments in the event of termination and do not provide any termination, retirement or post-employment benefits.

Each member of the RC abstains from voting on any resolutions and making any recommendations and/or participating in any deliberations on his own remuneration.

# REPORT ON CORPORATE GOVERNANCE

TrickleStar entered into a service agreement with Mr Emby as CEO and he resigned on 29 October 2022. Mr Gunananthan was appointed Acting CEO by agreement on 1 November 2022. Mr Gunananthan is expected to remain as Acting CEO for 2023 and TrickleStar will begin a search for a replacement CEO. Mr Gunananthan has taken over responsibility for the of the day to day activities of TrickleStar.

The RC may seek expert advice on remuneration matters as it deems appropriate. For FY2022, the RC did not require the service of an external remuneration consultant.

## LEVEL AND MIX OF REMUNERATION

**Principle 7.** *The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of TrickleStar, taking into account the strategic objectives of TrickleStar.*

### Executives

TrickleStar's remuneration structure for Executive Directors, CEO and other KMP applies also to all employees. It consists of a fixed component (fixed basic salary and annual wage increase at TrickleStar's discretion) and a variable bonus that is based on TrickleStar's and the individual's performance. The variable component may include performance-linked incentives.

The structure takes into consideration the balance between profit and risk, and is aligned with the long-term interest and risk framework of TrickleStar. Pay-out is determined considering the nature and time horizon of risks generated, so that a significant and appropriate proportion of Executive Directors' and KMP's remuneration links rewards to corporate and individual performance. In this way, TrickleStar aims to link rewards to corporate and individual performance, and performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of TrickleStar.

### Non-Executive Directors

Each Non-Executive Director's remuneration has been determined by RC to be appropriate to their contribution and takes into account their effort, time spent and responsibilities.

These Directors receive a basic retainer fee, additional fees for appointment to Board Committees and attendance fees for Board and Board Committee meetings. The Directors' remuneration is reviewed yearly to ensure its competitiveness and the quantum of the fees is approved by shareholders at the AGM. Non-Executive Directors are entitled to participate in TrickleStar's Performance Share Plan and the TrickleStar Employee Share Option Scheme.

### RC Recommendations on Remuneration

RC has confirmed to the Board that remuneration paid by TrickleStar is appropriate to attract, retain and motivate the Directors to provide good stewardship and KMP to successfully manage TrickleStar for the long term. TrickleStar does not consider that it pays more than is necessary for this purpose.

Directors' fees are recommended by the RC and submitted to the Board for endorsement. Directors' fees are subject to the approval of shareholders at the AGM.

Fees proposed to be paid to Directors for FY2023, which aggregate S\$240,000 (FY2022: S\$152,400), will be tabled for shareholders' approval at the forthcoming AGM.



# REPORT ON CORPORATE GOVERNANCE

Our CEO who is also a Director, is paid remuneration under his Service Agreement until his cessation date on 28 April 2023.

Our Acting CEO, who is also our COO and a Director, is paid remuneration under his Service Agreement. The Acting CEO's and COO's terms of employment and rewards, which include long-term incentives in the form of shares, are reviewed by the RC and approved by the Board.

## DISCLOSURE ON REMUNERATION

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

### Remuneration Policy and Structure

Remuneration paid by TrickleStar is structured for all employees to support pay-for-performance, as described above.

The percentage of the variable component is higher for TrickleStar's CEO and KMP than it is for other employees in order to ensure that their rewards are closely linked to performance.

Performance against targets is a key factor in the remuneration of the CEO and KMP. For the purpose of assessing their performance, broad targets, including financial and non-financial measures, are set for each financial year. Towards the end of each financial year, all employees participate in a performance review that assesses the individual's performance against the targets.

In determining adjustments, bonus and long-term incentives in the remuneration of KMP, factors that were taken into consideration included their individual responsibilities, skills, expertise and contribution to TrickleStar's performance. Those factors were measured against remuneration packages known to be available in the market to ensure TrickleStar's remuneration is competitive and sufficient to ensure that we are able to attract and retain executive talent.

Save as mentioned in this Report, TrickleStar has not yet adopted the detailed criteria explained in the Code's Practice Guidance Note: at this time the Group has only 18 employees who the Acting CEO feels can be motivated and remunerated adequately without setting out fixed, detailed criteria that relate to their remuneration. As a young, dynamic organisation, the Board believes that TrickleStar needs to keep flexibility in its decisions regarding remuneration and that setting all the detailed criteria would detract from this need. Therefore, broad financial targets and job specific criteria are currently used and reviewed with each employee.

### Long-Term Incentives

To promote long-term success of TrickleStar, an incentive scheme, the TrickleStar Performance Share Plan ("PSP") has been incorporated in the remuneration framework. An Employee Share Option Scheme ("ESOS") is also available but has not yet been used for incentives. These long-term incentives are aimed to align employees' interests with those of shareholders and are granted with reference to the desired remuneration structure target. Details of the long-term incentive schemes can be found in the "Directors' Statement" section of this Annual Report.

On 11 January 2023 the Board approved 464,745 share awards ("Awards") to employees and Directors of the Group, of which 239,613 Awards were for Directors.

# REPORT ON CORPORATE GOVERNANCE

The table below shows the current status of awards under the PSP for the Directors.

Participant	Awards granted on 11 January 2023	Aggregate Awards granted since commencement of the PSP to end of FY2022	Aggregate Awards vested since commencement of the PSP to end of FY2022	Aggregate Awards not yet vested
Ling Hee Keat (Non-Executive Independent Chairman)	36,000	115,929	(115,929)	36,000
Gunananthan Nithyanantham (Executive Director, COO and Acting CEO)	97,613	139,367	(139,367)	97,613
Bernard Christopher Emby (Controlling Shareholder, Executive Director and CEO) <sup>1</sup>	Nil	346,301	(346,301)	Nil
Chuah Jern Ern (Non-Executive Independent Director)	36,000	109,468	(109,468)	36,000
Jeremy John Figgins (Non-Executive Independent Director)	70,000	203,562	(203,562)	70,000

*Note 1.* Mr Emby will cease to be an Executive Director on 28 April 2023 after which he will become a Non-Executive Non-Independent Director.

No participant has been granted more than 5% of the total cumulative share Awards available under the PSP.

TrickleStar does not have any contractual provisions to reclaim incentive components of remuneration from Executive Directors or KMP in any circumstances. However, upon the exercise of an option or upon the vesting of shares under the PSP, the shares received by Executive Directors and KMP may be subject to a retention period or restriction of transfer as determined by the RC at its absolute discretion. Further, the RC may at its absolute discretion determine malus and/or clawback provisions to be applied to an option and/or a grant (as the case may be) upon the occurrence of an applicable malus and/or clawback event under the PSP.

Under the terms of the CEO's Service Agreement, TrickleStar is not entitled to reclaim, in full or in part, incentive components of remuneration paid, whether in the current or previous financial years, to the CEO upon termination due to certain specified events (as disclosed in TrickleStar's Offer Document dated 3 June 2019) and no compensation or liability shall be payable or incurred by TrickleStar to the CEO for termination.

## Other Benefits

Other benefits that TrickleStar provides are consistent with market practice. Eligibility for these benefits depends on individual job grade, location and scheme of service.

# REPORT ON CORPORATE GOVERNANCE

An annual review of the remuneration packages of all Directors is carried out by the RC to ensure that the remuneration of the Directors and KMP is commensurate with their performance, giving due consideration to the financial and commercial health and business needs of TrickleStar. For FY2022, the RC was satisfied with the Executive Directors' and KMP's remuneration packages and recommended the same for Board approval. The Board approved the recommendations.

An analysis of remuneration of Directors, the CEO and Acting CEO for FY2022 is set out below:

Name	Fees %	Salary %	Bonus %	Benefits in Kind %	PSP %	Total %
<b>Below SGD100,000</b>						
Ling Hee Keat	59	—	—	—	41	100
Chuah Jern Ern	61	—	—	—	39	100
Jeremy John Figgins	50	—	—	—	50	100
<b>Between SGD250,000 to SGD500,000</b>						
Bernard Christopher Emby	8	80	—	—	12	100
Gunananthan Nithyanantham	8	88	—	—	4	100

## Remuneration of Top 5 Key Management Personnel

TrickleStar has only five KMP (who are not the Director or the CEO) in FY2022.

Name of Key Management Personnel	Fees %	Salary %	Sales Commission	Bonus %	Benefits in Kind %	PSP %	Total %
<b>Below SGD100,000</b>							
S Krishnan Sinnappan	—	87	—	6	—	7	100
Loh Peng Kok	—	93	—	7	—	0	100
Yap Saw Cheng	—	90	—	6	—	4	100
Yu See Mei	—	90	—	6	—	4	100
<b>Between SGD100,000 to SGD250,000</b>							
Jon Alan Lanning	—	56	40	—	—	4	100

*Note to tables:* The Code provides that TrickleStar should fully disclose the names, amounts and breakdown of remuneration of each individual Director and the CEO, Acting CEO and the remuneration of KMP in bands no wider than SGD250,000 and in aggregate the total remuneration paid to the KMP. After careful consideration, the Board is of the view that such disclosure would not be in the best interests of TrickleStar or its Shareholders, and that the details disclosed in the tables provides an appropriate balance between detailed disclosure and confidentiality in the sensitive area of remuneration. In arriving at its decision, the Board took into consideration the competitive business environment in which TrickleStar operates, and the negative impact such disclosure may have on TrickleStar.

# REPORT ON CORPORATE GOVERNANCE

Bernard Christopher Emby, is a substantial shareholder, CEO and Director of TrickleStar and his remuneration is disclosed above in the SGD250,000 to SGD500,000 band. Mr Emby will cease to be an Executive Director and CEO on 28 April 2023 after which he will become a Non-Executive Non-Independent Director.

Gunananthan Nithyanantham, is our COO, Acting CEO and Director of TrickleStar and his remuneration is disclosed above in the SGD250,000 to SGD500,000 band.

During FY2022, no other employees were substantial shareholders of TrickleStar, or are immediate family members of a Director, the CEO, Acting CEO or a substantial shareholder of TrickleStar.

All remuneration paid by TrickleStar to its Directors and KMP have been disclosed in this Report. During FY2022, there were no termination, retirement or post-employment benefits granted to Directors, the CEO or other KMP.

Details of TrickleStar's PSP and ESOS are set out in the Directors' Statement in this Annual Report.

## (C) 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.*

The Board recognises the importance of risk management, that it is responsible for the governance of risk and for ensuring that Management maintains a sound system of risk management and internal controls, to safeguard the interests of TrickleStar and its shareholders.

The Board oversees the risk management framework and policies, and endeavours to ensure that Management maintains a sound system of risk management and internal controls. In doing this, the Board determines the nature and extent of the significant risks that TrickleStar is willing to take in achieving its strategic objectives and value creation.

Risk management in TrickleStar is intended to be a continuous process which becomes incorporated into planning, approval, execution, monitoring, review, and reporting systems. The approach to risk management is top-down as well as bottom-up, to ensure the strategic, business, operational, financial, reporting, compliance and information technology risk exposures are identified and appropriately managed.

The Board has not established a separate Risk Board Committee since it believes that the size and complexity of TrickleStar's operations does not yet merit this. The AC is tasked to assist the Board in risk governance. AC monitors TrickleStar's risks through an integrated approach of enterprise risk management, internal controls, and assurance systems.

In FY2022, AC reviewed the risk registers of each department half-yearly and recorded the risks and risk mitigation at meeting minutes.

Risk registers, where business units are required to try to identify the key risks faced by their unit and to contribute to identifying risks faced by TrickleStar on an enterprise-wide level, have been established. The risk registers rate risks to identify the tolerance level for various classes of risk and to determine the likelihood of it occurring. The internal controls and strategy to mitigate a potential risk, such as risks relating to information technology, disruption, and cyber security risks, are also recorded and tracked in the risk registers. A Business Continuity Plan that outlines the potential disaster scenarios that may have a material adverse impact on the business operations

# REPORT ON CORPORATE GOVERNANCE

as well as the mitigating recovery process supported by information technology disaster recovery plan, remains to be prepared. The timeframe for the formalising of a Business Continuity Plan will depend on the amount of time that Management has available to devote to the matter.

The risk registers give a platform for TrickleStar to have a structured and systematic approach to risk management, with aims to mitigate exposures through strategies and internal controls. The registers are reviewed bi-annually by Management and any changes are highlighted to AC for consideration and then for reporting to the Board. Management may mitigate risk on a basis that some residual risk is acceptable, given the operational nature of the business. A heat map of risk is generated from the findings. The CEO and the internal auditor (“IA”) both concur with the findings.

It is AC’s intent to establish an organisational philosophy and culture that ensures that effective risk management is an integral part of its activities and a core Management capability. The Board believes that Management has developed a sound grasp of risk and mitigation methods.

## Internal Controls

The IA and our FC (acting as Risk Manager) validate the internal controls and risk treatment plans respectively for each of the key risks while the external auditors (“EA”) highlight any material internal control weaknesses that come to their attention in the course of their audit. The findings of the IA and EA are brought up to the AC, and in turn are highlighted to the Board.

The key internal controls of TrickleStar include:

- a. the risk registers;
- b. policies, standard operating procedures, approval limits for financial and operational matters, and rules relating to the delegation of authority;
- c. accounting records and monthly reporting;
- d. compliance with appropriate legislation and regulations; and
- e. qualified and experienced persons to take charge of important functions.

The Board has obtained a written assurance from the Acting CEO and the FC that, as at 31 December 2022, to the best of their knowledge the financial records of TrickleStar and its subsidiaries have been properly maintained and the financial statements for FY2022 give a true and fair view of TrickleStar’s operations and finances. The Board has also received assurance from the Acting CEO and other KMP that TrickleStar’s risk management and internal control systems were adequate and effective as at 31 December 2022.

Having regard to the reviews carried out by the AC, findings raised by IA and EA and assurance from Management, the Board, with the concurrence of the AC, is of the opinion that the internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective. As recommended by the SGX-ST, the opinion of the Board pursuant to Rule 1204(10) of the Catalist Rules is also set out in the Directors’ Statement of this Annual Report. During FY2022, there were no material weaknesses identified in TrickleStar’s internal controls or risk management systems.

The Board notes that the internal controls and risk management systems provide reasonable, but not absolute, assurance that TrickleStar will not be affected by any event that could be foreseen as it strives to achieve its business objectives. In this regard, the Board recognises that no internal control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable, not absolute, assurance against material misstatement or loss. The review of TrickleStar’s internal control systems is a concerted and continuing process.

# REPORT ON CORPORATE GOVERNANCE

## AUDIT COMMITTEE

**Principle 10.** *The Board has an Audit Committee which discharges its duties objectively.*

The AC is regulated by a set of written terms of reference.

The composition of the AC is:

- Jeremy John Figgins (*Chair*);
- Ling Hee Keat; and
- Chuah Jern Ern.

The AC meets at least twice a year and as and when deemed appropriate to carry out its functions.

The AC has explicit authority to investigate any matter within its terms of reference, has and has had full cooperation from, and access to, Management. It has direct access to the internal and external auditors and full discretion to invite any Director or KMP to attend its meetings. It has resources to enable it to discharge its functions. It also has the authority to review its terms of reference and its own effectiveness annually and recommend necessary changes to the Board.

The duties of the AC include:

- (a) reviewing the significant financial reporting issues and judgements and how these issues were addressed, so as to ensure the integrity of the financial statements of TrickleStar and any announcements relating to TrickleStar's financial performance;
- (b) reviewing at least annually the adequacy and effectiveness of TrickleStar's internal controls and risk management systems;
- (c) reviewing the assurance from the CEO and the FC on the financial records and financial statements; reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- (d) making recommendations to the Board on: (i) the proposals to shareholders on the appointment and removal of EA; and (ii) the remuneration and terms of engagement of the external auditors;
- (e) reviewing, at least annually, the adequacy, effectiveness, independence, scope and results of the external audit and TrickleStar's internal audit function;
- (f) approving the hiring, removal and compensation of the head of the internal audit function, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;
- (g) reviewing the audit plan, scope of work and audit report, the EA's evaluation of the system of internal accounting controls, fees paid to the EA and reviewing the co-operation extended by Management to the EA;
- (h) appraising the audits undertaken by the external auditors and internal auditors and the adequacy of disclosure of information;
- (i) governance of risk management and reporting;
- (j) reviewing any interested person transactions and monitoring the procedures established to regulate interested person transactions, including ensuring compliance with TrickleStar's internal control system and the relevant provisions of the Catalist Rules, as well as all conflicts of interests to ensure that proper measures to mitigate conflicts of interests have been put in place;
- (k) reviewing at regular intervals with Management the implementation by TrickleStar of the internal control recommendations made by the internal and external auditors;



# REPORT ON CORPORATE GOVERNANCE

- (l) undertake responsibility for oversight, monitoring and considering any whistleblowing matters; and
- (m) undertaking such other reviews and projects as may be requested by the Board.

