



同乐 TUNGLOK

TUNG LOK RESTAURANTS (2000) LTD

ANNUAL REPORT 2024

For the financial year ended 31 March 2024

CONTENTS

Our Brands and Outlets	2
Message from Independent Non-Executive Chairman and President/ Chief Executive Officer	13
Corporate Information	16
Historical Financial Summary	17
Board of Directors	18
Key Management Team	21
Corporate Governance Report	23
Directors' Statement	57
Independent Auditor's Report	60
Consolidated Income Statement and Statement of Comprehensive Income	64
Balance Sheets	65
Statements of Changes in Equity	67
Consolidated Cash Flow Statement	70
Notes to the Financial Statements	72
Statistics of Shareholdings	124
Notice of 24 th Annual General Meeting	126
Appendix to Notice of Annual General Meeting	132
Proxy Form	149

This Annual Report has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**"). This Annual Report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this Annual Report, including the correctness of any of the statements or opinions made, or reports contained in this Annual Report.

The contact person for the Sponsor is Ms Lee Khai Yinn, SAC Capital Private Limited at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542. Telephone number: +65 6232 3210



Nestled within the grandeur structure of OUE Tower is USHIO. Its name, inspired by the pristine waters that separate its location and Marina Bayfront, translates to "tide". In the same fashion, it sees the necessity to go on a relentless pursuit to ride the waves of opportunity and trends. Home to Japanese-style charcoal grilled delicacies alongside creative sharing plates - a la "Japanese tapas", the creations boast originality that are rejuvenated with a contemporary touch. Within the menu also includes an extensive range of artisanal sakes that are meticulously selected from major prefectures in Japan.

Step inside and be transported into a world of sophistication. The interior features modern Ukiyo-e art paintings that breathe life to the sleek wood panels that accentuates the walls. Guests are welcome to rest in the arms of vibrance within the dining area, or soak in the tranquility that the view brings at our islanders lined up outdoors.

A hidden gem that brims liveliness coupled with elegance and precision, USHIO welcomes you on a escapade to an unforgettable Izakaya experience.

OUE Tower

60 Collyer Quay, Level 8, Singapore 049322
WhatsApp only: 9105 3488



Located at Level 10 of Singapore's only revolving tower, Tóng Lè Private Dining at OUE Tower is TungLok Group's most exquisite restaurant to-date. With the panoramic view of the historic Collyer Quay waterfront and the heritage significance of the tower serving as its stage, Tóng Lè presents a world-class fine dining concept that is unique both in experience and taste.

Using only the best ingredients sourced from around the world, our award-winning chefs create the best of traditional Chinese dishes with flavours that engage the contemporary taste. Age-long Chinese recipes are reinterpreted by Tóng Lè's creative team of chefs. The specially-recalibrated recipes revive many forgotten dishes recreated with Tóng Lè's unique style.

The restaurant offers diners a selection of eight exclusive dining rooms as well as four cosy dining areas. Chic dark wood furniture in the restaurant exudes sophistication and elegance.

OUE Tower

60 Collyer Quay, Level 10, Singapore 049322
Tel: 6634 3233





Resorts World Sentosa



Hanoi, Vietnam



'Heen', which is derived from Cantonese, simply means 'Pavilion'. In the same fashion, TungLok Heen aims to be a pavilion of retreat for those who appreciate traditional, authentic, quality, Chinese cuisine.

Located in Hotel Michael at Resorts World Sentosa, it is helmed by internationally acclaimed Celebrity Chef Susur Lee and Senior Executive Chef Ken Ling. In addition to Chef Lee's signature contemporary Asian creations, the menu includes an array of award-winning creative Chinese cuisine and seafood delicacies executed by Chef Ling and his team of chefs.

Resorts World Sentosa

Hotel Michael, Lobby Level, 26 Sentosa Gateway
#02-142/143, Singapore 098138
Tel: 6884 7888

LICENSED OUTLET:

HANOI, VIETNAM

Hoa Lan, Vinhomes Riverside Long Bien,
Hanoi 10000 Vietnam
Tel: +84-94-9898222



TUNGLOK SIGNATURES

TungLok Signatures offers a tantalising range of traditional Chinese cuisine, such as Cantonese, Shanghaiese and Sichuan dishes with a dash of Modern creations – authentic in tastes but with TungLok's distinctive touch. Be swept away by a myriad of flavours from our premium ingredients.

Our masterchefs' skilful execution and innovative vision have produced a unique dining concept that has impressed many. Reminisce the taste and soul of Chinese tradition as these delicacies charm your palate with each tender morsel.

Orchard Rendezvous Hotel

1 Tanglin Road, #02-18, Singapore 247905
Tel: 6834 0660

Clarke Quay Central

6 Eu Tong Sen Street, #02-88, Singapore 059817
Tel: 6336 6022



Orchard Rendezvous Hotel



Clarke Quay Central



Orchard Central



d'Arena

Offering you the freshest catch to welcome seafood lovers from all parts of Singapore, TungLok Seafood specialises in the best of Singapore-style seafood prepared with the quality and standards synonymous with the TungLok brand. Enjoy perennial favourites such as Chilli Crab, Black Pepper Crab with Fresh Peppercorns and the award-winning, original Deep-fried Prawn with Wasabi-mayo, amongst other specialities.

Orchard Central

181 Orchard Road, #11-05, Singapore 238896
Tel: 6834 4888

d'Arena

511 Upper Jurong Road, #01-01, Singapore 638366
Tel: 6262 6996



Paya Lebar Quarter

Paya Lebar Quarter (PLQ Mall)

10 Paya Lebar Road, #03-09/10, Singapore 409057
Tel: 6909 8933

Park Regis Singapore

23 Merchant Road, Lobby Level, Singapore 058268
Tel: 6721 9118



Park Regis Singapore

Gardens by the Bay

18 Marine Gardens Drive, #01-10, Singapore 018953
Tel: 6022 0188

LICENSED OUTLET:

MANILA, PHILIPPINES

Manila SM Mall of Asia Complex

Unit 127C/128A2/128B/129-132, Jose W. Diokno Boulevard, SM Central Business Park, Bay City, Pasay, Metro Manila, Philippines
Tel: +63 917 121 0082

City of Dreams Manila

Unit 212A Upper Ground Floor, Aseana Avenue, corner Roxas Boulevard, Parañaque, 1701 Metro Manila, Philippines
Tel: +63 917 702 4024



Gardens by the Bay

Gateway Mall 2

Upper Ground Level, Araneta City, Quezon City, 1109 Metro Manila, Philippines
Tel: +63 917 539 1485



Douraku Sushi is conceived as a quaint sushi restaurant which offers authentic Japanese selections.

Our chefs trained in Japanese cuisine delicately execute their skills to bring diners their best with the freshest ingredients, along with modern Japanese cooking techniques.

Diners can indulge in familiar delicacies such as Uni Chawanmushi, Kaisen Don and Douraku Sashimi Platter, as well as unique creations like Chilli Soft-shell Crab Maki. Also within this nifty bar are hand-picked sakes that perfectly complement the dishes, making each meal a truly delightful experience.

d'Arena

511 Upper Jurong Road, #01-01, Singapore 638366
Tel: 6262 6996

Gardens by the Bay

18 Marine Gardens Drive, #01-10, Singapore 018953
Tel: 6022 0188



Orchard Central



Velocity@Novena Square



同樂雅苑
TUNGLOK
PEKING DUCK



TungLok Peking Duck offers a delectable spread of premium Chinese cuisine reinterpreted for the modern era.

It prides itself on its commitment to authentic Chinese cuisine through innovative cooking and presentation methods. With sophisticated interiors that successfully combine the mystique of the East and chic of the West, the restaurant exudes a cosy and stylish ambience. This is the perfect place for diners to indulge in the restaurant's signature dish - Peking Irish Duck, a quintessential delicacy amongst Chinese food lovers, and prepared with possibly the best recipe in town.

The brand is the First in Singapore to serve the famed Irish Duck from Silver Hill Farm traditional Peking style.

Orchard Central

181 Orchard Road, #07-07/08/09, Singapore 238896
Tel: 6736 0006

Velocity@Novena Square

238 Thomson Road, #02-11/12, Singapore 307683
Tel: 6992 2777



d'Arena



Gardens by the Bay



Since Lao Beijing opened in 1996, it has served classic Chinese delicacies that many have come to reminisce. Keeping up with the times, we continue to push the boundaries of change to engage palates of the present.

Still *Hooked On Classics*, our cuisine philosophy aims to unite the old and the new. Our chefs' creativity is always on the go, giving new interpretation to classics that have popularised Chinese cuisine from all over the world.

