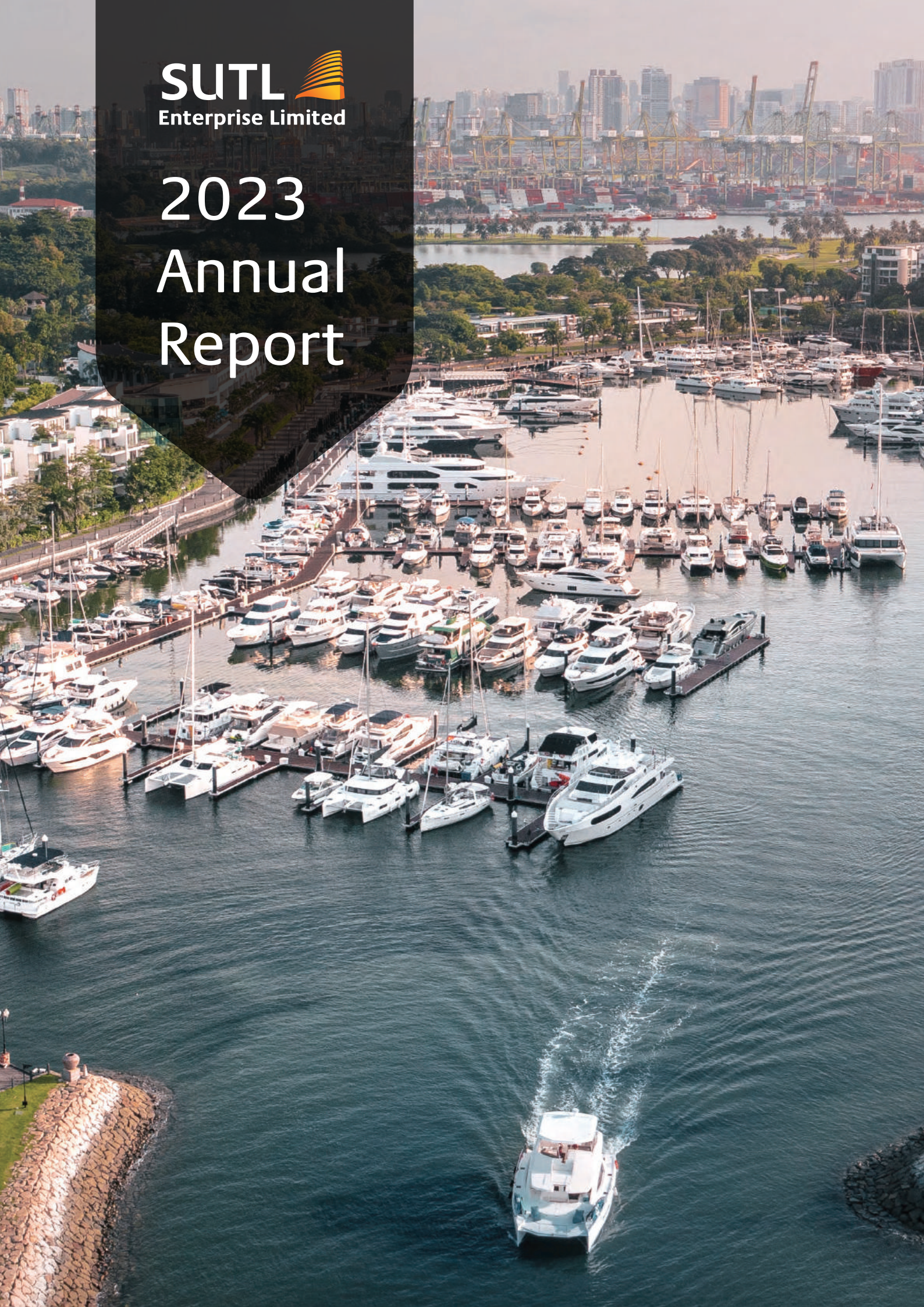


# 2023 Annual Report





# CONTENTS

<b>Corporate Profile</b>	<b>1</b>
<b>Message to Shareholder</b>	<b>2</b>
<b>Financial Highlights</b>	<b>4</b>
<b>Financial Review</b>	<b>5</b>
<b>Board of Directors</b>	<b>6</b>
<b>Key Executives</b>	<b>9</b>
<b>Corporate Social Responsibility</b>	<b>11</b>
<b>Corporate Information</b>	<b>12</b>
<b>Financial Contents</b>	<b>13</b>

# CORPORATE PROFILE



Headquartered in Singapore, SUTL Enterprise Limited (“SUTL Enterprise” or together with its subsidiaries, the “Group”) is a leading developer, operator and consultant of integrated marinas. It is currently the only marina business listed on the SGX. The Group develops infrastructure for integrated marinas and also provides consultancy services for such projects. It operates its own marinas under its proprietary ONE°15 brand, as well as those of third parties under management contracts. In addition, the Group has a complementary yacht chartering business with a fleet of more than 50 luxury yachts, under its fully-owned subsidiary, ONE15 Luxury Yachting.

SUTL Enterprise’s pipeline of soon-to be completed marinas, which will bear its ONE°15 brand includes the Indonesia Navy Club managed by ONE°15 in Jakarta, Indonesia; Taihu International Marina managed by ONE°15 Marina in Suzhou, China; ONE°15 Marina Logan Cove Zhongshan, China. SUTL Enterprise’s vision is to be Asia’s leading premier integrated marina developer.

SUTL Global Pte Ltd, which is a privately held lifestyle consumer goods and services enterprise, holds a 54.17% stake in SUTL Enterprise.

# MESSAGE TO SHAREHOLDER

Dear Valued Shareholders,

We are delighted to share with you the annual report for the financial year ended 31 December 2023, highlighting another year of success for our Group. As we reflect on the challenges overcome, we are pleased to present the continued positive trajectory and celebrate notable achievements.

As we continue to recover from Covid 19 Pandemic, we are pleased to announce that operating revenue has surpassed the S\$40 million mark for the first time as we saw growth in sales from marina, room and banquets. Witnessing growth in net assets and earnings per share, we are committed to deliver value and prosperity to our esteemed shareholders. As at 31 December 2023, the Group's financial position demonstrated notable strengthening. Equity attributable to owners of the company reached S\$65.6 million, reflecting an improvement compared to the S\$60.7 million reported on 31 December 2022. Net assets amounted to S\$62 million, with cash and cash equivalents of S\$35.3 million and short-term financial assets totalling S\$26.9 million. Basic earnings per share stood at 9.31 Singapore cents, showcasing the Group's stellar performance in FY2023. The net asset value per share increased to 74.94 Singapore cents, underscoring sustained growth and enhanced value delivered to shareholders during the fiscal year.

One notable accomplishment is the establishment of our Singapore Yachting Festival. As the only yacht exhibition in Singapore, this event holds immense significance as a crucial business platform for the yachting industry. This strategic move not only allows the group to tap into new, scalable revenue streams through event management but also underscores our commitment to enhancing the group's potential asset value. It highlights our focus on not just physical assets like marinas but also the curation of iconic events that elevate the ONE°15 brand, delivering an unparalleled waterfront experience and lifestyle.

With the new event ownership, it enables us to foster stronger ties with leading international players in the yachting industry and esteemed marine associations. This ownership affords us the opportunity to engage with them in a more impactful capacity.



**Richard Eu Yee Ming**

*Non-executive Chairman and Independent Director*





**Arthur Tay**

Executive Director and Chief Executive Officer

Beyond our shores, the unveiling of ONE°15 Marina Nirup Island stands as a testament to our collaborative spirit; in collaboration with PT Tritunas Sinar Benua, we introduced a new marina destination, just a stone's throw away from Sentosa, welcoming yachts up to 150 feet in its inaugural phase. This addition not only expands the ONE°15 Marina legacy, but also beckons as a premier yachting destination for enthusiasts far and wide.

2023 also saw us dive deeper into our sustainability initiatives, with Blue Water EduFest 2023 as a beacon of our commitment to marine conservation. This annual event, held at ONE°15 Marina Sentosa Cove, nurtures awareness and empowers advocates for our oceans. Featuring The Ocean Collective Summit, graced by luminaries such as Fabien Cousteau and Jeremy McKane, the event culminated in a shoreline cleanup, uniting local communities and showcasing a collective commitment to protecting our oceans and coastlines.

As we chart a course for the future, the global luxury yachting industry beckons with promises of growth and expansion. Embracing strategic initiatives and visionary projects, we anticipate a period of sustained growth and success on the horizon. On 1 February 2024, the Group entered into an agreement with a Thai company to assist it with the redevelopment of its marina in Phuket, with a view to acquiring an equity stake in the marina. These endeavours align with our commitment to expanding our footprint and diversifying our portfolio.

In closing, we extend our heartfelt appreciation to our Directors, management, Club members, staff, business partners, and shareholders for their unwavering support. As we sail into FY2024, we are optimistic about the opportunities that lie ahead and remain dedicated to delivering value and excellence.

Thank you for being part of our journey and for your continued trust and confidence.

**Richard Eu Yee Ming**

Non-executive Chairman and Independent Director

**Arthur Tay**

Executive Director and Chief Executive Officer

# FINANCIAL HIGHLIGHTS






## Total Revenue (\$'000)

2023	        	40,112
2022	        	38,132
2021	        	31,882
2020	        	27,035
2019	        	31,808

## Profit Before Tax (\$'000)

2023	        	9,681
2022	        	8,102
2021	        	4,502
2020	        	3,624
2019	        	3,130

## EBITDA (\$'000)

2023	        	15,277
2022	        	13,714
2021	        	10,180
2020	        	9,756
2019	        	8,961

# FINANCIAL REVIEW

Amidst a backdrop of heightened economic activity, the Group unveils a robust performance for the fiscal year. A surge in sales propelled by increased demand in marina, room and banquets income sets the stage. Despite escalating expenses, including a rise in employee benefits expense and augmented utilities expense and property tax, the Group achieved an admirable 8% year-on-year (“YoY”) growth in net attributable profit. The financial position strengthened, underlined by enhanced equity and net assets. This resilient performance underscores the Group’s adaptability and strategic financial acumen in navigating a dynamic economic landscape.



## Income Statement

In FY2023, the Group experienced a 7% YoY increase in sales of goods and services, amounting to S\$29.5 million. This growth was attributed to a notable surge in banquet, rooms, and marina income. This positive trend more than compensated for the marginal decline in membership-related fees and management fees during the fiscal year. Moreover, there was a significant increase in other income which rose 134% YoY to S\$3.4 million in FY2023. This was mainly contributed by the interest income earned from fixed deposits and short-term financial notes.

The overall expenses for the Group increased with employee benefits expense constituting the largest portion of expenses. Employee benefits expense increased 8% YoY, reaching S\$13.1 million in FY2023. Furthermore, utilities expense increased by 55% YoY, totaling S\$1.3 million, while property tax increased by 29% YoY, amounting to S\$1.1 million.

Despite the challenges posed by increased expenses, the Group achieved a commendable 8% YoY growth in net attributable profit for FY2023, reaching S\$7.5 million. This positive financial outcome reflects the Group’s resilience and strategic financial management, showcasing an ability to navigate challenges and sustain growth. This underscores the Group’s adaptability and prudent financial management in the ever-changing economic landscape.

## Financial Position

As at 31 December 2023, the Group’s financial position demonstrated notable strengthening, with equity attributable to owners of the Company reaching S\$65.6 million. This marked a discernible improvement compared to the S\$60.7 million reported on 31 December 2022.

The Group’s net assets as at 31 December 2023 amounted to S\$62 million. Within this were cash and cash equivalents of S\$35.3 million and short-term financial assets totaling S\$26.9 million. As compared to 31 December 2022, the net assets stood at S\$60.7 million which included cash and cash equivalents amounting to S\$25.7 million and short-term financial assets totaling S\$29.7 million.

Reflecting the Group’s stellar performance in FY2023, basic earnings per share stood at 9.31 Singapore cents, an improvement from 8.74 Singapore cents reported in FY2022. Additionally, the net asset value per share as at 31 December 2023, was 74.94 Singapore cents, showcasing an increase from 70.56 Singapore cents as at 31 December 2022.

## Cash Flow

The Group’s net cash flows generated from operating activities were S\$10.0 million in FY2023 (S\$11.2 million in FY2022). Net cash flows generated from investing activities totaled to S\$4.3 million in FY2023 (cash outflow of S\$30.1 million in FY2022) including maturity of short-term financial assets amounting to S\$2.7 million (purchase of short-term financial assets of S\$29.6 million in FY2022). The Company paid dividends of S\$4.4 million in FY2023 (S\$1.7 million in FY2022).

# BOARD OF DIRECTORS



Left to Right  
Peter Tay  
Chan Kum Tao  
Richard Eu  
Arthur Tay  
Yeo Wee Kiong





### **Richard Eu**

#### **Non-executive Chairman and Independent Director**

Mr Richard Eu was appointed as Non-Executive Chairman and Independent Director of the company in 31 December 2021 and was last re-elected in April 2022.

Mr Eu is the Chairman of Eu Yan Sang International Ltd (EYSIL). He leads the board in providing governance oversight, deliberating Group strategy, and providing counsel to the Group CEO. Richard joined the business in 1989 and served as the Group CEO from 2002 until 2017. He has been instrumental in transforming EYSIL into one of the largest Traditional Chinese Medicine (TCM) groups in Asia today.

Mr Eu was named the Ernst & Young Entrepreneur of the Year 2011 (Singapore) and represented Singapore at the Ernst & Young World Entrepreneur of The Year 2012 Award in Monte Carlo, Monaco. He was also awarded the Public Service Medal (PBM) in 2020.

Mr Eu is also currently the Chairman of Tuan Sing Holdings Limited. He also sits on the board of other private companies including Nippon Life India Asset Management Singapore Pte Ltd and Dragonfly Education Group. He is active in the non-profit sector, serving as the Pro-Chancellor of the Singapore University of Social Sciences and as well as on the boards of the Ang Mo Kio-Thye Hua Kwan Hospital and Thye Hua Kwan Nursing Home.

Mr Eu holds a LL.B (Hons) degree from the University of London.



### **Arthur Tay**

#### **Executive Director and Chief Executive Officer**

Mr Arthur Tay is an Executive Director and CEO of the Company and is responsible for the overall management of the Group. He was first appointed as Non-Executive Director in January 2010 and was last re-elected in April 2021. He was made the CEO of the Company on 1 May 2010.

Mr Tay is also the Chairman and CEO of the SUTL Group of Companies, a family-owned, professionally-managed lifestyle consumer goods and services enterprise, which has businesses globally. He is also an active philanthropist and grassroots leader.

He holds an MBA in Real Estate and Finance.



**Peter Tay**  
**Non-Executive Director**

Mr Peter Tay was appointed as Non-Executive Director of the Company in January 2010 and was last re-elected in April 2022.

Mr Tay is also a shareholder and Executive Director of SUTL Group of Companies. He has been with SUTL Group of Companies for more than 20 years and is responsible for building projects, building management, logistics and warehouse management.

Mr Tay was the Project Director for the development of ONE<sup>®</sup> 15 Marina Sentosa Cove. He graduated from Heriot-Watt University, Edinburgh, UK with a Bachelor of Engineering.



**Chan Kum Tao**  
**Non-Executive Director**

Mr Chan Kum Tao was appointed a Non – Executive Director in January 2010 and was last re-elected in April 2023.

Mr Chan is also the Chief Financial Officer of SUTL Group of Companies. Prior to that, he held senior financial positions in Singapore companies as well as in multinational corporations in Singapore and overseas.

He is a Fellow of the Association of Chartered Certified Accountant (UK), and a Fellow of the Institute of Singapore Chartered Accountants.



**Yeo Wee Kiong**  
**Independent Director**

Mr Yeo Wee Kiong was appointed an Independent Director on 7 August 2019 and was last re-elected in April 2023. Mr Yeo is a board member of AF Global Ltd and Pacific Century Regional Development Ltd. He is also an adviser of Heliconia Management Pte Ltd, a wholly owned fund management subsidiary of Temasek Holdings (Private) Ltd. Mr Yeo is an ex-Director of a leading Singapore Law Firm and is currently a retiree. Prior to this, he was the founder and managing partner of a law firm. Before his career progression into law, Mr Yeo was a former investment banker with a Singapore-based UK merchant bank and an ex-senior industry officer with a government statutory board.

Mr Yeo holds a Bachelor degree in Engineering (Mechanical) (First Class Honours) and a Master in Business Administration from the then University of Singapore and the National University of Singapore respectively. He also graduated with an Honours degree in law from the University of London and is also a Barrister-at-Law of Lincoln's Inn for England and Wales.



# KEY EXECUTIVES



**Jonathan Sit**  
**Regional General Manager**  
**Marina**

Mr Jonathan Sit was appointed General Manager of ONE°15 Marina Sentosa Cove. He is responsible for strategic and operational activities in ONE°15 Marina Sentosa Cove. Under his leadership, he oversaw the completion of the marina upgrade and reconfiguration to cater for more superyachts. ONE°15 Marina Sentosa Cove also achieved the 'Marina World' International Marina of the Year award by the Marina Industries Association (MIA) in 2021.

Mr Sit joined the company as a Management Associate. He had successfully helmed various managerial positions across a number of revenue centres within the company for 8 years prior to his most recent appointment.

A Hong Kong native, Mr Sit earned his bachelor's degree at Cornell University's School of Hotel Administration in New York. He also holds an MBA from the National University of Singapore.



**Darren Oh**  
**General Manager**  
**Business Development (Marina)**

Mr Darren Oh was appointed as General Manager, Group Business Development. He is responsible for the expansion of ONE°15 Marina in Asia, Europe & Americas by providing management consultancy in major cities and tourist destinations. He develops and customises each marina operating model based on the marina developmental stage and locality of the marina industry to achieve the overall master plan objectives.

Prior to this, Mr Oh spent over 20 years in the service industry in both public and private sectors including DBS Bank, Singapore Tourism Board and Gardens by the Bay. His other professional experience includes heading Singapore Tourism Board offices in Vietnam and Taiwan, and served as founding member of the management team that developed and operated the award-winning Gardens by the Bay.

Mr Oh graduated with a Bachelor in Business (1st Class Honours) from Nanyang Technological University and a Master of Management in Hospitality from Cornell University.



**Cynthia Ng**  
**Assistant General Manager,**  
**Group Marketing and Corporate Communications**

Ms Cynthia Ng was appointed Assistant General Manager. She is responsible for the overall marketing and corporate communications for the Group.

Ms Ng joined the company as a Marina Marketing Director, overseeing marketing initiatives for overseas marina projects. Subsequently, her role expanded to encompass overall marketing for the Group.

With over 25 years of marketing expertise spanning the MICE, luxury retail, and banking sectors, particularly targeting ultra-high net worth clients, including brands like La Mer, Christian Dior, and UOB Reserve Card, Ms. Ng oversaw the Blue Water EduFest. This prestigious non-profit marine conservation event united experts, thought leaders, policymakers, and advocates globally to promote collaboration, awareness, and positive action against climate change.



**James Roy**  
**Marina Director, ONE°15 Marina Sentosa Cove**

Mr James Roy was appointed as the Marina Director of ONE°15 Marina Sentosa Cove, overseeing the marina operations comprising over 270 berths. He manages the constant flow of services and support for yacht owners, from the application of cruising permits to berthing and refuelling assistance.

With over 20 years of experience in the Marine industry, Mr Roy has a strong background in Marine engineering and operational management. Prior to this appointment, he managed marinas in Dubai and the United Kingdom and was based in the Middle East for 13 years. There, he built a strong reputation for developing new strategies and services within the marine industry while encouraging higher standards of customer service in the marinas under his leadership. He carries these experiences with him into his current role at ONE°15 Marina Sentosa Cove.



**Tan Choon Kiat Jeffery**  
**Group Financial Controller**

Mr Jeffery Tan was appointed as Group Financial Controller. He is responsible for the overall financial management of the Group.

Mr Tan was with KPMG LLP for several years before joining SUTL Group as an Accountant. He had held various managerial positions in the group for 7 years prior to current appointment in 2014.

Mr Tan graduated from the National University of Singapore and University of Melbourne with a Bachelor in Business Administration and Master in Business Administration respectively. He is also a member of Institute of Singapore Chartered Accountants.



# CORPORATE SOCIAL RESPONSIBILITY



The 2nd Blue Water EduFest 2023, a significant non-profit marine conservation initiative by ONE°15, was staged from 2-4 November 2023 which aimed at bolstering marine conservation and nurturing future ocean stewards. Held at ONE°15 Marina Sentosa Cove, the event brought together thought leaders, sustainability decision-makers, and passionate advocates to address critical issues related to marine conservation.

A key highlight of the event was the Blue Water Heroes awards dinner, recognising individuals for their impactful contributions to marine conservation.

Ten finalists were honoured for their fearless efforts in driving positive change, with Tom Peacock-Nazil of Seven Clean Seas emerging as the top winner. The dinner event also featured members of the Ocean Geographic Antarctic Climate Expedition led by the unstoppable Dr Sylvia Earle, offering a poignant showcase of their transformative journey. Their firsthand encounters with shocking ice melts present a stark and immediate reality of climate change, highlighting how the effects felt in the far reaches of Antarctica have a direct bearing on our lives in Singapore and beyond.

The event featured a solutions-based conference, The Ocean Collective Summit (TOCS), spotlighting critical issues like blue carbon, plastic pollution, and innovative coastal protection strategies, with keynote speakers such as Fabien Cousteau, Founder of the Fabien Cousteau Ocean Learning Centre and Proteus Ocean Group.

A beach and marina clean-up marked the event's conclusion, symbolizing a collective commitment to ocean and coastal protection, complemented by educational initiatives and funding for marine conservation projects.