The AC keeps Directors informed on a regular basis of how it is discharging its responsibilities and has informed the Board that it has been able to discharge its duties independently.

## Whistleblowing

TrickleStar has put in place a whistleblowing policy which sets out the procedures for a whistleblower to make a report on misconduct or wrongdoing relating to TrickleStar and its officers. TrickleStar publicly discloses through its website, and clearly communicates to employees, the existence of the whistleblowing policy, which contains:

- (a) procedures for raising such concerns;
- (b) clear channels through which staff and other persons may, in confidence, raise their concerns about possible improprieties, fraudulent activities or malpractices within TrickleStar in a responsible and effective manner;
- (c) the arrangements and processes that are in place to facilitate independent investigation of such concerns and for appropriate follow-up action;
- (d) confidentiality clauses that protect identification of the whistleblower; and
- (e) protection to whistleblower against any detrimental and unfair treatment.

The email of the Independent Non-Executive Director, where concerns can be raised by a whistleblower is: [jeremy.figgins@tricklestar.com](mailto:jeremy.figgins@tricklestar.com). The AC oversees and monitors the administration of the whistleblowing policy and ensures that all concerns or complaints raised are independently investigated and appropriate follow-up actions are carried out.

In November FY2022, there was one whistleblowing report received that there had been tampering with the complainant's electronic messaging. The matter was investigated in accordance with the policy, discussed with the complainant and the complaint was found to have no substance.

## Composition of AC

The AC comprises three Directors, all of whom including the Chair are Non-Executive Directors. All members are Independent. The Board is of the view that all AC members are appropriately qualified, having the necessary recent and relevant accounting and/or related financial management expertise, to discharge their responsibilities. A description of the experience of the Directors of the AC is set out in the section "Board of Directors" in this Annual Report.

No member of the AC is a former partner or director of TrickleStar's existing auditing firm nor does any of them have any financial interest in the auditing firm.

## Internal Audit

The AC makes recommendations to the Board on the internal audit function to ensure that it is adequate, effective and independent. The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all TrickleStar's documents, records, properties and personnel, including the AC, and has appropriate standing within TrickleStar.

# REPORT ON CORPORATE GOVERNANCE

Part of the role of the IA is to support the AC in ensuring that TrickleStar maintains a sound system of risk management and internal controls by monitoring and assessing the adequacy and effectiveness of key controls and procedures, conducting in-depth audits of identified areas and undertaking investigations as directed by the AC.

Pursuant to Rule 711B(3) of the Catalist Rules, the sustainability reporting process must be subject to internal review to increase stakeholder confidence in the accuracy and reliability of the sustainability information disclosed. Accordingly, the Company has reviewed the processes in relation to sustainability reporting, among other risk and control areas and the internal audit plan for FY2022 covers the key aspects of the sustainability report.

The internal audit function is performed by GovernAce Advisory & Solutions Pte. Ltd., a specialist in, among other things, internal audit with offices in Singapore and Malaysia. The IA is adequately resourced and staffed with persons with the relevant qualifications and experience and complies with the standards set by the International Professional Practices Framework (“**IPPF**”) issued by the Institute of Internal Auditors, an internationally-recognised professional body. For FY2022, the AC is satisfied that GovernAce Advisory & Solutions Pte. Ltd. was independent, effective and adequately resourced. The outsourced internal audit team is headed by Mr. Ryan Chong (“**Mr. Chong**”), who has more than 15 years of experience in audit and advisory services. Mr. Chong holds a Bachelor of Commerce (Accounting & Taxation) Degree from Curtin University of Technology, Perth, Western Australia and is a Chartered Accountant of CPA Australia, Asean CPA and a Certified Internal Auditor of the Institute of Internal Auditors Inc. (“**IIA**”) The AC will review the adequacy and effectiveness of the internal audit function annually to ensure that it is sufficiently resourced and is able to perform its function effectively and objectively.

In FY2022, the AC met separately with the EA and the IA, in each case without the presence of Management. During its meetings, no matters of concern over Management’s interaction or responsiveness were reported.

## External Auditor

The AC undertook a review of the scope and results of the audit by Paul Wan & Co, adequacy of the resources, experience and competence of the engagement partner and key team members in handling the audit and their cost effectiveness, the independence and objectivity of the external auditors through discussions with the external auditors as well as reviewing the non-audit fees awarded to them.

In FY2022, the EA provided TrickleStar with non-audit services amounting to S\$4,950 Audit fees for FY2022, amounting to S\$92,300 were approved.

The external auditors confirmed their independence and TrickleStar confirms that:

- (a) TrickleStar has complied with Rule 712 of the Catalist Rules in relation to the appointment of a suitable auditing firm to meet its audit obligations. Paul Wan & Co, the appointed auditors of TrickleStar, is registered with the Accounting and Corporate Regulatory Authority in Singapore; and
- (b) TrickleStar has complied with Rule 715 of the Catalist Rules in relation to the appointment of the same auditing firm based in Singapore to audit its accounts, and a suitable auditing firm for its significant foreign-incorporated subsidiaries. The auditors of TrickleStar’s subsidiaries are disclosed in the Notes to the Financial Statements.

# REPORT ON CORPORATE GOVERNANCE

Together with the audit engagement partner and his team assigned to the audit of TrickleStar, the AC was satisfied that the resources and experience of Paul Wan & Co, the audit engagement partner and his team assigned to the audit were adequate to meet their audit obligations, given the size, nature, operations and complexity of TrickleStar. The AC is satisfied that the objectivity and independence of the external auditors are not in any way impaired. Paul Wan & Co has indicated to the Company that they will not be seeking re-appointment as external auditors for FY2023 at the forthcoming AGM.

The EA and the FC kept the AC abreast of any changes to applicable accounting standards and issues that have a direct impact on financial statements through updates and/or reports from time to time. In addition, the AC is entitled to seek clarification from Management, the EA and/or independent professional advice, or attend relevant seminars and/or informative talks at TrickleStar's expense from time to time to apprise themselves of accounting standards/financial updates.

## 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.*

TrickleStar provides timely, regular and relevant information regarding TrickleStar's strategy, performance and prospects to aid shareholders and investors in their investment decisions. TrickleStar does not practice selective disclosure, and in the event of any inadvertent disclosure is made to a select group, TrickleStar will make the same disclosure publicly to all others as promptly as possible.

Information is communicated to shareholders on a timely basis. Communication may be made through:

- (a) annual reports or circulars that are prepared and issued to all shareholders;
- (b) half yearly and full year results announcements, containing a summary of the financial information and affairs of TrickleStar for the period reported on;
- (c) notices and explanatory notes of the AGM and any Extraordinary General Meeting ("EGM"); and
- (d) other announcements and press releases that are announced via SGXNET.

TrickleStar provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.

Provision 11.4 of the Code recommends that the Company's Constitution allow for absentia voting at general meetings of shareholders. TrickleStar's Constitution allows for absentia voting at general meetings of shareholders, including but not limited to voting by mail, electronic mail or facsimile. As the authentication of shareholder identify and other related security and integrity issues still remains a concern, the Company has decided for the time being, not to implement absentia voting methods such as voting by mail, electronic mail or facsimile. Notwithstanding variation from Provision 11.4 of the Code, the Company is of the view that the intent of Principle 11 is still met as the existing arrangement whereby shareholders have the right to appoint proxies to attend general meetings and vote on their behalf enables shareholders to exercise their rights and have the opportunity to vote even if they are unable to attend in person.

# REPORT ON CORPORATE GOVERNANCE

General meetings are the principal forum for dialogue with shareholders. Shareholders are encouraged to attend the general meetings to ensure a high level of accountability and to stay informed of TrickleStar's strategy and goals. To provide shareholders with the ability to directly and immediately engage with the Board and vote thereafter, the Company will be implementing real-time electronic voting and real-time question-and answer for the AGM in 2023. FY2022 TrickleStar's AGM will be convened, and held, by 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 (the "**Order**"). Printed copies of the Notice of AGM ("**Notice**") will not be sent to members. Instead, the Notice will be sent to members by electronic means via publication on the Company's website at the URL <https://www.tricklestar.com/investors.html>. The Notice will also be made available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements?value=TRICKLESTAR%20LIMITED&type=company>. 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 of the AGM proxy forms, appointing proxies to attend and vote in shareholders' stead at the AGM, live voting and live question-and-answer session via text, are all informed to members in advance at URL <https://registration.ryt-poll.com/home/index/tricklestar-agm>.

At general meetings, shareholders are informed of the rules, including voting procedures, that govern general meetings and are also given the opportunity to share and communicate their views and seek clarification with the Board on issues relating to TrickleStar's performance either formally at, or informally after, the meeting.

To facilitate shareholders' participation at general meetings, TrickleStar provides detailed information to shareholders in reports and circulars. Notices of general meetings, which clearly set out the resolutions to be tabled to shareholders for approval are sent, together with proxy forms, to all shareholders through announcement via SGXNET at least fourteen days before the meeting for ordinary resolutions and twenty-one days before the meeting for special resolutions.

A member who is not a relevant intermediary (as defined in Section 181 of the Companies Act 1967), is entitled to appoint one or two proxies to attend and vote at the AGM. A member who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. The duly completed and signed proxy forms are required to be submitted to TrickleStar's Share Registrar's address 72 hours before the general meeting.

TrickleStar conducts voting in general meetings by poll where shareholders are accorded rights proportionate to their shareholding and all votes are counted. An announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages will be released via the SGXNET after the meeting. The Board believes that this will enhance transparency of the voting process and encourage greater shareholder participation.

TrickleStar tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", TrickleStar will explain the reasons and material implications in the notice of meeting. No such resolutions were tabled in FY2022.

All Directors strive to attend general meetings of shareholders and the EA will also be present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. All Directors' serving at the time of the meetings attended such meetings that were held during FY2022 either by electronic communication or in person.

# REPORT ON CORPORATE GOVERNANCE

TrickleStar currently has one class of shares in issue being ordinary shares, which carry one vote for one share held.

When general meetings of shareholders take place, the minutes of such meetings are published on its corporate website as soon as practicable. For FY2022, in complying with the requirements stipulated in and the Order and the provision of the Code, the Company will publish the minutes of the AGM to be held on 29 March 2023 on SGXNET within one month after the AGM. The minutes will include disclosure of the names of the Directors, Management and, where relevant, the external auditor and advisors who attended the meetings, as well as details of the substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting and responses from the Board and Management.

## Dividend Policy

TrickleStar is driving a transformation to deliver growth for the long term. There is no assurance that dividends will be declared and/or paid or as to the timing of any dividends that are to be paid.

The Board of Directors will consider various factors in determining if it is appropriate to declare a dividend, including TrickleStar's earnings, financial condition and capital requirements.

This policy will be reviewed regularly to reflect the progress TrickleStar's transformation.

Any declaration and/or payment of dividends, must be in the best interests of TrickleStar and our Shareholders, and must be in compliance with all applicable laws and regulations.

The foregoing statements are merely statements of our Board's present intention and do not constitute a legally binding commitment by our Company in respect of the declaration and/or payment of dividends in the future. There is no assurance that dividends will be declared and/or paid in the future or as to the timing of any dividends that are to be paid in the future. No inference should or can be made from any of the foregoing statements as to our actual future profitability or ability to pay dividends.

Our dividend policy, and the declaration and/or payment of dividends in the future, are subject to our Directors' continuous review to ensure that our dividend policy, and any declaration and/or payment of dividends, would be in the best interests of our Company and our Shareholders, and are in compliance with all applicable laws and regulations. Our Directors reserve the right in their sole and absolute discretion to update, amend, modify and/or cancel our dividend policy at any time.

No final dividend has been recommended for FY2022 in order to preserve the Group's working capital.

## ENGAGEMENT WITH SHAREHOLDERS

**Principle 12.** *TrickleStar 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 TrickleStar.*

TrickleStar believes in providing sufficient and regular information to its shareholders on the development of TrickleStar's business and financial performance that could materially affect the price or value of TrickleStar's shares.

# REPORT ON CORPORATE GOVERNANCE

TrickleStar publicly releases all price-sensitive information and keeps disclosure of price sensitive information out of discussions in any meetings with individual analysts or investors. Shareholders are invited to comment on any aspect of TrickleStar's business at TrickleStar's AGM and in informal discussions with its Directors and Management after the AGM.

TrickleStar recognizes that it needs to improve its investor relations work so that it conforms to its investor relations policy: the policy allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders. The Directors are aware that this has not been undertaken to best efforts and has asked Management to become more proactive in this area.

The investor relations policy explains that TrickleStar may respond to shareholders with questions who contact **Tricor Barbinder Share Registration Services**, 80 Robinson Road, #02-00, Singapore 068898 (Contact Number: +65-62363333 Email: info@sg.tricorglobal.com)

## MANAGING STAKEHOLDERS RELATIONSHIPS ENGAGEMENT WITH STAKEHOLDERS

**Principle 13.** *The company 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.*

TrickleStar published its first Sustainability Report on 20 October 2021, in respect of FY2020, following its first full financial year of listing. Our third Sustainability Report is contained in this Annual Report. TrickleStar believes that it is well aware of its stakeholders' expectations and works hard to be, and to be seen as, a responsible corporate citizen in respect of environmental, social and governance factors.

Management has identified its material stakeholders and the CEO has approved arrangements to engage with them and how TrickleStar should manage these relationships. A schedule of Stakeholders, methods by which TrickleStar will engage each of them and the frequency of contact intended, will be reviewed at least annually by Management and reported to the Board. For FY2022, the Board has noted a schedule, prepared by Management, of main stakeholder groups and engagement practices.

With only 18 employees in total in TrickleStar at the end of FY2022, our strategy is to use Management's time in its most effective way when we maintain stakeholder relationships. Therefore, as a young, dynamic and growing company, our key area of focus for stakeholder relationships necessarily focuses around TrickleStar's business, with greater emphasis placed on the main companies and people who we regard as our closest business partners.

We maintain contacts with our suppliers, distributors and contract manufacturers by attending business events and through direct site meetings. The site meetings take place as and when required and at least once annually. We engage with our creditors as and when required by email, social media and our website. With our low headcount, we maintain close relationships with all employees.

Government agencies, users of TrickleStar products and shareholders all require Management's time and it is available to these stakeholders as and when required.

TrickleStar maintains a current corporate website to communicate and engage with stakeholders at <https://www.tricklestar.com>. On the website, stakeholders can find explanations about our products, our history, how to link to information posted on the SGXNET in relation to our organisation, details of our financial results and our IPO Information Memorandum.



# REPORT ON CORPORATE GOVERNANCE

## MISCELLANEOUS INFORMATION AND ADDITIONAL INFORMATION REQUIRED PURSUANT TO RULE 720(5) OF THE CATALIST RULES ON DIRECTORS SEEKING FOR RE-ELECTION

The following information on Mr. Bernard Christopher Emby and Mr. Gunananthan Nithyanantham, both of whom are seeking re-election as Directors at the upcoming AGM, is to be read in conjunction with their respective biographies in this Annual Report.

Name of Person	Bernard Christopher Emby	Gunananthan Nithyanantham
Date of Appointment	31 October 2018	31 October 2018
Date of last re-appointment (if applicable)	26 March 2021	26 March 2020
Age	52	54
Country of principle of residence	Malaysia	Malaysia
The Board's comments on this appointment (In the Company's case, the Board's comments on this re-election)	<p>The NC, having considered the attendance and participation of the Director at Board meetings, in particular, Mr Emby's contributions to the Company as well as Board processes, has recommended to the Board the re-election of Mr. Emby who will be retiring pursuant to Regulation 89 of the Company's Constitution at the forthcoming AGM.</p> <p>The Board supported the NC's recommendation.</p> <p>Mr. Emby has abstained from voting on any resolution and making any recommendation and/or participating in respect of his own re-election.</p>	<p>The NC, having considered the attendance and participation of the Director at Board meetings, in particular, Mr Gunananthan's contributions to the Company as well as Board processes, has recommended to the Board the re-election of Mr. Gunananthan who will be retiring pursuant to Regulation 89 of the Company's Constitution at the forthcoming AGM.</p> <p>The Board supported the NC's recommendation.</p> <p>Mr. Gunananthan abstained from voting on any resolution and making any recommendation and/or participating in respect of his own re-election.</p>
Whether appointment is executive, and if so, the area of responsibility	Executive	Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc)	Executive Director and CEO.	Executive Director, COO and Acting CEO.
Professional qualifications	Please refer to the Director's biography in the section headed "Board of Directors" in this Annual Report.	
Working experience and occupation(s) during the past 10 years		

# REPORT ON CORPORATE GOVERNANCE

Name of Person	Bernard Christopher Emby	Gunananthan Nithyanantham
Shareholding interest in the listed issuer and its subsidiaries?	Direct interest of 25,805,393 shares in TrickleStar and Deemed interest in 9,212,133 shares held by CircleBright Limited.	Direct interest of 7,740,310 shares in TrickleStar.  Direct interest in 97,613 unissued shares pursuant to Awards under PSP, which shares are due to vest in June 2023.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any its principal subsidiaries.	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer – Yes/No	Yes	Yes
Other Principal Commitments	Nil	Nil
Past (for the last 5 years)	Nil	Nil
Other Present Directorship	1. TrickleStar Limited (HK) 2. TrickleStar Inc, (US) 3. TrickleStar (M) Sdn Bhd (MY) 4. PlugLoad Limited 5. CircleBright Limited 6. Zernet Limited 7. ZMCB Sdn Bhd 8. Emby Properties Sdn Bhd	1. TrickleStar (M) Sdn Bhd (MY) 2. Navigos Corporation Sdn Bhd
Disclosure applicable to appointment of Director only		
Any prior experience as a director of an issuer listed on the Exchange? 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.