Experience the new and improved flavours which draw inspiration from the essence of traditional classics. Dishes like Grilled 'Mala' Lamb Leg, The Mermaid, Wagyu Beef Truffle 'Hor Fun', Chop Suey, and more.

Welcome to Lao Beijing, where classical tales are told in modern times.

Square 2

10 Sinaran Drive, #02-76, Singapore 307506
Tel: 6358 4466



Entrance



Main Dining Area



The first Chinese restaurant to launch the automated tray delivery system, TungLok Teahouse offers high quality, handmade dim sum, made on the spot, steamed to order.

There's also an exquisite range of everyday Chinese favourites, curated by a team of highly-skilled chefs, such as Seafood Treasure Bowl, Braised Rice Vermicelli with Seafood, Chicken and White Pepper Collagen Broth in Claypot, and Hingwa Pangsit. Indulge in simple pleasures, heavenly treasures at TungLok Teahouse today.

Square 2

10 Sinaran Drive, #01-73, Singapore 307506
Tel: 6893 1123



Main Dining Area



Tables with built-in griddles

LingZhi has captivated discerning palates since 1991 with its innovative and refined gourmet Chinese Vegetarian cuisine, enticing guests to return time and again for its creative delicacies.

Gone are the primitive, conservative style of preparing vegetarian dishes with artificial colouring and additives. In its place is a range of dishes filled with wholesome goodness, and tonifying fare prepared with the finest, freshest, natural as well as organic ingredients.

Whether you follow a strict vegetarian lifestyle or are someone looking for healthier, tastier options, we welcome you to the exciting culinary world of LingZhi Vegetarian.

Liat Towers

541 Orchard Road, #05-01, Singapore 238881
Tel: 6734 3788



D.I.Y. Pancake Ingredients



Dining Hall



A fun and interactive dining concept, Slappy Cakes was born out of Portland, Oregon in 2009. It was first introduced in Singapore in 2013 and has since proven to be a welcomed concept amongst the young and “young at heart”.

Diners make their own pancakes using built-in griddles at their table with bottles of batter. To continue the fun, its artisan menu also includes an impressive selection of creative all-day breakfast choices, refreshing salads and classic western favourites such as Country Fried Chicken, Smoked Trout Benedict, Seafood Aglio Olio and more.

Northshore Plaza II

418 Northshore Drive, #01-11, Singapore 820418
Tel: 6992 2992



Private Room



Discover QĪN (亲, pronounced as 'Chin') at Cross Street - one of the oldest streets in Singapore and well-known for its rich heritage.

Executive Chef Maksym Chukanov helms the kitchen, presenting curated set menus for lunch and dinner service.

Diners can expect distinctive creations that emphasise chef-driven cuisine, harmonising European gastronomy and Asian elements to elevate high-quality ingredients with modern techniques and minimalistic plating.

Cosy up to an Asian rustic adorned interior that exudes class and elegance. The restaurant offers a magnificent bird's eye view of the city, offering both a palatable dining experience and a visual treat to guests.

Level 5 is dedicated to QĪN Bar, which serves exquisite cocktails, delectable bar bites and over 100 wine selections. Be greeted by a Chinese medical hall-inspired backdrop and find signature cocktails infused with an exciting array of local flavours that truly resonate with the Singaporean palate.

Come home to QĪN, where culture meets and kinship ignites.

The Clan Hotel

10 Cross Street, Level 4 & 5, Singapore 048417
Tel: 6980 3535





Orchard Central



Welcome to Dancing Crab! A vibrant dining concept where the freshest sea-catch takes centrestage. Its no-holds-barred concept means that diners literally dine off the table, sans plates and cutleries, and simply enjoy a finger-licking-good time. Great tasting fresh seafood boil, lobster rolls, crab cakes, thirst-quenching lemonades, cocktails, craft beers - these are just some of the regular items which fly off the menu everyday. Coupled with a casual, lively and vibrant atmosphere with funky music, this place gives you every reason to keep coming back.

Orchard Central

181 Orchard Road, #07-14/15, Singapore 238896
Tel: 6509 1878

VivoCity

1 Harbourfront Walk, #03-10, Singapore 098585
Tel: 6222 7377

Northshore Plaza II

418 Northshore Drive, #01-11, Singapore 820418
Tel: 6992 2992

LICENSED OUTLETS:

TOKYO, JAPAN

2F Shinjuku NOWA Building, 3-37-12
Shinjuku City, Shinjuku, Tokyo, 160-0022, Japan
Tel: +81-3-6380-5151

OSAKA, JAPAN

8F Grand Front Osaka South, 4-20 Ofukacho, Kita-ku
Osaka-shi, Osaka 530-0011, Japan
Tel: +81-6-6485-7325



VivoCity



Northshore Plaza II

OTHER LICENSED OUTLET



Embark on a culinary journey at Taipan Restaurant in Medan, Indonesia, where time-honoured recipes are meticulously preserved, and the spirit of culinary tradition thrives. Every dish on the menu is carefully curated and preserved to ensure an authentic and unparalleled dining experience. The commitment to culinary excellence is palpable in the kitchen, where seasoned chefs weave magic with time-tested techniques and a symphony of flavours.

MEDAN, INDONESIA

Capital Building Lantai 1, Jalan Putri Hijau No.1A
Sumatera Utara 20111, Medan
Tel: +62 61 4556 333



OPERATED BY ASSOCIATES



Singapore Seafood Republic is the brainchild of four of Singapore's best-loved seafood dining brands – TungLok Seafood, The Seafood International, Palm Beach Seafood and Jumbo Seafood – together with its Japanese partner, M.R.S. (Maruha Restaurant Systems) Restaurant Wonderland Group.

With a combined market presence of more than 150 years, these partners have successfully established the brand since 2008.

The restaurant draws a loyal following of seafood lovers with its fresh ocean catches and innovative culinary creations that encapsulate Singapore's rich heritage in seafood cuisine. Signature dishes featured include the Singapore Chilli Crab, Seafood Platter and Wasabi-mayo Prawns.

TOKYO, JAPAN (Takeshiba)

3F, Tower Ridge, atre Takeshiba 1-10-30, Kaigan,
Minato-ku, Tokyo
Tel: +81-3-6381-5296

TOKYO, JAPAN (Ginza)

Ginza Chuo-ku, Tokyo 2-2-14 Maronier Gate Ginza 1
11F
Tel: +81-3-5524-7615

OSAKA, JAPAN

Daimaru Umeda 14F, 3-1-1 Umeda, Kita-ku,
Osaka city
Tel: +81-6-6347-1160





TUNG LOK · NOBLE Gifts



HOME FIESTA
BY TUNG LOK

MANUFACTURING AND HOME FIESTA PRODUCTS

The Group's manufacturing facilities produce fresh Dim Sum, Rice Dumplings, as well as Chinese New Year pastries and festive foods which are a sell-out every year during the festive seasons.

It is also home to the Group's variety of Heat & Serve products under the **HOME FIESTA** brand. These products are created by a team of award-winning chefs, freshly cooked and packed in special food-grade bags, quick frozen and marketed as convenient, easy-to-prepare gourmet options for home enjoyment.

Home Fiesta products are available at Tung Lok restaurants as well as online at www.homefiesta.tunglok.com.





TUNG LOK CATERING



Armed with more than 30 years of experience in the industry, Tung Lok Catering has catered to several notable events and is proud to have been named amongst the best caterers in Singapore.

It has successfully been the official caterer for the Singapore F1 Grand Prix (Formula One) since 2008. Tung Lok Catering operates from the Group's central kitchens as well as the kitchens in its numerous restaurants in Singapore. Catering to different consumer segments.

TungLok's catering arm is currently segmented into two categories. While **Tung Lok Catering** offers premium menus and setups, the halal-certified **Bellygood Caterer** is targeted at the mid-market consumer segment. It owns a fleet of dedicated catering vehicles.

NON-HALAL

HALAL



TUNG LOK CATERING



MESSAGE FROM INDEPENDENT NON-EXECUTIVE CHAIRMAN AND PRESIDENT/CHIEF EXECUTIVE OFFICER

Dear Shareholders,

On behalf of the Board of Directors (the “**Board**”), we would like to present to you the Annual Report of Tung Lok Restaurants (2000) Ltd (“**Tung Lok**” or the “**Group**”) for the financial year ended 31 March 2024 (“**FY24**”).

This year marks our 40th anniversary since the opening of our flagship Tung Lok Restaurant at Liang Court in January 1984. The Group has grown into a household name over the decades, serving a diverse range of cuisines across Singapore, Indonesia, Japan, Vietnam and the Philippines.

Having forged numerous memories, triumphed over challenges and achieved notable successes, our journey has been, indeed, extraordinary. Each step has served as a building block, collectively moulding us into the dynamic and innovative provider of excellent culinary experiences we proudly embody today.