# CORPORATE INFORMATION

## Board Of Directors

**Richard Eu Yee Ming**  
Non-executive Chairman and  
Independent Director

**Arthur Tay Teng Guan**  
Executive Director and  
Chief Executive Officer

**Peter Tay Teng Hock**  
Non-Executive Director

**Chan Kum Tao**  
Non-Executive Director

**Yeo Wee Kiong**  
Independent Director

**Registered Office**  
100J Pasir Panjang Road  
SUTL House, #05-00,  
Singapore 118525  
T: (65) 6590 7100  
F: (65) 6590 7101

**Company Registration  
Number**  
199307251M

## Audit Committee

**Yeo Wee Kiong**  
Chairman

**Richard Eu Yee Ming**  
Member

**Chan Kum Tao**  
Member

## Nominating Committee

**Richard Eu Yee Ming**  
Chairman

**Yeo Wee Kiong**  
Member

**Arthur Tay Teng Guan**  
Member

## Remuneration Committee

**Yeo Wee Kiong**  
Chairman

**Richard Eu Yee Ming**  
Member

**Chan Kum Tao**  
Member

**ISIN CODE**  
SG1163883082

## Company Secretary

Adrian Chan Pengee  
Song Ruoh Jin  
Lee & Lee

## Share Registrar

**Boardroom Corporate &  
Advisory Services Pte. Ltd.**  
1 Harbourfront Avenue  
Keppel Bay Tower #14-07  
Singapore 098632

## Auditor

**Naveen Sasidaran**  
Partner-in-charge (Since 2021)  
RSM SG Assurance LLP  
8 Wilkie Road,  
#03-08, Wilkie Edge  
Singapore 228095

## Share Listing

The Company's shares are listed  
on the Singapore Exchange  
Securities Trading Limited (SGX-ST)  
Main Board since 2000

## Principal Bankers

Overseas - Chinese Banking  
Corporation Limited  
DBS Bank Ltd  
Malayan Bank Berhad  
RHB Bank Berhad  
CIMB Bank Berhad

## General Enquiry/ Investor Relations

For further information about  
SUTL Enterprise Limited,  
please contact the Secretariat  
at the Registered Office  
E: [investor\\_relations@sutl.com](mailto:investor_relations@sutl.com)  
W: [www.sutlenterprise.com](http://www.sutlenterprise.com)



# FINANCIAL CONTENTS

14	Corporate Governance
37	Sustainability Reporting
39	Directors' Statement
45	Independent Auditor's Report
49	Consolidated Statement of Comprehensive Income
50	Statement of Financial Position
51	Statements of Changes in Equity
54	Consolidated Statement of Cash Flows
55	Notes to the Financial Statements
93	Statistics of Shareholdings
95	Notice of Annual General Meeting
103	Proxy Form

## CORPORATE GOVERNANCE

The Board of Directors (the “**Board**” or “**Directors**”) and the management (the “**Management**”) of SUTL Enterprise Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) recognise the importance of good corporate governance practices. In compliance with Rule 710 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), this report describes the Group’s corporate governance practices with specific references to the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”). The Company confirms that it has complied with the principles of the Code and where the Company’s practices vary from any provisions of the Code, this is stated with an explanation of the reason for the variation and an explanation on how the practices it had adopted are consistent with the intent of the relevant principle.

### (A) BOARD MATTERS

#### The Board’s conduct of 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 Company is headed by an effective Board. The Board is collectively responsible and works with Management for the long-term success of the Company.<sup>1</sup>

All Directors objectively discharge their duties and responsibilities at all times as fiduciaries in the best interests of the Company and hold Management accountable for performance.<sup>2</sup>

The Group has put in place a code of conduct and ethics, which sets appropriate tone-from-the-top and desired organization culture, and ensures proper accountability within the Group.<sup>3</sup> To acquaint the Group’s employees with the policies and procedures of the Group, which are relevant to their employment, an employee handbook is made available to all employees. The employee handbook sets out, *inter alia*, an introduction to the Group’s business, its vision and mission statement, and the Group’s policies and procedures on unlawful harassment, gratuities and gifts, and prohibited conduct.

Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.<sup>4</sup> The Company’s Constitution provides, *inter alia*, that a Director who is in any way whether directly or indirectly interested in a transaction or proposed transaction with the Company shall declare the nature of his interest at a meeting of the Directors, and shall not vote in respect of any transaction or proposed transaction or arrangement with the Company in which he has directly or indirectly a personal material interest and if he shall do so his vote shall not be counted.

#### Board orientation and development

Directors understand the Company’s business as well as their directorship duties (including their roles as executive, non-executive and independent directors).<sup>5</sup>

Directors are encouraged to attend relevant training courses conducted from time to time by external third parties, such as the Singapore Institute of Directors or the SGX-ST, to keep themselves abreast of developments affecting listed companies. As and when required, the Directors may request to attend training and development courses at the Company’s expense.<sup>6</sup> Updates on relevant legal, accounting and regulatory developments are also provided to Directors in written hand-outs, or by way of briefings and presentations by the external auditors and/or the lawyers from time to time during Board meetings.<sup>7</sup>

<sup>1</sup> Principle 1 of the Code

<sup>2</sup> Provision 1.1 of the Code

<sup>3</sup> Provision 1.1 of the Code

<sup>4</sup> Provision 1.1 of the Code

<sup>5</sup> Provision 1.2 of the Code

<sup>6</sup> Provision 1.2 of the Code

<sup>7</sup> Provision 1.2 of the Code



## CORPORATE GOVERNANCE

Newly appointed Directors will be given an orientation on the Group's business strategies, operations and organisation structure as well as the statutory and regulatory obligations of being a Director to ensure that they are aware of the responsibilities and obligations of being an Independent Director.<sup>8</sup> There were no new Directors appointed by the Company during FY2023.

### Board approval

The Board decides on matters that require its approval. Written guidelines are established to specify which material transactions require the Board's approval, and such guidelines are clearly communicated to Management.<sup>9</sup>

Matters which are reserved for the Board's decision are as follows:<sup>10</sup>

- (a) approving announcements for the half-yearly and full year financial results;
- (b) approval of annual audited financial statements for the Group and the Directors' Statement thereto;
- (c) approving the appointments and remuneration of directors;
- (d) approving material acquisitions and disposal of assets (materiality thresholds applicable - any transaction outside the ordinary course of business amounting to 3% or more of the relative figures set out in Rule 1006 of the Listing Manual);
- (e) share issuances (including stock options or other equity awards), dividends and other capital transactions and returns to shareholders;
- (f) any interested person transaction of a value equal to, or more than, 3% of the Group's latest audited net tangible assets;
- (g) creating any fixed or floating charge, lien (other than a lien arising by operation of law) or other encumbrance over the whole or substantially the whole of the undertaking, property or assets of any company of the Group;
- (h) the Group giving any guarantee or indemnity to secure the liabilities or obligations of any third party amounting to more than S\$2.0 million;
- (i) the Group entering into any contract, arrangement, commitment or transaction of any nature whatsoever amounting to more than S\$2.0 million, that is not entered into in the ordinary and proper course of business on arm's length terms;
- (j) capital expenses of the Group amounting to more than S\$2.0 million; and
- (k) any matters involving a conflict or potential conflict of interest involving a substantial shareholder or a director.

The Board has established board committees, which are the Audit Committee (the "AC"), the Nominating Committee (the "NC") and the Remuneration Committee (the "RC") (collectively referred to as the "Board Committees"). Each Board Committee has its own written terms of reference setting out its composition, authorities and duties, including reporting back to the Board. The names of the Board Committee members, the terms of reference, any delegation of the Board's authority to make decisions,

<sup>8</sup> Provision 1.2 of the Code

<sup>9</sup> Provision 1.3 of the Code

<sup>10</sup> Provision 1.3 of the Code

## CORPORATE GOVERNANCE

and a summary of each Board Committee's activities are disclosed respectively in the sections headed "Audit Committee", "Nominating Committee" and "Remuneration Committee" below.<sup>11</sup>

### Directors' attendance at Board and Board Committee meetings in FY2023

Directors attend and actively participate in Board and Board Committee meetings. The number of such meetings and each individual director's attendances at such meetings in FY2023 are disclosed in the table below.<sup>12</sup>

Meetings	Main Board	Audit Committee	Nominating Committee	Remuneration Committee
<b>No. of meetings held</b>	2	4	1	2
<b>Directors</b>				
Richard Eu Yee Ming (Independent)	2	4	1	2
Tay Teng Guan Arthur (Executive)	2	NA	1	NA
Tay Teng Hock (Non-Executive)	2	NA	NA	NA
Chan Kum Tao (Non-Executive)	2	4	NA	2
Yeo Wee Kiong (Independent)	2	3	1	2

Directors are allowed to hold directorships in companies outside the Group. The NC and the Board have determined that a director should not have more than six listed company board representations. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.<sup>13</sup> As part of the assessment of the performance of the individual Directors, further details of which are set out on pages 6 to 8, this included an assessment of the individual Directors' commitment of time, contributions at meetings, and where a Director has a significant number of listed company directorships and principal commitments, the adequacy of the carrying out of the Director's duties. The Board has considered the results of the assessment and is satisfied that all Directors were able to and have adequately carried out their duties as a Director of the Company for FY2023.

### Access to information

To enable the Directors to make informed decisions and discharge their duties and responsibilities, the Management provides the Board with complete, adequate and timely information prior to meetings and on an on-going basis.<sup>14</sup>

On an on-going basis, the Directors have separate and independent access to Management, the corporate secretarial agent, and external advisers (where necessary) at the Company's expense. The corporate secretarial agent attends all of the Board meetings at which the draft announcements for the half year and full year financial results are considered. The appointment and removal of the company secretary is subject to the approval of the Board as a whole.<sup>15</sup>

Overall, the Board's role is to:

- (a) provide entrepreneurial leadership, and set strategic objectives, which should include appropriate focus on value creation, innovation and sustainability;

<sup>11</sup> Provision 1.4 of the Code

<sup>12</sup> Provision 1.5 of the Code

<sup>13</sup> Provision 1.5 of the Code

<sup>14</sup> Provision 1.6 of the Code

<sup>15</sup> Provision 1.7 of the Code



## CORPORATE GOVERNANCE

- (b) ensure that the necessary resources are in place for the Company 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 company performance;
- (d) constructively challenge Management and review its performance;
- (e) instill an ethical corporate culture and ensure that the Company's values, standards, policies and practices are consistent with the culture;
- (f) ensure transparency and accountability to key stakeholder groups; and
- (g) decide on matters that require its approval and communicate such matters clearly to Management in writing.

In discharging these responsibilities, the Directors rely on, among other things, the Company's officers and external advisers.

### 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.***

Under Provision 2.1 of the Code, an "independent" director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations<sup>16</sup>, its substantial shareholders<sup>17</sup> 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.<sup>18</sup>

Rule 210(5)(d) of the Listing Manual of the SGX-ST also sets out circumstances under which a director will not be independent.

The Chairman of the Board is Mr Richard Eu Yee Ming, who is an Independent Director.<sup>19</sup> The Board currently comprises five Directors, of which two are Independent Directors based on the provisions relating to independence as set out in the Code<sup>20</sup> and the Listing Manual of the SGX-ST, and two are Non-Executive Directors. During FY2023, non-executive Directors made up a majority of the Board<sup>21</sup> and Independent Directors made up at least one-third of the Board.<sup>22</sup> The Company is in compliance with Rule 210(5)(c) of the Listing Manual of the SGX-ST, which requires the Board to have at least two non-executive Directors who are independent and free of any material business or financial connection with the Company and that independent directors must comprise at least one-third of the Board.

The Board is of the view that the current size of the Board and the Board Committees is adequate and appropriate after taking into account the size of the Group and the costs involved.<sup>23</sup>

<sup>16</sup> The term "related corporation", in relation to the company, has the same meaning as currently defined in the Companies Act 1967, i.e. a corporation that is the company's holding company, subsidiary or fellow subsidiary.

<sup>17</sup> A "substantial shareholder" is a shareholder who has an interest or interests in one or more voting shares (excluding treasury shares) in the company and the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all voting shares (excluding treasury shares) in the company, in line with the definition set out in section 2 of the Securities and Futures Act 2001.

<sup>18</sup> Provision 2.1 of the Code

<sup>19</sup> Provision 2.2 of the Code

<sup>20</sup> Provision 2.2 of the Code

<sup>21</sup> Provision 2.3 of the Code

<sup>22</sup> Footnote 7 to Provision 2.2 states that: "Rule 210(5)(c) of the SGX Listing Rules (Mainboard) / Rule 406(3)(c) of the SGX Listing Rules (Catalist) requires independent directors to make up at least one-third of the Board."

<sup>23</sup> Provision 2.4 of the Code

## CORPORATE GOVERNANCE

The Company has a written board and management diversity policy. The Company recognises that having diversity in respect of the Board would foster a diversity of perspectives and opinions and would encourage an active discussion on issues raised before the Board, which the management personnel could benefit from, and is an important element in supporting the achievement of the Company's strategic objectives and its long-term development. In terms of the composition of the Board, the Company seeks to have a Board that comprises directors who as a group provide an appropriate balance and have diversity from a number of aspects, including in terms of skills, experience, gender, and knowledge of the Company, as well as to have a balance between executive, non-executive and independent directors.

With regard to the current composition of the Board, together, the Directors bring a wide range of business, legal and financial experiences relevant to the Group and provide an appropriate balance and diversity of skills, knowledge, experience and other aspects of diversity. They also provide core competencies such as accounting or finance, business or management experience and strategic planning experience.

The board and management diversity policy sets out certain criteria which are relevant to having diversity on the Board, and provides that these shall be included in the criteria used for evaluating the performance and effectiveness of the Board, Board committees and individual directors.

In respect of the process for selecting and appointing new Directors to the Board, and the evaluation by the NC of potential candidates and their suitability, the criteria considered by the NC shall include the qualifications and experience of the candidate and their likely contributions to the Board. Candidates will be considered based on merit; however, consideration will also be given to having diversity to the Board. In particular, in identifying suitable candidates for appointment to the Board, the NC will ensure that where possible, female candidates are included for consideration. Nevertheless, the Company views that diversity is not merely limited to gender or any other personal attributes, but should be considered as a whole.

The board and management diversity policy also provides that the Company seeks to have female representation on the management team. The Company aims that by 2025, not less than 20% of the personnel on the management team are female. With the appointment of Ms Cynthia Ng to the management team during FY2023, the Company has met the target that not less than 20% of the personnel on the management team are female.

During FY2023, the AC met without the presence of the Management at least once annually.<sup>24</sup>

The AC comprises 2 Independent Directors and 1 Non-Executive Director, and the Chairman of the AC is currently Mr. Yeo Wee Kiong, an Independent Director. The Chairman of the AC provides feedback to the Board and/or the Chairman of the Board, as appropriate.<sup>25</sup>

### 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.***

The Chairman, Mr. Richard Eu Yee Ming, and the Chief Executive Officer (“CEO”), Mr. Tay Teng Guan Arthur, are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.<sup>26</sup> The Chairman and the CEO are not immediate family members.<sup>27</sup>

<sup>24</sup> Provision 2.5 of the Code

<sup>25</sup> Provision 2.5 of the Code

<sup>26</sup> Provision 3.1 of the Code

<sup>27</sup> Rule 1207(10A) of the Listing Manual of the SGX-ST



## CORPORATE GOVERNANCE

Provision 3.2 of the Code provides that the Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO. Principle 3 states that 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 has not established and set out in writing the division of responsibilities between the Chairman and the CEO, which constitutes a variation from Provision 3.2 of the Code. The Company is of the view that the intent of Principle 3 was met, as the Chairman and the CEO have been carrying out different roles and responsibilities, and these respective roles and responsibilities are set out below. Mr Tay Teng Guan Arthur has been the CEO of the Company since 2010. In 2015, the Company acquired the marina and yacht chartering business, which was operated by SUTL Marina Development Pte. Ltd. (“**SUTL Marina**”) and One15 Luxury Yachting Pte. Ltd. (“**One15 Luxury Yachting**”). Mr Tay Teng Guan Arthur has been involved in the management of SUTL Marina since 2004 and of One15 Luxury Yachting since 2007. In addition, Mr Richard Eu Yee Ming who is currently the Chairman, has extensive experience as a director on the boards of various companies.

The Chairman provides leadership to the Board. He also reviews and approves the meeting agenda for Board meetings and seeks to ensure that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chairman assumes the lead role in overseeing the corporate governance processes. The Chairman also seeks to ensure that Board members engage the Management in constructive debate on various matters including strategic issues, facilitates the effective contribution of non-executive Directors in particular, ensures effective communication with shareholders and that the Directors receive complete, adequate and timely information before meetings.<sup>28</sup>

The CEO is responsible for the day-to-day management of the affairs of the Group. He is accountable to the Board for the overall performance of the Group’s business operations and strategic planning, and also executes the strategic plans set out by the Board and ensures that the Directors are kept updated and informed of the Group’s business through management reports.<sup>29</sup>

The Group’s business is conducted by its employees, managers and corporate officers led by the CEO, with oversight from the Board. The Board works with the CEO to elect/appoint other officers who are charged with managing the businesses of the Group. The CEO has the responsibility of overseeing and directing the officers to ensure that the interests of the Company are served.<sup>30</sup>

The Company has not appointed a lead independent director as the Chairman is independent.<sup>31</sup>

### 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

According to the written terms of reference of the NC, the NC’s duties and responsibilities are as follows:<sup>32</sup>

- (a) making recommendations to the Board on relevant matters relating to:
  - (i) the review of succession plans for Directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;<sup>33</sup>

<sup>28</sup> Provision 3.2 of the Code

<sup>29</sup> Provision 3.2 of the Code

<sup>30</sup> Provision 3.2 of the Code

<sup>31</sup> Provision 3.3 of the Code

<sup>32</sup> Provision 4.1 of the Code

<sup>33</sup> The term “key management personnel” shall mean the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the company.

## CORPORATE GOVERNANCE

- (ii) the process and criteria for evaluation of the performance of the Board, its board committees and Directors;
- (iii) the review of training and professional development programmes for the Board and its Directors;
- (iv) the appointment and re-appointment of Directors (including alternate directors, if any);
- (b) determining annually, and as and when circumstances require, if a Director is independent, having regard to the circumstances set forth in Provision 2.1 of the Code, the Listing Manual of the SGX-ST, and the Code Practice Guidance;
- (c) ensuring that new Directors are aware of their duties and obligations;
- (d) deciding whether a Director is able to and has been adequately carrying out his or her duties as a Director of the Company, and where a Director holds a significant number of listed company directorships and principal commitments<sup>34</sup>, assessing the ability of the Director to diligently discharge his or her duties;
- (e) considering, and if appropriate, establishing guidelines on what a reasonable and maximum number of such directorships and principal commitments for each Director (or type of Director) should be;
- (f) without limiting the effect of sub-paragraph (a)(ii) above, recommending for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual Director to the Board, in order for the Board to undertake a formal annual assessment of the performance of the Board as a whole, each board committee and each individual Director; and
- (g) reporting to the Board from time to time on its activities.

The NC currently comprises three Directors, two of whom, including its Chairman, are Independent Directors.<sup>35</sup>

For FY2023, the members of the NC were:<sup>36</sup>

Mr. Eu Yee Ming Richard, Chairman of the NC	(Independent Director)
Mr. Yeo Wee Kiong, Member of the NC	(Independent Director)
Mr. Tay Teng Guan Arthur, Member of the NC	(Executive Director and CEO)

### Nomination and selection of Directors

The Company has in place a process for selecting and appointing new Directors to the Board.<sup>37</sup> The search and nomination process for new Directors will be via contacts and recommendations. The NC evaluates potential candidates and their suitability, and makes recommendations to the Board for

<sup>34</sup> The term "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

<sup>35</sup> Provision 4.2 of the Code

<sup>36</sup> Provision 4.2 of the Code

<sup>37</sup> Provision 4.3 of the Code



## CORPORATE GOVERNANCE

approval.<sup>38</sup> The criteria considered by the NC include the qualifications and experience of the candidate and his likely contributions to the Board.<sup>39</sup> The screening process is handled by the NC with direct input from the other Directors.

The Company has in place a process for the re-appointment of Directors to the Board.<sup>40</sup> The Company's Constitution provides, *inter alia*, that one-third of the Directors for the time being or, if their number is not 3 or a multiple of 3, then the number nearest one-third, shall retire from office at each Annual General Meeting (the "**AGM**") of the Company, provided that all Directors shall retire from office at least once in every 3 years. Retiring Directors are selected on the basis of those who have been longest in office since their last election, failing which they shall be selected by agreement or by lot.<sup>41</sup> The NC will consider and recommend the re-appointment of the retiring Directors to the Board. The Board will consider and approve the recommendation of the NC, and will recommend that the re-appointment of the retiring Directors be submitted to the shareholders for approval at the AGM.<sup>42</sup>

### Continuous review of Directors' independence

The NC determines annually, and as and when circumstances require, the independence of each Independent Director, having regard to the circumstances set forth in Provision 2.1 of the Code and the Listing Manual of the SGX-ST.<sup>43</sup> Annually, each Independent Director completes and executes a form declaring and affirming his independence and acknowledging that any relationship with the Company, its related corporations, its substantial shareholders or its officers which may affect his independence should be disclosed.<sup>44</sup>

The NC and Board were satisfied that Mr Richard Eu Yee Ming and Mr Yeo Wee Kiong are independent in light of the provisions of the Code and Rule 210(5)(d) of the Listing Manual of the SGX-ST. The NC also considered the Directors' evaluation results in respect of the performance of the Independent Directors, including the evaluation of their independence of judgement and contributions to the Board.

Pursuant to Rule 210(5)(d)(iv) of the Listing Manual of the SGX-ST, which takes effect for an issuer's annual general meeting for the financial year ending on or after 31 December 2023, a director will not be independent if, *inter alia*, he has been a director for an aggregate period of more than 9 years (whether before or after listing). Such director may continue to be considered independent until the conclusion of the next annual general meeting of the Company. Currently, there are no Independent Directors who have been a director for an aggregate period of more than 9 years.

### Directors' time commitments

The NC ensures that new Directors are aware of their duties and obligations.<sup>45</sup>

The NC also decides if a Director is able to and has been adequately carrying out his or her duties as a director of the Company.<sup>46</sup> The NC considered and was satisfied that all Directors were able to and have adequately carried out their duties as a Director of the Company for FY2023.