# REPORT ON CORPORATE GOVERNANCE

Name of Person	Bernard Christopher Emby	Gunananthan Nithyanantham
(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 form from the date he ceased to be a partner?	No	No
(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 judgement 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 propose?	No	No

# REPORT ON CORPORATE GOVERNANCE

Name of Person	Bernard Christopher Emby	Gunananthan Nithyanantham
(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
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities of future 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?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

# REPORT ON CORPORATE GOVERNANCE

Name of Person	Bernard Christopher Emby	Gunananthan Nithyanantham
(i) Whether he has ever been the subject of any order, judgement 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:—	No	No
(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
(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 regulation 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

# REPORT ON CORPORATE GOVERNANCE

Name of Person	Bernard Christopher Emby	Gunananthan Nithyanantham
(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

## Material Contracts

There were no material contracts entered into by the Group involving the interest of the CEO, or any Director or controlling shareholder of the Company, either subsisting at the end of the financial year, or if not then subsisting, entered into since the end of the previous financial year.

## Dealing in Securities

In line with Rule 1204(19) of the Catalist Rules, TrickleStar has adopted a compliance code to issue a notification to all Directors, key executives and officers of TrickleStar that they are not allowed to deal in TrickleStar's securities during the "black-out" period, being one month before the announcement of TrickleStar's half-yearly and full-year results respectively, or if they are in possession of unpublished price-sensitive information of TrickleStar.

In addition, Directors, key executives and officers are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period. They are also discouraged from dealing in TrickleStar's securities on short-term considerations.

The Board confirms that for FY2022 TrickleStar has complied with Rule 1204(19) of the Catalist Rules.

## Interested Person Transactions (IPT)

TrickleStar has adopted an internal policy governing procedure for the identification, approval and monitoring of IPTs. All IPTs are subject to review by the AC at its meetings. There were no IPTs between TrickleStar and any of its interested persons during FY2022 that exceeded SGD100,000. TrickleStar does not have a general mandate for IPTs.

## Non-Sponsor Fees

For FY2022, there were no non-sponsor fees paid/payable to PrimePartners Corporate Finance Pte. Ltd.



# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

The Directors present their statement to the members together with the audited financial statements of TrickleStar Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2022.

## 1. Opinion of the directors

In the opinion of the Board of Directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the 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.

## 2. Directors

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

Ling Hee Keat  
Gunananthan Nithyanantham  
Bernard Christopher Emby  
Chuah Jern Ern  
Jeremy John Figgins

## 3. Arrangement to enable Directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Company to acquire benefits by means of the acquisitions of shares in, or debentures of the Company or any other body corporate, other than as disclosed under "Performance shares" in this statement.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 4. Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

	Shareholdings registered in the name of Directors		Shareholdings in which Directors are deemed to have an interest	
	At beginning of financial year	At end of financial year	At beginning of financial year	At end of financial year
<b>Company</b>				
(Number of ordinary shares)				
Ling Hee Keat	1,860,229	1,898,429	2,073,893	2,073,893
Gunananthan Nithyanantham	4,643,578	7,740,310	—	—
Bernard Christopher Emby	18,080,699	25,805,393	23,420,097	9,212,133
Chuah Jern Ern	1,010,269	1,048,469	436,818	854,238
Jeremy John Figgins	137,331	203,562	—	—
<b>Ultimate holding company<sup>(1)</sup></b>				
(Number of ordinary shares)				
Bernard Christopher Emby	8,240,080	8,240,080	—	—
Gunananthan Nithyanantham	2,917,343	2,917,343	—	—

By virtue of Section 7 of the Act, Mr Bernard Christopher Emby is deemed to have an interest in all related corporations of the Company as at 31 December 2022. In accordance with the continuing listing requirements of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Directors of the Company state that, according to the Register of the Directors' Shareholdings, the Directors' interests as at 21 January 2023 in the shares or debentures of the Company have not changed from those disclosed as at 31 December 2022.

## 5. Share options

The TrickleStar Employee Share Option Scheme ("ESOS") was adopted and approved by the shareholders at an Extraordinary General Meeting of the Company held on 17 May 2019. The ESOS is administered by the Remuneration Committee, comprising Mr Ling Hee Keat, Mr Jeremy John Figgins and Mr Chuah Jern Ern.

The aggregate number of shares over which the Remuneration Committee may grant options under the ESOS, when aggregated with the number of shares over which options or awards are granted under any other share option schemes or share plans of the Company, shall not exceed 15% of the total number of all issued shares (excluding shares held by the Company as treasury shares and subsidiaries in the Company) from time to time.

(1) The Company's immediate and ultimate holding company in the previous financial year ended 31 December 2021 was CircleBright Limited, a company incorporated in British Virgin Islands.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 5. Share options (Continued)

The exercise price for each share in respect of which an option is exercisable shall be determined by the Remuneration Committee at its absolute discretion, and shall be fixed by the Remuneration Committee at (a) the market price or (b) set at a discount to a price the market price the quantum of such discount to be determined by the Remuneration Committee at its absolute discretion subject to a maximum discount of 20% of the market price in respect of that option and shall be approved by shareholders.

The market price equals to the average of the last dealt prices for the ordinary shares on the SGXST for the 5 consecutive trading days immediately preceding the date on which the options are granted, as determined by the Remuneration Committee by reference to the daily official list or any other publication published by the SGX-ST, rounded to the nearest whole cent in the event of fractional prices.

Options granted with the exercise price set at market price shall only be exercisable after the first anniversary of the date of grant and expire on the tenth anniversary of such date of grant.

Options granted with the exercise price set at a discount to market price shall only be exercisable after the second anniversary of the date of grant and expire on the tenth anniversary of such date of grant.

There were no share options granted by the Company or its subsidiaries during the financial year, other than as disclosed under "Performance shares" in this statement.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries, other than as disclosed under "Performance shares" in this statement.

There were no unissued shares of the Company or its subsidiaries under option as at the end of the financial year.

## 6. Performance shares

The Company has implemented an employee share award scheme known as the "TrickleStar Performance Share Plan" (the "Plan"), whereby participants are conferred with the rights to be issued free shares. The Plan was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 17 May 2019. The Plan is administered by Remuneration Committee, comprising Mr Ling Hee Keat, Mr Jeremy John Figgins and Mr Chuah Jern Ern. The Plan is designed primarily to reward and retain Executive and Non-Executive Directors and employees, whose services are vital to the growth and performance of the Group. Under the rules of the Plan, Executive and Non-Executive Directors and employees of the Group are eligible to participate in the Plan. The controlling shareholders are eligible to participate in the scheme and share awards ("Awards") granted are subject to the approval of shareholders in general meeting.

On 28 February 2022, the Company granted 458,635 Awards to employees and Directors of the Group. On 25 March 2022, 121,807 Awards were granted to Directors, who were also the controlling shareholders of the Company. The 121,807 Awards were approved and adopted by the shareholders at the Annual General Meeting held on 25 March 2022.

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 6. Performance shares (Continued)

The number of outstanding share awards under the Plan are as follows:

	Balance at beginning of financial year	Grant during the financial year	Exercised during the financial year	Forfeited during the financial year	Balance at end of financial year
<b>Date of grant</b>					
9 December 2019	74,573	—	(70,064)	(4,509)	—
26 February 2021	97,004	—	(47,348)	(10,628)	39,028
28 February 2022	—	458,635	(265,196)	(51,623)	141,816
25 March 2022	—	121,807	(121,807)	—	—

No employee or employee of related corporations has received 5% or more of the total share awards available under the Plan.

The information on Directors of the Company participating in the Plan is as follows:

	Share awards granted during financial year	Aggregate share awards granted since commencement of the Plan to end of financial year	Aggregate share awards exercised since commencement of the Plan to the end of the financial year	Aggregate share awards outstanding as at end of financial year
<b>Name of Directors</b>				
Ling Hee Keat	38,200	115,929	(115,929)	—
Gunananthan Nithyanantham	38,200	139,367	(139,367)	—
Bernard Christopher Emby	121,807	346,301	(346,301)	—
Chuah Jern Ern	38,200	109,469	(109,469)	—
Jeremy John Figgin	66,231	203,562	(203,562)	—

## 7. Audit committee

The Audit Committee at the date of this statement comprises the following members, all of whom are Independent Directors:

Jeremy John Figgins (Chairman)  
Chuah Jern Ern  
Ling Hee Keat

The Audit Committee has carried out its functions in accordance with Section 201B(5) of the Act, including reviewing the following, where relevant, with the Executive Directors and external auditor and internal auditor of the Company:

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 7. Audit committee (Continued)

- (a) the audit plan of the internal auditor and the results of the auditor's examination and evaluation of the Group's systems of internal accounting controls;
- (b) reviewed the audit plan and results of the external audit, independence and objectivity of the external auditor and any recommendations of internal accounting controls arising from the statutory audit;
- (c) the Company's and the Group's financial and operating results and accounting policies;
- (d) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company and external auditor's report on those financial statements before their submission to the Directors of the Company;
- (e) the half-yearly and full-year result announcements as well as the related press releases on the results and financial position of the Company and the Group;
- (f) the co-operation and assistance given by management to the Company's internal and external auditor;
- (g) the re-appointment of external auditor of the Company; and
- (h) the Audit Committee confirmed that it has undertaken a review of all non-audit services provided by the auditor and is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

The Audit Committee has full access to and has the co-operation of management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any Director and executive officer to attend its meetings. The external and internal auditor have unrestricted access to the Audit Committee.

Full details regarding the Audit Committee are provided in the Corporate Governance Report.

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

## 8. Independent auditor

The independent auditor, Paul Wan & Co, will not be seeking re-appointment as auditor.

On behalf of the Board of Directors

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Ling Hee Keat  
Director

27 February 2023

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Gunananthan Nithyanantham  
Director

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRICKLESTAR LIMITED

## Report on the Audit of the Financial Statements

### *Opinion*

We have audited the financial statements of TrickleStar Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2022, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the 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 significance in our audit of the financial statements of the current period. These matters were addressed in the 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.



# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRICKLESTAR LIMITED

## Report on the Audit of the Financial Statements (Continued)

### Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<i>Refer to Note 3.2 and Note 7 to the financial statements</i>	
<b>Valuation of inventories</b>	<b>Audit response</b>
<p>As at 31 December 2022, the carrying amount of the Group's inventories amounted to US\$3,310,536 net of inventories write-down of US\$24,633 made during the financial year.</p> <p>As the general market conditions continue to be challenging and competitive due to rapid advancements in information technology and pricing competition, there is a risk that the Group's inventories may become slow-moving or obsolete due to no market demand.</p> <p>We determined this area to be a key audit matter due to the significance of inventories to the Group's financial statements and significant judgement in assessing the market positioning of the Group's products, which are dependent on factors such as current market condition, historical sales experience, customer specification requirements, demand levels and price competition in response to the industry life cycles.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> <li>• Observed year-end inventory count on sampling basis;</li> <li>• Assessed Group's inventory write-down policy in accordance with SFRS(I) 1 – 2 <i>Inventories</i>;</li> <li>• Discussed and evaluated the basis used by management in assessing allowance for inventories, including testing the accuracy of the aging data on sampling basis;</li> <li>• Reviewed management's assessment on net realisable value of inventories on sampling basis, and checked inventories are stated at the lower of cost and net realisable value; and</li> <li>• Assessed adequacy of the related disclosures in the financial statements.</li> </ul>

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRICKLESTAR LIMITED

## Report on the Audit of the Financial Statements (Continued)

### Key Audit Matters (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
<i>Refer to Note 3.2 and Note 5 to the financial statements</i>	
<b>Impairment loss on intangible assets</b>	<b>Audit response</b>
<p>As at 31 December 2022, the Group's carrying amount of intangible assets amounted to US\$2, net of impairment loss of US\$505,897 made during the financial year.</p> <p>The Group has performed an impairment assessment and measured the recoverable amount of the intangible assets based on value-in-use approach in accordance with SFRS(I) 1-36 <i>Impairment of Assets</i>. This process requires estimating future cash flows based on management's view of future business prospects with consideration of the impact of Covid-19 on the future cash flows and forecast of revenue growth, profit margin and discount rate.</p> <p>We determined this area to be a key audit matter due to the significance of intangible assets to the Group's financial statements and significant estimates and assumptions involved in management's determination of the value-in-use.</p>	<p>We performed the following audit procedures, amongst others:</p> <ul style="list-style-type: none"> <li>Assessed management's determination as to whether there is an indication of impairment of intangible assets in accordance with SFRS(I) 1-36 <i>Impairment of Assets</i>;</li> <li>Evaluated the key assumptions use in impairment assessment by: <ul style="list-style-type: none"> <li>Assessed the revenue growth rate and gross profit margin against historical performance;</li> <li>Assessed the sensitivity of the key estimates on the impairment assessment, based on reasonably possible changes in the key estimates; and</li> </ul> </li> <li>Assessed adequacy of the related disclosures in the financial statements.</li> </ul>

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRICKLESTAR LIMITED

## Report on the Audit of the Financial Statements (Continued)

### *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 have 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.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRICKLESTAR LIMITED

## Report on the Audit of the Financial Statements (Continued)

### *Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

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.

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 on our independence, and where applicable, related safeguards.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TRICKLESTAR LIMITED

## Report on the Audit of the Financial Statements (Continued)

### *Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period 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 the subsidiary incorporated in Singapore of which we are the auditor have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ang Soh Mui.

### **PAUL WAN & CO**

Public Accountants and  
Chartered Accountants

Singapore  
27 February 2023

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Note	Group		Company	
		2022 US\$	2021 US\$	2022 US\$	2021 US\$
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4	227,768	126,423	—	—
Intangible assets	5	2	358,007	2	—
Investment in subsidiaries	6	—	—	1,845,791	6,410,291
		227,770	484,430	1,845,793	6,410,291
<b>Current assets</b>					
Inventories	7	3,310,536	2,846,695	—	—
Trade and other receivables	8	2,540,374	2,642,887	6,763,501	289,794
Cash and bank balances	9	2,736,477	3,131,108	597,612	1,651,724
		8,587,387	8,620,690	7,361,113	1,941,518
Assets of discontinued operations	10	2,683	—	—	—
		8,590,070	8,620,690	7,361,113	1,941,518
<b>Total assets</b>		8,817,840	9,105,120	9,206,906	8,351,809
<b>Equity and liabilities</b>					
<b>Equity</b>					
Share capital	11	7,490,078	7,417,635	7,490,078	7,417,635
Merger reserve	12	(111,376)	(111,376)	—	—
Share grant reserve	13	54,287	32,480	54,287	32,480
Foreign currency translation reserve	14	(41,203)	(37,467)	—	—
(Accumulated losses)/Retained earnings		(2,074,092)	(2,238,395)	1,606,559	870,550
		5,317,694	5,062,877	9,150,924	8,320,665
<b>Non-current liabilities</b>					
Deferred tax liabilities	15	3,313	575,595	—	—
Lease liabilities	16	140,579	—	—	—
		143,892	575,595	—	—
<b>Current liabilities</b>					
Trade and other payables	17	3,223,996	2,903,172	55,982	31,144
Lease liabilities	16	52,717	57,175	—	—
Provision		4,007	5,201	—	—
Borrowing	18	—	500,000	—	—
Income tax liabilities		—	1,100	—	—
		3,280,720	3,466,648	55,982	31,144
Liabilities directly associated with discontinued operations	10	75,534	—	—	—
		3,356,254	3,466,648	55,982	31,144
<b>Total liabilities</b>		3,500,146	4,042,243	55,982	31,144
<b>Total equity and liabilities</b>		8,817,840	9,105,120	9,206,906	8,351,809