FINANCIAL REVIEW

Despite consumer sentiment being impacted due to prevailing inflationary pressures and an uncertain economic landscape, the Group recorded higher revenue in FY24 compared to previous financial year ended 31 March 2023 (“**FY23**”), underscoring our resilience and strong business fundamentals as well as our ability to navigate the current challenging operating environment.

The Group’s revenue for FY24 increased by S\$3.8 million or 4.4% to S\$90.0 million from S\$86.2 million in FY23 mainly due to the following:

- (a) S\$4.3 million higher revenue contribution from the catering business;
- (b) S\$2.8 million higher revenue contribution from a new outlet which opened in FY24; and
- (c) S\$1.2 million higher revenue contribution from existing outlets.

The higher revenue was partially offset by a S\$4.5 million loss of revenue contribution from 3 outlets which were closed during FY24.

In line with the higher revenue, gross profit increased by S\$1.9 million or 3.1% to S\$64.6 million in FY24 from S\$62.7 million in FY23. Gross profit margin decreased by 0.9 percentage points to 71.9% in FY24 from 72.8% in FY23 due to higher food raw material costs.

Other operating income increased by S\$0.8 million or 42.8% to S\$2.8 million in FY24 from S\$2.0 million in FY23, mainly due to:

- (a) S\$0.3 million higher other administrative income;
- (b) S\$0.2 million higher interest income earned;
- (c) S\$0.2 million higher catering service income received; and
- (d) S\$0.1 million higher marketing promotion funds received.

Administrative expenses, mainly manpower-related expenses, increased by S\$2.1 million or 6.8% to S\$33.7 million in FY24 from S\$31.6 million in FY23, due to an increase in headcount by 36, in tandem with the higher revenue and the opening of a new outlet during FY24.

Other operating expenses increased by S\$2.6 million or 9.8% to S\$29.8 million in FY24 from S\$27.2 million in FY23, in tandem with the higher revenue and business volume. The operating expenses which had increased in FY24 include advertising and promotions expenses (S\$0.7 million increase), utilities expenses (S\$0.5 million increase), impairment loss of property, plant and equipment (S\$0.3 million increase), lease rental expenses (S\$0.2 million increase), banquet commission (S\$0.1 million increase), depreciation of property, plant and equipment (S\$0.1 million increase), entertainment expenses (S\$0.1 million increase), laundry expenses (S\$0.1 million increase), loss on deregistration of a subsidiary (S\$0.1 million increase), professional fee (S\$0.1 million increase), upkeep and cleaning expenses (S\$0.1 million increase) as well as utensils expenses (S\$0.1 million increase).

Finance costs, mainly interest expenses, increased by S\$287,000 or 53.6% to S\$822,000 in FY24 from S\$535,000 in FY23 mainly due to an increase in interest expenses on lease liabilities driven by higher lease liabilities in FY24.

MESSAGE FROM INDEPENDENT NON-EXECUTIVE CHAIRMAN AND PRESIDENT/CHIEF EXECUTIVE OFFICER

Share of result of a joint venture of S\$317,000 recorded in FY24 was due to net loss contribution from a joint venture.

Share of losses of associates of S\$88,000 in FY24 compared to share of profits of associates of S\$49,000 in FY23 was due to loss on disposal of investment in an unquoted equity recorded by an associate in FY24.

Income tax benefit of S\$15,000 was recorded in FY24 compared to income tax expenses of S\$68,000 in FY23 mainly due to recognition of unused tax losses and temporary differences of certain subsidiaries as deferred tax assets in FY24.

Despite the challenging operating environment in FY24, the Group continues to record revenue growth and profits attributable to the owners of the Company of S\$2.0 million. This is lower compared to FY23's S\$4.2 million as inflationary cost pressures drove food ingredients, manpower, utilities and other operating costs higher and consequently impacted margins in FY24.

Total assets of the Group increased by S\$7.7 million or 16.0% to S\$55.7 million as of 31 March 2024 from S\$48.0 million as of 31 March 2023. This was mainly due to an increase in (i) right-of-use assets of S\$6.0 million; (ii) trade, other receivables and prepayments of S\$1.6 million; (iii) deferred tax assets of S\$0.4 million; (iv) long-term security deposits of S\$0.2 million; and (v) inventories of S\$0.2 million, partially offset by a decrease in cash and bank balance of S\$0.7 million.

Total liabilities of the Group increased by S\$7.0 million or 21.2% to S\$40.0 million as of 31 March 2024 from S\$33.0 million as of 31 March 2023. This was mainly due to an increase in (i) lease liabilities of S\$6.2 million; (ii) trade and other payables of S\$1.7 million; and (iii) income tax payable of S\$0.3 million, partially offset by a decrease in bank loans of S\$1.2 million.

The Group's net working capital decreased by S\$0.2 million to S\$4.8 million as of 31 March 2024 from S\$5.0 million as of 31 March 2023 despite generating positive operating cash due to the payment of S\$2.1 million dividend to shareholders of the Company.

Net asset value per share as of 31 March 2024 remains unchanged at 5.79 Singapore cents compared to 31 March 2023. The Group's gearing ratio increased to 1.55 times as of 31 March 2024 from 1.27 times as of 31 March 2023 mainly due to increased lease liabilities.

OPERATIONS

The Group currently operates a total of 33 outlets. Of these, 22 are directly owned, 3 are held by our associates and 8 others are under license/franchise. These restaurants are spread across Singapore, Indonesia, Japan, Vietnam and the Philippines with our Group's business predominantly based in Singapore.

We are also delighted to report the turnaround of our catering division, which experienced severe disruptions due to the longer-than-expected post-pandemic recovery period. The increased demand for catering services, particularly with the resurgence of MICE (Meetings, Incentives, Conferences and Exhibitions) events held in Singapore in FY24, has played a pivotal role in this positive development.

The Group continues to consolidate its resources by closing 3 outlets in FY24 and channeling resources to more promising brands. Notably, we have established our fifth *Tung Lok Seafood* outlet at Gardens by the Bay in FY24, further leveraging the brand equity that we have built over the years.

The Group is cognisant that in order to stay relevant and thrive in the current challenging operating environment of food and beverage ("F&B") industry, we must continuously reevaluate our strategies, infuse innovation into our offerings and leverage technology to our advantage. We will continue to refine our business strategies and proactively seek and adopt digital initiatives that optimise operational efficiencies to maintain a competitive edge.

MESSAGE FROM INDEPENDENT NON-EXECUTIVE CHAIRMAN AND PRESIDENT/CHIEF EXECUTIVE OFFICER

DIVIDENDS

In view of the Group's performance and to reward shareholders for their support, the Board of Directors has recommended a first and final tax-exempt (1-tier) cash dividend of 0.224 Singapore cents per share for FY24 to be approved by shareholders at the forthcoming Annual General Meeting ("AGM").

OUTLOOK

While the Group continues to record profit in FY24, we anticipate that the F&B industry to continue to face challenges over the next 12 months as inflationary pressures are expected to persist, affecting consumer spending sentiment and putting pressure on our profit margins due to the rise in operating costs concurrently.

While the path ahead may be challenging, the Group is confident in the strength of our business fundamentals and will be able to effectively navigate the obstacles ahead. We shall continue to remain prudent in managing our capital while also looking out for new opportunities.

ACCOLADES

In FY24, the Group's dedication to operational and culinary excellence yielded remarkable success, exemplified by a notable array of accolades.

In November 2023, the Group received the following accolades at the Restaurant Association of Singapore's Epicurean Star Award 2023:

- ✓ Best Chinese Restaurant (Casual Dining), Winner – *Tung Lok Signatures*
- ✓ Best Vegetarian Restaurant, Winner – *LingZhi Vegetarian*
- ✓ Best Japanese Restaurant (Casual Dining), Winner – *USHIO Sumiyaki & Sake Bar*
- ✓ Best Chinese Restaurant (Fine Dining), Runner-up – *Tóng Lè Private Dining*
- ✓ Best Seafood Restaurant, Runner-up – *Tung Lok Seafood*

ACKNOWLEDGEMENTS

On behalf of the Board, we wish to extend our heartfelt gratitude to our customers, bankers, business associates, partners and shareholders for their valued contribution. The Board also wishes to extend our gratitude to the management team and all employees whose unwavering perseverance and dedication throughout the year have been the driving force behind the Group's success.

We would like to express our sincere appreciation to our Board for its invaluable guidance and counsel. Additionally, we would also like to extend a warm welcome to two newly appointed Independent and Non-Executive Directors, Mr Khoo Yee Hoe and Mr Yam Ah Mee, who joined the Board during FY24. Both Mr Khoo and Mr Yam bring a wealth of experience, and we are confident their contributions will bring the Group to new heights.