<sup>38</sup> Provision 4.3 of the Code

<sup>39</sup> Provision 4.3 of the Code

<sup>40</sup> Provision 4.3 of the Code

<sup>41</sup> Provision 4.3 of the Code

<sup>42</sup> Provision 4.3 of the Code

<sup>43</sup> Provision 4.4 of the Code

<sup>44</sup> Provision 4.4 of the Code

<sup>45</sup> Provision 4.5 of the Code

<sup>46</sup> Provision 4.5 of the Code

## CORPORATE GOVERNANCE

The listed company directorships and principal commitments of each Director are disclosed on pages 6 to 8 of the Annual Report.<sup>47</sup>

Directors are allowed to hold directorships in companies outside the Group. The NC and the Board have determined that a Director should not have more than six listed company board representations.<sup>48</sup> During FY2023, none of the Directors exceeded the limit on listed company Board representations.

Provision 1.4 of the Code recommends, *inter alia*, that a summary of the NC's activities be disclosed in the annual report. During FY2023, the NC, *inter alia*, made recommendations to the Board on the appointment and re-appointment of Directors and determined if a Director is independent (having regard to the circumstances set forth in Provision 2.1 of the Code, the Listing Manual of the SGX-ST, and the Practice Guidance accompanying the Code).

### 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 recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Chairman and each individual Director to the Board.<sup>49</sup>

Annually, each Director submits an assessment of the performance of the Board, its Board Committees, and of each of the other individual Directors for the financial year under review. These assessment forms assess various aspects, including matters relating to the Director's experiences as a member of the Board, his perception of the focus of the Board, the structure and functioning of the Board Committees, the contributions as Chairman by the Chairman of the Board and the Chairman of a Board Committee, and the individual Directors' contributions at meetings. The responses are collated by the external corporate secretarial agent and a consolidated report is submitted to the Board. The responses are then discussed by the Board.<sup>50</sup>

## (B) 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

According to the written terms of reference of the RC, the RC's duties and responsibilities are as follows:<sup>51</sup>

- (a) reviewing and making recommendations to the Board on:
  - (i) a framework of remuneration for the Board and key management personnel; and

<sup>47</sup> Provision 4.5 of the Code

<sup>48</sup> Provision 4.5 of the Code

<sup>49</sup> Provision 5.1 of the Code

<sup>50</sup> Provision 5.2 of the Code

<sup>51</sup> Provision 6.1 of the Code

## CORPORATE GOVERNANCE

- (ii) the specific remuneration packages for each Director as well as for the key management personnel,

and in doing so the RC considers all aspects of remuneration, including termination terms, to ensure they are fair, and having regard to the provisions of the Code;

- (b) reviewing the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous;
- (c) where an external remuneration consultant is appointed, reviewing whether the remuneration consultant has any relationship with the Company that could affect his or her independence and objectivity;
- (d) reviewing annually the remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the year;
- (e) considering the advice from the AC on risk weighting to be applied to performance objectives incorporated in executive remuneration;
- (f) reviewing whether executive directors, non-executive and independent Directors and key management personnel should be eligible for options, share incentives, awards and other benefits under the schemes; and
- (g) reporting to the Board from time to time on its activities.

The RC currently comprises three directors, all of whom are non-executive Directors, and two of which, including its Chairman, are Independent Directors.

For FY2023, the members of the RC were:<sup>52</sup>

Mr Yeo Wee Kiong, Chairman of the RC	(Independent Director)
Mr Chan Kum Tao, Member of the RC	(Non-Executive Director)
Mr Eu Yee Ming Richard, Member of the RC	(Independent Director)

The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.<sup>53</sup> No Director is involved in deciding his own remuneration.<sup>54</sup>

For FY2023, the Company did not engage any external remuneration consultant.<sup>55</sup>

Provision 1.4 of the Code recommends, *inter alia*, that a summary of the RC's activities be disclosed in the annual report. During FY2023, the RC considered the framework of remuneration as well as specific remuneration packages for each Director as well as for the key management personnel, and reviewed whether Directors and key management personnel should be eligible for options, share incentives, awards and other benefits.

<sup>52</sup> Provision 6.2 of the Code

<sup>53</sup> Provision 6.3 of the Code

<sup>54</sup> Principle 6 of the Code

<sup>55</sup> Provision 6.4 of the Code



## CORPORATE GOVERNANCE

### Level and Mix of Remuneration

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

The remuneration of the Executive Director (who is also the CEO) and key management personnel comprises a fixed component, a variable component and also other benefits and long term incentives where applicable. The fixed component is in the form of a base salary. The variable component is in the form of a variable bonus that is linked to the performance of the Group and each individual's performance.<sup>56</sup> In setting remuneration packages, the RC takes into account the performance of the Group, as well as the performance of the Executive Director and key management personnel.

A meaningful and appropriate portion of the Executive Director's and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.<sup>57</sup>

Directors are paid Directors' fees, subject to approval at the Company's AGM. The RC makes a recommendation to the Board of the Directors' fees payable for each year, and seeks to fix Directors' fees that are appropriate to the level of contribution, taking into account factors such as effort, time spent and responsibilities of Directors.<sup>58</sup>

The remuneration packages are appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.<sup>59</sup>

### 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.***

The Group's remuneration policy is to provide remuneration packages which are appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term.<sup>60</sup>

The Group adopts a remuneration policy<sup>61</sup> for the Executive Director (who is also the CEO) and key management personnel comprising a fixed component and a variable component and also other benefits and long term incentives where applicable. The fixed component is in the form of a base salary, and is based on various criteria, including the individual's role and responsibilities, and practices within the industry and comparable companies. The variable component is in the form of a variable bonus that is linked to the performance of the Group and each individual's performance, which is based on various criteria including the Company's profitability and other financial and operational indicators as determined by the Board. Staff appraisals are conducted once a year.

<sup>56</sup> Provision 7.1 of the Code

<sup>57</sup> Provision 7.1 of the Code

<sup>58</sup> Provision 7.2 of the Code

<sup>59</sup> Provision 7.3 of the Code

<sup>60</sup> Provision 7.3 of the Code

<sup>61</sup> Provision 8.1 of the Code

## CORPORATE GOVERNANCE

The Group adopts a remuneration policy for non-executive Directors, which takes into consideration the knowledge and expertise of each individual non-executive Director, the responsibilities vested upon them and the effort and time commitment required from the non-executive Directors given the nature of the Group's business.<sup>62</sup>

The breakdown (in percentage terms) of the remuneration for FY2023, of Directors of the Company, is set out below:<sup>63</sup>

Remuneration band & name of Directors <sup>(2)</sup>	Base/ fixed salary %	Variable or performance related income/ Bonus %	Fees <sup>(1)</sup> %	Benefits And Allowances %	Central Provident Fund ("CPF") and other long-term incentives %	Equity based incentives	Total %
<b>Above S\$500,000 And Below S\$750,000</b>							
Tay Teng Guan Arthur	58	32	7	–	1	2	100
<b>Below S\$250,000</b>							
Tay Teng Hock	–	–	72	–	–	28	100
Chan Kum Tao	–	–	76	–	–	24	100
Yeo Wee Kiong	–	–	81	–	–	19	100
Eu Yee Ming Richard	–	–	81	–	–	19	100

Notes:

- (1) Directors' fees in an aggregate amount are subject to approval by shareholders at the Company's forthcoming AGM.
- (2) No Director has remuneration falling within the remuneration band of 'above S\$250,000 and below S\$500,000'.
- (3) Equity based incentives are calculated based on independent professional valuation of the stock option earned during the financial period.

Provision 8.1(a) of the Code provides, *inter alia*, that the amounts of remuneration of each individual director and the CEO are disclosed in the annual report. Principle 8 of the Code states that 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. The Company has not disclosed the amounts of remuneration of each individual Director and the CEO, which constitutes a variation from Provision 8.1(a) of the Code. The Board supports and is aware of the need for transparency. However, after deliberation of, *inter alia*, the competitive pressures and the sensitive nature of the matter, the Board has decided to disclose the remuneration of Directors, including the CEO, in remuneration bands of S\$250,000 and by a percentage breakdown in terms of categories and components instead of the specific remuneration for FY2023. The Board is of the view that the intent of Principle 8 was nevertheless met, as the remuneration policies and the procedure for setting remuneration applicable to the Directors, including the CEO, as well as the level and mix of remuneration applicable, are disclosed above.

The breakdown (in percentage terms) of the remuneration for FY2023, of the top five key management personnel who are not also Directors of the Company, is set out below:<sup>64</sup>

<sup>62</sup> Provision 8.1 of the Code

<sup>63</sup> Provision 8.1(a) of the Code

<sup>64</sup> Provision 8.1(b) of the Code

## CORPORATE GOVERNANCE

Remuneration band & name of Top Key Management Personnel	Base/ fixed salary	Variable or performance related income/ bonus	Fees	Benefits and allowances	CPF, pension funds and other long-term incentives	Equity based incentives	Total
	%	%	%	%	%	%	
<b>Above S\$250,000</b>							
<b>Below S\$500,000</b>							
Darren Oh	79	7	–	2	5	7	100
Jonathan Sit	61	24	–	2	6	7	100
<b>Below S\$250,000</b>							
Tan Choon Kiat	58	25	–	2	7	8	100
Cynthia Ng	67	23	–	–	10	–	100
James Roy	67	21	–	12	–	–	100

Note: Equity based incentives are calculated based on independent professional valuation of the stock option earned during the financial period

Total remuneration paid to the above top key management personnel (who are not Directors or the CEO) of the Group for FY2023 was approximately S\$1,122,000.<sup>65</sup>

Provision 8.2 of the Code provides, *inter alia*, that the company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds \$100,000 during the year, in bands no wider than \$100,000, in its annual report.

In respect of Provision 8.2 of the Code, Mr Tay Teng Guan Arthur, an Executive Director and the CEO, is a sibling of Mr Tay Teng Hock, a Non-Executive Director. Principle 8 of the Code states that 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. For FY2023, the Company wishes to disclose the remuneration of Mr. Tay Teng Guan Arthur and Mr Tay Teng Hock in the manner set out above, instead of in bands no wider than \$100,000, for the reasons which are also set out above.

In respect of Provision 8.2 of the Code, Mr Tay Kuan Jin Alvin, the Senior Manager, Business Development of the Company, is a son of Mr Tay Teng Hock, a Non-Executive Director, and a nephew of Mr Tay Teng Guan Arthur, Executive Director and CEO. The remuneration of Mr Tay Kuan Jin Alvin for FY2023 was within the band of S\$100,000 to S\$200,000.

Other than the above, during FY2023, the Group did not employ any substantial shareholders of the Company or any immediate family members of any Director or the CEO or a substantial shareholder of the Company, and whose remuneration exceeded S\$100,000 during the year.<sup>66</sup>

On 29 April 2011, the Company put in place a share option scheme approved by shareholders (the “**Share Option Scheme 2011**”). The Share Option Scheme 2011 was adopted for an initial duration of up to a maximum of ten (10) years, and was extended at the Company’s AGM on 28 April 2021 for a further period of ten (10) years from 29 April 2021 to 28 April 2031. Under the Share Option Scheme 2011, the number of shares in respect of which options may be granted shall be determined at the discretion of the RC who shall take into account, *inter alia*, the rank, past performance, years of service and potential contribution of the employee. Details of the options granted under the Share Option Scheme 2011 are set out in the Directors’ Statement on pages 39 to 44 of this Annual Report.<sup>67</sup>

<sup>65</sup> Provision 8.1(b) of the Code

<sup>66</sup> Provision 8.2 of the Code

<sup>67</sup> Provision 8.3 of the Code



## CORPORATE GOVERNANCE

### (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 determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The duties and responsibilities of the AC, which are set out in the section headed “Audit Committee” below, include having oversight of risk governance and risk management.<sup>68</sup>

The Board requires and has received assurance from:

- (a) the CEO and the Group Financial Controller that the financial records have been properly maintained and the financial statements give a true and fair view of the Group’s operations and finances; and<sup>69</sup>
- (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Group’s risk management and internal control systems.<sup>70</sup>

#### Audit Committee

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

#### Audit Committee

According to the written terms of reference of the AC, the AC’s duties and responsibilities are as follows:<sup>71</sup>

- (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company’s financial performance;
- (b) reviewing at least annually the adequacy and effectiveness of the Company’s internal controls and risk management systems;
- (c) reviewing the assurance from the CEO and the GFC on the financial records and financial statements;
- (d) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;
- (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit;
- (f) reviewing the adequacy, effectiveness, independence, scope and results of the Company’s internal audit function;

<sup>68</sup> Provision 9.1 of the Code

<sup>69</sup> Provision 9.2(a) of the Code

<sup>70</sup> Provision 9.2(b) of the Code

<sup>71</sup> Provision 10.1 of the Code

## CORPORATE GOVERNANCE

- (g) 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. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns;<sup>72</sup>
- (h) deciding on the appointment, termination and remuneration of the head of the internal audit function, as the primary reporting line of the internal audit function is to the AC;
- (i) meeting with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually;
- (j) carrying out the functions set out in Section 201B of the Companies Act;
- (k) reviewing and recommending the nature and extent of significant risks which the Company is willing to take in achieving its strategic objectives and value creation;
- (l) advising on the Company's overall risk tolerance and strategy;
- (m) overseeing and advising on the current risk exposures and future risk strategy of the Company;
- (n) in relation to risk assessment:
  - (i) keeping under review the Company's overall risk assessment processes that inform the Board's decision making;
  - (ii) reviewing regularly and approving the parameters used in these measures and the methodology adopted; and
  - (iii) setting a process for the accurate and timely monitoring of large exposures and certain risk types of critical importance;
- (o) reviewing the Company's capability to identify and manage new risk types;
- (p) before a decision to proceed is taken by the Board, advising on proposed strategic transactions, focusing in particular on risk aspects and implications for the risk tolerance of the company, and taking independent external advice where appropriate and available;
- (q) reviewing reports on any material breaches of risk limits and the adequacy of proposed action;
- (r) providing advice to the RC on risk weightings to be applied to performance objectives incorporated in executive remuneration;
- (s) monitoring the independence of risk management functions throughout the organization;
- (t) reviewing promptly all relevant risk reports on the Company;
- (u) reviewing and monitoring Management's responsiveness to the findings;
- (v) reviewing any matters relating to suspected fraud or irregularity, or suspected infringement of any Singapore laws or regulations or rules of the SGX-ST or any other regulatory authority in Singapore, of which the AC is aware, which has or is likely to have a material impact on the Company's or Group's operating results and/or financial position, and the findings of any internal investigations, and Management's response thereto; and
- (w) reporting to the Board from time to time on its activities.

<sup>72</sup> Provision 10.1(f) of the Code

## CORPORATE GOVERNANCE

The Group has in place a “Whistle Blowing Policy”, which is made available to employees, which sets out the procedures for a whistle-blower to make a report to the Company on any misconduct or wrongdoing relating to the Company and its officers or any breach or suspected breach of law or regulation that may adversely impact the Company.<sup>73</sup> The Whistle Blowing Policy provides an independent and confidential channel for employees to communicate concerns of wrongdoings, malpractices and illegal acts directly to the Chairman of the AC through the method of communication set out in the policy.<sup>74</sup> The Company has designated the General Manager, Risk Management to carry out investigations on reports made in good faith.<sup>75</sup> All reports are communicated directly to the Chairman of the AC. All reports, including the identity of the whistle-blower, will be treated strictly confidentially, unless the Company is required by law to disclose this, for example, to the police.<sup>76</sup> Reports can be made anonymously, if desired. The Company is committed to protect those who come forward to report such activities from punishment or detrimental or unfair treatment for disclosing concerns in good faith in accordance to the procedure set out in the policy, as well as to protect those who are subsequently assigned to assist in the investigation of the report.<sup>77</sup> The oversight of and monitoring of the Company’s whistle blowing policy is undertaken by the AC. The duties and responsibilities of the AC include (i) reviewing the whistleblowing policy and arrangements for whistleblowing reports to be safely raised, independently investigated and appropriately followed up on, and (ii) reviewing certain matters including matters relating to suspected fraud or irregularity or suspected infringement of any Singapore laws, and which has or is likely to have a material impact on the Company’s or Group’s operating results and/or financial position.<sup>78</sup>

The AC currently comprises three directors, all of whom are non-executive Directors, and the majority of which, including its Chairman, are Independent Directors.<sup>79</sup>

For FY2023, the members of the AC were:<sup>80</sup>

Mr. Yeo Wee Kiong, Chairman of the AC	(Independent Director)
Mr. Chan Kum Tao, Member of the AC	(Non-Executive Director)
Mr. Eu Yee Ming Richard, Member of the AC	(Independent Director)

At least two members of the AC (including the Chairman of the AC) have recent and relevant accounting or related financial management expertise or experience.<sup>81</sup>

The AC does not comprise former partners or directors of the Company’s existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.<sup>82</sup>

The primary reporting line of the internal audit function is to the AC.<sup>83</sup> The internal audit function is conducted by the Company’s internal auditor. The AC decides on the appointment, termination and remuneration of the internal auditor.<sup>84</sup> The internal auditor has unfettered access to the Group’s documents, records, properties and personnel, including access to the AC, and has appropriate standing within the Company.<sup>85</sup>

<sup>73</sup> Provision 10.1(f) of the Code, Rule 1207(18A) of the Listing Manual of the SGX-ST

<sup>74</sup> Provision 10.1(f) of the Code

<sup>75</sup> Provision 10.1(f) of the Code, Rule 1207(18B)(a) of the Listing Manual of the SGX-ST

<sup>76</sup> Provision 10.1(f) of the Code, Rule 1207(18B)(b) of the Listing Manual of the SGX-ST

<sup>77</sup> Provision 10.1(f) of the Code, Rule 1207(18B)(c) of the Listing Manual of the SGX-ST

<sup>78</sup> Provision 10.1(f) of the Code, Rule 1207(18B)(d) of the Listing Manual of the SGX-ST

<sup>79</sup> Provision 10.2 of the Code

<sup>80</sup> Provision 10.2 of the Code

<sup>81</sup> Provision 10.2 of the Code

<sup>82</sup> Provision 10.3 of the Code

<sup>83</sup> Provision 10.4 of the Code

<sup>84</sup> Provision 10.4 of the Code

<sup>85</sup> Provision 10.4 of the Code



## CORPORATE GOVERNANCE

To ensure the adequacy and effectiveness of the internal audit function, the AC reviews the scope of work of the internal auditor on an annual basis. Non-compliance and internal control weaknesses noted during internal audits and the recommendations thereof are reported to the AC as part of the review of the Group's internal control system.

The AC is satisfied that, for FY2023, the internal audit function of the Group is independent, effective and adequately resourced.<sup>86</sup>

The Company's external auditors are RSM SG Assurance LLP (an accounting firm registered with the Accounting and Corporate Regulatory Authority of Singapore).

The AC meets with the external auditors, and with the internal auditors, in each case without the presence of Management, at least once annually.<sup>87</sup>

During FY2023, the AC held 4 meetings. The external auditors were in attendance at 2 of these meetings, and the internal auditor was in attendance at 4 of these meetings.<sup>88</sup> In addition, the internal auditor also communicates directly with the AC from time to time.

The AC has reviewed all non-audit services to the Group by the external auditors, and is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.<sup>89</sup> The independence of the external auditors is reviewed by the AC annually. The Company confirms that it has complied with Rules 712 and 715 of the Listing Manual of the SGX-ST in relation to its auditing firms.<sup>90</sup> The audit service and non-audit service fees paid or payable for FY2023 are stated in page 62 of this Annual Report.<sup>91</sup>

The Management has in place a system of internal controls to safeguard shareholders' investments and the assets of the Group. It should be noted that such systems are designed to manage rather than eliminate the risk of failure to achieve the Group's business objectives. It should be further noted that no system of internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

The Board of Directors and the AC have reviewed the adequacy and effectiveness of the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems. Following from the foregoing and based on work done by the internal and external auditors and reviews performed by the Management throughout FY2023, the Board, with the concurrence of the AC, is of the opinion that, for FY2023, the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems are adequate and effective in providing reasonable assurance of the effectiveness of the Group in safeguarding its assets and shareholders' value under the current business environment.<sup>92</sup>

Provision 1.4 of the Code recommends, *inter alia*, that a summary of the AC's activities be disclosed in the annual report. During FY2023, the AC considered, *inter alia*, the audit plan, the unaudited quarterly financial statements of the Company, the audit review presented by the auditors, and the scope and results of the internal audits conducted.

<sup>86</sup> Rule 1207(10C) of the Listing Manual of the SGX-ST

<sup>87</sup> Provision 10.5 of the Code

<sup>88</sup> Provision 10.5 of the Code

<sup>89</sup> Rule 1207(6)(b) of the Listing Manual of the SGX-ST

<sup>90</sup> Rule 1207(6)(c) of the Listing Manual of the SGX-ST

<sup>91</sup> Rule 1207(6)(a) of the Listing Manual of the SGX-ST

<sup>92</sup> Rule 1207(10) of the Listing Manual of the SGX-ST

## CORPORATE GOVERNANCE

### (D) SHAREHOLDERS 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, positions and prospects.**

The Company 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, including voting procedures.<sup>93</sup> Shareholders have the opportunity to vote in person or by proxy.

The Company 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", in that a resolution(s) may be conditional upon another resolution(s) being passed, the Company explains the reasons and material implications in the notice of meeting.<sup>94</sup>

All resolutions at general meetings are put to the vote by way of poll and the detailed results of the voting for each of the resolutions are announced on the SGX-ST.

All Directors, senior management and the corporate secretarial agent attend general meetings of shareholders. The external auditors are also present at the AGMs to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report.<sup>95</sup> During FY2023, the AGM of the Company was the only general meeting that was held, and this was attended by all the Directors at the time.<sup>96</sup>

Provision 11.4 of the Code provides that the company's constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders. Principle 11 of the Code provides, *inter alia*, that 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. Voting in absentia by mail, facsimile or email, is currently not permitted by the Company's Constitution, which constitutes a variation from Provision 11.4 of the Code.<sup>97</sup> The Company is of the view that the intent of Principle 11 is met, as the existing arrangement whereby shareholders have the opportunity to vote by proxy is adequate in enabling shareholders to exercise their rights and have the opportunity to vote. Moreover, to allow voting in absentia by mail, facsimile or email would require careful consideration of various factors, including the integrity of information and authentication of the identity of shareholders.