The accompanying notes form an integral part of these financial statements



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 US\$	2021 US\$
<b>Continued operations</b>			
<b>Revenue</b>	19	13,820,102	11,288,146
Cost of sales		(10,318,116)	(9,492,032)
<b>Gross profit</b>		3,501,986	1,796,114
Other income	20	8,019	568,749
Selling and distribution expenses		(1,048,982)	(891,105)
Administrative expenses		(2,581,396)	(3,182,907)
Finance costs	21	(36,409)	(14,076)
<b>Loss before tax</b>	22	(156,782)	(1,723,225)
Income tax credit/(expense)	23	599,391	(519,491)
<b>Profit/(Loss) from continuing operations</b>		442,609	(2,242,716)
<b>Discontinued operations</b>			
Loss from discontinued operations	10	(278,306)	(151,096)
<b>Profit/(Loss) for the year attributable to owners of the Company</b>		164,303	(2,393,812)
<b>Other comprehensive income:</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		(3,736)	(64,413)
Other comprehensive income for the financial year, net of tax		(3,736)	(64,413)
<b>Total comprehensive income for the financial year attributable to owners of the Company</b>		160,567	(2,458,225)
<b>Earnings/(Loss) per share attributable to owners of the Company (cents)</b>			
<b>Basic and diluted (cents)</b>			
From continuing operations	24	0.53	(2.72)
From discontinued operations	24	(0.34)	(0.18)

The accompanying notes form an integral part of these financial statements

# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Group	Note	Share capital US\$	Merger reserve US\$	Share grant reserve US\$	Foreign currency translation reserve US\$	Retained earnings US\$	Total equity US\$
Balance at 1 January 2022		7,417,635	(111,376)	32,480	(37,467)	(2,238,395)	5,062,877
Profit for the year		–	–	–	–	164,303	164,303
Other comprehensive income for the financial year							
Exchange differences on translating foreign operations		–	–	–	(3,736)	–	(3,736)
<b>Total comprehensive income for the financial year</b>		–	–	–	(3,736)	164,303	160,567
Performance shares issued	11	72,443	–	(72,443)	–	–	–
Performance share plan expenses	13	–	–	94,250	–	–	94,250
<b>Total transactions with owners, recognised directly in equity</b>		72,443	–	21,807	–	–	94,250
<b>Balance at 31 December 2022</b>		<b>7,490,078</b>	<b>(111,376)</b>	<b>54,287</b>	<b>(41,203)</b>	<b>(2,074,092)</b>	<b>5,317,694</b>

The accompanying notes form an integral part of these financial statements

# CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Group	Note	Share capital US\$	Merger reserve US\$	Share grant reserve US\$	Foreign currency translation reserve US\$	(Accumulated losses)/ Retained earnings US\$	Total equity US\$
Balance at 1 January 2021		7,304,838	(111,376)	21,003	26,946	648,073	7,889,484
Loss for the year		–	–	–	–	(2,393,812)	(2,393,812)
<i>Other comprehensive income for the financial year</i>							
Exchange differences on translating foreign operations		–	–	–	(64,413)	–	(64,413)
<b>Total comprehensive income for the financial year</b>		–	–	–	(64,413)	(2,393,812)	(2,458,225)
Performance share issued	11	112,797	–	(112,797)	–	–	–
Performance share plan expenses	13	–	–	124,274	–	–	124,274
Dividends paid to shareholders	25	–	–	–	–	(492,656)	(492,656)
<b>Total transactions with owners, recognised directly in equity</b>		112,797	–	11,477	–	(492,656)	(368,382)
<b>Balance at 31 December 2021</b>		<b>7,417,635</b>	<b>(111,376)</b>	<b>32,480</b>	<b>(37,467)</b>	<b>(2,238,395)</b>	<b>5,062,877</b>

The accompanying notes form an integral part of these financial statements

# STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

Company	Note	Share capital US\$	Share grant reserve US\$	Retained earnings US\$	Total equity US\$
Balance at 1 January 2022		7,417,635	32,480	870,550	8,320,665
Profit for the year, representing total comprehensive income for the financial year		–	–	736,009	736,009
Performance share issued	11	72,443	(72,443)	–	–
Performance share plan expenses	13	–	94,250	–	94,250
<b>Total transactions with owners, recognised directly in equity</b>		<b>72,443</b>	<b>21,807</b>	<b>–</b>	<b>94,250</b>
<b>Balance at 31 December 2022</b>		<b>7,490,078</b>	<b>54,287</b>	<b>1,606,559</b>	<b>9,150,924</b>
Balance at 1 January 2021		7,304,838	21,003	484,082	7,809,923
Profit for the year, representing total comprehensive income for the financial year		–	–	879,124	879,124
Performance share issued	11	112,797	(112,797)	–	–
Performance share plan expenses	13	–	124,274	–	124,274
Dividends paid to shareholders	25	–	–	(492,656)	(492,656)
<b>Total transactions with owners, recognised directly in equity</b>		<b>112,797</b>	<b>11,477</b>	<b>(492,656)</b>	<b>(368,382)</b>
<b>Balance at 31 December 2021</b>		<b>7,417,635</b>	<b>32,480</b>	<b>870,550</b>	<b>8,320,665</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	Group 2022 US\$	2021 US\$
<b>Cash flows from operating activities</b>			
Loss before tax		(435,088)	(1,874,321)
Adjustments for:			
Depreciation of property, plant and equipment	4	85,669	92,863
Allowance/(reversal) of expected credit losses on trade receivables	8	586	(15,525)
Property, plant and equipment written off	4	18,640	—
Loss on disposal of property, plant and equipment	4	2,464	—
Provision for warranty		(1,194)	(7,813)
Inventories write-down	7	24,633	533,150
Interest income	20	(1,046)	(589)
Performance share plan expenses	13	94,250	124,274
Interest expense	21	36,409	14,076
Impairment loss on intangible assets	5	505,897	1,496,728
<b>Operating cash flows before working capital changes</b>		<b>331,220</b>	<b>362,843</b>
Inventories		(488,474)	1,094,160
Trade and other receivables		101,622	(470,254)
Trade and other payables		394,253	(471,845)
<b>Cash generated from operations</b>		<b>338,621</b>	<b>514,904</b>
Income tax refunded		25,736	35,301
<b>Net cash generated from operating activities</b>		<b>364,357</b>	<b>550,205</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	4	(3,182)	(42,247)
Acquisition of intangible assets	5	(147,892)	(916,185)
Proceeds from disposal of property, plant and equipment	4	2,307	—
Interest received		1,046	589
<b>Net cash used in investing activities</b>		<b>(147,721)</b>	<b>(957,843)</b>
<b>Cash flows from financing activities</b>			
Fixed deposit pledged	9	1,300,000	(1,500,000)
(Repayment of)/Proceeds from borrowings	18	(500,000)	500,000
Dividends paid to shareholders of Company	25	—	(492,656)
Interest paid		(31,854)	(9,493)
Repayment of lease liabilities	16	(67,540)	(67,642)
<b>Net cash generated from/(used in) financing activities</b>		<b>700,606</b>	<b>(1,569,791)</b>
<b>Net change in cash and cash equivalents</b>		<b>917,242</b>	<b>(1,977,429)</b>
<b>Cash and cash equivalents at beginning of financial year</b>		<b>1,623,451</b>	<b>3,663,941</b>
<b>Effects of currency translation on cash and cash equivalents</b>		<b>(11,476)</b>	<b>(63,061)</b>
<b>Cash and cash equivalents at the end of financial year</b>	9	<b>2,529,217</b>	<b>1,623,451</b>

The accompanying notes form an integral part of these financial statements

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

A reconciliation of liabilities arising from financing activities as follows:

	1 January 2022 US\$	Proceeds from borrowing US\$	Principal payments US\$	Non-cash changes		31 December 2022 US\$
				Addition US\$	Interest expense US\$	
Borrowing	500,000	–	(531,854)	–	31,854	–
Lease liabilities	57,175	–	(67,540)	199,106	4,555	193,296

	1 January 2021 US\$	Proceeds from borrowing US\$	Principal payments US\$	Non-cash changes		31 December 2021 US\$
				Addition US\$	Interest expense US\$	
Borrowing	–	500,000	(9,493)	–	9,493	500,000
Lease liabilities	91,074	–	(67,642)	29,160	4,583	57,175

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



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

## 1. GENERAL

TrickleStar Limited (the “Company”) is a public limited company incorporated and domiciled in Singapore with its registered office and principal place of business at 80 Robinson Road #02-00 Singapore 068898 and C3-U6-15 Solaris Dutamas Jalan Dutamas 1 Kuala Lumpur 50480 Malaysia respectively. The Company was listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 18 June 2019.

The principal activities of the Company are those of investment holding and provision of management services.

The principal activities of the subsidiaries are disclosed in Note 6 to the financial statements.

The Company’s immediate and ultimate holding company in the previous financial year ended 31 December 2021 was CircleBright Limited, a company incorporated in British Virgin Islands.

The consolidated financial statements of the Group and the statement of the financial position and statement of changes in equity of the Company for the financial year ended 31 December 2022 were authorised for issue in accordance with a resolution of the Directors on the date of Directors’ Statement.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of the financial position and statement of changes in equity of the Company have been drawn up in accordance with Singapore Companies Act 1967 (the “Act”) and Financial Reporting Standards (International) (“SFRS(I)s”). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

In the current year, the Group has adopted all the new and revised SFRS(I)s and Interpretations of SFRS(I)s (“INT SFRS(I)s”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2022. The adoption of these new or revised SFRS(I)s and INT SFRS(I)s did not result in changes to the Group’s and Company’s accounting policies, and has no material effect on the current or prior year’s financial statement and is not expected to have a material effect on future periods.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.1 Basis of preparation (cont'd)

SFRS(I)s and INT SFRS(I)s issued but not effective

At the date of authorisation of these statements, the following SFRS(I)s and INT SFRS(I)s were issued but not yet effective:

Description	Effective for annual periods beginning on or after
SFRS(I)s 17: <i>Insurance contracts</i>	1 January 2023
Amendments to SFRS(I)s 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to SFRS(I)s 1-1: <i>Presentation of Financial Statements: (Classification of Liabilities as Current or Non-current)</i>	1 January 2023
Amendments to SFRS(I)s 1-1: <i>Presentation of Financial Statements and IFRS Practice Statement 2: (Disclosure of Accounting Policies)</i>	1 January 2023
Amendments to SFRS(I)s 1-8: <i>Accounting Policies, Changes in Accounting Estimates and Errors: (Definition of Accounting Estimates)</i>	1 January 2023
Amendments to SFRS(I)s 1-12: <i>Income Tax: (Deferred Tax related to Assets and Liabilities arising from a Single Transaction)</i>	1 January 2023
Amendments to SFRS(I)s 1-10: <i>Consolidated Financial Statements and SFRS(I)s 1-28: Investments in Associates and Joint Ventures: (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)</i>	Date to be determined

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards will not have a material impact on the financial statements of the Group and Company in the period of their initial adoption.

### 2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities over which the Group has control. The Group controls an investee if the Group has power over the investee, exposure to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.2 Basis of consolidation (cont'd)

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate. Control is reassessed whenever the facts and circumstances indicate that there may be a change in the elements of control.

All intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated on consolidation. Unrealised losses may be an impairment indication for the asset concerned.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by other members of the Group.

In the separate financial statements of the Company, investment in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss.

### 2.3 Business combinations

#### Acquisition under common control

Business combination arising from transfers of interest in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. For this purpose, comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously and no adjustments are made to reflect the fair values or recognised any new assets or liabilities, including no goodwill is recognised as a result of the combination. The components of equity of the acquired entities are added to the same components within the Group's equity. Any difference between the cash paid for the acquisition and share capital of acquiree is recognised directly to equity as merger reserve.

### 2.4 Foreign currency transactions and balances

#### 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 (the "functional currency"). The consolidated financial statements are presented in United States dollar ("US\$"), which is the Company's functional currency and Group's presentation currency.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.4 Foreign currency transactions and balances (cont'd)

#### 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 translation 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. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. 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 foreign 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 foreign currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the profit or loss within "finance costs". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other income or losses".

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.

#### 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 rates at the reporting date;
- (ii) Income and expenses are translated at average exchange rates (unless this 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 foreign currency translation reserves. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs 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. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

		<u>Useful lives</u>
Computer	–	3 years
Tools and equipment	–	5 years
Furniture and fittings	–	5 years
Office equipment	–	5 years
Renovation	–	5 years
Machinery	–	5 years
Leasehold buildings	–	Over lease terms

The residual value, useful lives and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further change for depreciation is needed in respect of these assets.

### 2.6 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.6 Intangible assets (cont'd)

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite life are amortised on a straight-line basis over the estimated economic useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed and adjusted as appropriate, at end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expenses on intangible assets with finite useful life is recognised in profit or loss.

Intangible assets with indefinite useful life or not yet available for use are tested for impairment annually or more frequently if the events or changes in circumstances indicate that the carrying amount may be impaired either individual or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the changes in useful life from indefinite to finite is made on prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

#### Technical know-how

Technical know-how is initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses, if any. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 5 years.

#### Research and development

Expenditure on research activities is recognised as an expense when incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised, if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible assets; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.6 Intangible assets (cont'd)

#### Research and development (cont'd)

The amount initially recognised for internally-generated intangible asset is the sum of the expenditures incurred from the date when the intangible asset first meets the recognition criteria listed above.

Subsequent to initial recognition, internally-generated intangible asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 5 years.

### 2.7 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

### 2.8 Financial instruments

#### Financial assets

#### Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

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 ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.8 Financial instruments (cont'd)

#### Financial assets (cont'd)

##### Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

##### Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

#### Financial liabilities

##### Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

##### Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

##### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.8 Financial instruments (cont'd)

#### Financial liabilities (cont'd)

#### Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

- (a) currently has a legally enforceable right to set off the recognised amount; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.9 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amount in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents excluded any pledged deposits.

### 2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in first-out method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

When necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

### 2.12 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for assurance-type warranty-related cost are recognised when the product is sold or service provided. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

### 2.13 Government grants

Government grants are recognised as a receivable when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the fair value is recognised as deferred income on the statement of financial position and is recognised as income in equal amounts over the expected useful life of the related asset.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.14 Borrowings

All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss in the period in which they are incurred.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting date. When an entity breaches an undertaking under a long-term loan agreement on or before the reporting date with the effect that the liability becomes payable on demand, the liability is classified as current, even if the lender has agreed, after the reporting date and before the authorisation of the financial statements for issue, not to demand payment as a consequence of the breach. The liability is classified as current because, at the reporting date, the entity does not have an unconditional right to defer its settlement for at least twelve months after that date.

Where the entity expects, and has the discretion, to re-finance or roll over an obligation for at least 12 months after the reporting period under an existing loan facility with the same lender, the liability is classified as non-current.

### 2.15 Employee benefits

#### Defined contribution plan

The Group makes contributions to the defined contribution pension scheme such as the Central Provident Fund in Singapore, Employee Provident Fund in Malaysia and Social Security in United States of America. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

#### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

#### Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share grant reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.15 Employee benefits (cont'd)

#### Share-based compensation (cont'd)

At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share grant reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share grant reserve are credited to the share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

### 2.16 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

#### Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.7. The Group's right-of-use assets are presented within property, plant and equipment (Note 4).



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.16 Leases (cont'd)

#### Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in lease liabilities (Note 16).

#### Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

### 2.17 Revenue

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

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.17 Revenue (cont'd)

#### Revenue from sale of goods

The Group is involved in selling of advance power strip and surge protectors to customers. Revenue from sales of these products is recognised at a point in time when the products are delivered to customers. There is no element of significant financing component in the Group's revenue transaction as customers are required to pay within credit term of 30 to 90 days.

#### Interest income

Interest income is recognised using the effective interest method.

#### Dividend income

Dividend income is recognised when the shareholders' rights to receive payment have been established.

### 2.18 Taxes

#### Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases of asset and liabilities, except when the temporary difference arises from other assets and liabilities that is not a business combination and affects neither the accounting profit nor taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences associated with investment in subsidiaries, except where the Group is able to control the timing of reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary difference can be utilised.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.18 Taxes (cont'd)

#### Deferred tax (cont'd)

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

Deferred tax assets and liabilities are measured using the tax rates expected to apply for the period when the asset is realised or the liability is settled, based on tax rate and tax law that have been enacted or substantially enacted by the end of reporting period. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle its assets and liabilities.

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

#### Sales tax

Revenue, expenses and assets are recognised net of the amount of sales tax except:

- when the sales tax that is incurred on purchase of assets or services is not recoverable from the tax authorities, in which case the sales tax is recognised as part of cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statements of financial position.

### 2.19 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

### 2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which the dividends are approved by the shareholders.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.21 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Directors who make strategic decisions for the Group.

### 2.22 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group if that person:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
  - (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) both entities are joint ventures of the same third party.
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
  - (vi) the entity is controlled or jointly controlled by a person identified in (a).
  - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### 2.23 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's and the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

### 3.1 Critical judgements made in applying the accounting policies

Management is of the opinion that there are no critical judgements (rather than those involving estimates as disclosed in Note 3.2 below) that have a significant effect on the amounts recognised in the financial statements.

### 3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Group and the Company based on their assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group and the Company. Such changes are reflected in the assumptions when they occur.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

### 3.2 Key sources of estimation uncertainty (cont'd)

#### Provision for expected credit loss on trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast of economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 28.

The carrying amounts of the Group's and the Company's trade and other receivables as at 31 December 2022 were US\$2,540,374 (2021: US\$2,642,887) and US\$6,763,501 (2021: US\$289,794) respectively.