The next chapter of our story promises to be just as exciting and fulfilling as the last four decades. We deeply appreciate our shareholders' loyalty and support all these years and remain committed to delivering long-term value to you. Here's to the past, the present, and the future of Tung Lok.

Dr Foo Say Mui (Bill)
Independent Non-Executive Chairman

Mr Andrew Tjioe
President/Chief Executive Officer

Date: 21 June 2024

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr Foo Say Mui (Bill)

Independent and Non-Executive Chairman

Mr Khoo Yee Hoe

Independent Director (appointed on 1st August 2023)

Mr Yam Ah Mee

Independent Director (appointed on 1st August 2023)

Dr Goi Seng Hui

Non-Independent and Non-Executive Director

Mdm Ng Siok Keow

Non-Independent and Non-Executive Director

Mr Tjioe Ka Men

President/Chief Executive Officer

Mdm Tjioe Ka In

Executive Director

AUDIT AND RISK COMMITTEE

Mr Khoo Yee Hoe (Chairman)

Mr Yam Ah Mee

Dr Foo Say Mui (Bill)

Dr Goi Seng Hui

NOMINATING COMMITTEE

Mr Yam Ah Mee (Chairman)

Mr Khoo Yee Hoe

Dr Foo Say Mui (Bill)

Dr Goi Seng Hui

Mr Tjioe Ka Men

REMUNERATION COMMITTEE

Mr Yam Ah Mee (Chairman)

Mr Khoo Yee Hoe

Dr Foo Say Mui (Bill)

Mdm Ng Siok Keow

EXECUTIVE COMMITTEE

Dr Goi Seng Hui (Chairman)

Mr Khoo Yee Hoe

Mdm Ng Siok Keow

Mr Tjioe Ka Men

COMPANY SECRETARY

Mr Cho Form Po (appointed on 30 May 2024)

REGISTERED OFFICE

26 Tai Seng Street #02-01

Singapore 534057

Tel: 6270 7998

Fax: 6272 7120

SHARE REGISTRAR AND SHARE TRANSFER OFFICE

Boardroom Corporate & Advisory Services Pte Ltd

1 Harbourfront Avenue #14-07 Keppel Bay Tower

Singapore 098632

AUDITOR

Ernst & Young LLP

One Raffles Quay, North Tower, Level 18

Singapore 048583

Partner in charge: **Mr Ang Chuen Beng**

Date of appointment: Since financial year ended 31 March 2020

PRINCIPAL BANKER

United Overseas Bank Ltd

SPONSOR

SAC Capital Private Limited

1 Robinson Road

#21-00 AIA Tower

Singapore 048542



HISTORICAL FINANCIAL SUMMARY

OPERATING RESULTS FOR THE GROUP

S\$'000	FY2020	FY2021	FY2022	FY2023	FY2024
Turnover	78,076	59,731	52,223	86,192	89,968
(Loss)/profit before tax and share of profit of joint venture & associates	(2,585)	1,877	(1,862)	5,393	3,081
Share of (loss)/profit of joint venture & associates	(169)	(461)	–	49	(405)
Taxation	20	(103)	5	(68)	15
(Loss)/profit after taxation but before non-controlling interests	(2,734)	1,313	(1,857)	5,374	2,691
(Loss)/profit attributable to the owners of the Company	(2,575)	1,004	(1,840)	4,203	2,046
(Loss)/earning per share (cents)	(0.94)	0.37	(0.67)	1.53	0.75

FINANCIAL POSITION FOR THE GROUP

S\$'000	31Mar 2020	31Mar 2021	31Mar 2022	31Mar 2023	31Mar 2024
Property, plant and equipment	7,947	7,256	7,245	8,511	8,500
Right-of-use assets	16,374	12,289	14,562	14,643	20,629
Current assets	17,762	18,742	18,295	23,117	24,221
Other non-current assets	2,533	2,117	1,856	1,774	2,304
Total assets	44,616	40,404	41,958	48,045	55,654
Current liabilities	19,747	14,487	14,027	18,096	19,388
Non-current liabilities	13,200	13,337	17,724	14,879	20,608
Shareholders' equity	12,530	13,522	11,681	15,885	15,876
Non-controlling interests	(861)	(942)	(1,474)	(815)	(218)
Total liabilities and equity	44,616	40,404	41,958	48,045	55,654
NTA per share (cents)	4.57	4.93	4.26	5.79	5.79

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BOARD OF DIRECTORS

DR FOO SAY MUI (BILL) was appointed as an Independent Director of our Company on 1 November 2016 and Independent Non-Executive Chairman on 1 August 2017. He was last re-elected on 28 July 2023. He is a Member of Audit and Risk Committee, Nominating Committee and Remuneration Committee.

Dr Foo has over 30 years of experience in the financial services industry, having served as the CEO/General Manager of Australia & New Zealand Banking Group Ltd (ANZ) in Singapore for 12 years from 1999 to 2011 and thereafter as Vice Chairman, South and Southeast Asia for another 4 years, prior to his retirement from ANZ in 2015. Prior to that, he was the Regional Head of Investment Banking for Schroders Investment Bank and also served as the President Director of Schroders Indonesia for about 5 years. He had also served on the Council of the Association of Banks in Singapore for 9 years and was Deputy Chairman of the Singapore Investment Banking Association for about 3 years.

Dr Foo is currently a director and adviser to several listed and private companies, including Business Circle Singapore Pte. Ltd, The International Institute for Strategic Studies (Asia) Ltd (as Trustee for the Strategic Studies Fund), Investible Funds VCC and Kenon Holdings Ltd. He is currently the lead independent director of Wee Hur Holdings Ltd, M&C REIT Management Limited and M&C Business Trust Management Limited.

He is also the chairman of several community and charity organisations including Salvation Army. In June 2019, Dr Foo stepped down as the Chairman of Heartware Network, one of the largest youth organisations in Singapore.

Dr Foo graduated from Concordia University with a Bachelor of Business Administration. He holds a Masters of Business Administration from McGill University and an Honorary Doctorate of Commerce from James Cook University Australia in honour of his contribution to education and the community.

KHOO YEE HOE was appointed as an Independent Director of our Company on 1 August 2023. He will seek re-election at the forthcoming Annual General Meeting. He is the Chairman of the Audit and Risk Committee and also a Member of Nominating Committee, Remuneration Committee and Executive Committee.

Mr Khoo is a seasoned banker with over 40 years of multi-faceted experience in the banking and finance sector. He served as the Managing Director and Senior Advisor at DBS

Bank Ltd, where he was responsible for developing strong client relationships, strategic planning, development and implementation in domestic and international markets.

Currently, Mr Khoo is managing his own management consultancy business and is serving as a Director on the Boards of various profit and non-profit organisations, including Manulife (Singapore) Pte. Ltd., where he is an independent director.

YAM AH MEE was appointed as an Independent Director of our Company on 1 August 2023. He will seek re-election at the forthcoming Annual General Meeting. He is the Chairman of the Nominating Committee and Remuneration Committee and also a Member of Audit and Risk Committee.

Mr Yam is the Chief Executive Officer of Chip Eng Seng Construction Pte Ltd and its related group of companies, which carries out building, infrastructure and civil engineering, water and environmental, and sustainability projects. Previously, he was the Chief Executive Officer of Sembcorp Specialised Construction Pte. Ltd. and he held senior public sector responsibilities, including the Chief of Staff, Republic of Singapore Air Force; Deputy Secretary, Public Service Division, Prime Minister's Office of Singapore; CEO/Dean of Civil Service College; Deputy Secretary, Air & Sea of Ministry of Transport; CEO of Land Transport Authority; and CEO of People's Association. Mr Yam was also the Returning Officer for Singapore's general elections held in 2011.

Mr Yam was awarded the NUS Eminent Business Alumni Award 2012, Public Administration Medal (Gold) 2008, Public Administration Medal (Silver) (Military) 1992, Lucius N Littauer Fellow Award (Harvard) 1991, Andover Prize Award at RAF, United Kingdom, 1986 and The Queen's Medal at Royal Military College, Duntroon, Australia, 1980.

Mr Yam holds a Bachelor of Engineering (First-Class Honours) from University of New South Wales, Australia, a Master of Business Administration from National University of Singapore, and a Master of Public Administration from Harvard University, USA. He also attended the Harvard Business School Advanced Management Programme at Harvard University, USA and is a Certified Project Manager and a Fellow Member of the Society of Project Managers, Singapore.

ANDREW TJIOE KA MEN was appointed to the Board since 28 September 2000 and is a Member of the Nominating Committee and Executive Committee. He

BOARD OF DIRECTORS

was last re-elected on 28 July 2023. In July 2006, he was appointed as Executive Chairman and redesignated as President/Chief Executive Officer with effect from 1 August 2017 to spearhead the Group's overall direction.