Provision 11.5 of the Code provides, *inter alia*, that the company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. Principle 11 of the Code provides, *inter alia*, that 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 minutes of the AGM held on 20 April 2023 were published on the Company's website and SGXNET within 1 month after the date of the AGM. The minutes of general meetings would include substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.<sup>98</sup>

<sup>93</sup> Provision 11.1 of the Code

<sup>94</sup> Provision 11.2 of the Code

<sup>95</sup> Provision 11.3 of the Code

<sup>96</sup> Provision 11.3 of the Code

<sup>97</sup> Provision 11.4 of the Code

<sup>98</sup> Provision 11.5 of the Code

## CORPORATE GOVERNANCE

The Company's forthcoming AGM will be held on 29 April 2024 and will be held by physical means, at which shareholders will have the right to attend, ask questions and communicate their views, as well as to appoint proxies or to vote at the AGM. The minutes of the AGM to be held on 29 April 2024 will be published on the Company's website and SGXNET within one (1) month after the date of the AGM.

The declaration of final dividends, if any, is to be recommended by the Directors and subject to the approval of the shareholders by ordinary resolution. The Company's dividend policy is to distribute dividends based on the Company's performance, taking into consideration the resources needed for the Company's continuing and future operations and possible future plans.<sup>99</sup> After considering the Company's dividend policy, the Board is of the view that it is in the Company's interest to distribute a final cash dividend of 5 cents per ordinary share representing 54 % of the Group's net attributable profit to shareholders in FY2023 (based on the total number of issued shares of the Company (excluding any shares held as treasury shares or which comprise subsidiary holdings) as at the latest practicable date of 26 March 2024).<sup>100</sup>

### Engagement with Shareholders

***Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.***

The Company's website is at <http://sutlenterprise.com/>. The Company provides avenues for communication between the Board and all shareholders.<sup>101</sup> The AGM is the principal forum for dialogue with shareholders. All shareholders of the Company receive a copy of the Annual Report and notice of the Company's AGM. The notice is also advertised in the newspaper and made available via timely SGXNET announcements. The Company encourages active shareholder participation at its general meetings. Shareholders' views are sought at general meetings, and shareholders are given the opportunity to air their views and ask Directors and Management questions regarding the Company and the Group.

The Company's latest annual reports, financial results, corporate announcements and share trading information are available on the Company's website, and the Company also provides an email alert service so that shareholders and investors may be automatically alerted by email once the Company releases any announcements or filings on the SGX-ST.

The Company is committed to providing timely and transparent disclosures to enable the investment community to make reasonable assessments about the Group's performance. From time to time, SGXNET announcements are made in relation to the Group or its business.

Provision 12.2 of the Code provides that the company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders. Principle 12 of the Code provides that the company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company. The Company does not currently have a written investor relations policy, which constitutes a variation from Provision 12.2 of the Code. The Company is of the view that the intent of Principle 12 is met, as there is a section on "Investor Relations" on the Company's website. From this section, the Company's latest annual reports, financial results, corporate announcements and share trading information can be assessed, and the Company also provides an email alert service so that shareholders and investors may be automatically alerted by email once the Company releases any announcements

<sup>99</sup> Provision 11.6 of the Code

<sup>100</sup> Provision 11.6 of the Code

<sup>101</sup> Provision 12.1 of the Code



## CORPORATE GOVERNANCE

or filings on the SGX-ST. Shareholders and investors may also communicate with the Company and, as the case may be, submit any notices of interests or questions, via the Company's investor relations email address of [investor\\_relations@sutl.com](mailto:investor_relations@sutl.com), through which shareholders may contact the Company with questions and through which the Company may respond to such questions.<sup>102</sup>

### (E) MANAGING STAKEHOLDERS RELATIONSHIPS

#### Engagement with Stakeholders

***Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.***

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.<sup>103</sup>

The Company's key stakeholders comprise its members and customers, employees, the community, regulators and policy makers. The Company actively engages in meaningful and productive dialogue with its stakeholders and participates in various industry and government forums to keep abreast of any material stakeholder issues.<sup>104</sup>

Details of the Company's strategy and key areas of focus in relation to the management of stakeholder relationships during FY2023 were set out in the Company's Sustainability Report for FY2023, which was posted electronically on SGXNET and the Company's corporate website on 17 April 2023.<sup>105</sup>

The Company maintains a current corporate website at <http://sutlenterprise.com/>, to communicate and engage with stakeholders.<sup>106</sup>

### (F) OTHER MATTERS

#### Interested Person Transactions

The Company does not have a shareholder's mandate for interested person transactions pursuant to Rule 920 of the Listing Manual of the SGX-ST.

During FY2023, there were no interested person transactions (excluding transactions less than S\$100,000) entered into.

#### Material Contracts

Save as disclosed in this Annual Report, there were no material contracts entered into by the Company or its subsidiaries involving the interests of the CEO, Directors or controlling shareholders which were still subsisting as at 31 December 2023 or if not then subsisting, entered into since 31 December 2022.

<sup>102</sup> Provision 12.3 of the Code

<sup>103</sup> Provision 13.1 of the Code

<sup>104</sup> Provision 13.1 of the Code

<sup>105</sup> Provision 13.2 of the Code

<sup>106</sup> Provision 13.3 of the Code

## CORPORATE GOVERNANCE

### Securities Transactions

The Group has adopted and implemented an internal policy governing securities transactions by its officers and employees. Under the internal policy, officers and other employees are reminded that (i) an officer of the Company should not deal in the securities of the Company on short-term considerations; and (ii) the Company and its officers should not deal in the securities of the Company during the period commencing two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), or one month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements), and ending on the date of announcement of the relevant results.

### (G) ADDITIONAL INFORMATION RELATING TO DIRECTORS WHO ARE PROPOSED TO BE RE-ELECTED TO THE BOARD

#### Mr Tay Teng Guan Arthur

<b>Age</b>	68
<b>Country of Principal Residence</b>	Singapore
<b>Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries</b>	<p>Sibling of Mr Tay Teng Hock, who is a Non-Executive Director of the Company.</p> <p>Uncle of Mr Tay Kuan Wee Alex, who is the Special Assistant to the CEO and is a son of Mr Tay Teng Hock.</p> <p>Uncle of Mr Tay Kuan Jin Alvin, who is the Senior Business Development Manager, and is a son of Mr Tay Teng Hock.</p>
<b>Conflict of interest (including any competing business)</b>	<p>No.</p> <p>Mr Tay Teng Guan Arthur is a shareholder of SUTL Global Pte. Ltd., and has interests in the SUTL group of companies, a diversified enterprise with businesses in consumer goods and leisure. The Company has obtained undertakings such that Mr Tay Teng Guan Arthur shall not be engaged in certain businesses. The details of such undertakings are set out on page 17 of the circular to shareholders issued by the Company dated 11 May 2015 in relation to, inter alia, the proposed acquisition by the Company of SUTL Marina Development Pte Ltd and ONE15 Luxury Yachting Pte Ltd (the "<b>Circular</b>").</p>
<b>Undertaking (in the format set out in Appendix 7.7) under Rule 720(1)</b>	Submitted to the Company

## CORPORATE GOVERNANCE

<p><b>Any prior experience as a director of an issuer listed on the Exchange?</b></p> <p><b>If yes, please provide details of prior experience.</b></p> <p><b>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.</b></p> <p><b>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).</b></p>	<p>Yes. From 1988 to 2012, independent director of Sing Investments &amp; Finance Limited.</p>
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### Mr. Tay Teng Hock

<b>Age</b>	67
<b>Country of Principal Residence</b>	Singapore
<b>Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries</b>	<p>Sibling of Mr Tay Teng Guan Arthur, who is an Executive Director and the CEO. Mr Tay Teng Guan Arthur is considered a controlling shareholder of the Company. Mr Tay Teng Guan Arthur holds approximately 51% in the total issued shares of SUTL Global Pte. Ltd. SUTL Global Pte. Ltd. is a controlling shareholder of the Company as it is directly interested in an aggregate of 47,389,942 shares representing approximately 54.17% of the total number of shares issued by the Company. Mr Tay Teng Guan Arthur also holds 619,000 shares representing approximately 0.708% of the total number of shares issued by the Company.</p> <p>Father of Mr Tay Kuan Wee Alex, who is the Special Assistant to the CEO.</p> <p>Father of Mr Tay Kuan Jin Alvin, who is the Senior Business Development Manager.</p>



## CORPORATE GOVERNANCE

<b>Conflict of interest (including any competing business)</b>	No. Mr Tay Teng Hock is a shareholder of SUTL Global Pte. Ltd., and has interests in the SUTL group of companies, a diversified enterprise with businesses in consumer goods and leisure. The Company has obtained undertakings such that Mr Tay Teng Hock shall not be engaged in certain businesses. The details of such undertakings are set out on page 17 of the circular to shareholders issued by the Company dated 11 May 2015 in relation to, inter alia, the proposed acquisition by the Company of SUTL Marina Development Pte Ltd and ONE15 Luxury Yachting Pte Ltd.
<b>Undertaking (in the format set out in Appendix 7.7) under Rule 720(1)</b>	Submitted to the Company.
<b>Any prior experience as a director of an issuer listed on the Exchange?</b>  <b>If yes, please provide details of prior experience.</b>  <b>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.</b>  <b>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).</b>	Prior to appointment as Director of the Company in 2010, no.

Further information relating to the Directors who are proposed to be re-elected to the Board is also set out on pages 7 and 8 of the Annual Report.

The re-election of Mr Tay Teng Guan Arthur as the Executive Director of the Company and re-election of Mr Tay Teng Hock as the Non-Executive Director of the Company were recommended by the NC, and the Board has accepted the recommendations, after taking into consideration each of their qualifications, expertise and overall contributions to the Company from each of their initial appointment as a Director of the Company.

The shareholding interest of Mr Tay Teng Guan Arthur and Mr Tay Teng Hock in the Group is set out on pages 39, 40 and 42 of the Annual Report.

Mr Tay Teng Guan Arthur and Mr Tay Teng Hock have individually confirmed that for each of the questions as set out in paragraphs (a) to (k) of Appendix 7.4.1 of the Listing Manual of the SGX-ST, the answer is "no".

## SUSTAINABILITY REPORT SUMMARY

This section provides an overview of the Group's sustainability practices, progress and performance for FY2023.

Our sustainability report ("Report") is prepared in accordance with the Singapore Exchange Securities Trading Limited's Listing Manual and with reference to the Global Reporting Initiatives Standards 2021. The Report covers sustainability performance of our operations in Singapore, focusing on (1) the operations at ONE°15 Marina Sentosa Cove under SUTL Marina Development Pte. Ltd and (2) events organised by ONE°15 Events Management Pte. Ltd.

We acknowledge that managing the impacts of our operations is necessary to ensure that we continue enhancing our sustainability practices in the five focus areas:

- Upholding Good Governance and Ethics
- Building Climate Change Resilience
- Protecting Our Environment
- Caring for Our Customers
- Developing Our Human Capital

These focus areas have also served as our compass during our strategic planning process.



In line with our commitment to the Sentosa Carbon Neutral Network and support of Sentosa's target to attain carbon neutrality by 2030, we have started using solar electricity in FY2023 since the solar panels had been installed at our premises in Sentosa Island. Our other sustainability achievements in 2023 are summarised as below:

### Blue Water EduFest 2023

Second year of hosting a three-day festival, we aim to continue raising awareness about ocean conservation and empowering the next generation of ocean stewards

### Marina Clean Up is branded as ONE°15 Clean Up

ONE°15 Clean Up has expanded the area to include Siloso Beach in FY2023

### Removal of Marine Debris

We are the first to have Collec'Thors\* installed in Asia. The three machines have removed 3 tonnes of floating waste from the water surface of the marina since March 2023

### Removal of Single-use Plastics

At least 37,000 single-use plastic bottles are saved by replacing mineral water bottles with glassware in our hotels and meeting rooms

### Singapore World Water Day 2023

By participating in the annual nationwide initiative organised by the Public Utilities Board, we have spent time educating our ONE°15 Marina Sentosa Cove members on water conservation

### Waste Oil Management

Approximately 6,000 litres of engine oil disposed by yachts in the marina were collected, filtered and sent for recycling

### Conservation Funding for Institutes of Higher Learning (IHL)

The Group has set aside S\$250,000 to support initiatives with local IHLs, including scholarship programmes, conservation project at ONE°15 Marina Nirup Island and seed funding for researchers in the next 3-5 years.

### Continuous Investment on Employees Development

We continue to upskill our employees through training provision. On average, our employees have received 18 hours of training in FY2023

\*Collec'Thors are designed to attract and collect solid and liquid waste floating on the water's surface, and can handle up to 100kg of waste.

## SUSTAINABILITY REPORT SUMMARY

As the first marina in Southeast Asia to be accredited as a 'Level 4 Clean Marina', ONE°15 Marina Sentosa Cove Singapore continue to commit to minimise its impact to the environment by actively engaging in exemplary environmental practices. Refer to ONE15 Marina's Environmental Policy at [www.one15marina.com/environmental-policy/](http://www.one15marina.com/environmental-policy/)

More information on the Group's efforts on sustainability management in FY2023 can be found in our standalone 2023 Sustainability Report which will be posted electronically on SGXNet and our corporate website in April 2024.



## DIRECTORS' STATEMENT

The directors of the Company are pleased to present their statement to the members with the audited consolidated financial statements of SUTL Enterprise Limited (the "Company") and its subsidiaries (collectively, the "Group") and the financial position and statement of changes in equity of the Company for the financial year ended 31 December 2023.

### 1. Opinion of the directors

In the opinion of the directors,

- (a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position of the Company and, of the financial position and performance of the Group for the reporting year covered by the financial statements or consolidated financial statements; and
- (b) at the date of the statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

### 2. Directors

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

Eu Yee Ming Richard  
Tay Teng Guan Arthur  
Tay Teng Hock  
Chan Kum Tao  
Yeo Wee Kiong

### 3. Directors' interests in shares and debentures

The following directors of the Company, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act 1967 (the "Act"), an interest in the shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

Name of director and company in which interests are held	Direct interests		Deemed interests	
	At the beginning of the financial year	At the end of the financial year	At the beginning of the financial year	At the end of the financial year
<u>The Company</u>	<u>Number of ordinary shares</u>			
Tay Teng Guan Arthur	125,000	619,000	47,389,942	47,389,942
Tay Teng Hock	50,000	100,000	—	—
Chan Kum Tao	50,000	250,000	—	—
Yeo Wee Kiong	50,000	100,000	—	—

## DIRECTORS' STATEMENT

### 3. Directors' interests in shares and debentures (cont'd)

Name of director and company in which interests are held	Direct interests		Deemed interests	
	At the beginning of the financial year	At the end of the financial year	At the beginning of the financial year	At the end of the financial year
Holding company	<u>Number of ordinary shares</u>			
SUTL Global Pte Ltd				
Tay Teng Guan Arthur	50,617,284	50,617,284	–	–
Tay Teng Hock	14,814,815	14,814,815	–	–
The Company	<u>Number of shares under option</u>			
Eu Yee Ming Richard	125,000	250,000	–	–
Tay Teng Guan Arthur	863,000	369,000	–	–
Tay Teng Hock	350,000	400,000	–	–
Chan Kum Tao	350,000	250,000	–	–
Yeo Wee Kiong	250,000	300,000	–	–

By virtue of his direct interest in SUTL Global Pte. Ltd., Tay Teng Guan Arthur is deemed, under section 7 of the Act, to have an interest in the shares of the Company held by SUTL Global Pte. Ltd.

Tay Teng Guan Arthur, who by virtue of his deemed interest of not less than 50% of the issued share capital of the Company, is deemed to have an interest in the whole of the share capital of the Company's wholly owned subsidiaries and in the shares held by the Company in the following subsidiaries that are not wholly owned by the Group:

	Direct interests		Deemed interests	
	At the beginning of the financial year	At the end of the financial year	At the beginning of the financial year	At the end of the financial year
	<u>Number of ordinary shares</u>			
Sarandra Malaysia Sdn Bhd	–	–	3,480,000	3,480,000
One15 Marina Development Bhd	–	–	5,000,000	5,000,000
One15 Marina Management Sdn Bhd	–	–	100	100

The directors' interests as at 21 January 2024 were the same as those at the end of the financial year.

## DIRECTORS' STATEMENT

### 4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist arrangements to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate except for the options rights and other rights mentioned below.

### 5. Share options

Share Option Scheme 2011 for the employees of the Group and directors of the Company ("SOS 2011") was approved by the members of the Company at an Extraordinary General Meeting held on 29 April 2011.

SOS 2011 was extended for a period of ten years from 29 April 2021 up to and including 28 April 2031.

Pursuant to the SOS 2011, participants would be granted options to subscribe for ordinary shares of the Company, and the options granted will have an exercise period expiring at the end of five years (for Non-Executive Directors) and ten years (for the employees of the Group inclusive of executive directors) from the date of the grant.

The exercise price is at:

- A price which is equivalent to the market price (as determine under the rules of the SOS 2011); or
- A price which is set at a discount to the market price (as determined under the rules of the SOS 2011), provided that the maximum discount shall not exceed 20% of the market price.

The options will be exercisable after the expiration of the first and second anniversaries of the date the options were granted.

The SOS 2011 is administered by the Remuneration Committee whose members are:

Yeo Wee Kiong	(Chairman)
Eu Yee Ming Richard	(Member)
Chan Kum Tao	(Member)

On 4 May 2023, the Company granted options to directors and employees of the Group to subscribe for 1,035,000 (19 May 2022: 1,343,000) shares in the Company. 50% of the share options will be exercisable after the first anniversary of the date of grant. The balance of the share options will be exercisable after the second anniversary of the date of grant, provided that the options granted to the executive employees and executive director shall be exercised before the tenth anniversary of the date of grant, and the share options granted to non-executive directors shall be exercised before the fifth anniversary of the relevant date of grant. The exercise price is S\$0.56 (2022: S\$0.48) per share.



## DIRECTORS' STATEMENT

### 5. Share options (cont'd)

Details of the options to subscribe for ordinary shares of the Company granted to directors, controlling shareholders and their associates and employees of the Group pursuant to SOS 2011 are as follows:

Name of holders	Options granted and accepted during the financial year under review	Aggregate options granted since commencement of Scheme to end of financial year under review	Aggregate options exercised since commencement of Scheme to end of financial year under review	Aggregate options lapsed since commencement of Scheme to end of financial year under review	Aggregate options outstanding as at year end of financial year under review
<b>SOS 2011</b>					
<u>Directors</u>					
Eu Yee Ming Richard	125,000	250,000	–	–	250,000
Chan Kum Tao	100,000	500,000	(250,000)	–	250,000
Yeo Wee Kiong	100,000	400,000	(100,000)	–	300,000
Retired directors	–	475,000	(62,500)	(100,000)	312,500
<u>Controlling shareholder and his associate</u>					
Tay Teng Guan Arthur	–	988,000	(619,000)	–	369,000
Tay Teng Hock	100,000	500,000	(100,000)	–	400,000
Employees	610,000	2,980,000	(920,000)	(1,170,000)	890,000
	<b>1,035,000</b>	<b>6,093,000</b>	<b>(2,051,500)</b>	<b>(1,270,000)</b>	<b>2,771,500</b>

The outstanding number of options at the end of the reporting year was:

Exercise price	Grant date	Exercise period	Number of shares outstanding as at	
			31 December 2023	2022
57.70 cents	5 July 2019	5 July 2020 to 4 July 2024	325,000	325,000
57.70 cents	5 July 2019	5 July 2020 to 4 July 2029	450,000	450,000
38.00 cents	5 July 2020	3 July 2021 to 2 July 2025	62,500	212,500
38.00 cents	3 July 2020	3 July 2021 to 2 July 2030	–	300,000
50.00 cents	24 May 2021	24 May 2022 to 24 May 2026	325,000	425,000
50.00 cents	24 May 2021	24 May 2022 to 24 May 2031	50,000	760,000
48.00 cents	19 May 2022	19 May 2023 to 19 May 2026	375,000	425,000
48.00 cents	19 May 2022	19 May 2023 to 19 May 2031	349,000	768,000
56.00 cents	4 May 2023	4 May 2024 to 3 May 2028	425,000	–
56.00 cents	4 May 2023	4 May 2024 to 3 May 2033	410,000	–
			<b>2,771,500</b>	<b>3,665,500</b>

Aggregate options granted since commencement of SOS 2011 to end of the financial year under review is 6,093,000 (2022: 5,058,000).

During the reporting year, 1,439,000 shares were issued by virtue of the exercise of share options.

## DIRECTORS' STATEMENT

### 6. Independent auditor

RSM SG Assurance LLP has expressed willingness to accept re-appointment.

This independent auditor was known as RSM Chio Lim LLP before 1 March 2024.

### 7. Report of audit committee

The members of the audit committee ("AC") at the date of this report are as follows:

Yeo Wee Kiong (Chairman)  
Eu Yee Ming Richard (Member)  
Chan Kum Tao (Member)

The AC performed the functions specified by section 201B (5) of the Act. Among other functions, it reviewed the following, where relevant, with management, the external auditors and the internal auditors:

- The audit plan of the independent external auditor.
- The independent external auditor's evaluation of the company's internal accounting controls relevant to the statutory audit, the audit report on the financial statements and the assistance given by management to the auditor.
- The scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by the management to the internal auditor.
- The financial statements of the group and the company prior to their submission to the directors of the company for adoption.
- The interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the AC are described in the report on corporate governance included in the annual report of the Company. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditor provides non-audit services.

The AC has recommended to the board of directors that the independent auditor, RSM SG Assurance LLP, be nominated for re-appointment as the independent auditor at the next annual general meeting of the Company.

## DIRECTORS' STATEMENT

### 8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the AC and the board are of the opinion that the Group's internal controls and risk management systems, addressing financial, operational, compliance and information technology risks, are adequate and effective as at the end of the reporting year 31 December 2023.

### 9. Subsequent developments

There are no significant developments subsequent to the release of the Group's and the Company's preliminary financial statements, as announced on 27 February 2024, which would materially affect the Group's and the Company's operating and financial performance as of the date of this report.