#### Inventory valuation method

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market condition. A review is made periodically on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines. The realisable value represents the best estimate of the recoverable amount and is based on the most reliable evidence available and inherently involves estimates regarding the future expected realisable value.

The carrying amount of the Group's inventories as at 31 December 2022 was US\$3,310,536 (2021: US\$2,846,695).

#### Impairment loss on intangible assets and property, plant and equipment

As disclosed in Note 5 to the financial statements, the recoverable amount of the intangible assets and property, plant and equipment are determined based on value-in-use calculations. The value-in-use calculation is based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

The carrying amount of the Group's and the Company's intangible assets as at 31 December 2022 was US\$2 and US\$2 (2021: US\$358,007 and NIL).

The carrying amount of the Group's property, plant and equipment as at 31 December 2022 was US\$227,768 (2021: US\$126,423).



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 4. PROPERTY, PLANT AND EQUIPMENT

Group	Computer US\$	Tools and equipment US\$	Furniture and fittings US\$	Office equipment US\$	Renovation US\$	Machinery US\$	Leasehold buildings US\$	Total US\$
<b>Cost</b>								
At 1 January 2021	93,135	297,086	53,630	6,204	44,429	12,361	179,173	686,018
Additions	21,070	149	3,811	6,313	10,904	–	29,160	71,407
Currency re-alignment	(566)	(7)	(180)	(112)	(321)	–	–	(1,186)
At 31 December 2021	113,639	297,228	57,261	12,405	55,012	12,361	208,333	756,239
Additions	3,139	–	43	–	–	–	208,772	211,954
Disposal	(52,288)	(296,994)	(21,781)	(2,837)	(18,777)	–	–	(392,677)
Written off	(5,055)	–	(5,012)	(1,420)	(32,487)	–	(29,160)	(73,134)
Currency re-alignment	(1,658)	(13)	(220)	(147)	(329)	–	–	(2,367)
At 31 December 2022	<b>57,777</b>	<b>221</b>	<b>30,291</b>	<b>8,001</b>	<b>3,419</b>	<b>12,361</b>	<b>387,945</b>	<b>500,015</b>
<b>Accumulated depreciation</b>								
At 1 January 2021	59,650	297,023	38,898	4,251	36,415	7,305	93,527	537,069
Depreciation	11,089	38	8,508	1,989	7,397	2,472	61,370	92,863
Currency re-alignment	(73)	(1)	(20)	–	(22)	–	–	(116)
At 31 December 2021	70,666	297,060	47,386	6,240	43,790	9,777	154,897	629,816
Depreciation	12,607	46	5,813	1,623	3,142	1,882	60,556	85,669
Disposal	(49,810)	(296,993)	(20,895)	(1,433)	(18,775)	–	–	(387,906)
Written off	(5,010)	–	(3,644)	(865)	(25,481)	–	(19,494)	(54,494)
Currency re-alignment	(555)	(3)	(98)	(51)	(131)	–	–	(838)
At 31 December 2022	<b>27,898</b>	<b>110</b>	<b>28,562</b>	<b>5,514</b>	<b>2,545</b>	<b>11,659</b>	<b>195,959</b>	<b>272,247</b>
<b>Carrying amount</b>								
At 31 December 2021	42,973	168	9,875	6,165	11,222	2,584	53,436	126,423
At 31 December 2022	<b>29,879</b>	<b>111</b>	<b>1,729</b>	<b>2,487</b>	<b>874</b>	<b>702</b>	<b>191,986</b>	<b>227,768</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Right-of-use assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such assets are disclosed in Note 16.

### Impairment testing of property, plant and equipment

The recoverable amount of the property, plant and equipment has been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The gross profit margin, growth rate and pre-tax discount rate applied to the cash flow projections used to extrapolate cash flow projections beyond the five-year period are as follows:

	<b>Group 2022</b>
Gross profit margin	28% to 50%
Growth rates	0% to 3%
Pre-tax discount rate	11.50%

The recoverable amount is higher than the carrying amount of property, plant and equipment, no impairment loss required as at 31 December 2022.

## 5. INTANGIBLE ASSETS

	<b>Technical know-how US\$</b>	<b>Group Development cost US\$</b>	<b>Total US\$</b>	<b>Technical know-how US\$</b>	<b>Company Total US\$</b>
<b>Cost</b>					
At 1 January 2021	242,871	1,058,048	1,300,919	—	—
Additions	—	916,185	916,185	—	—
At 31 December 2021	242,871	1,974,233	2,217,104	—	—
Additions	—	147,892	147,892	2	2
At 31 December 2022	<b>242,871</b>	<b>2,122,125</b>	<b>2,364,996</b>	<b>2</b>	<b>2</b>
<b>Accumulated amortisation</b>					
At 1 January 2021/ 31 December 2021/ 31 December 2022	242,869	—	242,869	—	—
<b>Impairment loss</b>					
At 1 January 2021	—	119,500	119,500	—	—
Addition	—	1,496,728	1,496,728	—	—
At 31 December 2021	—	1,616,228	1,616,228	—	—
Addition	—	505,897	505,897	—	—
At 31 December 2022	—	<b>2,122,125</b>	<b>2,122,125</b>	—	—
<b>Carrying amount</b>					
At 31 December 2021	2	358,005	358,007	—	—
At 31 December 2022	<b>2</b>	<b>—</b>	<b>2</b>	<b>2</b>	<b>2</b>

The amortisation expense and impairment loss are included in “administrative expenses” line item in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 5. INTANGIBLE ASSETS (CONT'D)

During the financial year, the Group carried out a review of the recoverable amount of its development cost taking into account the working capital requirements for development of all the Group's new products (with a view to avoiding overtrading). The review led to an impairment loss of US\$505,897 (2021: US\$1,496,728) in product development cost.

### Impairment testing of development cost

The recoverable amount of the developed cost has been determined based on value-in-use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The gross profit margin, growth rate and pre-tax discount rate applied to the cash flow projections used to extrapolate cash flow projections beyond the five-year period are as follows:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
Gross profit margin	<b>28% to 50%</b>	26% to 36%
Growth rates	<b>0% to 3%</b>	0% to 3%
Pre-tax discount rate	<b>11.50%</b>	10%

## 6. INVESTMENT IN SUBSIDIARIES

	<b>Company</b>	
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
Unquoted equity shares, at cost		
At beginning of financial year	<b>6,410,291</b>	6,286,017
Impairment loss	<b>(4,658,750)</b>	—
Performance share plan	<b>94,250</b>	124,274
At end of financial year	<b>1,845,791</b>	6,410,291

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 6. INVESTMENT IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:

Name of subsidiaries (Country of incorporation and principal place of business)	Principal activities	Proportion of equity held by the Company	
		2022 %	2021 %
<u>Held by the Company</u>			
TrickleStar Limited <sup>(1&amp;5)</sup> (Hong Kong)	Licensing technology and provides operational support	100	100
TrickleStar Inc <sup>(2)</sup> (United States of America)	Develops and sells advanced power strips and surge protectors	100	100
TrickleStar (M) Sdn. Bhd. <sup>(3)</sup> (Malaysia)	Provides operational support	100	100
PlugLoad Pte. Ltd. <sup>(4)</sup> (Singapore)	Develops and sells electrical and energy- saving product	100	100

(1) Audited by Morison Heng CPA Limited, Hong Kong

(2) Audited by Paul Wan & Co, Singapore for consolidation purpose

(3) Audited by TKNP PLT, Malaysia

(4) Audited by Paul Wan & Co, Singapore

(5) Voluntary liquidation in year 2023

In December 2022, the Group began a process to deregister its 100%-owned subsidiary, TrickleStar Limited (Hong Kong). The deregistration is expected to be completed in 2023.

### Impairment testing of investment in subsidiaries

The recoverable amount of the subsidiaries was also estimated by management based on the higher of fair value less cost to sell and value-in-use. The fair value less cost to sell was determined based on the financials of the subsidiaries which comprised mainly of cash balances, trade and other receivables and trade and other payables which were current and approximated fair value at year end. Based on the impairment testing, an impairment loss of US\$4,658,750 relating to the cost of investment in TrickleStar Limited (Hong Kong) is recognised under general and administrative expenses in profit or loss of the Company for the financial year ended 31 December 2022, being the shortfall between the carrying amount and the recoverable amount. The fair value is based on Level 3 of the fair value hierarchy.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 7. INVENTORIES

	Group	
	2022	2021
	US\$	US\$
Trading goods	2,558,057	949,964
Goods in transit	752,479	1,896,731
	<b>3,310,536</b>	<b>2,846,695</b>

The cost of inventories recognised as an expense and included in “cost of sales” line item in profit or loss amounted to US\$10,123,651 (2021: US\$8,758,118) for the financial year ended 31 December 2022.

During the financial year, the Group carried out a review of the realisable value of its inventories and the review led to the recognition of write-down of inventories of US\$24,633 (2021: US\$533,150) that had been included in cost of sale line item in profit or loss.

## 8. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022	2021	2022	2021
	US\$	US\$	US\$	US\$
Trade receivables				
– third parties	1,950,597	1,789,280	–	–
Less: Allowance for expected credit losses	(2,887)	(2,301)	–	–
	<b>1,947,710</b>	<b>1,786,979</b>	<b>–</b>	<b>–</b>
Other receivables				
– third parties	3,882	2,516	–	–
– subsidiaries	–	–	6,763,501	289,794
Advance to suppliers	423,211	555,537	–	–
Prepayments	40,392	124,516	–	–
Income tax recoverables	2,850	2,576	–	–
Deposits	120,224	170,763	–	–
GST receivables	2,105	–	–	–
	<b>2,540,374</b>	<b>2,642,887</b>	<b>6,763,501</b>	<b>289,794</b>

Trade receivables are unsecured, non-interest bearing and generally on 30 to 90 (2021: 30 to 90) days’ credit terms.

The non-trade amount due from subsidiaries are unsecured, non-interest bearing and repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 8. TRADE AND OTHER RECEIVABLES (CONT'D)

The movement in allowance for ECL of trade receivables computed based on lifetime ECL was as follows:

	Group	
	2022 US\$	2021 US\$
At 1 January	2,301	17,826
Allowance/(reversal) of loss allowance for ECL	586	(15,525)
At 31 December	2,887	2,301

The currency profiles of the Group's and the Company's trade and other receivables as at the end of the reporting period are as follows:

	Group		Company	
	2022 US\$	2021 US\$	2022 US\$	2021 US\$
United States dollar	2,536,179	2,633,554	6,752,235	239,405
Singapore dollar	2,105	1,623	—	—
Ringgit Malaysia	2,090	7,710	11,266	50,389
	2,540,374	2,642,887	6,763,501	289,764

## 9. CASH AND BANK BALANCES

	Group		Company	
	2022 US\$	2021 US\$	2022 US\$	2021 US\$
Cash at banks	2,234,663	1,623,451	103,059	151,724
Fixed deposits	501,814	1,507,657	494,553	1,500,000
Cash and bank balances on statements of financial position	2,736,477	3,131,108	597,612	1,651,724
Pledged deposits	(207,260)	(1,507,657)	(200,000)	(1,500,000)
Cash and cash equivalents on consolidated statement of cash flows	2,529,217	1,623,451	397,612	151,724

As at the end of the reporting period, the details of the pledged deposit are as follows:

- Fixed deposit of US\$200,000 (2021: US\$1,500,000), with tenure of 1 month auto renewal and bears interest rate of 0.03% (2021: 0.03%) per annum, is pledged to bank as collateral for revolving line of credit (Note 18).
- Fixed deposit of US\$7,260 (2021: US\$7,657), with tenure of 365 days (2021: 365 days) and bears effective interest rate at 3.10% (2021: 3.10%) per annum, is pledged to bank as collateral for the corporate credit card facility.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 9. CASH AND BANK BALANCES (CONT'D)

The currency profiles of the Group's and the Company's cash and bank balances as at the end of the reporting period are as follows:

	Group		Company	
	2022	2021	2022	2021
	US\$	US\$	US\$	US\$
United States dollar	2,611,467	2,987,249	554,196	1,627,750
Singapore dollar	59,853	74,718	41,582	23,272
Ringgit Malaysia	65,157	69,141	1,834	702
	<b>2,736,477</b>	<b>3,131,108</b>	<b>597,612</b>	<b>1,651,724</b>

## 10. DISCONTINUED OPERATIONS

In December 2022, the Group began a process to deregister its 100%-owned subsidiary, TrickleStar Limited (Hong Kong). The entire assets and liabilities related to TrickleStar Limited (Hong Kong) were presented as a discontinued operation as at 31 December 2022, and the entire results from TrickleStar Limited (Hong Kong) were presented separately on the statement of comprehensive income as "Discontinued operations" for the year ended 31 December 2022. The deregistration is expected to be completed in 2023.

- (a) The results of the discontinued operations in relation to TrickleStar Limited (Hong Kong) are as follows:

	Group	
	2022	2021
	US\$	US\$
Other income	4,359	—
Administrative expenses	(282,665)	(151,096)
Loss for the year from discontinued operations	<b>(278,306)</b>	<b>(151,096)</b>

- (b) The impact of the discontinued operations on the cash flows of the Group was as follows:

	Group	
	2022	2021
	US\$	US\$
Operating cash inflows	<b>72,851</b>	<b>1,049</b>

- (c) Details of the assets of discontinued operations were as follows:

	Group
	2022
	US\$
Prepayment	<b>2,683</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 10. DISCONTINUED OPERATIONS (CONT'D)

(d) Details of the liabilities directly associated with discontinued operations were as follows:

	Group 2022 US\$
Other payables and accruals	<u>75,534</u>

(e) Details of assets in non-current asset classified as discontinued operations were as follows:

	Company 2022 US\$
Investment in subsidiary	4,658,750
Less: impairment of investment in subsidiary	<u>(4,658,750)</u>
	<u>—</u>

## 11. SHARE CAPITAL

	2022 Number of ordinary shares	Group and Company 2021 Number of ordinary shares	2022 US\$	2021 US\$
<b>Issued and paid-up capital</b>				
Balance at beginning of financial year	82,674,915	82,248,254	7,417,635	7,304,838
Issuance of shares pursuant to the awards vested under the performance share plan (Note 13)	504,415	426,661	72,443	112,797
Balance at end of financial year	<u>83,179,330</u>	<u>82,674,915</u>	<u>7,490,078</u>	<u>7,417,635</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

The Company has issued 504,415 and 426,661 which equivalent to US\$72,443, and US\$112,797 of ordinary shares as at year ended 31 December 2022 and 31 December 2021 respectively.

## 12. MERGER RESERVE

Merger reserve represents the difference between the consideration paid and the issued and fully paid share capital of a subsidiary acquired under common control that was accounted for by applying the “pooling-of-interest” method.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 13. SHARE GRANT RESERVE

### Equity-settled performance share plan

The TrickleStar Performance Share Plan (the “Plan”) was approved on 17 May 2019. This Plan is designed primarily to reward and retain Directors and employees whose services are vital to the growth and performance of the Group and the Company. Under the rules of the Plan, Executive and Non-Executive Directors and employees of the Group are eligible to participate in the Plan. The controlling shareholders are eligible to participate in the scheme and each grant of share is subject to the approval of independent shareholders in general meeting.

On 26 February 2021, the Company granted 458,932 Awards to employees and Directors of the Group. On 26 March 2021, 119,346 Awards were granted to Directors, who were also the controlling shareholders of the Company. The 119,346 Awards were approved and adopted by the shareholders at the Annual General Meeting held on 26 March 2021.

On 28 February 2022, the Company granted 458,635 Awards to employees and Directors of the Group. On 25 March 2022, 121,807 Awards were granted to Directors, who were also the controlling shareholders of the Company. The 121,807 Awards were approved and adopted by the shareholders at the Annual General Meeting held on 25 March 2022.

	Balance at beginning of financial year	Grant during the financial year	Exercised during the financial year	Forfeited during the financial year	Balance at end of financial year	Vesting of the Awards
<b>Date of grant</b>						
9 December 2019	74,573	–	(70,064)	(4,509)	–	June 2021 June 2022
26 February 2021	97,004	–	(47,348)	(10,628)	39,028	June 2021 June 2022 June 2023
28 February 2022	–	458,635	(265,196)	(51,623)	141,816	June 2022 June 2023 June 2024
25 March 2022	–	121,807	(121,807)	–	–	June 2022

The fair value of total share awards granted on 28 February 2022 and 25 March 2022 (2021: 26 February 2021 and 26 March 2021) was US\$119,096 (2021: US\$163,005) based on market price at grant dates.

The Group and the Company recognised performance share plan expenses and a corresponding share grant reserve of US\$94,250 (2021: US\$124,274) for the financial year ended 31 December 2022.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 14. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operation whose functional currency is different from that of the Group's presentation currency.