Mr Tjioe founded Tung Lok Shark's Fin Restaurant Pte Ltd in 1984 and has since established a chain of reputable restaurants in Singapore with outlets in Indonesia, Japan, Vietnam and Philippines.

In 2008, Mr Tjioe was honoured with the International Star Diamond Lifetime Achievement Award by the New York-based American Academy of Hospitality Sciences. At the World Gourmet Summit Awards of Excellence 2011, Mr Tjioe was named *Restaurateur of the Year (Regional)*. He was the winner of *Ernst & Young's Entrepreneur Of The Year Award 2011 (Lifestyle)*, and also the recipient of the *Epicure Excellence Award 2013*.

Mr Tjioe is a Committee member and past President of Restaurant Association of Singapore. He is currently the Vice President of the Franchising and Licensing Association of Singapore; Vice President of World Federation of Chinese Catering Industry (WFCCI); Patron of Joo Chiat Citizens' Consultative Committee; Vice President of Singapore Puxian (Hinghwa) Network Limited; Secretary General of Putian Association (Singapore); Committee member of Temasek Polytechnic School of Business Advisory Committee; Board member of Temasek Polytechnic Board of Governors; and an institutional member of Hong Kong-Singapore Business Association.

Mr Tjioe was conferred the Pingat Bakti Masyarakat (PBM) in 2018 by President Halimah Yacob. He is a Hwa Chong alumni and a graduate in Business Administration from Oklahoma State University, USA.

TJIOE KA IN was appointed as Executive Director of our Company on 1 April 2020 after she was relinquished from her position as Chief Operating Officer of our Company on the same day. She was last re-elected on 27 July 2022 and will seek re-election at the forthcoming Annual General Meeting.

Mdm Tjioe joined Tung Lok in Year 1988. Her primary responsibilities include:

- Strategic planning and responsible for ensuring operational efficiencies of the Group and to accomplish the key performance indicators set.
- Oversees Tung Lok's central kitchen, which produces ready-to-eat products, festive goodies, dim sum and sauces for local market.
- Product development and planning.
- Staff training and education.

Mdm Tjioe is also a certified trainer in several industry-related courses and contributes actively towards industry training.

Mdm Tjioe holds a Bachelor of Science Degree in Hotel and Restaurant Management from Oklahoma State University, USA. Mdm Tjioe is currently a member of the Ulu Pandan Community Centre Management Committee, a member of the School Management Committee (SMC) of Nanyang Kindergarten, Nanyang Primary School and Nanyang Girls' High School as well as Vice President of Nanyang Schools Alumni Association (NSAA).

DR GOI SENG HUI was appointed as a Non-Executive Director of our Company on 23 June 2011 and was last re-elected on 27 July 2022. He is the Chairman of the Executive Committee and also a Member of the Audit and Risk Committee and Nominating Committee.

Dr Goi is the Executive Chairman of Tee Yih Jia Food Manufacturing Private Limited, Mainboard-listed GSH Corporation Limited, PSC Corporation Ltd and Tat Seng Packaging Group Ltd. He is also the Vice Chairman of Mainboard-listed Envictus International Holdings Limited and JB Foods Limited.

Dr Goi, who was conferred an Honorary Doctorate from Singapore University of Technology & Design (SUTD) in 2021, is a self-made entrepreneur and has diverse business interests in Singapore, China, Malaysia, United States, Europe and other parts of the world.

He is a strong supporter of trade and serves as the Honorary Council Member of the Singapore Chinese Chamber of Commerce & Industry and Honorary Life President of the Enterprise 50 Club. Dr Goi is the Vice Chairman of International Enterprise Singapore's "Network China" Steering Committee, Council Member of the Singapore Jiangsu Cooperation Council, Singapore Tianjin Economic and Trade Council and Singapore-Shandong Business Council. He is also Senior Consultant to Su Tong Science and Technology Park in China.

Dr Goi serves in various community and grassroots organisations. He is the Honorary Chairman of Ulu Pandan Citizens' Consultative Committee; Dunman High School Advisory Committee; Singapore Futsing Association and Nanyang Gwee Clan Association. In addition, he is the Honorary President of Kong Hwa School Alumni, Honorary Chairman of Tan Kah Kee Foundation, Council Member of NTUC Club Management Council and Standing Committee Member of NTUC Club Management.

BOARD OF DIRECTORS

Dr Goi was awarded the Public Service Star (Bar), or BBM (L), by the Singapore Government, and the Panglima Gemilang Darjah Kinabalu (Datuk) by the Sabah Government in 2014, as well as the Long Service Award by Singapore's People's Action Party in 2015. In 2022, he received the PAP Commendation Medal for his contributions to the People's Action Party and country. He also received a Long Service Award for 25 years of service to the Ministry of Social and Family Development in 2023.

He was lauded for his contributions and success as an overseas Chinese by People's Tribune Magazine in Beijing, China in 2017 and was conferred the "Businessman of the Year Award" by Singapore's Business Times in 2014.

One of SUTD's pioneer Board of Trustees, Dr Goi was appointed Patron for Advancement to help steer the University's continued fundraising efforts as well as garner partners and donors who have a heart for nurturing the next generation of leaders and innovators.

Dr Goi was appointed Singapore's Non-Resident Ambassador to the Federative Republic of Brazil on 20 April 2018, and Justice of the Peace by the President of the Republic of Singapore in 2020.

NG SIOK KEOW was appointed as a Non-Executive Director of the Company on 1 November 2013. She was last elected on 30 July 2021 and will seek re-election at the forthcoming Annual General Meeting. She is a Member of the Executive Committee and Remuneration Committee.

Mdm Ng was an Executive Director of Far East Organization and a director of various unlisted companies in the Far East Organization Group. She is a director of JurongHealth Fund and Patron of the Cairnhill Community Club and Ng Teng Fong General Hospital, and was the Chairman of the Management Committee of Cairnhill Community Club from June 1994 to June 2007. She was also a Director of Singapore Symphonia Company Ltd. She was a Director of the Singapore Dance Theatre from 1999 to 2003 and a Resource Panel Member of the Government Parliamentary Committee (National Development) from 2001 to 2002. Mdm Ng served as Executive Director of Far East Orchard Limited from 1987 and was re-designated as Non-Executive Director in 2014. She retired from the Board of Far East Orchard Limited in 2016.

Mdm Ng was awarded the Pingat Bakti Masyarakat (PBM) in 1995, the Orchid Award by the Singapore Girl Guides Association in 1996 and the Bintang Bakti Masyarakat (BBM) in 2001. In 2015, Mdm Ng was conferred the SG50 Outstanding Chinese Business Pioneers Award by the Singapore Chinese Chamber of Commerce & Industry in recognition of her exemplary contribution to Singapore in the real estate sector and to the community.

Mdm Ng obtained her Bachelor of Science (Honours) degree in Chemistry from the University of Singapore.

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KEY MANAGEMENT TEAM

CHONG SZE JIN

Financial Controller

Sze Jin, a Fellow Chartered Accountant of Association of Chartered Certified Accountants (ACCA) and Chartered Accountant of Institute of Singapore Chartered Accountants (ISCA), joined the Group in February 2016.

Prior to joining the Group, he was employed at Ernst & Young LLP where he led audit reviews for a diverse portfolio of private and publicly listed companies in Singapore. As the Financial Controller of the Group, he shoulders the responsibility of steering the finance team's strategic initiatives and overseeing all essential financial facets of the Group.

He is a graduate of Universiti Tunku Abdul Rahman of Malaysia, holding a Bachelor of Commerce (Hons) Accounting degree.

VINCENT PHANG

Chief Executive Officer, Events & Catering Division

Vincent joined the Group in 1998 and is overall responsible for the events and catering operations of the Group.

Prior to joining Tung Lok, Vincent has held key positions in various hotels in Singapore such as Boulevard Hotel, Le Meridien Singapore and Fort Canning Country Club. A graduate from SHATEC, he also holds various certificates from the American Hotels & Motels Association, Premier Sales & Marketing for Hospitality professionals from Asia Connect & HSMIA Asia Pacific and 'More Sales Thru Service Excellence' from Marketing Institute of Singapore. At the Singapore Excellence Service Award 2004 organized by SPRING Singapore & Singapore Tourism Board, he was presented with the Star Award for his outstanding contribution and commitment to providing top quality service.

With a career spanning more than 37 years, Vincent plays a pivotal role in setting strategic goals for the catering team and leading the team towards achieving service excellence and offering complete and innovative event solutions to our customers.

His vast experience and expertise have enabled him to constantly innovate and implement new elements for banquet and catering events which include high-profile events and state functions.

He holds the appointment as board member of Singapore Productivity Centre (SGPC). Additionally, from 2019 to 2023, he served as President of the Association of Catering Professionals Singapore (ACAPS) and as of July 2023, he transitioned into the role of President Advisor.