On behalf of the board of directors

.....  
Tay Teng Guan Arthur  
Director

22 March 2024

.....  
Tay Teng Hock  
Director



# INDEPENDENT AUDITOR'S REPORT

To the members of SUTL Enterprise Limited

## Report on the audit of the financial statements

### Opinion

We have audited the accompanying financial statements of SUTL Enterprise 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 2023, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group, and statement of changes in equity of the Company for the reporting year then ended, and notes to the financial statements, including material accounting policy information.

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 (the “Act”) 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 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the reporting 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 Company 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.

# INDEPENDENT AUDITOR'S REPORT

To the members of SUTL Enterprise Limited

## 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 reporting year. 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.

### 1. Classification of non-current assets held for sale

Refer to Note 19 for accounting policies, critical judgements, assumptions and estimation uncertainties in relation to non-current assets held for sale.

The Group's assets held for sale comprise of freehold land, furniture and fittings, equipment, pontoons and fixtures (the "Assets") with an aggregate sum of \$3,202,000 (2022: \$4,423,000) as at 31 December 2023.

We identified the classification and the assessment of the carrying value of the assets held for sale as a key audit matter as the determination of whether these Assets continue to meet the criteria for classification as held for sale, as set out under SFRS(I) 5 – Non-current Assets Held for Sale and Discontinued Operations ("SFRS(I) 5"), required judgement. Further, the determination of the fair value less costs to sell required estimations, including expected future selling prices and the costs necessary to complete the sale of these Assets.

As required by SFRS(I) 5, management measured the Assets in accordance with SFRS(I) 1-36 – Impairment of Assets ("SFRS(I) 1-36") and recorded an impairment loss of \$2,790,000 in 2021 in conjunction with the classification of the Assets as held for sale. A further write down of \$97,000 was recorded in 2023, with the decline in value being attributable to foreign exchange differences.

We reviewed management's assessment of the basis for continuing to classify these Assets as held for sale, particularly as the substantial portion of these Assets remain unsold at 31 December 2023. We assessed the reasonableness of the recoverable amounts of these Assets, which had been determined by management with reference to expected sale prices less costs to sell. We also assessed the adequacy of the disclosures made in the financial statements.

## Other information

Management is responsible for the other information. The other information comprises the statement by directors 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.

# INDEPENDENT AUDITOR'S REPORT

To the members of SUTL Enterprise Limited

## 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 the financial reporting standards, 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

## Auditor's responsibilities for the audit of the financial statements

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

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

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) 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 Company'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 Company to cease to continue as a going concern.
- (e) 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.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.



## INDEPENDENT AUDITOR'S REPORT

To the members of SUTL Enterprise Limited

### Auditor's responsibilities for the audit of the financial statements (cont'd)

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.

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 those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Naveen Sasidaran.

RSM SG Assurance LLP  
Public Accountants and  
Chartered Accountants  
Singapore

22 March 2024

Engagement partner – effective from reporting year ended 31 December 2021.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year Ended 31 December 2023

		Group	
	Notes	2023 \$'000	2022 \$'000
<b>Revenue</b>			
Sales of goods and services		29,547	27,515
Membership related fees and management fees		10,565	10,617
<b>Total revenue</b>	5	40,112	38,132
Other income	6	3,354	1,432
<b>Items of expense</b>			
Employee benefits expense	7	(13,077)	(12,131)
Advertising, publication and event expenses		(955)	(898)
Depreciation expense	12	(5,596)	(5,612)
Cost of sales		(5,691)	(5,602)
Repair, maintenance and cleaning expenses		(1,975)	(1,876)
Utilities		(1,254)	(811)
Property tax		(1,129)	(883)
Allowance for expected credit losses on trade receivables	15	(473)	(406)
Loan interest, bank and credit card charges		(761)	(776)
Other expenses		(2,874)	(2,467)
<b>Total expenses</b>		(33,785)	(31,462)
<b>Profit before tax from continuing operations</b>		9,681	8,102
Income tax expense	9	(2,199)	(1,156)
<b>Profit from continuing operations for the year</b>		7,482	6,946
<b>Other comprehensive income:</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations, net of tax		542	473
<b>Total comprehensive income</b>		8,024	7,419
<b>Profit attributable to:</b>			
Owners of the Company		8,091	7,520
Non-controlling interests		(609)	(574)
<b>Profit net of tax</b>		7,482	6,946
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		8,410	7,806
Non-controlling interests		(386)	(387)
<b>Total comprehensive income</b>		8,024	7,419
<b>Earnings per share attributable to owners of the Company (cents)</b>			
Basic	11	9.31	8.74
Diluted	11	9.29	8.73

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

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

		Group		Company	
	Notes	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>ASSETS</b>					
<b><u>Non-current assets</u></b>					
Property, plant and equipment	12	56,923	61,316	–	–
Investment in subsidiaries	13	–	–	20,399	20,640
		56,923	61,316	20,399	20,640
<b><u>Current assets</u></b>					
Inventories	14	172	174	–	–
Prepayments		519	436	–	3
Trade and other receivables	15	3,996	2,629	269	197
Amounts due from related companies	17	39	–	1,080	230
Other financial assets	16	26,923	29,661	26,923	29,661
Cash and cash equivalents	18	35,264	25,742	27,902	16,817
		66,913	58,642	56,174	46,908
Non-current assets classified as held for sale	19	3,202	4,423	–	–
		70,115	63,065	56,174	46,908
<b>Total assets</b>		127,038	124,381	76,573	67,548
<b>EQUITY AND LIABILITIES</b>					
<b><u>Equity</u></b>					
Share capital	20	47,972	47,072	42,002	41,102
Treasury shares	20A	(495)	(495)	(495)	(495)
Retained earnings		16,961	13,206	21,667	5,513
Other reserves	22	1,128	932	350	473
<b>Equity, attributable to owners of the Company</b>		65,566	60,715	63,524	46,593
Non-controlling interests		(3,548)	(3,162)	–	–
<b>Total equity</b>		62,018	57,553	63,524	46,593
<b><u>Non-current liabilities</u></b>					
Deferred tax liabilities	9C	7,144	6,699	–	–
Deferred membership income	23	35,724	39,600	–	–
Bank borrowings	25	–	674	–	–
		42,868	46,973	–	–
<b><u>Current liabilities</u></b>					
Income tax payable		1,814	61	183	62
Deferred membership income	23	3,634	3,693	–	–
Loan from a subsidiary	27	–	–	12,485	20,500
Loans from non-controlling interests	24	5,067	5,155	–	–
Trade and other payables	26	11,605	10,585	381	388
Amount due to related companies	17	32	–	–	5
Bank borrowings	25	–	361	–	–
		22,152	19,855	13,049	20,955
<b>Total liabilities</b>		65,020	66,828	13,049	20,955
<b>Total equity and liabilities</b>		127,038	124,381	76,573	67,548

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



# STATEMENTS OF CHANGES IN EQUITY

Year Ended 31 December 2023

Group	Total equity \$'000	Attributable to owners of the Company sub-total \$'000	Share capital \$'000	Retained earnings \$'000	Treasury shares \$'000	Other reserves \$'000	Non- controlling interests \$'000
<b>Current year:</b>							
Balance at 1 January 2023	57,553	60,715	47,072	13,206	(495)	932	(3,162)
Profit / (loss) for the year	7,482	8,091	–	8,091	–	–	(609)
<u>Other comprehensive income</u>							
Foreign currency translation gain	542	319	–	–	–	319	223
Total comprehensive income for the year	8,024	8,410	–	8,091	–	319	(386)
<u>Contributions by and distributions to owners</u>							
Dividends on ordinary shares (Note 10)	(4,373)	(4,373)	–	(4,373)	–	–	–
Share-based payment expense (Note 21)	149	149	–	37	–	112	–
Issuance of shares pursuant to the exercise of employee share options	665	665	900	–	–	(235)	–
Total contributions by and distributions to owners	(3,559)	(3,559)	900	(4,336)	–	(123)	–
<b>Balance at 31 December 2023</b>	<b>62,018</b>	<b>65,566</b>	<b>47,972</b>	<b>16,961</b>	<b>(495)</b>	<b>1,128</b>	<b>(3,548)</b>

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

## STATEMENTS OF CHANGES IN EQUITY

Year Ended 31 December 2023

Group	Total equity \$'000	Attributable to owners of the Company sub-total \$'000	Share capital \$'000	Retained earnings \$'000	Treasury shares \$'000	Other reserves \$'000	Non-controlling interests \$'000
<b>Previous year:</b>							
Balance at 1 January 2022	51,640	54,415	47,034	7,360	(495)	516	(2,775)
Profit / (loss) for the year	6,946	7,520	–	7,520	–	–	(574)
<u>Other comprehensive income</u>							
Foreign currency translation gain	473	286	–	–	–	286	187
Total comprehensive income for the year	7,419	7,806	–	7,520	–	286	(387)
<u>Contributions by and distributions to owners</u>							
Dividends on ordinary shares (Note 10)	(1,720)	(1,720)	–	(1,720)	–	–	–
Share-based payment expense (Note 21)	185	185	–	46	–	139	–
Issuance of shares pursuant to the exercise of employee share options	29	29	38	–	–	(9)	–
Total contributions by and distributions to owners	(1,506)	(1,506)	38	(1,674)	–	130	–
<b>Balance at 31 December 2022</b>	<b>57,553</b>	<b>60,715</b>	<b>47,072</b>	<b>13,206</b>	<b>(495)</b>	<b>932</b>	<b>(3,162)</b>

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

# STATEMENTS OF CHANGES IN EQUITY

Year Ended 31 December 2023

Company	Total equity \$'000	Share capital \$'000	Retained earnings \$'000	Treasury shares \$'000	Other reserves \$'000
<b>Current year:</b>					
Balance at 1 January 2023	46,593	41,102	5,513	(495)	473
Total comprehensive income for the year	20,490	–	20,490	–	–
<u>Contributions by and distributions to owners</u>					
Dividends on ordinary shares (Note 10)	(4,373)	–	(4,373)	–	–
Share-based payment expense (Note 21)	149	–	37	–	112
Issuance of shares pursuant to the exercise of employee share options	665	900	–	–	(235)
Total contributions by and distributions to owners	(3,559)	900	(4,336)	–	(123)
<b>Balance at 31 December 2023</b>	<b>63,524</b>	<b>42,002</b>	<b>21,667</b>	<b>(495)</b>	<b>350</b>
<b>Previous year:</b>					
Balance at 1 January 2022	48,778	41,064	7,866	(495)	343
Total comprehensive loss for the year	(679)	–	(679)	–	–
<u>Contributions by and distributions to owners</u>					
Dividends on ordinary shares (Note 10)	(1,720)	–	(1,720)	–	–
Share-based payment expense (Note 21)	185	–	46	–	139
Issuance of shares pursuant to the exercise of employee share options	29	38	–	–	(9)
Total contributions by and distributions to owners	(1,506)	38	(1,674)	–	130
<b>Balance at 31 December 2022</b>	<b>46,593</b>	<b>41,102</b>	<b>5,513</b>	<b>(495)</b>	<b>473</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year Ended 31 December 2023

	Group	
	2023	2022
	\$'000	\$'000
<b><u>Cash flows from operating activities</u></b>		
Profit before income tax	9,681	8,102
Adjustments for:		
Depreciation of property, plant and equipment	5,596	5,612
Deferred membership income recognised	(3,876)	(3,877)
Loss / (gain) on disposal of property, plant and equipment	17	(16)
Property, plant and equipment written off	–	244
Impairment of assets held for sale	97	–
Interest expense	237	291
Interest income	(1,825)	(542)
Share-based payment expense	149	185
Foreign exchange adjustment unrealised losses	480	433
Operating cash flows before changes in working capital	10,556	10,432
(Increase) / decrease in inventories	2	(3)
(Increase) / decrease in trade and other receivables and prepayments	(1,449)	96
(Increase) / decrease in amounts due from related companies	(39)	102
Increase / (decrease) in amounts due to related companies	32	(25)
Increase / (decrease) in trade and other payables	929	928
Increase / (decrease) in deferred membership income	(52)	(333)
Cash flows generated from operations	9,979	11,197
Income tax paid	–	(13)
Net cash flows generated from operating activities	9,979	11,184
<b><u>Cash flows used in investing activities</u></b>		
Interest received	1,825	542
Redemption on maturity / (purchase) of other financial assets	2,738	(29,661)
Proceeds from sale of assets held for sale	852	25
Purchase of property, plant and equipment	(1,129)	(962)
Net cash flows generated from / (used in) investing activities	4,286	(30,056)
<b><u>Cash flows used in financing activities</u></b>		
Interest paid	–	(39)
Dividends paid on ordinary shares	(4,373)	(1,720)
Proceeds from issuance of shares pursuant to the exercise of employee share options	665	29
Repayment of bank borrowing	(1,035)	(355)
Net cash flows used in financing activities	(4,743)	(2,085)
<b>Net increase / (decrease) in cash and cash equivalents</b>	9,522	(20,957)
Cash and cash equivalents, statement of cash flows, beginning balance	25,742	46,699
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 18)</b>	35,264	25,742

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



# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 1. General

The Company is a limited liability company incorporated in Singapore and listed on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The financial statements are presented in Singapore dollars and they cover the Company and its subsidiaries.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors. The directors have the power to amend and reissue the financial statements.

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

The principal activities of the subsidiaries are described in the notes to financial statements below.

The registered office of the Company is located at 100J Pasir Panjang Road #05-00 SUTL House Singapore 118525.

### Macroeconomic conditions related disclosures

The conditions remain challenging with geopolitical instability and high interest rate environment affecting domestic and global growth and causing high inflation. Management reviewed the probable impact and plausible downside scenarios. No material uncertainties were identified in connection with the reporting entity's ability to continue in operational existence for the near future.

### Statement of compliance with financial reporting standards

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS (I)s") and the related Interpretations to SFRS (I) ("SFRS (I) INT") as issued by the Accounting Standards Committee under ACRA ("ASC"). They comply with the provisions of the Companies Act 1967 and with the International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB").

### Basis of preparation of the financial statements

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. Disclosures are made on the accounting policy information relating to material transactions, other events or conditions if that information is material to the financial statements or is required by a financial reporting standard. It is regarded as material if users of the financial statements would need it to understand other material information in the financial statements. Account balance entity-specific accounting policies and other information are disclosed in the relevant respective account balances in the financial statements. Entity-specific accounting policies and other information that relate to more than one account balance or a class of material transactions are described below.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 1. General (cont'd)

### Basis of preparation of the financial statements

The consolidated financial statements include the financial statements made up to the end of the reporting year of the Company and all of its subsidiaries. The consolidated financial statements are the financial statements of the Group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the Group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the Group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

## 2. Disclosures of material accounting policy and other explanatory information

### 2A. Material accounting policy and other explanatory information - general

#### Foreign currency transactions and balances

The functional currency of the Company is the Singapore dollars as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation of the Group financial statements is in the functional currency of the Company.

#### Translation of financial statements of foreign operations

Each component in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 2. Disclosures of material accounting policy and other explanatory information (cont'd)

### 2A. Material accounting policy and other explanatory information - general (cont'd)

#### Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (eg by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances). Inputs used are consistent with the characteristics of the asset or liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety: Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (ie as prices) or indirectly (ie derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are material differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting year end date.

#### Other specific material accounting policy and other explanatory information

These are disclosed in the relevant notes to the financial statements.

### 2B. Critical judgments, assumptions and estimation uncertainties

Disclosures on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting year, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed in the corresponding Notes to these financial statements. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

- (1) Classification and measurement of non-current assets held for sale. See Note 19.
- (2) Assessing expected credit loss allowance on trade and other receivables. See Note 15.
- (3) Estimation of useful lives of property, plant and equipment. See Note 12.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 3. Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) related party relationships, transactions and outstanding balances, including commitments, including (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

### 3A. Members of a group

Name	Relationship	Country of incorporation
SUTL Global Pte. Ltd.	Holding company	Singapore

Related companies in these financial statements include the subsidiaries of the above company.

The ultimate controlling party is Tay Teng Guan Arthur, a director and controlling shareholder of the holding company.

### 3B. Related company transactions

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and transfer of resources, services or obligations if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

Material related party transactions:

	Group	
	2023 \$'000	2022 \$'000
<u>Related companies</u>		
Sales of goods and services	482	410
Purchase of goods and services	(201)	(331)

### 3C. Key management compensation

	Group	
	2023 \$'000	2022 \$'000
Salaries and other short-term employee benefits	1,644	1,573
Directors' fees	272	259
Share-based payments expense	139	207
	2,055	2,039



# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 3. Related party relationships and transactions (cont'd)

### 3C. Key management compensation (cont'd)

The above amounts are included under employee benefits expense. Included in the above are the following items:

	2023 \$'000	2022 \$'000
Group:		
Salaries and other short-term employee benefits	581	550
Directors' fees	272	259
Share-based payments expense of the directors	80	87

Further information about the remuneration of individual directors is provided in the report on corporate governance.

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

The above amounts do not include compensation, if any, of certain key management personnel and directors of the Company who received compensation from related corporations that are not subsidiaries of the Company, in their capacity as directors and or executives of those related corporations.

## 4. Financial information by operating segments

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

### 4A. Business segments

The Group is principally engaged in the business of marina operations. The assets, liabilities and capital expenditure of the Group are employed in this sole business segment.

### 4B. Geographical information

Segment revenue is based on the location of customers. Segment non-current assets and capital expenditure are based on the location of those assets.

	Singapore		Malaysia		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Revenue	39,505	37,633	607	499	40,112	38,132
Non-current assets	56,923	61,316	–	–	56,923	61,316
Capital expenditure	1,129	962	–	–	1,129	962

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 4. Financial information by operating segments (cont'd)

### 4C. Information about major customers

There are no customers with revenue transactions of over 10% of the Group's revenue.

## 5. Revenue

Revenue is from contracts with customers.

A. Revenue classified by type of service:

	Group	
	2023 \$'000	2022 \$'000
<u>Major service lines</u>		
Membership related fees and management fees	10,565	10,617
Sale of goods and services	29,547	27,515
	<u>40,112</u>	<u>38,132</u>

B. Revenue classified by timing of revenue recognition:

	Group	
	2023 \$'000	2022 \$'000
Point in time	30,804	28,845
Over time	9,308	9,287
	<u>40,112</u>	<u>38,132</u>

Material accounting policy and other explanatory information - 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 amounts 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.

Sales of goods and services comprise all income and proceeds from sales resulting from the operations of the marina and all facilities therein and are recognised as and when goods and services are provided. Revenue arising from chartering of vessels is accounted for on a straight-line basis over the contracted charter periods.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 5. Revenue (cont'd)

Membership related fees and management fees:

Membership related fees comprise all income relating to the club membership, which are as follows:

- Subscription fee – Subscription fee is recognised on a straight-line basis over the period of the subscription.
- Entrance fee – Entrance fee is recognised on a straight-line basis over the membership tenure period in which the entrance fee is paid. Non-refundable upfront entrance fee is deferred and presented in balance sheet as deferred membership income. If a member is to terminate the membership before the end of the membership tenure, the deferred membership income pertaining to the membership will be recognised in full in the year of termination. See Note 23.
- Transfer fee – Transfer fee is recognised upon transfer of membership.
- Management fee – Management fee is recognised as and when services are provided.

## 6. Other income

	Group	
	2023 \$'000	2022 \$'000
Interest income	1,825	542
Sponsorships	460	423
Events related income	164	–
Custom clearance related income	171	82
Government grants	–	214
Deposits written off	180	97
Others	554	74
	<b>3,354</b>	<b>1,432</b>

Interest income is recognised using the effective interest method.

## 7. Employee benefits expense

	Group	
	2023 \$'000	2022 \$'000
Wages, salaries and bonuses	10,571	10,015
Contributions to defined contribution plans	1,059	1,039
Other benefits	1,298	870
Share-based payments expense	149	207
	<b>13,077</b>	<b>12,131</b>

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 7. Employee benefits expense (cont'd)

Material accounting policy information and other explanatory information – Employee benefits expense:

Contributions to a defined contribution retirement benefit plan are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed defined contribution retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

## 8. Items in statement of comprehensive income

In addition to the profit or loss line items disclosed elsewhere in the notes to the financial statements, the statement of comprehensive income includes the following expenses:

	Group	
	2023 \$'000	2022 \$'000
Maintenance expenses	1,855	1,217
Professional fees and insurance fees	923	488
Interest expense on loans from non-controlling interests	237	291
Share-based payment expense	149	185
Fees paid/payables to the auditor of the Company		
- Audit fees to the independent auditor of the company	105	90
- Audit fees to the other independent auditors – network firms	20	12
- Non-audit related services fees to the independent auditor of the company	18	18
Foreign exchange loss, net	203	200
Expenses relating to short-term lease	57	53
Loss / (gain) on disposal of property, plant and equipment	17	(16)
Property, plant and equipment written off	–	244



# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 9. Income tax expense

### 9A. Components of tax expense recognised in statement of comprehensive income include:

	Group	
	2023 \$'000	2022 \$'000
<u>Current tax expense:</u>		
Current tax expense	1,816	62
(Over) / under adjustments in respect of prior years	(62)	6
	<u>1,754</u>	<u>68</u>
<u>Deferred tax expense:</u>		
Deferred tax expense	445	1,088
	<u>445</u>	<u>1,088</u>
	<u>2,199</u>	<u>1,156</u>

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2022: 17%) to profit or loss before income tax as a result of the following differences:

	Group	
	2023 \$'000	2022 \$'000
Profit before income tax	9,681	8,102
Income tax expense at the above rate	1,645	1,377
Expenses not deductible for tax purposes	598	679
Income not subject to tax	(171)	(59)
Previously unrecognised deferred tax recognised in this year	74	(791)
Deferred tax assets not recognised	328	135
(Over) / under adjustments to tax in respect of prior periods	(62)	6
Effect of partial tax exemption and tax relief	(28)	(30)
Effect of different tax rates in different countries	(105)	(101)
Others	(80)	(60)
	<u>2,199</u>	<u>1,156</u>

### 9B. Deferred tax expense recognised in statement of comprehensive income includes:

	Group	
	2023 \$'000	2022 \$'000
Excess of book over tax depreciation on plant and equipment	(57)	(2,180)
Deferred membership income	500	3,219
Tax loss carryforwards	328	135
Unrecognised deferred tax assets	(328)	(135)
Others	2	49
	<u>445</u>	<u>1,088</u>

## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

### 9. Income tax expense (cont'd)

#### 9C. Deferred tax balance in the statement of financial position:

	Group	
	2023 \$'000	2022 \$'000
<u>Deferred tax liabilities:</u>		
Excess of net book value of plant and equipment over tax values	(7,759)	(7,816)
	<u>(7,759)</u>	<u>(7,816)</u>
<u>Deferred tax assets:</u>		
Deferred membership income	579	1,079
Tax loss carryforwards	1,022	694
Unrecognised deferred tax assets	(1,022)	(694)
Others	36	38
	<u>615</u>	<u>1,117</u>
	<u>(7,144)</u>	<u>(6,699)</u>

There are no income tax consequences of dividends to the owners of the Company.