## 15. DEFERRED TAX LIABILITIES

	Group	
	2022 US\$	2021 US\$
Deferred tax liabilities	3,313	575,595

The movement in deferred tax liabilities account are as follows:

	Group	
	2022 US\$	2021 US\$
At 1 January	575,595	57,620
(Credited)/Charged to profit or loss (Note 23)	(572,282)	517,975
At 31 December	3,313	575,595

Deferred tax liabilities/(assets) are attributable to the following temporary differences computed at the income tax rates of respective countries in which the entities operate:

	Group			
	Intangible assets US\$	Unabsorbed business losses US\$	Others US\$	Total US\$
<b>2022</b>				
At 1 January	572,528	—	3,067	575,595
Charged to profit or loss (Note 23)	(572,282)	—	—	(572,282)
At 31 December	246	—	3,067	3,313
<b>2021</b>				
At 1 January	272,179	(209,603)	(4,956)	57,620
Charged to profit or loss (Note 23)	300,349	209,603	8,023	517,975
At 31 December	572,528	—	3,067	575,595

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 16. LEASE LIABILITIES

### Group as a lessee

The Group has lease contracts for office premise and warehouses in United States of America and Malaysia. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets.

### Carrying amount of right-of-use assets classified within property, plant and equipment

	<b>Group Leasehold buildings US\$</b>
At 1 January 2021	85,646
Addition	29,160
Depreciation	(61,370)
At 31 December 2021	53,436
Addition	208,772
Depreciation	(60,556)
Write off	(9,666)
At 31 December 2022	<b>191,986</b>

### Lease liabilities

	<b>Group 2022 US\$</b>	<b>2021 US\$</b>
Non-current	<b>140,579</b>	–
Current	<b>52,717</b>	57,175
	<b>193,296</b>	57,175

The carrying amount and movement for lease liabilities during the year is disclosed in the financial statements and the maturity analysis of lease liabilities is disclosed in Note 28.

### Amount recognised in profit or loss

	<b>Group 2022 US\$</b>	<b>2021 US\$</b>
Depreciation of right-of-use asset	<b>60,556</b>	61,370
Interest expense on lease liabilities (Note 21)	<b>4,555</b>	4,583
	<b>65,111</b>	65,953

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 16. LEASE LIABILITIES (CONT'D)

### Total cash outflows

The Group had total cash outflows for leases of US\$67,540 (2021: US\$67,642).

The currency profiles of the Group's lease liabilities as at the end of the respective reporting periods are as follows:

	Group	
	2022 US\$	2021 US\$
United States dollar	133,666	24,516
Ringgit Malaysia	59,630	32,659
	<b>193,296</b>	<b>57,175</b>

## 17. TRADE AND OTHER PAYABLES

	Group		Company	
	2022 US\$	2021 US\$	2022 US\$	2021 US\$
Trade payables				
– corporate shareholder	2,564,808	2,404,073	–	–
	<b>2,564,808</b>	<b>2,404,073</b>	<b>–</b>	<b>–</b>
Other payables				
– third parties	140,624	42,915	12,653	4,631
Accrued operating expenses	518,564	456,184	43,329	26,513
	<b>3,223,996</b>	<b>2,903,172</b>	<b>55,982</b>	<b>31,144</b>

Trade payables are unsecured, non-interest bearing and normally settled within 75 (2021: 75) days' credit terms.

In prior financial year, the non-trade amount due to subsidiary was unsecured, non-interest bearing, repayable on demand. The amount has been fully settled during the financial year.

The currency profiles of the Group's and the Company's trade and other payables as at the end of the respective reporting periods are as follows:

	Group		Company	
	2022 US\$	2021 US\$	2022 US\$	2021 US\$
United States dollar	3,120,759	2,849,518	–	–
Singapore dollar	69,572	31,144	55,982	31,144
Ringgit Malaysia	29,856	22,510	–	–
Hong Kong dollar	3,809	–	–	–
	<b>3,223,996</b>	<b>2,903,172</b>	<b>55,982</b>	<b>31,144</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 18. BORROWING

	Group		Company	
	2022	2021	2022	2021
	US\$	US\$	US\$	US\$
Term loan	–	500,000	–	–

The term loan bears interest at 3.5% per annum and is secured by pledged deposits (Note 9) and corporate guarantee provided by the Group.

The currency profile of the Group's borrowings as at the end of the reporting period is United States dollar.

## 19. REVENUE

	Group	
	2022	2021
	US\$	US\$
At a point in time		
Sale of goods	13,820,102	11,288,146

The Group has disaggregated revenue based on the location of customers from which revenue was generated. The geographical information is disclosed in Note 27.

## 20. OTHER INCOME

	Group	
	2022	2021
	US\$	US\$
Government grants	–	132,112
Foreign exchange gain, net	3,647	13,878
Interest income	1,046	589
Compensation from a customer	–	350,000
Sales of scraps	3,326	–
Reversal of accrual of commission	–	56,645
Reversal of allowance for ECL (Note 8)	–	15,525
	8,019	568,749

## 21. FINANCE COSTS

	Group	
	2022	2021
	US\$	US\$
Interest expenses on:		
– lease liabilities (Note 16)	4,555	4,583
– borrowing (Note 18)	31,854	9,493
	36,409	14,076



# NOTES TO

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 22. LOSS BEFORE TAX

Loss before tax has been arrived after charging:

	Group	
	2022	2021
	US\$	US\$
<b>Cost of sales</b>		
Cost of inventories (Note 7)	10,123,651	8,758,118
Inventories write-down (Note 7)	24,633	533,150

	Group	
	2022	2021
	US\$	US\$
<b>Selling and distribution expenses</b>		
Employee benefits expense		
– Salaries, bonuses and other staff benefits	502,176	431,375
– Contributions to defined contribution plan	32,661	33,542
Freight outwards	199,726	150,115
Inventories processing fees	60,759	86,869
Sales commission	109,420	122,731
Storage fees	44,813	32,732

<b>Administrative expenses</b>		
Auditors' remuneration:		
– auditors of the Company	<b>66,928</b>	71,441
– other auditors	<b>3,254</b>	3,759
Non-audit fees:		
– auditors of the Company	<b>3,538</b>	2,652
– other auditors	<b>909</b>	1,397
Depreciation of property, plant and equipment (Note 4)	<b>85,669</b>	92,863
Engineering fees	<b>–</b>	4,796
Employee benefits expense		
– Directors' fees	<b>118,070</b>	115,676
– Salaries, bonuses and other staff benefits	<b>925,127</b>	514,842
– Contributions to defined contribution plan	<b>67,596</b>	39,655
Impairment loss on intangible assets (Note 5)	<b>505,897</b>	1,496,728
Performance share plan expenses (Note 13)	<b>94,250</b>	124,274
Professional fees	<b>48,927</b>	364,929
Research and testing	<b>5,149</b>	1,449

Included in the employee benefits expense was the remuneration of the Directors of the Company as disclosed in Note 26 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 23. INCOME TAX (CREDIT)/EXPENSE

The major components of income tax (credit)/expense recognised in profit or loss for the years ended 31 December 2022 and 2021 were:

	Group 2022 US\$	2021 US\$
Current income tax		
– current financial year	3,580	2,030
– overprovision in respect of prior years	(30,689)	(514)
	<b>(27,109)</b>	1,516
Deferred tax		
– current financial year	–	518,504
– overprovision in respect of prior years	(572,282)	(529)
	<b>(572,282)</b>	517,975
Total income tax (credit)/expense	<b>(599,391)</b>	519,491

### Relationship between accounting loss and tax expense

A reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rates for the financial years ended 31 December 2022 and 2021 were as follows:

	Group 2022 US\$	2021 US\$
Loss before tax		
Continued operation	(156,782)	(1,723,225)
Discontinued operation	(278,306)	(151,096)
	<b>(435,088)</b>	(1,874,321)
Income tax calculated at Singapore's statutory income tax rate of 17% (2021: 17%)	(73,965)	(318,635)
Effect of different tax rate in other countries	44,274	60,558
Tax effect of income not subject to tax	(21,633)	(56,772)
Tax effect of non-deductible expenses for income tax purpose	38,279	420,617
Utilisation of deferred tax assets not recognised	(102,000)	–
Overprovision in respect of prior years	(602,971)	(1,043)
Tax effect of tax incentives and tax benefits	(116,639)	(178,734)
Tax effect of tax losses in which no deferred tax assets were recognised	235,264	578,840
Others		14,660
	<b>(599,391)</b>	519,491

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 23. INCOME TAX (CREDIT)/EXPENSE (CONT'D)

As at 31 December 2022, the Group has unutilised tax losses amounting to approximately US\$1,384,000 (2021: US\$3,963,000), which are available for offset against future taxable profits, subject to agreement by the tax authorities in Singapore and United States. The tax losses have no expiry date.

The Group has unrecognised deferred tax assets available for offsetting against future taxable income as follows:

### Unrecognised deferred tax assets

	Group 2022 US\$	2021 US\$
At 1 January	645,756	66,916
(Utilisation)/Additions	(30,906)	578,840
At 31 December	<b>614,850</b>	645,756

Deferred tax assets have not been recognised as there is no certainty that there will be sufficient future taxable profits to realise these future benefits. Accordingly, the deferred tax assets have not been recognised in the financial statements.

## 24. EARNINGS PER SHARE

The calculation of earnings per share ("EPS") is based on:

	Group 2022	2021
<b>Continuing operations</b>		
Earnings for the purpose of basic and diluted EPS (profit attributable to the owners of the Company) (US\$)	442,609	(2,242,716)
Weighted number of ordinary shares in issue during the financial year (number of shares)	82,953,678	82,487,886
EPS (Basic and diluted) (In US\$ cents) *	<b>0.53</b>	(2.72)
<b>Discontinued operations</b>		
Earnings for the purpose of basic and diluted EPS (profit attributable to the owners of the Company) (US\$)	(278,306)	(151,096)
Weighted number of ordinary shares in issue during the financial year (number of shares)	82,953,678	82,487,886
EPS (Basic and diluted) (In US\$ cents) *	<b>(0.34)</b>	(0.18)

\* The diluted potential ordinary shares which comprise share awards granted by the Company as disclosed in Note 13 to the financial statements do not have a material impact on the diluted EPS and therefore the diluted EPS would be equivalent to the basic EPS.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 25. DIVIDENDS

	Group 2022 US\$	2021 US\$
Final tax-exempt dividend US\$0.0045 per ordinary share in respect of financial year ended 31 December 2021	–	370,117
Interim tax-exempt S\$0.002 per ordinary share in respect of financial year ended 31 December 2021	–	122,539
	–	492,656

## 26. SIGNIFICANT RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	Group 2022 US\$	2021 US\$
<b>Corporate shareholder</b>		
Purchase of goods	8,300,509	5,837,516

	Company 2022 US\$	2021 US\$
<b>Subsidiaries</b>		
Dividend income	–	1,000,000
Repayment	–	(1,000,000)
Management fee	700,000	200,000

### Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group.

	Group 2022 US\$	2021 US\$
Directors of the Company		
– Directors' fees	118,070	115,196
– Salaries, bonuses and other staff benefits	527,722	178,481
– Performance share plan expenses	106,812	61,239
Other key management personnel		
– Salaries, bonuses and other staff benefits	333,933	312,270
– Contributions to defined contribution plan	17,302	15,471
– Performance share plan expenses	18,806	23,799
	1,122,645	706,456

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 27. SEGMENT INFORMATION

Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss, which is similar to the accounting profit or loss.

The Group has only one primary business segment, which is that of developing and selling advanced power strips and surge protectors.

### Geographical information

The following table presents the Group's revenue and non-current assets information for the financial years ended 31 December 2022 and 2021:

	Group	
	2022	2021
	US\$	US\$
<b>Total revenue</b>		
United States of America	13,815,029	11,126,509
Canada	–	161,637
Others	5,073	–
	<b>13,820,102</b>	<b>11,288,146</b>
	Group	
	2022	2021
	US\$	US\$
<b>Total non-current assets</b>		
United States of America	211,813	441,925
Hong Kong	–	732
Malaysia	15,957	41,773
	<b>227,770</b>	<b>484,430</b>

### Major customers

Approximately 84% (2021: 81%) of revenue was derived from 6 (2021: 5) major customers.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 28. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk and interest risk).

The Directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

### Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group has adopted a policy of only dealing with creditworthy counterparties. The Group performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 90 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Group has developed and maintained the Group's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the company and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### Credit risk (cont'd)

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 180 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Group's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognition of expected credit losses (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

As the Group and the Company do not hold any collateral, the table below details the credit quality of the Group's and the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

Group	Category	12-month or lifetime ECL	Gross carrying amount US\$	Loss allowance US\$	Net carrying amount US\$
<b>31 December 2022</b>					
Trade receivables	Note 1	Lifetime ECL (simplified)	1,950,597	(2,887)	1,947,710
Other receivables	I	12-month ECL	124,106	–	124,106
				<u>(2,887)</u>	
<b>31 December 2021</b>					
Trade receivables	Note 1	Lifetime ECL (simplified)	1,789,280	(2,301)	1,786,979
Other receivables	I	12-month ECL	173,279	–	173,279
				<u>(2,301)</u>	



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### Credit risk (cont'd)

	Category	12-month or lifetime ECL	Gross carrying amount US\$	Loss allowance US\$	Net carrying amount US\$
<b>Company</b>					
<b>31 December 2022</b>					
Other receivables	I	12-month ECL	6,763,501	—	6,763,501
<b>31 December 2021</b>					
Other receivables	I	12-month ECL	289,794	—	289,794

### Trade receivables (Note 1)

For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group and the Company determine the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

	Group Days past due					Total US\$
	Not past due US\$	1 to 30 US\$	31 to 60 US\$	61 to 90 US\$	91 and above US\$	
<b>31 December 2022</b>						
Trade receivables	1,085,817	482,434	376,120	3,333	2,893	1,950,597
ECL	–	–	–	–	(2,887)	(2,887)
	<b>1,085,817</b>	<b>482,434</b>	<b>376,120</b>	<b>3,333</b>	<b>6</b>	<b>1,947,710</b>
<b>31 December 2021</b>						
Trade receivables	122,745	828,518	297,730	535,929	4,358	1,789,280
ECL	–	–	–	–	(2,301)	(2,301)
	122,745	828,518	297,730	535,929	2,057	1,786,979

Information regarding loss allowance movement of trade receivables is disclosed in Note 8.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### Credit risk (cont'd)

#### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

#### Exposure to credit risk

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics except for outstanding trade receivables from 4 (2021: 5) customers which represent 81% (2021: 81%) of total trade receivables balance as at 31 December 2022.

#### Other receivables and amount due from subsidiaries

The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

#### Cash and cash equivalents

The Group and the Company held cash and cash equivalents of US\$2,736,477 and US\$597,612 as at 31 December 2022 (2021: US\$3,131,108 and US\$1,651,724).

The cash and bank balances are held with bank and financial institution counterparties, which are rated AA- and A+ based on Standard & Poor and are considered to have low credit risk. The cash balances are measured on 12 month expected credit losses and subject to immaterial credit loss.

#### Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Group finances its working capital requirements through a combination of funds generated from operations and borrowings, if necessary. The Directors are satisfied that funds are available to finance the operations of the Group.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### Liquidity risk (cont'd)

#### Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount US\$	Group Total Contractual cash flows US\$	Less than 1 year US\$	Between 1 and 5 years US\$
<b>31 December 2022</b>				
Trade and other payables	3,223,996	3,223,996	3,223,996	–
Lease liabilities	193,296	206,877	60,821	146,056
	<b>3,417,292</b>	<b>3,430,873</b>	<b>3,284,817</b>	<b>146,056</b>
<b>31 December 2021</b>				
Trade and other payables	2,903,172	2,903,172	2,903,172	–
Borrowing	500,000	517,500	517,500	–
Lease liabilities	57,175	61,635	61,635	–
	<b>3,460,347</b>	<b>3,482,307</b>	<b>3,482,307</b>	<b>–</b>

### Company

As at the end of the reporting period, the Company's non-derivative financial liabilities are non-interest bearing and due within the next financial year.

### Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

### Interest risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from their interest-bearing financial liabilities.

The Group does not expect any significant effect on the Group's profit or loss arising from the effects of reasonably possible changes to interest rates on interest bearing financial instruments at the end of the financial year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### Market risk (cont'd)

#### Interest rate risk (cont'd)

The details of financial liabilities exposed to interest rate risk were as follows:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
Fixed rate instruments:		
Financial liabilities	<b>(193,296)</b>	<b>(557,175)</b>

The following sensitivity analysis is based on the risk exposure to interest rate on the derivative and non-derivative financial instruments as at the end of the reporting period. For liabilities with variable interest rates, the analysis is on the basis of the assumption that the amount of liabilities outstanding at the end of the reporting date was outstanding throughout the year. The rate of change is expressed as the interest rate increases or decreases by 0.25% when reporting to management internally, which also represents management of the Group's assessment on the reasonably possible interval of interest rate change.