JOCELYN TJIOE

Senior Vice President, Administration

A diploma graduate in Business Studies from Ngee Ann Polytechnic, Jocelyn is armed with many years of experience in purchasing and administration. In her current capacity as Senior Vice President, Jocelyn ensures the constant and prompt supply of quality products and materials crucial to the operations of the restaurants. She also oversees the human resources, administrative functions as well as corporate affairs of the Group.

CAROLYN TAN

Senior Vice President, Business Development

Carolyn joined the Group in 2002 as Marketing Communications Manager. Armed with years of experience in the marketing communications field, mainly from the hotel industry, her past employments include top hotel chains such as Westin, Hyatt, Holiday Inn, Raffles and Millennium & Copthorne International. In 2003, she was promoted to Director of Marketing, and in 2007, was appointed Vice President - Marketing & Corporate Communications. In her current capacity as Senior Vice President, she is in charge of the Business Development, Marketing, Communications, Loyalty Programme, and Graphics Design teams, spearheading the business development, marketing, promotional, public relations, and membership activities of the Group. She is also responsible for strategising plans to maintain the corporate and brand identity of the Group, as well as handling Special Projects. Carolyn holds a Bachelor of Arts in Mass Communications from the Royal Melbourne Institute of Technology.

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KEY MANAGEMENT TEAM

CHUA POH YORK

Senior Vice President, Operations

Poh York joined the Group in 1985 as Assistant Manager of Tung Lok Restaurant. Subsequently, she became General Manager of Paramount Restaurant in 1993. In her current capacity as Senior Vice President, Operations, she manages and oversees the daily operations of Tung Lok Seafood and LingZhi Vegetarian, as well as spearheads the implementation of the 5-S system to improve workplace organization in the Group's restaurants, and mentoring younger managers.

WOODY ACHUTHAN

Senior Vice President, Customer Relationship

Prior to re-joining the Group in April 2013, Woody was heading the Training department of the Group for 12 years. He is currently overseeing Customer Relationship Management and Service Excellence. He was previously with United Airlines as its Onboard Services-Chief Purser and Instructor. During his fifteen years at United Airlines, he taught trainees on service excellence, food and beverage presentation skills, onboard marketing, and product offering, amongst other training programmes. His personal achievements include the "Five Star Diamond Award", "Employee of the Year", as well as "Most Valuable Player-Corporate Award".

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CORPORATE GOVERNANCE REPORT

TUNG LOK RESTAURANTS (2000) LTD (the “**Company**”, and together with its subsidiaries, the “**Group**”) is committed in achieving a high standard of corporate governance with a view of enhancing accountability, corporate transparency, sustainability and safeguarding the interests of the shareholders. Companies with good corporate governance are more likely to engender investor confidence and achieve long-term sustainable business performance.

This report describes the corporate governance framework and practices of the Company for the financial year ended 31 March 2024 (“**FY24**”) with specific reference made to the principles and guidelines of the Code of Corporate Governance 2018 (the “**2018 Code**”).

The 2018 Code aims to promote high levels of corporate governance by putting forth Principles of good corporate governance and Provisions with which companies are expected to comply. The Practice Guidance, which is voluntary, complements the 2018 Code by providing guidance on the application of the Principles and Provisions and setting out best practices for companies. In so far as any Provision of the 2018 Code has not been complied with, the Company has explained how the practices it had adopted are consistent with the intent of the relevant Principles.

The Company will also continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure compliance with the Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

BOARD MATTERS

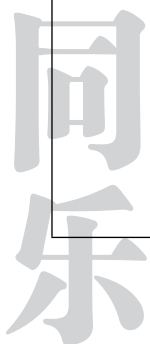
Principle 1: The Board’s Conduct of Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provisions of the Code	Tung Lok’s Corporate Governance Practices
1.1 The Board’s role	<p>The Board is accountable to the shareholders and oversees the overall management of the business and affairs of the Group, including providing leadership and supervision to the Management of the Group (the “Management”) so as to protect and enhance long-term value and returns for its shareholders. The Company has in place an employee handbook which establishes a code of conduct and ethics within the Group, in relation to, inter alia, avoiding conflicts of interest, maintaining the confidentiality of information, prohibition of bribery and corruption, compliance with laws, rules and regulations including data privacy laws. All employees, including the Board members, are required to adhere to such code of conduct and ethics in order for the Company to achieve the highest standards of integrity and accountability.</p> <p>Besides carrying out its statutory responsibilities, the Board’s role is to:</p> <ol style="list-style-type: none"> (1) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives; (2) review Management performance (including Group’s financial and operating performance); (3) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including the safeguarding of shareholders’ interests and the Company’s assets; (4) approve major investment and divestment proposals, material acquisitions and disposals of assets (exceeding S\$200,000), corporate or financial restructuring and share issuances; (5) identify the key stakeholder groups and recognise that their perceptions affect the Company’s reputation; (6) instill an ethical corporate culture that the Company’s values, standards, policies and practices are consistent with; (7) consider sustainability issues, e.g. environmental, social and governance factors, as part of its strategic formulation; and (8) assume responsibility for corporate governance.

CORPORATE GOVERNANCE REPORT

	<p>All directors exercise reasonable diligence and independent judgement when making decisions and are obliged to act in good faith and objectively discharge their duties and responsibilities at all times as fiduciaries in the interest of the Company.</p> <p>During FY24, the Board comprised of two (2) Executive Directors and five (5) Non-Executive Directors who review Management's performance and monitor the reporting of performance. They constructively challenge the Management and help the Company develop proposals on strategies.</p> <p>Directors are aware of their duties at law, which includes acting in good faith and the best interests of the Company; exercising due care, skills and diligence; and avoiding conflicts of interest. Each director is required to promptly disclose any conflict or potential conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Group as soon as it is practicable after the relevant fact has come to his/her knowledge. As part of the Company's policy, each director is required to annually submit details of his/her associates for the purpose of monitoring interested person transactions. Where a director has a conflict or potential conflict of interest in relation to any matter, he/she should immediately declare his/her interest when the conflict-related matter is discussed, unless the Board is of the opinion that his/her presence and participation is necessary to enhance the efficacy of such discussion. Nonetheless, he/she abstained from voting in relation to the conflict-related matters with the abstention duly recorded within the minutes and/or the resolutions of the Board and/or committees. This is to ensure that the Company maintains high standard of ethical behaviour and culture that emanate from the Board to the rest of the Company.</p>
<p>1.2 Directors' duties and responsibilities; Orientation and training</p>	<p>Upon appointment of a new director, the Company provides a formal letter to the director, setting out the Director's duties and obligations, policies on disclosure of interests in securities, prohibitions on dealings in the Company's securities and restrictions on disclosure of price and trade-sensitive information; Annual Report and 2018 Code; Company's constitutional documents; terms of references of Board Committees, the Catalist Rules and relevant legislation; and other pertinent information for his/her reference. New directors are briefed on the Group's structure, businesses, governance policies and regulatory matters.</p> <p>Pursuant to Rule 406(3)(a) of the Catalist Rules, newly-appointed directors who do not have prior experience as a director of a public listed company in Singapore must undergo SGX-ST's prescribed training courses on the roles and responsibilities of a director of a listed company. New directors are also encouraged to attend training courses in areas such as management, accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties.</p> <p>During FY24, two (2) new independent and non-executive directors who have prior experience as directors in SGX-listed companies were appointed.</p> <p>The President/Chief Executive Officer ensures that Board members are provided with complete, adequate and timely information on a regular basis to enable them to be fully cognizant of the affairs of the Group.</p> <p>From time to time, the Company's internal and external auditors, legal advisors, financial advisors, Continuing Sponsor and the Company Secretary will advise the directors or if necessary, conduct briefings to the directors on relevant regulations, new accounting standards and corporate governance practices as well as updates on any changes in the Companies Act 1967, Code of Corporate Governance and the Catalist Rules. Directors also have the opportunity to visit the Group's operation facilities in order to have a better understanding of the business operations.</p>