Included in the tax loss carryforwards for which no deferred tax assets have been recognised is an amount of \$802,613 (2022: \$586,205) pertaining to losses in the Group's Malaysian operations. These have an expiry date of up to 10 years from the respective year of assessment. As the Group has announced its plan to exit its Malaysian operations, the Group does not foresee that these losses will be utilised. The remaining tax losses have no expiry date, subject to the conditions imposed by law including the retention of majority shareholders as defined.

Material accounting policy information and other explanatory information – Income tax:

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting year; calculated using rates enacted or substantively enacted at the statements of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting years. Deferred tax is recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting year end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 10. Dividends on equity shares

	Rate per share - cents		2023	2022
	2023	2022	\$'000	\$'000
<u>Declared and paid during the financial year:</u>				
Final tax-exempt dividend	5	2	4,373	1,720
Total dividends in the year	5	2	4,373	1,720

Further to above, the directors have proposed that a final dividend of 5 cents per share with a total estimated amount of \$4,374,000 be paid to shareholders after the annual general meeting. There are no income tax consequences on the reporting entity. This dividend is subject to approval by shareholders at the next annual general meeting and has not been included as a liability in these financial statements. The proposed dividend is payable in respect of all ordinary shares in issue at the end of the reporting year and including any new qualifying shares issued up to the date the dividend becomes payable.

## 11. Earnings per share

The following table illustrates the numerators and denominators used to calculate basic and diluted amount per share of no par value:

	Group	
	2023	2022
<u>Basic EPS</u>		
Profit, attributable to owners of the Company, net of tax (\$'000)	8,091	7,520
Weighted average number of ordinary shares for basic earnings per share computation	86,922,187	86,002,614
Basic earnings per share (cents)	9.31	8.74
<u>Diluted EPS</u>		
Profit, attributable to owners of the Company, net of tax (\$'000)	8,091	7,520
Weighted average number of ordinary shares for basic earnings per share computation	86,922,187	86,002,614
Add: Potential dilutive shares from share option scheme	175,026	107,806
Weighted average number of ordinary shares for diluted earnings per share computation	87,097,213	86,110,420
Diluted earnings per share (cents)	9.29	8.73

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting period.

1,610,000 (2022: 3,153,000) share options granted to employees under the share option scheme have not been included in the calculation of diluted earnings per share because they are anti-dilutive. There have been no other transactions involving ordinary shares or potential ordinary shares since the reporting date.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 12. Property, plant and equipment

Group	Leasehold land \$'000	Building \$'000	Renovations \$'000	Furniture and fittings \$'000	Office and operating equipment \$'000	Right- of-use assets \$'000	Motor vehicles \$'000	Pontoons and fixtures \$'000	Computers \$'000	Other equipment \$'000	Total \$'000
<u>Cost:</u>											
At 1 January 2022	32,476	64,753	3,542	116	483	74	279	7,554	371	1,294	110,942
Additions	-	-	32	75	318	88	124	35	65	225	962
Disposals	-	-	-	-	-	(99)	-	-	-	-	(99)
Written off	-	-	(1,151)	(12)	(218)	-	-	(3)	(18)	(224)	(1,626)
Currency realignment	-	-	-	-	-	25	-	-	-	-	25
At 31 December 2022	32,476	64,753	2,423	179	583	88	403	7,586	418	1,295	110,204
Additions	-	-	225	57	466	39	93	119	44	177	1,220
Disposals	-	-	-	-	(3)	-	(19)	-	-	(17)	(39)
Written off	-	-	-	-	-	-	-	-	(91)	-	(91)
At 31 December 2023	32,476	64,753	2,648	236	1,046	127	477	7,705	371	1,455	111,294
<u>Accumulated depreciation and impairment loss:</u>											
At 1 January 2022	12,602	27,704	2,567	34	360	43	119	579	226	488	44,722
Depreciation for the year	1,530	2,849	259	21	63	24	41	552	46	227	5,612
Disposals	-	-	-	-	-	(90)	-	-	-	-	(90)
Written off	-	-	(998)	(12)	(215)	-	-	-	(19)	(138)	(1,382)
Currency realignment	-	-	-	-	-	26	-	-	-	-	26
At 31 December 2022	14,132	30,553	1,828	43	208	3	160	1,131	253	577	48,888
Depreciation for the year	1,529	2,850	162	33	137	21	52	563	47	202	5,596
Disposals	-	-	-	-	(1)	-	(11)	-	-	(10)	(22)
Written off	-	-	-	-	-	-	-	-	(91)	-	(91)
At 31 December 2023	15,661	33,403	1,990	76	344	24	201	1,694	209	769	54,371
<u>Carrying value:</u>											
At 1 January 2022	19,874	37,049	975	82	123	31	160	6,975	145	806	66,220
At 31 December 2022	18,344	34,200	595	136	375	85	243	6,455	165	718	61,316
At 31 December 2023	16,815	31,350	658	160	702	103	276	6,011	162	686	56,923



# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 12. Property, plant and equipment (cont'd)

Material accounting policy information and other explanatory information – Property, plant and equipment:

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

The annual rates of depreciation are as follows:

Leasehold land	–	Remaining lease term
Building	–	Remaining lease term
Renovations	–	5 – 10 years
Furniture and fittings	–	3 – 7 years
Office and operating equipment	–	5 years
Motor vehicles	–	7 – 10 years
Pontoons and fixtures	–	3 – 10 years
Computers	–	3 – 10 years
Other equipment	–	5 – 7 years

The right-of-use assets included within property, plant and equipment relate to other equipment. As those are not significant, no further disclosure has been made.

Critical judgements, assumptions and estimation uncertainties:

### Estimation of useful lives of property, plant and equipment:

The estimates for the useful lives and related depreciation charges for property, plant and equipment are based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the assets at the end of the reporting year affected by the assumption is \$56,923,000 (2022: \$61,316,000).

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 13. Investments in subsidiaries

	Company	
	2023 \$'000	2022 \$'000
Unquoted equity shares at cost	17,602	17,593
Long term advances to a subsidiary	9,871	9,871
Allowance for impairment	(7,074)	(6,824)
	<u>20,399</u>	<u>20,640</u>
<u>Movements in unquoted equity shares, net of allowance of impairment:</u>		
At the beginning of the year	17,415	17,415
Additions	9	–
At the end of the year	<u>17,424</u>	<u>17,415</u>
<u>Movements in long term advances to a subsidiary, net of allowance of impairment:</u>		
At the beginning of the year	3,225	3,486
Allowance for impairment	(250)	(261)
At the end of the year	<u>2,975</u>	<u>3,225</u>

The impairment allowance arose as a result of the divestment of assets relating to the Group's investment in Sarandra Malaysia Sdn Bhd and its subsidiaries. Refer to Note 19.

Long term advances to a subsidiary are unsecured, non-interest bearing and repayable at the discretion of the subsidiary, only when the cash flows of the subsidiary permit. These amounts relate to contributions from the Company, which form part of the Company's net investment in a subsidiary and are accounted for at cost less accumulated impairment losses.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 13. Investments in subsidiaries (cont'd)

The subsidiaries held by the Company are listed below:

Name of subsidiaries, country of incorporation, place of operations and principal activities	Cost of investment		Effective percentage of equity held	
	2023 \$'000	2022 \$'000	2023 %	2022 %
<u>Held by SUTL Enterprise Limited</u>				
SUTL Marina Development Pte. Ltd. <sup>(1)</sup> (Singapore) Operating and maintaining a marina and its annexes ("One°15 Marina Club")	17,328	17,328	100	100
ONE15 Luxury Yachting Pte. Ltd. <sup>(1)</sup> (Singapore) Yacht chartering	87	87	100	100
One15 Marina Holdings Pte. Ltd. <sup>(1)</sup> (Singapore) Investment holding	#	#	100	100
ONE15 Management and Technical Services Pte. Ltd. <sup>(1)</sup> (Singapore) Provision of business and management consultancy services, management and technical services for marina activities	178	178	100	100
ONE15 Marina Holdings (Australia) Pty Ltd <sup>(3)</sup> (Australia) Investment holding	9	—	100	100
	<u>17,602</u>	<u>17,593</u>		

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 13. Investments in subsidiaries (cont'd)

Name of subsidiaries, country of incorporation, place of operations and principal activities	Effective percentage of equity held	
	2023 %	2022 %
<u>Held through One15 Marina Holdings Pte. Ltd.</u>		
Sarandra Malaysia Sdn Bhd <sup>(2)</sup> (Malaysia) Investment holding	60	60
One15 Events Management Pte. Ltd. <sup>(1)</sup> (Singapore) Event and concert organiser	100	100
<u>Held through Sarandra Malaysia Sdn Bhd</u>		
One15 Marina Development Bhd <sup>(2)</sup> (Malaysia) Construct, develop and manage a marina, marina club, hotel, recreation centre and other facilities	60	60
One15 Marina Management Sdn Bhd <sup>(2)</sup> (Malaysia) Managing and developing marina club, and development of building projects for own operation.	60	60
<u>Held through One15 Events Management Pte. Ltd.</u>		
One15 Events Management (Haikou) Ltd <sup>(3)</sup> (People's Republic of China) Marina, yachting and sports event planning and organising.	100	100

(1) Audited by RSM SG Assurance LLP.

(2) Audited by a member of RSM International of which RSM SG Assurance LLP in Singapore is a member.

(3) Non-material subsidiary that is not required to be audited under the laws of its country of incorporation.

# Amount is less than \$1,000.



# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 13. Investments in subsidiaries (cont'd)

As at 31 December 2023, the Group has the following subsidiaries that have non-controlling interests (NCI) that are material to the Group:

Name of subsidiary	Principal place of business	Proportion of ownership interest held by NCI	Loss allocated to NCI during the reporting year \$'000	Other comprehensive income allocated to NCI during the reporting year \$'000	Accumulated NCI at the end of the reporting year \$'000
<u>31 December 2023:</u>					
Sarandra Malaysia Sdn Bhd and its subsidiaries	Malaysia	40%	(609)	223	(3,548)
<u>31 December 2022:</u>					
Sarandra Malaysia Sdn Bhd and its subsidiaries	Malaysia	40%	(574)	187	(3,162)

### Significant restrictions:

There was no significant restriction on the Group's ability to use or access assets and settle liabilities of subsidiaries with material non-controlling interests.

Summarised financial information of subsidiaries with material non-controlling interests before intercompany elimination are as follows:

### Summarised Statement of Financial Position:

	Sarandra Malaysia Sdn Bhd and its subsidiaries	
	2023 \$'000	2022 \$'000
Current assets	4,592	5,499
Current liabilities	(8,602)	(8,337)
Net current liabilities	(4,010)	(2,838)
Non-current liabilities	(5,067)	(5,155)
Net liabilities	(9,077)	(7,993)

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 13. Investments in subsidiaries (cont'd)

Summarised Statement of Comprehensive Income:

	<b>Sarandra Malaysia Sdn Bhd and its subsidiaries</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue	616	589
Loss for the year	(1,523)	(1,440)
Other comprehensive income for the year	542	473
Total comprehensive loss for the year	(981)	(967)
<u>Other summarised information:</u>		
Net cash flows used in operations	(316)	(1,684)
Net cash flows (used in) / generated from financing activities	(266)	110
Net cash flows generated from investing activities	852	–

## 14. Inventories

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Food and beverage	127	129
Sundry stores and others	45	45
	172	174
Inventories recognised as an expense in cost of sales	2,875	3,234

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 15. Trade and other receivables

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Trade receivables:</u>				
Trade receivables	3,743	3,099	–	–
Less: allowance for impairment	(781)	(804)	–	–
Net trade receivables – subtotal	2,962	2,295	–	–
<u>Other receivables:</u>				
Other receivables	3,455	3,077	3,035	3,060
Less: allowance for impairment #a	(2,767)	(2,864)	(2,767)	(2,864)
Refundable deposits	346	121	1	1
Net other receivables – subtotal	1,034	334	269	197
Total trade and other receivables	3,996	2,629	269	197
<u>Movements in the above allowance on trade receivables:</u>				
At the beginning of the year	(804)	(425)	–	–
Allowance for the year	(473)	(406)	–	–
Write-off of allowance for doubtful debts	493	5	–	–
Currency realignment	3	22	–	–
At the end of the year	(781)	(804)	–	–
<u>Movements in the above allowance on other receivables:</u>				
At the beginning of the year	(2,864)	(2,963)	(2,864)	(2,963)
Written-back during the year	51	82	51	82
Currency realignment	46	17	46	17
At the end of the year	(2,767)	(2,864)	(2,767)	(2,864)

#a During the year ended 31 December 2014, in connection with the disposal of non-controlling interests in a subsidiary, the Company entered into a reassignment agreement with a subsidiary to reassign trade debts owing by a customer in the Philippines to the Company and reclassified the trade debts to other receivables. Accordingly, the allowance for doubtful receivables had also been reassigned to the Company.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 15. Trade and other receivables (cont'd)

The expected credit losses ("ECL") on the trade receivables are based on the simplified approach to measuring ECL which uses a lifetime ECL allowance approach for all such assets recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL including the impact of the current economic conditions. The allowance model is based on the historical observed default rates (over a period of 36 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Aging analysis of trade receivable amounts as at the end of the reporting year:

	Gross amount		Loss allowance	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Group</u>				
Trade receivables:				
Within due date	2,478	2,243	(224)	(369)
1 to 30 days past due	469	351	(72)	(43)
31 to 90 days past due	257	108	(58)	(9)
Over 90 days past due	539	397	(427)	(383)
	<u>3,743</u>	<u>3,099</u>	<u>(781)</u>	<u>(804)</u>

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

There is no concentration of credit risk with respect to trade receivables, as there are a large number of customers.

The other receivables shown above are also subject to the ECL allowance assessment under the financial reporting standard on financial instruments. For these material balances judgement is required for the assessment of the credit risk graded individually. At inception they are recorded net of any expected 12 month expected credit losses. At the end of the reporting year a loss allowance is recognised if there has been a material increase in credit risk since initial recognition. For any material increase or decrease in credit risk an adjustment is made to the loss allowance for the material balances. The credit risk grade assessed is based on predictive nature of the risk of loss (such as the use of internal and external ratings, audited financial statements and available published information about customers about debtors that is available without undue cost or effort) and applying experienced credit judgement.

Material accounting policy information and other explanatory information – Trade and other receivables:

Refer to Note 29 for accounting policy and other explanatory information on financial instruments.

Critical judgements, assumptions and estimation uncertainties:

### Assessing expected credit loss allowance on trade and other receivables

The assessment of the ECL requires a degree of estimation and judgement. In measuring the expected credit losses, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward looking information such as forecasts of future economic conditions. The carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amounts are disclosed above.



# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 16. Other financial assets

Balance is made up of:

Investments in debt assets instruments at FVTPL (Note 16A)

Investments in debt assets instruments at amortised cost (Note 16D)

Total at end of the year

Group and Company	
2023	2022
\$'000	\$'000
24,928	22,773
1,995	6,888
26,923	29,661

### 16A. Investments in debt assets instruments at FVTPL

Movements in balances:

Fair value at beginning of the year

Additions

Redemptions

Fair value at end of year

Group and Company	
2023	2022
\$'000	\$'000
22,773	–
202,069	22,773
(199,914)	–
24,928	22,773

### 16B. Fair value hierarchy of investments in debt assets instruments at FVTPL

	Level	2023 \$	2022 \$
<u>Group and Company</u>			
Credit-linked notes	2	24,928	22,773

The derivative instruments are valued based on broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency (Level 2).

There were no transfers between Level 1 and Level 2 of the fair value hierarchy.

### 16C. Sensitivity analysis for price risk of investments in debt assets instruments at FVTPL:

Certain financial instruments are exposed to both currency risk and price risk arising from uncertainties about future values of the financial instruments. Sensitivity analysis: The effects are as follows:

Group and Company	
2023	2022
\$'000	\$'000
2,493	2,277

A hypothetical 10% increase in the market index that relates to assets at FVTPL would have an effect on fair value of

For similar price decreases in the market index that relates to the above financial assets, there would be comparable impacts in the opposite direction.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 16. Other financial assets (cont'd)

### 16D. Investments in debt assets instruments at amortised cost

	Group and Company	
	2023	2022
	\$'000	\$'000
Movements in balances:		
Amortised cost at beginning of the year	6,888	–
Additions	5,917	6,888
Redemptions	(10,810)	–
Amortised cost at end of year	1,995	6,888

### 16E. Disclosures relating to investments in debt assets instruments at amortised cost:

	Group and Company	
	2023	2022
	\$'000	\$'000
Quoted instruments in corporations with variable rates from 2.98% to 4.20% and maturing between 23 January 2024 to 30 January 2024, Singapore	1,995	6,888

None of the financial assets measured at amortised cost were reclassified to financial assets at fair value during the reporting year. The carrying amount of the financial assets approximates their fair values (Level 1).

### 16F. Credit rating of the debt assets instruments at amortised cost:

The debt assets instruments carried at amortised cost are subject to the expected credit loss model under the standard on financial instruments. The debt assets at amortised cost are considered to have low credit risk, and the loss allowance if any recognised during the reporting year is limited to 12 months expected losses. Listed debt assets are regarded as being of low credit risk if they have an investment grade credit rating with one or more reputable rating agencies. For the balances, the credit risk is graded individually. At the end of the reporting year, no loss allowance was recognised for the balances.

Material accounting policy information and other explanatory information – Other financial assets:

Refer to Note 29 for accounting policy and other explanatory information on financial instruments.

## 17. Amounts due from / (to) related companies

Amounts due from / (to) related companies are trade in nature, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 18. Cash and cash equivalents

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Fixed deposits	27,045	13,874	27,045	13,874
Cash at bank and on hand	8,219	11,868	857	2,943
	35,264	25,742	27,902	16,817

Fixed deposits are non-pledged, with terms ranging within 90 to 365 days and bear interest at a range of 3% to 5.35% per annum.

### 18A. Non-cash transactions:

There was purchase of certain assets under property, plant and equipment not paid as at the financial year end amounting to \$91,000 (2022: \$Nil).

### 18B. Reconciliation of liabilities arising from financing activities:

	2022 \$'000	Cash flows \$'000	Non-cash changes \$'000	2023 \$'000
Bank borrowing	1,035	(1,035)	–	–
Loans from non-controlling interests	5,155	–	(88)	5,067

	2021 \$'000	Cash flows \$'000	Non-cash changes \$'000	2022 \$'000
Bank borrowing	1,390	(394)	39	1,035
Loans from non-controlling interests	5,224	–	(69)	5,155

Non-cash changes arose from accretion of interest and foreign exchange movements.

Material accounting policy information and other explanatory information – Cash and cash equivalents:

For the statement of cash flows, cash and cash equivalents includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, and items of income or expense associated with investing or financing cash flows.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 19. Non-current assets classified as held for sale

	Group	
	2023 \$'000	2022 \$'000
Property, plant and equipment	3,202	4,423
Movements in balances:		
Balance at beginning of the year	4,423	4,710
Disposal of assets held for sale	(852)	(25)
Impairment of assets held for sale	(97)	–
Foreign currency exchange differences	(272)	(262)
Balance at end of the year	3,202	4,423

The property, plant and equipment was classified as held for sale as required by the financial reporting standard on Non-current Assets Held for Sale and Discontinued Operations since financial year ended 2021.

Sarandra Malaysia Sdn Bhd and its subsidiaries (“Sarandra Group”) sold certain assets at ONE15 Estuari Sports Centre to Nusajaya Resort Sdn. Bhd. on 17 July 2023 and signed sales and purchase agreements for the sale of its freehold land to Nadi Eltra Sdn Bhd and the assets of its Public Marina to UEM Land Berhad during the financial year. Management estimate that these will be completed in FY2024 and consider it appropriate to retain the classification of these assets as held for sale.

Critical judgements, assumptions and estimation uncertainties:

### Classification and measurement of non-current assets held for sale:

Identifiable assets are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use and if the sale is expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted by the financial reporting standard on non-current assets held for sale and discontinued operations, in certain circumstances. Assets that meet the criteria to be classified as held for sale are measured at the lower of carrying amount and fair value less costs of disposal and are presented separately on the face of the statement of financial position. Once an asset is classified as held for sale or included in a group of assets held for sale no further depreciation or amortisation is recorded. Impairment losses on initial classification of the balances as held for sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement. The carrying amount is disclosed above.



# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 20. Share capital

	Group	
	Number of shares issued '000	Share capital \$'000
<u>Ordinary share of no par value</u>		
At the beginning of the year 1 January 2022 and end of the year 31 December 2022	87,073	47,072
Issuance of shares pursuant to the exercise of share options	1,439	900
At the end of the year 31 December 2023	88,512	47,972

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

	Company	
	Number of shares issued '000	Share capital \$'000
<u>Ordinary share of no par value</u>		
At the beginning of the year 1 January 2022 and end of the year 31 December 2022	87,073	41,102
Issuance of shares pursuant to the exercise of share options	1,439	900
At the end of the year 31 December 2023	88,512	42,002

### Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

In order to maintain its listing on the Singapore Stock Exchange, the Company has to have share capital with a free float of at least 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 20. Share capital (cont'd)

### 20A. Treasury shares

	Number of treasury shares		Carrying value	
	2023 '000	2022 '000	2023 \$'000	2022 \$'000
<u>Group and Company</u>				
At beginning of the year 1 January and end of the year 31 December	1,022	1,022	495	495

## 21. Share Option Scheme

Under the Share Option Scheme 2011 ("SOS 2011"), the Company may grant options to employees of the Group and directors of the Company. The options granted are exercisable after the expiration of the first and second anniversaries of the date the options are granted. There are no cash settlement alternatives. These options do not entitle the holder to participate, by virtue of the options, in any share issue of any other corporation.