If the interest rate had increased or decreased by 0.25% (2021: 0.25%), the net profit before tax would have decreased or increased for the years ended 31 December 2022 and 31 December 2021 as follows:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
Increased 0.25%	<b>(483)</b>	<b>(1,393)</b>
Decreased 0.25%	<b>483</b>	<b>1,393</b>

### Foreign currency risk

The Group's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Group does not have any formal policy for hedging against currency risk. The Group ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Group has transactional currency exposures arising from sales or purchases that are denominated in currencies other than the functional currencies of the respective entities in the Group, primarily Singapore dollar ("SGD") and Ringgit Malaysia ("MYR").

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

### Market risk (cont'd)

### Foreign currency risk (cont'd)

The Group's currency exposures to the SGD and MYR at the reporting date were as follows:

	2022		2021	
	SGD US\$	MYR US\$	SGD US\$	MYR US\$
<b>Group</b>				
<b>Financial assets</b>				
Trade and other receivables	2,105	2,090	1,623	7,710
Cash and cash equivalents	59,853	65,157	74,718	69,141
	<b>61,958</b>	<b>67,247</b>	76,341	76,851
<b>Financial liabilities</b>				
Trade and others payables	(69,572)	(29,856)	(31,144)	(22,510)
Lease liabilities	–	(59,630)	–	(32,659)
	<b>(69,572)</b>	<b>(89,486)</b>	(31,144)	(55,169)
Currency exposure	<b>(7,614)</b>	<b>(22,239)</b>	45,197	21,682
<b>Company</b>				
<b>Financial assets</b>				
Trade and other receivables	–	11,266	–	50,389
Cash and cash equivalents	41,582	1,834	23,272	702
	<b>41,582</b>	<b>13,100</b>	23,272	51,091
<b>Financial liabilities</b>				
Trade and others payables	(55,982)	–	(31,144)	–
Currency exposure	<b>(14,400)</b>	<b>13,100</b>	(7,872)	51,091

### Sensitivity analysis for foreign currency risk

A 10% (2021: 10%) strengthening of United States dollar against the foreign currencies denominated balances as at the reporting date would decrease profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Group Profit or loss	
	2022 US\$	2021 US\$
Singapore dollar	761	(4,520)
Ringgit Malaysia	2,224	(2,168)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 28. FINANCIAL RISK MANAGEMENT (CONT'D)

Market risk (cont'd)

Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk (cont'd)

	Company Profit or loss	
	2022	2021
	US\$	US\$
Singapore dollar	1,440	787
Ringgit Malaysia	(1,310)	(5,109)

A 10% (2021: 10%) weakening of United States dollar against the above currencies would have had equal but opposite effect on the above currencies to the amount shown above, on the basis that all other variables remain constant.

## 29. FINANCIAL INSTRUMENTS BY CATEGORY

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities at amortised cost were as follows:

	Group	
	2022	2021
	US\$	US\$
<b>Financial assets</b>		
Trade and other receivables	2,071,816	1,960,258
Cash and bank balances	2,736,477	3,131,108
Financial assets measured at amortised cost	4,808,293	5,091,366
<b>Financial liabilities</b>		
Trade and other payables	3,223,996	2,903,172
Borrowings	—	500,000
Lease liability	193,296	57,175
Financial liabilities measured at amortised cost	3,417,292	3,460,347

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

## 29. FINANCIAL INSTRUMENTS BY CATEGORY (CONT'D)

	Company	
	2022	2021
	US\$	US\$
<b>Financial assets</b>		
Other receivables	6,763,501	289,794
Cash and bank balances	597,612	1,651,724
Financial assets measured at amortised cost	7,361,113	1,941,518
<b>Financial liabilities</b>		
Other payables	55,982	31,144
Financial liabilities measured at amortised cost	55,982	31,144

## 30. FAIR VALUE OF FINANCIAL INSTRUMENTS

### Fair value of financial instruments that are not carried at fair value

The carrying amount of the current financial assets and current financial liabilities that are not carried at fair value approximate their respective fair values as at the end of the reporting period due to the relatively short-term maturity of these financial instruments.

The fair value of non-current financial liabilities that is not carried at fair value in relation to the lease liabilities disclosed in Note 16 to the financial statements approximate its fair value as the lease liabilities is subject to interest rates close to market rate of interest for similar arrangements and frequent re-pricing by the financial institutions.

### Fair value of financial instruments carried at fair value

The Group and the Company have no financial assets and financial liabilities carried at fair value as at 31 December 2022 and 2021.

## 31. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Group comprises issued share capital, merger reserve, share grant reserve, foreign currency translation reserve and retained earnings/(accumulated losses).

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is in compliance to any externally imposed capital requirements. No changes were made to the objectives, policies or processes during the financial years ended 31 December 2022 and 31 December 2021.



# STATISTICS OF SHAREHOLDINGS

AS AT 13 FEBRUARY 2023

Issued and paid-up share capital	:	S\$10,129,130
Number of issued shares	:	83,179,330
Class of shares	:	Ordinary shares
Voting rights on a poll	:	1 vote for each ordinary share
Number and percentage of treasury shares	:	Nil
Number and percentage of Subsidiary Holdings	:	Nil

## DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT 13 FEBRUARY 2023

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	0	0.00	0	0.00
100 – 1,000	8	23.53	3,100	0.00
1,001 – 10,000	6	17.65	30,100	0.04
10,001 – 1,000,000	12	35.29	1,381,355	1.66
1,000,001 and above	8	23.53	81,764,775	98.30
	34	100.00	83,179,330	100.00

## TOP TWENTY HOLDERS OF SHARES AS AT 13 FEBRUARY 2023

NAME OF SHAREHOLDER	NO. OF SHARES	%
1. OCBC Securities Private Ltd	29,837,107	35.87
2. Bernard Christopher Emby	17,140,470	20.61
3. Citibank Nominees Singapore Pte Ltd	9,363,613	11.26
4. United Overseas Bank Nominees (Private) Limited	8,688,500	10.45
5. Philip Securities Pte Ltd	7,960,956	9.57
6. UOB Kay Hian Pte Ltd	3,558,700	4.28
7. Tina Tan Ai Ting	3,317,000	3.99
8. Ling Hee Keat	1,898,429	2.28
9. Wong Wei Tung	526,399	0.63
10. Wong Ee-Ling (Huang Yiling)	176,000	0.21
11. Fournier Maria	120,000	0.14
12. Wong Wei Li	120,000	0.14
13. Wong Yon Ching	120,000	0.14
14. Craig Anthony Catallo	75,429	0.09
15. HSBC (Singapore) Nominees Pte Ltd	70,700	0.08
16. Wong Wei Kim	66,100	0.08
17. Jon Alan Lanning	56,959	0.07
18. Daniel Lynn Richardson	20,295	0.02
19. Thaddeus Wayne Carlson	15,273	0.02
20. Raffles Nominees (Pte) Limited	14,200	0.02
<b>Total:</b>	<b>83,146,130</b>	<b>99.95</b>

**Note:** The percentages are computed based on 83,179,330 ordinary shares as at 13 February 2023

# STATISTICS OF SHAREHOLDINGS

AS AT 13 FEBRUARY 2023

## SUBSTANTIAL SHAREHOLDERS AS AT 13 FEBRUARY 2023 (as shown in the Register of Substantial Shareholders)

Name of substantial shareholders	Direct Interest		Deemed Interest	
	No. of Shares	%	No. of shares	%
CircleBright Limited	9,212,133	11.08	—	—
Harald Weinbrecht	8,688,500	10.45	—	—
Bernard Christopher Emby <sup>(1)</sup>	25,805,393	31.02	9,212,133	11.08
Gunananthan Nithyanantham	7,740,310	9.31	—	—

### Note:

- (1) Bernard Christopher Emby is deemed interested in 9,212,133 ordinary shares of TrickleStar Limited held by CircleBright Limited as he is entitled to exercise or control the exercise of not less than 20% of the votes attached to the voting ordinary shares in CircleBright Limited.

## SHARES HELD BY PUBLIC

Based on the information available to the Company as at 13 February 2023, approximately 30.84% of the issued shares of the Company is held by the public. Therefore, Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited is complied with.

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (“**AGM**”) of TrickleStar Limited (“**Company**”) will be convened and held by electronic means on Wednesday, 29 March 2023 at 10.30 a.m. (Singapore time) to transact the following business:

## Ordinary Business

1. To receive and adopt the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Auditors’ Report thereon.  
**(Resolution 1)**
2. To approve the payment of Directors’ fees of S\$240,000 for the financial year ending 31 December 2023.  
**(Resolution 2)**
3. To re-elect Mr. Bernard Christopher Emby who is retiring pursuant to Regulation 89 of the Constitution.  
**(Resolution 3)**

Mr. Emby will, upon re-election as a Director, remain as Executive Director and the CEO. He is currently serving his notice period until 28 April 2023, following which he will become a Non-Executive Non-Independent Director. Further information on Mr. Emby can be found in the Company’s FY2022 annual report.

4. To re-elect Mr. Gunananthan Nithyanantham who is retiring pursuant to Regulation 89 of the Constitution.  
**(Resolution 4)**

Mr. Gunananthan will, upon re-election as a Director, remain as Executive Director, COO and Acting CEO. Further information on Mr. Gunananthan can be found in the Company’s FY2022 annual report.

5. To note the retirement of Paul Wan & Co as the Company’s auditors.  
(See Explanatory Note 1)
6. To transact any other ordinary business which may be properly transacted at the AGM.

## 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 1967 (“**Act**”) and Rule 806 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (“**Catalist Rules**”) and the Constitution, the Directors be and hereby authorised to:

- A. (i) allot and issue shares in the capital of the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or

# NOTICE OF ANNUAL GENERAL MEETING

- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures, or other instruments convertible into Shares;

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- B. (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this resolution was in force,

provided that:

- (i) the aggregate number of Shares to be issued pursuant to this resolution (including Shares to be issued in pursuance of Instruments, made or granted pursuant to this resolution), shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below);
- (ii) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this resolution) that may be issued under sub- paragraph (i) above, the percentage of the issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for:
  - (a) new Shares arising from the conversion or exercise of convertible securities;
  - (b) new Shares arising from exercising of share options or vesting of share awards provided the options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (c) any subsequent bonus issue, consolidation or subdivision of Shares;
- (iii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), and all applicable legal requirements under the Act and the Constitution for the time being; and
- (iv) the authority conferred by this resolution shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier.  
(See Explanatory Note 2)

**(Resolution 5)**

# NOTICE OF ANNUAL GENERAL MEETING

8. Authority to grant awards and to allot and issue Shares pursuant to the TrickleStar Performance Share Plan

**THAT** pursuant to Section 161 of the Act, authority be and is hereby given to the Directors to:

- (i) offer and grant awards ("**Awards**") from time to time in accordance with the provisions of the TrickleStar Performance Share Plan ("**PSP**"); and
- (ii) allot and issue from time to time such number of new Shares as may be required to be issued pursuant to the vesting of Awards granted under the PSP,

provided always that the aggregate number of Shares issued and issuable pursuant to the Awards granted under the PSP, when added to (a) the number of Shares issued and issuable and/or transferred or transferable in respect of all Awards granted thereunder; and (b) all other Shares issued and issuable and/or transferred or transferable in respect of all share options granted or share awards granted under any other share incentive schemes or share plans adopted by the Company, shall not exceed 2% of the total issued share capital (excluding treasury shares and subsidiary holdings) of the Company from time to time; and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law to be held, whichever is earlier.

(See Explanatory Note 3)

**(Resolution 6)**

9. Authority to repurchase shares under a Share Buy-back Mandate.

**THAT:—**

- (i) for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or acquire issued ordinary shares fully paid in the capital of the Company not exceeding in aggregate the Maximum Percentage (as defined below), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:
  - (a) on market purchases on the SGX-ST ("**Market Purchase**"); and/or
  - (b) off-market purchases (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act ("**Off-Market Purchase**"),

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy-back Mandate**");

# NOTICE OF ANNUAL GENERAL MEETING

(ii) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this ordinary resolution and expiring on the earliest of:

- (a) the date on which the next annual general meeting of the Company is held or required by law to be held, whichever is earlier;
- (b) the date when such mandate is revoked or varied by the Shareholders of the Company in general meeting; or
- (c) the date on which the share buy-back is carried out to the full extent mandated, whichever is earliest;

(iii) in this ordinary resolution:

**“Maximum Percentage”** means that number of issued Shares representing 10.0% of the total number of issued Shares as at the date of the passing of this Ordinary Resolution (excluding any Shares which are held as treasury shares or subsidiary holdings as at that date); and

**“Maximum Price”** in relation to a Share to be purchased, means the purchase price as determined by the Directors and not exceeding:

- (a) in the case of a Market Purchase, 105.0% of the average closing market price. For this purpose, the average closing market price is:
  - (1) the average of the closing market prices of the Shares over the last five (5) Market Days on the SGX-ST (on which transactions in the Shares were recorded) immediately before the day on which the Market Purchases were made by the Company; and
  - (2) deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Day period and the day on which the Market Purchases were made by the Company; and
- (b) in the case of an Off-Market Purchase, 105.0% of the highest price at which a Share is transacted on the SGX-ST on the Market Day (when transactions in the Shares are recorded) immediately preceding the date on which the Company announces an Off-Market Purchase offer stating the purchase price and the relevant terms of the equal access scheme,

(the **“Maximum Price”**) in either case, excluding related expenses of the Share Purchase.

# NOTICE OF ANNUAL GENERAL MEETING

- (iv) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this ordinary resolution.

(See Explanatory Note 4)

**(Resolution 7)**

By Order of the Board

Goh Siew Geok  
Company Secretary

Singapore  
10 March 2023



# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES

1. In item 5 above, Paul Wan & Co had expressed their intention not to seek re-appointment at this AGM. The Company is taking the necessary steps to identify and appoint new independent external auditors (the “**New Auditors**”). The Company will seek approval from the Shareholders in relation to the appointment of the New Auditors and a circular setting out the relevant details will be despatched to the Shareholders in due course. The Company will update the Shareholders on material developments in relation to this matter as and when necessary.
2. The resolution no. 5 in item 7 above, if passed, will empower the Directors, from the date of the AGM until the conclusion of the next AGM, or the date by which the next AGM is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is earlier, to allot and issue Shares, make or grant Instruments and to issue Shares pursuant to such Instruments, without seeking any further approval from Shareholders in a general meeting but within the limitation imposed by this resolution, for such purposes as the Directors may consider would be in the best interests of the Company. The aggregate number of Shares (including Shares to be made in pursuance of Instruments made or granted pursuant to this resolution) to be allotted and issued would not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of passing of this resolution.
3. The resolution no. 6 in item 8 above, if passed, will empower the Directors to offer and grant Awards under the PSP, and to allot and issue Shares pursuant to the vesting of Awards granted under the PSP, provided that the aggregate number of Shares issued and issuable pursuant to the PSP, when added to (a) the number of Shares issued and issuable and/or transferred or transferable in respect of all awards granted thereunder; and (b) all other Shares issued and issuable and/or transferred or transferable in respect of all share options granted or share awards granted under any other share incentive schemes or share plans adopted by the Company, shall not exceed 2% of the total number of issued share capital (excluding treasury shares and subsidiary holdings) of the Company from time to time.
4. Ordinary resolution no. 7 in item 9 above, if passed, will renew the mandate to allow the Company to purchase or otherwise acquire its issued ordinary shares, on the terms and subject to the conditions set out in the resolution. The Company may use internal or external sources of funds to finance the purchase or acquisition of its ordinary shares. The amount of financing required for the Company to purchase or acquire its ordinary shares, and the impact on the Company’s financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of ordinary shares purchased or acquired, the price at which such ordinary shares were purchased or acquired and whether the ordinary shares purchased or acquired are held in treasury or cancelled.

The financial effects of the purchase or acquisition of such ordinary shares by the Company pursuant to the proposed Share Buy-back Mandate on the audited financial statements of the Company and the Company and its subsidiaries for the financial year ended 31 December 2022, based on certain assumptions, are set out in the Letter to Shareholders dated 10 March 2023 (“**Letter**”).

Please refer to the Letter for more details.

## Notes:

1. The AGM is being convened, and will be held, by 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. Printed copies of this Notice of AGM will not be sent to members. Instead, this Notice of AGM will be sent to members by electronic means via publication on the Company’s website at the URL <https://www.tricklestar.com/investors.html> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements?value=TRICKLESTAR%20LIMITED&type=company>.
2. To keep physical interactions and COVID-19 transmission risk to a minimum, the Company is not providing for physical attendance by members at the AGM. Alternative arrangements relating to:
  - (a) attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via “live” audio-visual webcast (“**Live Webcast**”) or “live” audio-only stream (“**Live Audio Stream**”));

# NOTICE OF ANNUAL GENERAL MEETING

- (b) submission of questions to the Company in advance of, or “live” at the AGM, and addressing of substantial and relevant questions in advance of, or “live” at, the AGM; and
- (c) voting at the AGM (i) “live” by the member or his/her/its duly appointed proxy(ies) (other than the Chairman of the AGM) via electronic means; or (ii) by appointing the Chairman of the AGM as proxy to vote on the member’s behalf at the AGM,

are set out in this Notice of AGM. This Notice of AGM, the Annual Report of the Company, the Letter and the proxy form may be accessed on the Company’s website at the URL <https://www.tricklestar.com/investors.html> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements?value=TRICKLESTAR%20LIMITED&type=company>.