CORPORATE GOVERNANCE REPORT

	<p>The Company has available budget for directors to receive further trainings to enhance their skills and knowledge, particularly on relevant new laws, regulations, changing commercial risks and financial literacy from time to time. Relevant courses include programmes conducted by the Singapore Institute of Directors (“SID”) or other training institutions.</p> <p>All directors had received updates on regulatory changes to the Catalist Rules, the 2018 Code and the new accounting standards during FY24. Pursuant to Rule 720(6) of the Catalist Rules, as at the date of this report, all directors had attended the relevant training on sustainability matters as prescribed by the SGX-ST.</p>												
<p>1.3 Matters requiring Board’s approval</p>	<p>Matters which are specifically reserved for decision by the Board include those involving material acquisitions and disposals of assets, corporate or financial restructuring and share issuance, interim dividends and other returns to shareholders, and substantial transactions which have a material effect on the Group. The Board also approves the annual budgets and business plan of the Group, proposals to set up new outlets, announcements of the Group’s half-year and full-year results and the release of the Annual Reports. Specific Board approval is required for any investments or expenditures exceeding S\$200,000.</p>												
<p>1.4 Board Committees</p>	<p>To facilitate effective management, certain functions have been delegated to various Board Committees, namely the Executive Committee (“EXCO”), Nominating Committee (“NC”), Remuneration Committee (“RC”) and Audit and Risk Committee (“ARC”), each of which has its own defined scope of duties and written terms of reference setting out the manner in which it is to operate. The Chairman of the respective Board Committees will report to the Board on the outcome of the Board Committee meetings. Minutes of the Board Committee meetings are made available to all Board members. The terms of reference and composition of each Board Committee can be found in this report. The effectiveness of each Board Committee is also constantly reviewed by the Board. They assist the Board operationally without the Board losing authority over major issues.</p> <p>The EXCO assists the Board in the management of the Group as it works toward its objectives. The EXCO will provide entrepreneurial leadership and strategic stewardship, as well as set strategic objectives for the Group. During FY24, the EXCO comprised four (4) Directors of whom two (2) are Non-Independent and Non-Executive Directors, one (1) is an Executive Director and one (1) is an Independent and Non-Executive Director as follows:</p> <table border="0" data-bbox="475 1287 1523 1404"> <tr> <td>Dr Goi Seng Hui</td> <td>Non-Independent and Non-Executive Director</td> <td>Chairman</td> </tr> <tr> <td>Mdm Ng Siok Keow</td> <td>Non-Independent and Non-Executive Director</td> <td>Member</td> </tr> <tr> <td>Mr Tjioe Ka Men</td> <td>President/Chief Executive Officer</td> <td>Member</td> </tr> <tr> <td>Mr Khoo Yee Hoe *</td> <td>Independent and Non-Executive Director</td> <td>Member</td> </tr> </table> <p>* Mr Khoo Yee Hoe was appointed as a Director of the Company on 1 August 2023 and a member of the EXCO on 22 September 2023.</p>	Dr Goi Seng Hui	Non-Independent and Non-Executive Director	Chairman	Mdm Ng Siok Keow	Non-Independent and Non-Executive Director	Member	Mr Tjioe Ka Men	President/Chief Executive Officer	Member	Mr Khoo Yee Hoe *	Independent and Non-Executive Director	Member
Dr Goi Seng Hui	Non-Independent and Non-Executive Director	Chairman											
Mdm Ng Siok Keow	Non-Independent and Non-Executive Director	Member											
Mr Tjioe Ka Men	President/Chief Executive Officer	Member											
Mr Khoo Yee Hoe *	Independent and Non-Executive Director	Member											
<p>1.5 Meetings of Board and Board Committees; Attendance</p>	<p>The Board conducts regular scheduled meetings. Additional or ad-hoc meetings are convened in circumstances deemed appropriate by the Board members. Board papers incorporating sufficient information from Management are forwarded to the Board members in advance of a Board meeting to enable each member to be adequately prepared.</p> <p>The Company’s Constitution allows Board meetings to be conducted by way of teleconference or by means of a similar communication means through which all persons participating in the meeting can communicate with each other simultaneously and instantaneously.</p> <p>At the Board meeting, the directors are free to discuss and openly challenge the views presented by Management and the other directors.</p> <p>In lieu of physical meetings, written resolutions are circulated for approval by members of the Board.</p> <p>The frequency of meetings and attendance of each director at every Board and Board Committee meeting for FY24 are disclosed below:</p>												

CORPORATE GOVERNANCE REPORT

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS										
Directors	Board		Executive		Audit and Risk		Nominating		Remuneration	
	No. of Meetings	Attendance	No. of Meetings	Attendance	No. of Meetings	Attendance	No. of Meetings	Attendance	No. of Meetings	Attendance
Foo Say Mui	4	4	NA	NA	4	4	1	1	1	1
Tjioe Ka Men	4	4	1	1	NA	NA	1	1	NA	NA
Tjioe Ka In	4	4	NA	NA	NA	NA	NA	NA	NA	NA
Tan Eng Liang ^{N1}	0	0	0	0	0	0	0	0	0	0
Ker Sin Tze ^{N2}	1	1	NA	NA	1	1	1	1	1	1
Chee Wai Pong ^{N3}	1	1	NA	NA	1	1	1	1	1	1
Khoo Yee Hoe ^{N4}	3	3	1	1	3	3	0	0	0	0
Yam Ah Mee ^{N5}	3	3	NA	NA	3	3	0	0	0	0
Goi Seng Hui	4	4	1	1	4	4	1	1	NA	NA
Ng Siok Keow ^{N6}	4	4	1	1	NA	NA	NA	NA	0	0

^{N1} Dr Tan Eng Liang ceased to be the Lead Independent Director, Chairman of the ARC and a member of the NC, RC and EXCO of the Company on 28 May 2023.

^{N2} Dr Ker Sin Tze retired as an Independent and Non-Executive Director, and ceased to be the Chairman of the NC and a member of the ARC and RC of the Company on 28 July 2023.

^{N3} Mr Chee Wai Pong retired as an Independent and Non-Executive Director, and ceased to be the Chairman of the RC and a member of the ARC and NC of the Company on 28 July 2023.

^{N4} Mr Khoo Yee Hoe was appointed as an Independent and Non-Executive Director, the Chairman of ARC and a member of the RC and NC of the Company on 1 August 2023 and a member of EXCO of the Company on 22 September 2023.

^{N5} Mr Yam Ah Mee was appointed as an Independent and Non-Executive Director, the Chairman of NC and RC and a member of the ARC of the Company on 1 August 2023.

^{N6} Mdm Ng Siok Keow was appointed as a member of the RC on 1 August 2023.

NA – not applicable

	Directors with multiple listed company board representations are required to ensure that they have given sufficient time and attention to the affairs of the Company.
1.6 Board's access to information	<p>Board members are provided with adequate and timely information prior to Board meetings and Board Committee meetings, and on an ongoing basis. The Board papers provide sufficient background and explanatory information from the Management on financial impact, business strategies, risk analysis, regulatory implications and corporate issues to enable the directors to be properly briefed on issues to be considered at Board and Board Committee meetings. Such explanatory information may also be in the form of briefings to provide additional insights to the directors or formal presentations made by the Management in attendance at the meetings, or by external consultants engaged on specific projects.</p> <p>Requests for information from the Board are dealt with promptly by Management. Board interaction with and independent access to the Management are encouraged. Whenever necessary, management staff will be invited to attend Board meetings and Board Committee meetings to answer queries and provide detailed insights into their areas of operations.</p> <p>However, sensitive matters may be tabled at the meeting itself or discussed without papers being distributed.</p>

CORPORATE GOVERNANCE REPORT

	<p>The Board is provided with quarterly management reports, financial statements, cash flow projections, annual budgets and explanation on material variances from forecasts and budgets to enable the directors to oversee the Group's operational and financial performance. Directors are also informed on an ongoing basis as and when there are significant developments or events relating to the Group's business operations.</p> <p>Proposals to the Board for decision or mandate sought by Management are in the form of memorandums or board papers that provide the facts, analysis, resources needed, expected outcome, conclusions and recommendations, required to support the decision-making process.</p>
<p>1.7 Access to Management, Company Secretary and External Advisers</p>	<p>The Directors have separate and independent access to the Management and the Company Secretary. The Company Secretary attends all Board and Board Committee meetings of the Company. The Management and the Company Secretary also assist the Chairman and the Board to ensure that Board procedures are followed and that applicable rules and regulations (in particular, the 2018 Code, Companies Act 1967 and the Catalist Rules) are complied with.</p> <p>The appointment and removal of the Company Secretary are subjected to the Board's approval.</p> <p>The Directors, whether as a group or individually, may seek or obtain legal and other independent professional advice, concerning any aspect of the Group's operations or undertakings in order to fulfill their roles and responsibilities as directors. The cost of obtaining such professional advice will be borne by the Company.</p>

Principle 2: Board Composition and Guidance

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.