In the prior year, the SOS 2011 was extended for a period of ten years from 29 April 2021 up to and including 28 April 2031.

1,035,000 (2022: 1,343,000) options were granted in the financial year ended 31 December 2023. There were 2,771,500 (2022: 3,665,500) options outstanding at 31 December 2023.

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

The expense recognised in 2023 for share-based payment was \$149,000 (2022: \$185,000).

### Fair value of share options

The fair value of share options is estimated at grant date using Black-Scholes model, taking into account the terms and conditions upon which the share options were granted.

The following table states the inputs to the model used.

	2023		2022	
	Tranche 1	Tranche 2	Tranche 1	Tranche 2
Expected volatility (%)	59.75	59.70	42.40	42.50
Risk-free interest rate (%)	2.80	2.77	2.54	2.57
Expected life of options (years)	4.25	4.75	4.70	5.20
Exercise price (\$)	0.56	0.56	0.48	0.48
Share price at date of grant (\$)	0.56	0.56	0.57	0.47

The weighted average fair value of options granted was \$0.17 (2022: \$0.15).

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 21. Share Option Scheme (cont'd)

Material accounting policy information and other explanatory information – Share-based compensation:

There is an option plan for employees and directors. For the equity-settled share-based compensation transactions, the fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed on a straight-line basis over the vesting period is measured by reference to the fair value of the options granted ignoring the effect of non-market conditions such as profitability and sales growth targets. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. The fair value is measured using a relevant option pricing model. The expected lives used in the model are adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. At each end of the reporting year, a revision is made of the number of options that are expected to become exercisable. The reporting entity recognises the impact of the revision of original estimates, if any, in profit or loss with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital when the options are exercised. Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

## 22. Other reserves

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Foreign currency translation reserve (Note 22A)	638	319	–	–
Share-based payment reserve (Note 22B)	350	473	350	473
Capital reserves (Note 22C)	140	140	–	–
	1,128	932	350	473

### 22A. Foreign currency translation reserve

	Group	
	2023 \$'000	2022 \$'000
At the beginning of the year	319	33
Exchange differences on translating foreign operations	319	286
At the end of the year	638	319

Foreign currency translation reserve represents exchange differences arising from the translation of financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 22. Other reserves (cont'd)

### 22B. Share-based payment reserve

	Group and Company	
	2023	2022
	\$'000	\$'000
At the beginning of the year	473	343
Exercise of share options	(235)	(9)
Expense recognised in profit or loss	149	185
Reclassified to retained earnings upon forfeiture / lapse	(37)	(46)
At the end of the year	350	473

Share-based payment reserve represents the equity-settled share options granted to directors and employees (Note 21). The reserve is made up of the cumulative value of services received from employees recorded over the vesting period commencing from the grant date of equity-settled share options, and is reduced by the reclassification to retained earnings upon forfeiture/ lapse or by transfer to share capital upon exercise of the share options.

### 22C. Capital reserves

	Group	
	2023	2022
	\$'000	\$'000
At the beginning and end of year	140	140

Capital reserve represents the contribution of assets from non-controlling interests.

## 23. Deferred membership income

	Group	
	2023	2022
	\$'000	\$'000
Non-current	35,724	39,600
Current	3,634	3,693
	39,358	43,293

### Movement in deferred membership income:

At the beginning of the year	43,293	47,503
Addition during the year	190	570
Cancellation during the year	(249)	(903)
Recognised in the statement of profit or loss as entrance fees (Note 5)	(3,876)	(3,877)
At the end of the year	39,358	43,293

The aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting year:

Expected to be recognised within 1 year	3,680	3,693
Expected to be recognised after 1 year but before 2 years	3,575	3,597
Expected to be recognised after 2 years	32,103	36,003
At the end of the year	39,358	43,293



# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 23. Deferred membership income (cont'd)

The deferred membership income relates to the entrance fee consideration received at the inception of membership program from customers for which some of the performance obligations that relate to periods after 31 December 2023 were not fulfilled, and therefore no revenue is recognised in respect of these unfulfilled performance obligations. The Company recognises revenue from the deferred membership income on a straight-line basis over the membership tenure period for which the entrance fee is paid. In the event of cancellation before the end of the membership tenure period, the remaining entrance fee in deferred membership income will be recognised in full in the year of cancellation of membership. The above expected revenue to be recognised does not include the expected cancellation of membership.

Refer to Note 5 on the accounting policy on entrance fee revenues.

## 24. Loans from non-controlling interests

The loans from non-controlling interests are unsecured, non-trade in nature, bear interest of 5.5% per annum (2022: 5.5% per annum) and repayable on demand.

## 25. Bank borrowings

	Group	
	2023 \$'000	2022 \$'000
<u>Non-current:</u>		
<u>Loan with floating interest rates:</u>		
Bank loan A (secured)	–	674
	–	674
<u>Current:</u>		
<u>Loan with floating interest rates:</u>		
Bank loan A (secured)	–	361
	–	361
	–	1,035
The non-current portion is repayable as follows:		
Due within 2 to 5 years	–	674
	2023 %	2022 %
The range of floating interest rates paid were as follows:		
Bank loan A (secured)	5.6 to 5.7	2.0 to 5.7

The bank loan at the prior year end was secured by corporate guarantees from Company and ultimate holding company, had an interest servicing period of 12 months and was drawn on 9 September 2021.

The bank loan has been fully paid on 9 February 2023.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 26. Trade and other payables

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<u>Trade payables:</u>				
Outside parties	917	852	–	–
Deposits	2,949	2,560	–	–
Accrued operating expenses	2,251	1,935	381	296
Accrued staff costs	1,834	1,730	–	–
Advances from customers	613	505	–	–
Deferred revenue	1,256	1,355	–	–
Goods and services tax / sales and service tax payables	542	532	–	–
	10,362	9,469	381	296
<u>Other payables:</u>				
Outside parties	1,143	1,035	–	92
Lease liabilities	100	81	–	–
	1,243	1,116	–	92
	11,605	10,585	381	388

Deposits relate to amounts received from customers to secure the usage of club facilities and are refundable upon completion of services.

Deferred revenue and advances from customers relate to unsatisfied performance obligations, and are expected to be recognised as revenue within 1 year (2022: 1 year) from the period end date.

## 27. Loan from a subsidiary

The loan from a subsidiary is non-trade in nature, unsecured, non-interest bearing, repayable on demand and is to be settled in cash.

## 28. Commitments and contingencies

### Service commitments

The Group has entered into commercial contracts for the provision of services. These contracts have an average tenure of between one and five years with renewal options included in the contracts. There are no restrictions placed upon the Group by entering into these commercial contracts. Minimum payments recognised as an expense in the statement of comprehensive income for the financial year ended 31 December 2023 amounted to \$1,535,000 (2022: \$885,000).

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 28. Commitments and contingencies (cont'd)

Future minimum payments payable under non-cancellable commercial contracts at the end of reporting period are as follow:

	Group	
	2023 \$'000	2022 \$'000
Due within one year	1,394	772
Due within 2 to 5 years	562	459
	<u>1,956</u>	<u>1,231</u>

### Contingent liabilities

	Company	
	2023 \$'000	2022 \$'000
Bankers' guarantee in favour of a subsidiary	–	1,035

## 29. Financial instruments: information on material policy information and financial risks

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 29. Financial instruments: information on material policy information and financial risks (cont'd)

### 29A. Categories of financial assets and financial liabilities

The financial reporting standard on financial instruments requires the categorisation of financial instruments. At the end of the reporting year, the reporting entity had the following categories financial assets and liabilities:

- Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.
- Financial asset classified as measured at FVTPL: All other financial assets are classified as measured at FVTPL. In addition, on initial recognition, management may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.
- Financial liabilities are categorised as at FVTPL in either of the following circumstances: (1) the liabilities are managed, evaluated and reported internally on a fair value basis; or (2) the designation eliminates or significantly reduces an accounting mismatch that would otherwise arise. All other financial liabilities are carried at amortised cost using the effective interest method. Reclassification of any financial liability is not permitted.

The following table categorises the carrying amounts of financial assets and financial liabilities recorded at the end of the reporting year:

	Group		Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Trade and other receivables	3,996	2,629	269	197
Amounts due from related companies	39	–	1,080	230
Investments in debt assets instruments at FVTPL	24,928	22,773	24,928	22,773
Investments in debt assets instruments at amortised cost	1,995	6,888	1,995	6,888
Cash and cash equivalents	35,264	25,742	27,902	16,817
At end of the year	66,222	58,032	56,174	46,905
<b>Financial liabilities</b>				
Trade and other payables (excluding advances from customers and deferred revenue)	9,736	8,725	381	388
Amounts due to related companies	32	–	–	5
Loan from a subsidiary	–	–	12,485	20,500
Loan from non-controlling interests	5,067	5,155	–	–
Bank borrowing	–	1,035	–	–
At end of the year	14,835	14,915	12,866	20,893

Further quantitative disclosures are included throughout these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 29. Financial instruments: information on material policy information and financial risks (cont'd)

### 29B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks. However these are not formally documented in written form. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior staff.
4. All financial risk management activities are carried out following acceptable market practices

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

### 29C. Fair values of financial instruments

See Note 2A on accounting policy. The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the material financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments. The disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

### 29D. Credit risk on financial assets

Financial assets subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner arise principally from cash balances with banks, receivables and other financial assets. The general approach in the financial reporting standard on financial instruments is applied to measure expected credit losses ("ECL") allowance on financial assets the ECL allowance. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL unless the assets are considered credit impaired. The ECL allowance for debt assets is recognised at an amount equal to the lifetime ECL if the credit risk on that financial instrument has increased significantly since initial recognition. However, for trade receivables that do not contain a material financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a material financing component, the simplified approach in calculating ECL is applied. Under the simplified approach, the loss allowance is recognised at an amount equal to lifetime ECL at each reporting date using historical loss rates for the respective risk categories and incorporating forward-looking estimates. Lifetime ECL may be estimated individually or collectively. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

Note 18 discloses the cash and cash equivalents balances. There was no identified impairment loss.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 29. Financial instruments: information on material policy information and financial risks (cont'd)

### 29E. Liquidity risk – financial liabilities maturity analysis

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

	Less than 1 year \$'000	2 – 5 years \$'000	Total \$'000
<u>Group</u>			
Non-derivative financial liabilities:			
<u>2023:</u>			
Trade and other payables	9,736	–	9,736
Amounts due to related companies	32	–	32
Loan from non-controlling interests	5,067	–	5,067
	<u>14,835</u>	<u>–</u>	<u>14,835</u>
<u>2022:</u>			
Trade and other payables	8,725	–	8,725
Loan from non-controlling interests	5,155	–	5,155
Bank borrowing	361	674	1,035
	<u>14,241</u>	<u>674</u>	<u>14,915</u>
	Less than 1 year \$'000	2 – 5 years \$'000	Total \$'000
<u>Company</u>			
Non-derivative financial liabilities:			
<u>2023:</u>			
Trade and other payables	381	–	381
Loan from a subsidiary	12,485	–	12,485
	<u>12,866</u>	<u>–</u>	<u>12,866</u>
<u>2022:</u>			
Trade and other payables	388	–	388
Amounts due to related companies	5	–	5
Loan from a subsidiary	20,500	–	20,500
	<u>20,893</u>	<u>–</u>	<u>20,893</u>

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 29. Financial instruments: information on material policy information and financial risks (cont'd)

### 29E. Liquidity risk – financial liabilities maturity analysis (cont'd)

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be settled at their contractual maturity. The average credit period taken to settle trade payables is about 90 days (2022: 90 days). The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary.

Financial guarantee contracts – For issued financial guarantee contracts, the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the reporting year, no claims on the financial guarantees are expected to be payable. The following table shows the maturity analysis of the contingent liabilities from financial guarantees.

	Company	
	2023 \$'000	2022 \$'000
<u>Financial guarantee contracts</u>		
Bank guarantee in favour of a subsidiary	–	1,035
	Group	
	2023 \$'000	2022 \$'000
<u>Bank facilities</u>		
Undrawn borrowing facilities	6,000	4,521

A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk. The fair value of the bank guarantee is not significant.

### 29F. Interest rate risk

Interest rate risk arises on interest-bearing financial instruments. The following table analyses the breakdown of the material financial instruments by type of interest rate:

	Group		Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<u>Financial liabilities with interest:</u>				
Fixed rates	5,067	5,155	–	–
Floating rates	–	1,035	–	–
Total at end of the year	5,067	6,190	–	–
<u>Financial assets with interest</u>				
Fixed rates	53,968	43,535	53,968	43,535
Total at end of the year	53,968	43,535	53,968	43,535

# NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

## 29. Financial instruments: information on material policy information and financial risks (cont'd)

### 29G. Foreign currency risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency that is a currency other than the functional currency in which they are measured. Currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency as defined in the financial reporting standard on financial instruments: disclosures.

Analysis of amounts denominated in non-functional currency:

Group	United States Dollars \$'000	Malaysian Ringgit \$'000	Total \$'000
<u>2023</u>			
<u>Financial assets:</u>			
Trade and other receivables	12	144	156
Cash and cash equivalents	1,123	1,227	2,350
Total financial assets	1,135	1,371	2,506
<u>Financial liabilities:</u>			
Trade and other payables	–	(732)	(732)
Loan from non-controlling interests	–	(5,067)	(5,067)
Total financial liabilities	–	(5,799)	(5,799)
Net financial assets / (liabilities) at end of the year	1,135	(4,428)	(3,293)
<u>2022</u>			
<u>Financial assets:</u>			
Trade and other receivables	151	82	233
Cash and cash equivalents	1,055	958	2,013
Total financial assets	1,206	1,040	2,246
<u>Financial liabilities:</u>			
Trade and other payables	–	(385)	(385)
Loan from non-controlling interests	–	(5,155)	(5,155)
Total financial liabilities	–	(5,540)	(5,540)
Net financial assets / (liabilities) at end of the year	1,206	(4,500)	(3,294)



## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

### 29. Financial instruments: information on material policy information and financial risks (cont'd)

#### 29G. Foreign currency risk (cont'd)

Sensitivity analysis: The effect on pre-tax provide the table below:

	Group	
	2023 \$'000	2022 \$'000
A hypothetical 10% strengthening in the exchange rate of the functional currency \$ against respective non-functional currencies with all other variables held constant would have a favourable / (adverse) effect on pre-tax profit of the following amounts:		
Against United States Dollars	(114)	(121)
Against Malaysian Ringgit	443	450

The above table shows sensitivity to the hypothetical percentage variations in the functional currency against the relevant non-functional foreign currencies. The sensitivity rate used is the reasonably possible change in foreign exchange rates. For similar rate weakening of the functional currency against the relevant foreign currencies above, there would be comparable impacts in the opposite direction.

In management's opinion, the above sensitivity analysis is unrepresentative of the foreign currency risks as the historical exposure does not reflect the exposure in future.

### 30. Changes and adoption of financial reporting standards

For the current reporting year the ASC issued amendment to FRS 1 and Practice Statement 2 on disclosures of material accounting policy information and other explanatory information. The amendments indicate that immaterial information need not be disclosed and that disclosures should not obscure material accounting policy information (such as material information being obscured, or information regarding a material item, transaction or other event is scattered throughout the financial statements, etc). In addition, the ASC issued certain new or revised financial reporting standards. None had material impact on the reporting entity.

## NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2023

### 31. New or amended standards in issue but not yet effective

For the future reporting years the ASC issued certain new or revised financial reporting standards. The transfer to the applicable new or revised standards from the effective dates is not expected to result in any material modification of the measurement methods or the presentation in the financial statements for the following reporting year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised standards may have on the entity's financial statements in the period of initial application. Those applicable to the reporting entity for future reporting years are listed below.

SFRS (I) No.	Title	Effective date for periods beginning on or after
SFRS (I) 1-1	Presentation of Financial Statements- amendment relating to Classification of Liabilities as Current or Non-current	1 January 2024
SFRS(I) 1-1	Presentation of Financial Statements- amendment relating to Non-current Liabilities with Covenants	1 January 2024
SFRS(I) 1-21	The Effects of Changes in Foreign Exchange Rates (amendment) Lack of Exchangeability	1 January 2025

## STATISTICS OF SHAREHOLDINGS

As at 15 March 2024

Class of shares	: Ordinary shares
Voting rights	: One vote per ordinary share
Number of treasure shares	: 1,022,200 (1.17%)
Number of subsidiary holdings (as defined in the SGX-ST Listing Manual)	: Nil (0%)

### DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	13	0.50	459	0.00
100 - 1,000	1,135	43.35	534,756	0.61
1,001 - 10,000	1,148	43.85	5,087,680	5.82
10,001 - 1,000,000	315	12.03	21,041,218	24.05
1,000,001 AND ABOVE	7	0.27	60,825,789	69.52
<b>TOTAL</b>	<b>2,618</b>	<b>100.00</b>	<b>87,489,902</b>	<b>100.00</b>

### TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	SUTL GLOBAL PTE LTD	47,389,942	54.17
2	ABN AMRO CLEARING BANK N.V.	3,320,500	3.80
3	RAFFLES NOMINEES (PTE.) LIMITED	2,798,470	3.20
4	PHILLIP SECURITIES PTE LTD	2,543,875	2.91
5	DBS NOMINEES (PRIVATE) LIMITED	2,463,781	2.82
6	GOH GUAN SIONG (WU YUANXIANG)	1,255,500	1.44
7	OCBC SECURITIES PRIVATE LIMITED	1,053,721	1.20
8	CITIBANK NOMINEES SINGAPORE PTE LTD	969,400	1.11
9	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	890,690	1.02
10	HONG LEONG FINANCE NOMINEES PTE LTD	755,900	0.86
11	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	676,400	0.77
12	TAY TENG GUAN ARTHUR	619,000	0.71
13	KGI SECURITIES (SINGAPORE) PTE. LTD.	607,800	0.69
14	CHAI CHEE KENG	555,000	0.63
15	MAYBANK SECURITIES PTE. LTD.	470,700	0.54
16	LO JU JIE	458,981	0.52
17	SEAH CHYE ANN (XIE CAI'AN)	424,000	0.48
18	YU MAN-LI	418,000	0.48
19	RUSLI HARRY	404,600	0.46
20	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	403,800	0.46
	<b>TOTAL</b>	<b>68,480,060</b>	<b>78.27</b>

## STATISTICS OF SHAREHOLDINGS

As at 15 March 2024

### SUBSTANTIAL SHAREHOLDERS

No	Name	Beneficial interest		Deemed interest	
		No. of shares	%	No. of shares	%
1.	SUTL Global Pte. Ltd.	47,389,942	54.17	–	–
2.	Tay Teng Guan Arthur	619,000	0.71	47,389,942	54.17

The deemed interest of Tay Teng Guan Arthur arises by virtue of his direct interest of approximately 51% in the issued and paid up capital of SUTL Global Pte. Ltd

### PERCENTAGE OF SHAREHOLDING IN PUBLIC HANDS

45.12% of the total number of issued ordinary share capital of the Company is held by the public. Accordingly the Company has complied with Rule 723 of the Listing Manual of SGX-ST.



# NOTICE OF ANNUAL GENERAL MEETING

(Company No: 199307251M)  
(Incorporated in the Republic of Singapore)

Notice is hereby given that the Thirtieth Annual General Meeting of SUTL Enterprise Limited will be held at Constellation 1, ONE°15 Marina Sentosa Cove, #01-01, 11 Cove Drive, Sentosa Cove, Singapore 098497 on Monday, 29 April 2024 at 3.00 p.m. for the following business:

## ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2023 and the Auditors' Report thereon.  
**(Resolution 1)**
2. To declare a final 1-tier tax exempt dividend at 5 cents per ordinary share for the year ended 31 December 2023.  
**(Resolution 2)**
3. To approve the payment of Directors' Fees of S\$271,766 for the year ended 31 December 2023.  
**(Resolution 3)**
4. To re-elect Mr Tay Teng Guan Arthur as Director retiring under Article 104 of the Articles of Association of the Company.  
**(Resolution 4)**
5. To re-elect Mr Tay Teng Hock as Director retiring under Article 104 of the Articles of Association of the Company.  
**(Resolution 5)**
6. To re-appoint Messrs RSM SG Assurance LLP as the Auditors of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration.  
**(Resolution 6)**

## SPECIAL BUSINESS

7. To consider and, if thought fit, to pass the following Resolutions with or without any modification as Ordinary Resolutions:
  - (a) "That pursuant to and subject to Section 161 of the Companies Act 1967 and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company ("Directors") to issue shares in the capital of the Company and convertible securities that might or would require new shares in the capital of the Company to be issued including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares (whether by way of rights, bonus or otherwise or in pursuance of any offer, agreement or option made or granted by the Directors during the continuance of this authority which would or might require shares or convertible securities to be issued during the continuance of this authority or thereafter) at any time to such persons and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit (notwithstanding that such issue of shares pursuant to the offer, agreement or option or the conversion of the convertible securities may occur after the expiration of the authority contained in this Resolution), provided that the aggregate number of shares and convertible securities to be issued pursuant to this Resolution shall not exceed fifty per cent. (50%) of the total number of issued shares of the Company excluding any treasury shares and subsidiary holdings ("Issued Shares"), and

# NOTICE OF ANNUAL GENERAL MEETING

(Company No: 199307251M)

(Incorporated in the Republic of Singapore)

provided further that where shareholders of the Company with registered addresses in Singapore are not given an opportunity to participate in the same on a pro-rata basis, then the aggregate number of shares and convertible securities to be issued other than on a pro-rata basis to all shareholders of the Company shall not exceed twenty per cent. (20%) of the Issued Shares, and for the purpose of this Resolution, the percentage of Issued Shares shall be based on the Company's issued share capital 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 share options or vesting of share awards, provided the options or awards were granted in compliance with the Listing Manual of the SGX-ST; and (c) any subsequent bonus issue, consolidation or subdivision of shares, and provided that in respect of (a) and (b) above adjustments are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution), and unless revoked or varied by ordinary shareholders of the Company in general meeting, such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier, and in this Resolution, "subsidiary holdings" has the meaning given to it in the Listing Manual of the SGX-ST."