3. Members and investors holding shares in the Company through Supplementary Retirement Scheme (“SRS”) (“SRS investors”) will be able to watch or listen to the proceedings of the AGM through a Live Webcast via mobile phone, tablet or laptop/computer or through a Live Audio Stream via telephone. In order to do so, the members and SRS investors must pre-register by 10.30 a.m. on 26 March 2023 (“Registration Cut-Off Time”), at the URL <https://registration.ryt-poll.com/home/index/tricklestar-agm> (“AGM Website”).

Members (other than SRS investors) who wish to appoint a proxy(ies) (other than the Chairman of the AGM) and who submit instruments appointing a third party proxy(ies) need to pre-register their proxy(ies) at the AGM Website, failing which, the Company will arrange for validly appointed third party proxy(ies) to be pre-registered on such members’ behalf.

Upon successful verification, an email containing the login instructions and password as well as the link to access the Live Webcast and a toll-free telephone number to access the Live Audio Stream of the proceedings of the AGM (the “Confirmation Email”) will be sent to authenticated members and SRS investors by 12.00 p.m. on 28 March 2023. Members and SRS investors or, where applicable, their appointed proxy(ies) who do not receive the Confirmation Email by 12.00 p.m. on 28 March 2023, but have registered by the Registration Cut-Off Time, should contact Complete Corporate Services Pte Ltd at +65 6329 2745 on 28 March 2023 during office hours or between 8.00 a.m. and 9.00 a.m. on 29 March 2023 or via email to [tricklestar-agm@ryt-poll.com](mailto:tricklestar-agm@ryt-poll.com) for assistance.

Investors holding shares through relevant intermediaries (as defined in Section 181 of the Act) (“Investors”) (other than SRS investors) will not be able to pre-register at the AGM Website for the “live” broadcast of the AGM. An Investor (other than SRS investors) who wishes to participate in the “live” broadcast of the AGM should instead approach his/her relevant intermediary as soon as possible in order for the relevant intermediary to make the necessary arrangements to pre-register. The relevant intermediary is required to submit a consolidated list of participants (setting out in respect of each participant, his/her name, email address and NRIC/Passport number) via email to the Company’s Polling Agent at [tricklestar-agm@ryt-poll.com](mailto:tricklestar-agm@ryt-poll.com) no later than 10.30 a.m. on 26 March 2023.

4. A member will be able to vote “live” on the resolutions to be tabled for approval at the AGM. A member who wishes to exercise his/her/its voting rights at the AGM may:
  - (a) (where the member is an individual) vote “live” via electronic means at AGM, or (whether the member is an individual or a corporate) appoint a proxy(ies) (other than the Chairman of the AGM) to vote “live” via electronic means at the AGM on his/her/its behalf; or
  - (b) (whether the member is an individual or a corporate) appoint the Chairman of the AGM as his/her/its proxy to vote on his/her/its behalf at the AGM.
5. SRS investors who hold shares through SRS Operators:
  - (a) may vote “live” via electronic means at the AGM if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective SRS Operators to submit their votes by 5.00 p.m. on 17 March 2023.
6. The instrument appointing the proxy (“proxy form”) may be accessed at the Company’s website and the SGX website. In appointing the Chairman of the AGM as proxy, a member of the Company (whether individual or corporate and including a relevant intermediary) must give specific instructions as to voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.

# NOTICE OF ANNUAL GENERAL MEETING

A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

7. A proxy need not be a member of the Company.
8. The proxy form is not valid for use by Investors (including SRS investors) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify his/her voting instruction. SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators to submit their voting instruction by 5.00 p.m. on 17 March 2023, being seven (7) working days before the AGM.
9. The proxy form must be submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged at the office of the Company's polling agent, Complete Corporate Services Pte Ltd at 10 Anson Road, #29-07 International Plaza, Singapore 079903; or
  - (b) if submitted electronically, be submitted via email to the Company's polling agent at [tricklestar-agm@ryt-poll.com](mailto:tricklestar-agm@ryt-poll.com) or via the AGM Website at <https://registration.ryt-poll.com/home/index/tricklestar-agm>,

in either case, by no later than 10.30 a.m. on 26 March 2023, being 72 hours before the time fixed for the AGM.

A member who wishes to submit a proxy form must first download, 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 or via the AGM Website at the URL provided above.

**Members are strongly encouraged to submit completed proxy forms electronically via email or AGM Website.**

10. The proxy form must be executed under the hand of the appointor or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Act as an alternative to sealing) or under the hand of an attorney or a duly authorised officer of the corporation.
11. Where the proxy form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form, failing which the proxy form may be treated as invalid. A depositor shall not be regarded as a member of the Company entitled to speak, attend and vote at the AGM unless his/her/its name appears on the Depository Register maintained by The Central Depository (Pte) Limited not less than seventy-two (72) hours before the time appointed for holding the AGM.
12. Members (including SRS investors) or, where applicable, their appointed proxies will be able to ask questions "live" at the AGM, by typing in and submitting their questions through the "live" chat function via the Live Webcast (and not the Live Audio Stream).
13. However, all members and SRS investors are strongly encouraged to submit questions relating to the business of the AGM within seven (7) calendar days from the Notice of AGM, i.e. by 5.00 p.m. on 17 March 2023:
  - a. via the AGM Website at the URL <https://registration.ryt-poll.com/home/index/tricklestar-agm>;
  - b. by email to [tricklestar-agm@ryt-poll.com](mailto:tricklestar-agm@ryt-poll.com); or
  - c. by post to the registered office of the Company at 80 Robinson Road, #02-00, Singapore 068898, attention to Company Secretary.

# NOTICE OF ANNUAL GENERAL MEETING

Members and SRS investors who submit questions via email or by post must provide their full name, address, the number of shares held and the manner in which the shares are held (e.g., via CDP or SRS) for authentication.

**To ensure that questions received by the Company by the stipulated deadline, members and SRS investors are strongly encouraged to submit questions via the AGM Website or by email. The Company will endeavour to address all substantial and relevant questions received from members in advance of the AGM via publication on the Company's website and on the SGX website, on or before 24 March 2023. This is to allow members to have sufficient time and opportunity to consider the Company's response before the deadline for the submission of proxy forms.**

**The Company will endeavour to respond to questions as far as reasonably practicable during the AGM. Where there are substantially similar questions, the Company will consolidate such questions and consequently not all questions may be individually addressed.**

Investors (other than SRS investors) will not be able to submit questions relating to the business of the AGM via the above. Instead, they should approach their relevant intermediaries as soon as possible in order for the relevant intermediaries to make necessary arrangements for them to submit questions in advance of the AGM.

14. All documents (including the Annual Report, this Notice of AGM, the Letter and the proxy form) or information in relating to the business of the AGM have been, or will be, published on the Company's website and the SGX website. Printed copies of the documents will not be dispatched to members. Members and Investors are advised to check the Company's website or SGX website regularly for updates.
15. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on SGX website, and the minutes will include the responses to the questions which are addressed during the AGM, if any.

## PERSONAL DATA PRIVACY

By (a) submitting a proxy form appointing s proxy(ies) to attend, speak and vote at the AGM and/or any adjournment thereof, (b) submitting any questions prior to the AGM, or (c) submit the pre-registration form in accordance with this Notice of AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxy(ies) appointed for the AGM (including any adjournment thereof); processing the pre-registration forms for purposes of granting access to members for the Live Webcast or Live Audio Stream and providing viewers with any technical assistance, when necessary; addressing substantial and relevant questions from members received in advance of the AGM; the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"); (ii) warrants that where the member disclose the personal data of the member's proxy(ies) to the Company (or its agents or service providers), the member has obtained prior consent of such proxy(ies) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

**ANNUAL GENERAL MEETING  
PROXY FORM**

**Important:**

**1. Alternative Arrangements for Annual General meeting**

- (a) The 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. Printed copies of the Notice of AGM and this proxy form will not be sent to members. Instead, the Notice of AGM and this proxy form will be sent to members by electronic means via publication on the Company's website at the URL <https://www.tricklestar.com/investors.html> and on the SGX website at the URL <https://www.sgx.com/securities/company-announcements?value=TRICKLESTAR%20LIMITED&type=company>
- (b) A member will not be able to attend the AGM in person. Alternative arrangements have been put in place to allow members to participate at the AGM by (a) watching the AGM proceedings via "live" webcast or listening to the AGM proceedings via "live" audio feed, (b) submitting questions to the Company in advance of, or "live" at, the AGM, and addressing of substantial and relevant questions in advance of, or "live" at, the AGM, and (c) voting at the AGM "live" by the member or his/her/its duly appointed proxy(ies) (including the Chairman of the Meeting).
2. A member (whether individual or corporate) may appoint proxy(ies) (including 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/hers/its voting rights at the AGM. **Please read the notes overleaf which contain instruction on, inter alia, the appointment of proxy(ies) to vote on the member's behalf at the AGM.**
3. This proxy form is not valid for use by investors holding shares in the Company through relevant intermediaries ("Investors") (including investors holding through Supplementary Retirement Scheme ("SRS Investors")) and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify voting instructions. SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective SRS Operators to submit their voting instruction by 5.00 p.m. on 17 March 2023, being seven (7) working days before 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 10 March 2023.

I/We, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC No./Passport No./Company Registration No.)

of \_\_\_\_\_ (Address)

being a member/members of Tricklestar Limited (the "Company"), hereby appoint:-

Name	Address	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
				No. of Shares	%

and/or (delete as appropriate)

Name	Address	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
				No. of Shares	%

**or if no proxy is named, the Chairman of the AGM** as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us on \*my/our behalf at the AGM to be held by way of electronic means on Wednesday, 29 March 2023 at 10.30 a.m. (Singapore Time) and at any adjournment thereof.

\*I/We direct \*my/our \*proxy/proxies to vote for or against, or abstain from voting on the ordinary resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the \*proxy/proxies may vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the AGM.

No.	Resolutions relating to	No. of Shares For**	No. of Shares Against**	No. of Shares Abstain**
<b>ORDINARY BUSINESS</b>				
1.	To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2022 together with the Auditors' Report thereon			
2.	To approve the payment of Directors' fees of S\$240,000 for the financial year ending 31 December 2023			
3.	To re-elect Mr. Bernard Christopher Emby as a Director of the Company			
4.	To re-elect Mr. Gunananthan Nithyanantham as a Director of the Company			
<b>SPECIAL BUSINESS</b>				
5.	To allot and issue shares			
6.	To grant awards and to allot and issue shares pursuant to the PSP			
7.	To give authority to repurchase shares under a Share Buy-back Mandate			

**Notes:**

\* Delete accordingly

\*\* Voting will be conducted by poll. If you wish for your proxy to cast all your votes "For" or "Against" the relevant resolution, please cross "X" in the relevant box provided. Alternatively, please indicate the number of votes "For" or "Against" each resolution. If you wish the Chairman of the Meeting as your proxy to abstain from voting on a resolution, please indicate with "X" in the Abstain box in respect of that resolution. Alternatively, please indicate the numbers of shares that your proxy is directed to **abstain** from voting in the Abstain box in respect of that resolution. **Where the Chairman of the AGM is appointed as proxy and 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 \_\_\_\_\_ 2023

Total No. of Shares in	No. of Shares
CDP Register	
Register of Members	

Signature of Member(s) or Common Seal

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

## NOTES:

1. Please insert the total number of shares in the capital of the Company (“Shares”) held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. **A member will not be able to attend the AGM in person. A member will be able to vote “live” on the resolutions to be tabled for approval at the AGM. A member (whether individual or corporate) who wishes to exercise his/her/its voting rights at the AGM may vote “live” via electronic means at AGM or appoint proxy(ies) (including the Chairman of the AGM) as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM.**

3. This proxy form may be accessed at the Company’s website at the URL <https://www.tricklestar.com/investors.html> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements?value=TRICKLESTAR%20LIMITED&type=company>.

A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member’s proxy form appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member’s proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. Where such member appoints more than one proxy, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, email address, NRIC/Passport Number and proportion of shareholding (number of Shares and percentage) in relation to which each proxy has been appointed.

“Relevant intermediary” has the meaning ascribed to it in Section 181 of the Companies Act 1967.

4. The proxy needs not be a member of the Company.
5. The proxy form must be submitted to the Company in the following manner:
  - (a) if submitted by post, be lodged at the office of the Company’s polling agent, Complete Corporate Services Pte Ltd at 10 Anson Road, #29-07 International Plaza, Singapore 079903 or
  - (b) if submitted electronically, be submitted via email to the Company’s polling agent at [tricklestar-agm@ryt-poll.com](mailto:tricklestar-agm@ryt-poll.com) or via AGM website <https://registration.ryt-poll.com/home/index/tricklestar-agm>, no later than 10.30 a.m. on 26 March 2023, being 72 hours before the appointment of holding the AGM.

A member who wishes to submit the proxy form must first download, complete and sign the proxy form, before submitting it by post to the address above, or before scanning and sending it by email to the email address provided above or via the AGM website at the URL provide above.

**Members are strongly encouraged to submit completed proxy forms electronically via email or AGM website.**

6. The proxy form must be executed under the hand of the appointer or of his attorney duly authorised in writing. Where the proxy form is executed by a corporation, it must be executed either under its common seal (or by the signatures of authorised persons in the manner as set out under the Companies Act 1967 as an alternative to sealing) or under the hand of an attorney or a duly authorised officer of the corporation.
7. Where the proxy form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form, failing which the proxy form may be treated as invalid.
8. For Investors (including SRS investors), this proxy form is not valid for their use and shall be ineffective for all intents and purposes if used or purported to be used by them. An Investor who wishes to vote should instead approach his/her relevant intermediary as soon as possible to specify voting instructions. SRS investors who hold Shares through SRS Operators may vote “live” via electronic means at the AGM if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators if they have any questions regarding their appointment as proxies. SRS investors who wish to appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM should approach their respective SRS Operators to submit their voting instructions by 5.00 p.m. on 17 March 2023, being seven (7) working days before the AGM. For the avoidance of doubt, SRS investors will not be able to appoint a proxy(ies) (other than the Chairman of the AGM) to vote “live” at the AGM on their behalf.
9. Completion and return of the proxy form shall not preclude a member from attending, speaking and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the “live” AGM, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the proxy form, to the “live” AGM.

## GENERAL:

The Company shall be entitled to reject the proxy form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form. In addition, in the case of a member whose Shares are entered in the Depository Register, the Company may reject any proxy form lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.



# CORPORATE INFORMATION

## DIRECTORS

### Ling Hee Keat

(Non-Executive Independent Chairman)

### Gunananthan Nithyanantham

(Executive Director, Chief Operating Officer and Acting Chief Executive Officer)

### Bernard Christopher Emby

(Executive Director and Chief Executive Officer)

### Chuah Jern Ern

(Non-Executive Independent Director)

### Jeremy John Figgins

(Non-Executive Independent Director)

## AUDIT COMMITTEE

Jeremy John Figgins (Chairman)

Ling Hee Keat

Chuah Jern Ern

## REMUNERATION COMMITTEE

Ling Hee Keat (Chairman)

Chuah Jern Ern

Jeremy John Figgins

## NOMINATING COMMITTEE

Chuah Jern Ern (Chairman)

Jeremy John Figgins

Ling Hee Keat

## SPONSOR

PrimePartners Corporate Finance Pte. Ltd.

16 Collyer Quay #10-00

Collyer Quay Centre

Singapore 049318

## AUDITORS

Paul Wan & Co

10 Anson Road

#35-07/08 International Plaza

Singapore 079903

Partner-in-charge: Shirley Ang

(since year ended 31 December 2022)

## COMPANY REGISTRATION

No. 201837106C

## COMPANY SECRETARY

Goh Siew Geok, ACIS

## REGISTERED OFFICE

80 Robinson Road

#02-00

Singapore 068898

Tel: (65) 6236 3423

Fax: (65) 6236 4399

## WEBSITE:

[www.tricklestar.com](http://www.tricklestar.com)

## SHARE REGISTRAR

Tricor Barbinder Share Registration Services

(A division of Tricor Singapore Pte. Ltd.)

80 Robinson Road #02-00

Singapore 068898

## BANKERS

Oversea-Chinese Banking Corporation Limited

63 Chulia Street

#10-00

Singapore 049514

Citibank N.A.

5 Changi Business Park Crescent

Singapore 486027

## INVESTOR RELATIONS

Tricor Barbinder Share Registration Services

[info@sg.tricorglobal.com](mailto:info@sg.tricorglobal.com)

## CORPORATE OFFICE

C3-U6-15 Solaris Dutamas

Jalan Dutamas 1

Kuala Lumpur 50480

Malaysia





80 Robinson Road  
#02-00  
Singapore (068898)