## (Resolution 7)

- (b) "That authority be and is hereby given to the Directors to offer and grant options in accordance with the provisions of the Share Option Scheme 2011 (the "Option Scheme") approved by Shareholders in general meeting on 29 April 2011 and extended at the Company's annual general meeting held on 28 April 2021, as may be amended from time to time, and pursuant to Section 161 of the Companies Act 1967 to allot and issue from time to time such number of shares in the Company as may be required to be issued pursuant to the exercise of the options under the Option Scheme (notwithstanding that such allotment and issue may occur after the conclusion of the next or any ensuing Annual General Meeting of the Company), provided always that the aggregate number of shares to be issued pursuant to the Option Scheme, when added to (a) the aggregate number of shares issued or issuable in respect of any other share based schemes of the Company (if any) and (b) the number of treasury shares delivered in respect of the options granted under all the other share-based incentive schemes of the Company (if any), shall not exceed fifteen per cent. (15%) of the issued shares (excluding treasury shares and subsidiary holdings) of the Company, and in this Resolution, "subsidiary holdings" has the meaning given to it in the Listing Manual of the SGX-ST.

## (Resolution 8)

- (c) "That the Directors be and are hereby authorised to make purchases (whether by way of market purchases or off-market purchases on an equal access scheme) from time to time of ordinary shares representing up to ten per cent. (10%) of the total number of issued ordinary shares in the capital of the Company (excluding any ordinary shares held as treasury shares or which comprise subsidiary holdings) as at the date of this Resolution, unless the Company has effected a reduction of the share capital of the Company in which event the number of issued ordinary shares of the Company shall be taken to be the number of the issued ordinary shares of the Company as altered (excluding any ordinary shares held as treasury shares or which comprise subsidiary holdings), at the price of up to but not exceeding the Maximum Price (as defined in the Company's Addendum to Shareholders dated 5 April 2024 (being an addendum to this Notice of AGM) (the "Addendum")), in accordance with the "Guidelines on Share Purchases" set out in Appendix A thereof on pages 32 to 35 of the Addendum, and this mandate shall commence from the date of passing of this Resolution and expire at the earliest of (a) the date on which the next Annual General Meeting of the Company is or is required by

# NOTICE OF ANNUAL GENERAL MEETING

(Company No: 199307251M)

(Incorporated in the Republic of Singapore)

law to be held, whichever is the earlier; (b) the date on which the purchases or acquisitions of shares pursuant to the Share Purchase Mandate are carried out to the full extent authorised under the Share Purchase Mandate; or (c) the effective date on which the authority conferred in the Share Purchase Mandate is varied (as to the duration of the Share Purchase Mandate) or revoked by the Shareholders in general meeting, and in this Resolution, “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST.”

## (Resolution 9)

(d) “That:

(i) the proposed grant of Options to Mr. Tay Teng Hock, a Non-Executive Director and an Associate of a Controlling Shareholder of the Company, pursuant to and in accordance with the rules of the Option Scheme, be and is hereby approved, and the Directors and each of them be and are hereby authorised to allot and issue from time to time Shares upon the exercise of such Options:

- (1) Date of Grant: Any time within one (1) month from the date of the Thirtieth AGM;
- (2) Number of Shares: 100,000 Shares (comprising approximately 0.11 % of the total number of issued Shares and approximately 0.99 % of the aggregate number of Shares available under the Option Scheme);
- (3) Exercise Price per Share: Market Price (To give an indication, the Market Price of the Shares on the Latest Practicable Date is S\$0.675);
- (4) Vesting Period: Fifty per cent. (50%) of the Shares comprised in the Options will vest on the first anniversary of the Date of Grant, and the balance of the Shares comprised in the Options will vest on the second anniversary of the Date of Grant; and
- (5) Exercise Period: The Options in respect of: (i) Fifty per cent. (50%) of the Shares comprised in the Options will be exercisable after the first anniversary of the Date of Grant; and (ii) the balance of the Shares comprised in the Options will be exercisable after the second anniversary of the Date of Grant, provided always that the Options shall be exercised before the fifth (5<sup>th</sup>) anniversary of the Date of Grant; and

(ii) the Directors of the Company and each of them be and are hereby authorised and empowered to do all such acts and things (including executing all such documents as may be required as they or he may consider expedient or necessary or in the interests of the Company to give effect to this Resolution, and in this Resolution, “Associate”, “Controlling Shareholder”, “Shares”, “Options”, “Date of Grant”, “Exercise Price”, “Exercise Period”, “Thirtieth AGM”, “Latest Practicable Date”, and “Market Price” shall have the same meanings ascribed to them in the Addendum.”

## (Resolution 10)

(e) “That:

(i) the regulations contained in the New Constitution of the Company reproduced in its entirety in Appendix B of the Addendum, be and are hereby approved and adopted as the Constitution of the Company in substitution for, and to the exclusion of, the Existing Constitution; and;

# NOTICE OF ANNUAL GENERAL MEETING

(Company No: 199307251M)

(Incorporated in the Republic of Singapore)

- (ii) the Directors of the Company and/or any of them be and are hereby authorised and empowered to complete and do all such acts and things, and to approve, modify, ratify and execute all such documents, acts and things as they and/or he may consider, desirable, necessary or expedient to give effect to the abovementioned resolution.”

**(Resolution 11)**

8. Any other ordinary business, which may be transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Adrian Chan Pengee  
Joint Company Secretary  
5 April 2024

## NOTES:

1. The Thirtieth Annual General Meeting of the Company (“AGM”) will be held, in a wholly physical format, at Constellation 1, ONE°15 Marina Sentosa Cove, #01-01, 11 Cove Drive, Sentosa Cove, Singapore 098497.
2. Printed copies of the Company’s annual report for the financial year ended 31 December 2023, addendum to shareholders of the Company (“Shareholders”) dated 5 April 2024 (being an addendum to the Notice of AGM), Notice of AGM and proxy form will be sent by post to shareholders. Documents relating to the business of the AGM, which comprise the Company’s annual report for the financial year ended 31 December 2023, Notice of AGM, the addendum to Shareholders dated 5 April 2024, and proxy form will also be published on SGXNET and the Company’s website at <https://www.sutlenterprise.com>.
3. Arrangements relating to attendance at the Annual General Meeting by shareholders, including Central Provident Fund (“CPF”) or Supplementary Retirement Scheme (“SRS”) (“**CPF/SRS investors**”) CPF and SRS investors, submission of questions by shareholders, including CPF and SRS investors, in advance of, or at, the Annual General Meeting, addressing of substantial and relevant questions in advance of, or at, the Annual General Meeting, and voting at the Annual General Meeting by shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the accompanying Company’s announcement dated 5 April 2024. This announcement may be accessed at the Company’s website at the URL <https://www.sutlenterprise.com> and SGXNET.

The proxy form may be accessed at the Company’s website at <https://www.sutlenterprise.com> or the SGXNET.

4. The proxy form is not valid for use by Investors (including CPF/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/its relevant intermediary as soon as possible to specify his/its voting instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator by 3.00 p.m. on 17 April 2024, being not less than 7 working days before the date of the AGM to submit his/her voting instructions.
5. If the member is a corporation, the instrument appointing the Chairman as proxy must be under seal or the hand of an officer or attorney duly authorised.
6. The proxy form must be submitted to the Company in the following manner:
  - (i) if submitted by post, be deposited at the registered office of the Company at #05-00, 100J Pasir Panjang Road, SUTL House, Singapore 118525; or
  - (ii) if submitted through electronic means, be submitted via an email enclosing a signed PDF copy of the proxy form to the Company at [investor\\_relations@sutl.com](mailto:investor_relations@sutl.com).

in either case, by no later than 3:00 p.m. on 27 April 2024 (being at least forty-eight (48) hours before the time fixed for 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 provided above, or before scanning and sending it by email to the email address provided above.



# NOTICE OF ANNUAL GENERAL MEETING

(Company No: 199307251M)

(Incorporated in the Republic of Singapore)

7. Where a member (whether individual or corporate) appoints the Chairman as his/its proxy, he/it must give specific instructions in the relevant proxy form as to voting, or abstentions from voting, in respect of a resolution, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid. The Company shall be entitled to reject the instrument appointing the Chairman as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on this instrument appointing the Chairman as proxy.
8. In the case of members whose shares are deposited with The Central Depository (Pte) Limited ("CDP"), the Company may reject any instrument appointing the Chairman as proxy lodged if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the meeting as certified by CDP to the Company.
9. In advance of the AGM, shareholders, including CPF and SRS investors, may submit matters and questions relating to the business of the AGM, by 3.00 p.m. on 22 April 2024:
  - (i) by email to [investor\\_relations@sutl.com](mailto:investor_relations@sutl.com); or
  - (ii) by post to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Avenue Keppel Bay Tower #14-07 Singapore 098632.

When submitting questions via email or by post, the shareholder would also need to provide the following details:

- full name (as per CDP, CPF, SRS and/or scrip-based records);
  - address; and
  - the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF, SRS and/or scrip).
10. The Company will respond to substantial and relevant questions which are received in the manner and by the time and date set out in Note 9 above, and the Company will publish its response on SGXNET and the Company's website at <https://www.sutlenterprise.com> prior to the AGM.
  11. In addition, at the AGM itself, shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies, may raise matters and questions relating to the business of the AGM.

## EXPLANATORY NOTES:

### Resolution 3

Resolution 3 above is to seek approval for the payment of S\$271,766 as Directors' Fees to the Independent Directors as well as the other Directors on the board for the financial year ended 31 December 2023. The Directors' Fees for the financial year ended 31 December 2022 was S\$258,825 for the Independent Directors as well as the other Directors on the board.

### Resolution 4

Mr. Tay Teng Guan Arthur, if re-elected, will remain an Executive Director and the Chief Executive Officer of the Company. Please refer to pages 7,34 and 35 of the Company's Annual Report for the financial year ended 31 December 2023 for more information.

### Resolution 5

Mr. Tay Teng Hock, if re-elected, will remain a Non-Executive Director of the Company. Please refer to pages 8 and 36 of the Company's Annual Report for the financial year ended 31 December 2023 for more information.

### Resolution 7

Resolution 7 above, if passed, empowers the Directors, from the date of the above Meeting until the next Annual General Meeting, to allot and issue shares and convertible securities of the Company, without seeking any further approval from Shareholders in general meeting but within the limitation imposed by the Resolution.

### Resolution 8

Resolution 8 above, if passed, empowers the Directors to offer and grant options and to issue shares in connection with the Option Scheme. This authority will, unless previously revoked or varied at a general meeting, expire at the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held, whichever is earlier. This authority is in addition to the general authority to issue shares sought under Resolution 7.



# NOTICE OF ANNUAL GENERAL MEETING

(Company No: 199307251M)

(Incorporated in the Republic of Singapore)

## Resolution 9

Resolution 9 above, if passed, empowers the Directors of the Company to make purchases (whether by way of market purchases or off-market purchases on an equal access scheme) from time to time of up to ten per cent. (10%) of the total number of issued ordinary shares in the capital of the Company (excluding any ordinary shares held as treasury shares or which comprise subsidiary holdings) as at the date of the Resolution, unless the Company has effected a reduction of the share capital of the Company in which event the issued ordinary shares of the Company shall be taken to be the number of the issued ordinary shares of the Company as altered (excluding any ordinary shares held as treasury shares or which comprise subsidiary holdings), at a price up to but not exceeding the Maximum Price (as defined in the Addendum) (the “Share Purchase Mandate”).

Please refer to the Addendum for the rationale for the Share Purchase Mandate, the source of funds to be used for the Share Purchase Mandate (including the amount of financing), the impact of the Share Purchase Mandate on the Company’s financial position, the implications arising as a result of the Share Purchase Mandate under the Singapore Code on Take-overs and Mergers and on the listing of the Company’s Shares on the SGX-ST, the number of Shares purchased by the Company in the previous twelve (12) months, as well as whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

## Resolution 10

Resolution 10, if passed, will approve the grant of Options to Mr. Tay Teng Hock, a Non-Executive Director and an Associate of a Controlling Shareholder of the Company, on the terms and subject to the conditions set out in the Resolution and the Addendum.

Please refer to the Addendum for the rationale for the grant of Options to Mr. Tay Teng Hock.

Please refer to the section titled “Abstention from Voting” below for details on the Shareholders who are required to abstain from voting on this Resolution 10.

## Resolution 11

Resolution 11 above, if passed, would approve the adoption of a New Constitution of the Company, and the intended purpose is to update, streamline and rationalize the existing provisions in the Constitution of the Company.

Please refer to the Addendum for further details on the proposed adoption of a New Constitution of the Company, including a summary of the principal provisions of the proposed New Constitution, and a comparison of the proposed New Constitution against the existing Constitution.

## Abstention from Voting

Shareholders who are eligible to participate in the Option Scheme shall abstain from voting at the Thirtieth AGM in respect of Resolutions 8 and 10. Save for the Chairman, they shall also decline to accept appointment as proxy for Shareholders to vote on Resolutions 8 and 10. For the Thirtieth AGM, the Chairman will accept appointment as proxy for Shareholders to vote in respect of Resolutions 8 and 10, provided that the Shareholder concerned has given specific instructions in the relevant proxy form as to voting, or abstentions from voting, in respect of such Resolutions.

The Controlling Shareholder, Mr. Tay Teng Guan, Arthur, and his Associate, Mr. Tay Teng Hock, whereby the latter is proposed to receive Options under the Option Scheme, and their associates (including SUTL Global Pte. Ltd.), will abstain from voting at the Thirtieth AGM in respect of Resolutions 8 and 10.

The Directors are all eligible to participate in, and are therefore interested in the Option Scheme. As such, the Directors shall also abstain from voting at the Thirtieth AGM in respect of Resolutions 8 and 10.

The Company will disregard any votes cast by the abovementioned Shareholders and Directors in respect of Resolutions 8 and 10.

Please refer to the Addendum for more details.

# NOTICE OF ANNUAL GENERAL MEETING

(Company No: 199307251M)

(Incorporated in the Republic of Singapore)

## Personal data privacy:

By (a) submitting the proxy form appointing a proxy(ies) and/or an instrument appointing a representative(s) to vote at the Annual General Meeting and/or any adjournment thereof, (b) submitting details for the attendance at the AGM or (c) submitting any matter or question 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 following purposes: (1) processing, administration and analysis by the Company (or its agents or service providers) of proxies and corporate representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof); (2) processing of the registration for the purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to attend the AGM of the Company and providing them with any technical assistance where necessary; (3) addressing substantial and relevant questions from members received before the AGM of the Company and, if necessary, following up with the relevant members in relation to such questions; and (4) 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 discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) 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.

In the case of a member who is a relevant intermediary, by submitting the consolidated list of participants set out in Note 3 of this Notice of AGM, such member represents and warrants that it has obtained the prior consent of the individuals for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such individuals by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of the participation of such individuals in the broadcast and proceedings of the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and record of questions asked, 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.

Photographic, sound and/or video recordings of the AGM of the Company may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared of the AGM of the Company. Accordingly, the personal data of a member (such as his name, his presence at the AGM of the Company and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

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# SUTL ENTERPRISE LIMITED

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199307251M)

## PROXY FORM Annual General Meeting

### IMPORTANT

1. The AGM (as defined below) is being convened, and will be held in a wholly physical format, at Constellation 1, ONE\*15 Marina Sentosa Cove, #01-01, 11 Cove Drive, Sentosa Cove, Singapore 098497 on 29 April 2024 at 3.00 p.m. There will be no option for shareholders to participate by electronic means. Printed copies of the Company's annual report for the financial year ended 31 December 2023, addendum to shareholders of the Company ("Shareholders") dated 5 April 2024 (being an addendum to the Notice of AGM), Notice of AGM and this proxy form will be sent by post to shareholders. These documents will also be published on the Company's website at the URL <https://www.sutlenterprise.com> and SGXNET.
2. Arrangements relating to attendance at the AGM by shareholders, including CPF and SRS investors (as defined below), submission of questions, addressing of substantial and relevant questions and voting at the AGM, are set out in the Notice of AGM and the Company's accompanying announcement dated 5 April 2024, which has been published together with the Notice of AGM on the same day.
3. This proxy form is not valid for use by investors holding shares in the Company ("Shares") through relevant intermediaries (as defined in Section 181 of the Companies Act 1967) ("Investors") (including investors holding Shares through Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS") ("CPF/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. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator by 3.00 p.m. on 17 April 2024, being not less than 7 working days before the date of the AGM to submit his/her voting instructions.
4. **Please read the notes overleaf which contain instructions on, *inter alia*, the appointment of the Chairman as a member's proxy to vote on his/its behalf at the AGM.**

I/We \_\_\_\_\_ (Name)

of \_\_\_\_\_ (Address)

being a \*Member / Members of SUTL Enterprise Limited (the "**Company**") hereby appoint

(a) the **Chairman of the Annual General Meeting ("Chairman")**; and/or

(b) Name:  
Address:  
NRIC / Passport No.:  
Proportion of Shareholding (%):  
(Proportion of Shareholding is applicable only  
in the event that more than one proxy is appointed)

as \*my/our proxy to vote for \*me/us on \*my/our behalf at the Thirtieth Annual General Meeting of the Company ("**AGM**") to be held on 29 April 2024 at 3:00 p.m. and at any adjournment thereof in the following manner.

(Please indicate with an "**X**" in the spaces provided whether you wish your vote(s) to be cast for or against, or abstain from voting, in respect of all your shares for each Resolution as set out in the Notice of Annual General Meeting. Alternatively, you may indicate the number of shares that you wish to vote for or against, and/or abstain from voting, for each Resolution in the space provided. **In the absence of specific directions in respect of a Resolution, the appointment of the Chairman of the Annual General Meeting as your proxy for that Resolution will be treated as invalid.**)

No.	Resolution	For	Against	Abstain
1	Adoption of Directors' Statement and Audited Financial Statements and Auditors' Report			
2	To declare a final dividend at 5 cents per ordinary share for the year ended 31 December 2023			
3	Approval of Directors' fees			
4	Re-election of Director – Mr. Tay Teng Guan Arthur			
5	Re-election of Director – Mr. Tay Teng Hock			
6	Re-appointment of auditors			
7	Authority to issue and allot shares pursuant to Section 161 of the Companies Act 1967			
8	Authority to offer and grant options, and issue shares, in accordance with the Share Option Scheme 2011			
9	Authority to purchase shares pursuant to the Share Purchase Mandate			
10	To approve the proposed grant of options under the Option Scheme in respect of 100,000 shares to Mr Tay Teng Hock, a Non-Executive Director and an Associate of a Controlling Shareholder of the Company			
11	To approve and adopt the New Constitution of the Company			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

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

Signature(s) of member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

\* delete as appropriate.





**Notes:-**

1. Please insert the total number of 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 of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, this proxy form appointing the Chairman as proxy will be deemed to relate to all the shares held by you.
2. Shareholders, including CPF and SRS investors, can vote at the AGM themselves or through duly appointed proxy(ies). Shareholders who wish to appoint a proxy(ies) must submit a proxy form in accordance with the instructions on the proxy form. Where a member (whether individual or corporate) appoints the Chairman as his/its proxy, he/it must give specific instructions in the relevant proxy form as to voting, or abstentions from voting, in respect of a resolution, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid.
3. This proxy form is not valid for use by 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 instructions. A CPF/SRS investor who wishes to vote should approach his/her CPF Agent Bank or SRS Operator by 3.00 p.m. on 17 April 2024, being not less than 7 working days before the date of the AGM to submit his/her voting instructions.
4. Shareholders who wish to appoint a proxy(ies) must submit a proxy form in the following manner:
  - (i) if submitted by post, be deposited at the registered office of the Company at #05-00, 100J Pasir Panjang Road, SUTL House, Singapore 118525; or
  - (ii) if submitted through electronic means, be submitted via an email enclosing a signed PDF copy of the proxy form to the Company at investor\_relations@sutl.com,in either case, by no later than 3:00 p.m. on 27 April 2024 (being at least forty-eight (48) hours before the time fixed for holding the AGM) and in default the proxy form for the AGM shall not be treated as valid.
5. A Shareholder 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. A proxy form must be signed by the appointor or his/her duly authorised attorney. Where a proxy form is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
6. Where a proxy form appointing the Chairman as proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the proxy form of proxy, failing which the proxy form may be treated as invalid.
7. Members should take note that after the deadline for the submission of proxy forms, the deadline being 3:00 p.m. on 27 April 2024 (being at least forty-eight (48) hours before the time fixed for holding the AGM), they cannot change their votes as indicated in the spaces provided above.

**General**

Where a member (whether individual or corporate) appoints the Chairman as his/its proxy, he/it must give specific instructions in the relevant proxy form as to voting, or abstentions from voting, in respect of a resolution, failing which the appointment of the Chairman as proxy for that resolution will be treated as invalid. The Company shall be entitled to reject this proxy form appointing the Chairman as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on this proxy form appointing the Chairman as proxy. In addition, in the case of Members whose shares are deposited with The Central Depository (Pte) Limited (“CDP”), the Company may reject any proxy form appointing the Chairman as proxy lodged if such Members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the meeting as certified by CDP to the Company.

**Personal data privacy**

By submitting an proxy form appointing the Chairman of the Meeting as proxy, the member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 5 April 2024.



ONE°15  
MARINA BUA SINARAS





100J Pasir Panjang Road  
#05-00 SUTL House  
Singapore 118525

[www.sutlenterprise.com](http://www.sutlenterprise.com)

Cover Picture: ONE°15 Marina Sentosa Cove, Singapore