<p>2.1, 2.2 and 2.3 Strong independent element of the Board</p>	<p>During FY24, the Board comprised of seven (7) Directors, of whom two (2) are Executive Directors, three (3) are Independent and Non-Executive Directors and two (2) are Non-Independent and Non-Executive Directors, as follows:</p> <table data-bbox="480 1308 1258 1521"> <tr> <td>Dr Foo Say Mui</td> <td>Independent and Non-Executive Chairman</td> </tr> <tr> <td>Mr Khoo Yee Hoe *</td> <td>Independent and Non-Executive Director</td> </tr> <tr> <td>Mr Yam Ah Mee *</td> <td>Independent and Non-Executive Director</td> </tr> <tr> <td>Dr Goi Seng Hui</td> <td>Non-Independent and Non-Executive Director</td> </tr> <tr> <td>Mdm Ng Siok Keow</td> <td>Non-Independent and Non-Executive Director</td> </tr> <tr> <td>Mr Tjioe Ka Men</td> <td>President/Chief Executive Officer</td> </tr> <tr> <td>Mdm Tjioe Ka In</td> <td>Executive Director</td> </tr> </table> <p>* Mr Khoo Yee Hoe and Mr Yam Ah Mee were both appointed as Directors of the Company on 1 August 2023.</p> <p>During FY24, the Board has a strong and independent element with three (3) out of seven (7) Board members (more than one third) who are independent where the Chairman is independent. In having five (5) out of seven (7) Board members (more than 50%) that are Non-Executive Directors and making up a majority of the Board, the composition of the Board complies with the 2018 Code. This enables the Board to exercise independent judgement on corporate affairs and provide Management with a diverse and objective perspective on issues.</p>	Dr Foo Say Mui	Independent and Non-Executive Chairman	Mr Khoo Yee Hoe *	Independent and Non-Executive Director	Mr Yam Ah Mee *	Independent and Non-Executive Director	Dr Goi Seng Hui	Non-Independent and Non-Executive Director	Mdm Ng Siok Keow	Non-Independent and Non-Executive Director	Mr Tjioe Ka Men	President/Chief Executive Officer	Mdm Tjioe Ka In	Executive Director
Dr Foo Say Mui	Independent and Non-Executive Chairman														
Mr Khoo Yee Hoe *	Independent and Non-Executive Director														
Mr Yam Ah Mee *	Independent and Non-Executive Director														
Dr Goi Seng Hui	Non-Independent and Non-Executive Director														
Mdm Ng Siok Keow	Non-Independent and Non-Executive Director														
Mr Tjioe Ka Men	President/Chief Executive Officer														
Mdm Tjioe Ka In	Executive Director														

CORPORATE GOVERNANCE REPORT

	<p>The independence of each director is reviewed annually by the NC. The NC adopts the definition of what constitutes an independent director from the 2018 Code and the Catalyst Rules in its review. The Board, after taking into account the views of the NC, is satisfied that Dr Foo Say Mui (“Dr Foo”), Mr Khoo Yee Hoe (“Mr Khoo”) and Mr Yam Ah Mee (“Mr Yam”) are considered independent in character and judgement and that there are no relationships or circumstances which are likely to affect, or could appear to affect, the Independent Directors’ judgement.</p> <p>The Board recognises that independent directors may over time develop significant insights into the Group’s business and operations and can continue to provide noteworthy and valuable contributions objectively to the Board as a whole. The independence of each independent director is evaluated by the NC based on the substance of their professionalism, integrity and objectivity. Each independent director had abstained from deliberations in respect of the assessment on his own independence.</p> <p>The NC and the Board are of the view that no individual or small group of individuals dominates the Board’s decision-making process. Independent directors constructively challenge and help develop proposals on strategy and review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance.</p> <p>In relation to the assessment of the independence of the Directors, specific tests of Directors’ independence have been hardcoded into the Catalyst Rules to clarify certain circumstances which deemed Directors not to be independent should be applied without any exceptions. Under Rules 406(3)(d) of the Catalyst Rules, it stipulates that a director will not be considered as independent if he is employed by the issuer or any of its related corporations for the current or any of the past three financial years; if he has an immediate family member who is employed or has been employed by the issuer or any of its related corporation for the past three financial years, and whose remuneration is determined by the RC; or if he has been a director of the issuer for an aggregate period of more than nine years (whether before or after listing).</p> <p>In this regard, the Independent Directors have confirmed that they and their respective associates do not have any employment relationships with the Company or any of its related corporations for the current or any of the past three financial years.</p> <p>As at the date of this report, there are no Independent Directors who have served beyond nine (9) years since the date of his/her first appointment.</p>
<p>2.4 Board composition and size</p>	<p>The Company’s Board Diversity Policy endorses the principle that its Board should have a balance of skills, knowledge, experience, age, gender, ethnicity and culture, geographical background, tenure of service and other distinguishing qualities appropriate to its business so as to mitigate against groupthink and to ensure that the Company has the opportunity to benefit from all available talents.</p> <p>The size and composition of the Board are reviewed from time to time by the NC to ensure that the size of the Board is conducive for effective discussion and there is sufficient diversity without interfering with efficient decision-making. The NC also reviews and ensures that the Board has an appropriate balance of independent directors. The Board is of the view that the current board size and composition is appropriate, taking into account the nature and scope of the Group’s operations, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees.</p>



CORPORATE GOVERNANCE REPORT

	<p>All appointments to the Board are based on merit, in the context of the skills, experience, independence and knowledge which the Board requires to be effective and will take into consideration a range of diversity perspectives as described in the Board Diversity Policy to promote boardroom diversity. In this regard, the NC is responsible for ensuring that boardroom diversity objectives are adopted in an effective and practical manner in the recruitment and performance evaluation of the Directors as well as defining and setting the relevant measurable objectives for promoting and achieving diversity on the Board, and to make its recommendations for consideration and approval by the Board.</p> <p>The Board will review and assess the effectiveness of the Board Diversity Policy on an annual basis and as and when necessary to ensure that the objectives of the Board Diversity Policy are met and remain effective for the Company. At any given time, the Board may seek to improve one or more aspects of its diversity and measure progress accordingly. The Board will take into consideration the recommendations of the NC, review and agree on the targets, accompanying plans and timelines to achieve diversity on the Board.</p> <p>The Board aims to achieve the following:</p> <ul style="list-style-type: none"> - at least 30% representation of female directors on the Board by Year 2030, in line with the progressive target set by the Council for Board Diversity; and - an appropriate mix of members with complementary age groups, skills, core competencies and experience for the Group by Year 2026. <p>The above targets were approved by the Board, at the recommendation of the NC, following a review of the skills, knowledge, experience and other aspects of diversity that had been identified. The NC will engage the assistance of council for Board Diversity, the SID, the relevant professional associations and external recruiting firm where appropriate, in search for candidates to be appointed as new independent directors.</p> <p>The Board proactively seeks to maintain an appropriate balance in its composition and size. To assist the NC in its annual review of the Directors' mix of skills and experiences which the Board requires to function competently and efficiently, the Management compiled a Board of Directors competency matrix form, providing information on the areas of specialisation and expertise of the Directors. The Board and its Board Committees comprise respected individuals from different backgrounds and, as a group, provide core competencies, such as business management experience, industry knowledge, legal, real estate and tenancies, human resource management, financial, banking and strategic planning experience and customer-based knowledge that are extensive and critical to meet the Group's objectives.</p> <p>The Board, taking into account the views of the NC, considers that the Directors provide an appropriate balance and diversity of skills, experiences, gender and knowledge of the Company that will provide effective governance and stewardship for the Group. The Board includes two female directors (or 29%) in recognition of the value of gender diversity. Please refer to the "Board of Directors" section of the Annual Report for the Directors' profile.</p>
<p>2.5 Meetings of non-executive directors</p>	<p>Where warranted, the Non-Executive and/or Independent Directors may meet without the presence of the Executive Directors or the Management, to review any matters that may be raised privately. The chairman of such meetings provides feedback to the Chairman of the Board and/or the Board as appropriate.</p>



CORPORATE GOVERNANCE REPORT

Principle 3: Chairman and Chief Executive Officer (“CEO”)

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

3.1 Separation of the role of Chairman and CEO	<p>The Company adopts a dual leadership structure whereby the positions of the Chairman and the CEO are separated. There is a clear division of responsibilities between the Chairman and the President/CEO, which provides a balance of power and authority, increased accountability and greater capacity of the Board for independent decision-making.</p> <p>The Chairman and the President/CEO are not immediate family members. The separation of the roles of the Chairman and the President/CEO and the resulting clarity of roles provides a healthy professional relationship between the Board and Management.</p>
3.2 Role of Chairman and CEO	<p>The President/CEO of the Company is responsible for the overall management, daily operations, strategic planning, implementation of policies and business development of the Group.</p> <p>Dr Foo’s duties as Independent Non-Executive Chairman include:</p> <ol style="list-style-type: none"> (1) Leading the Board to ensure its effectiveness on all aspects of its role; (2) Setting the agendas for Board meetings and ensuring sufficient allocation of time for thorough discussion; (3) Promoting an open environment for debate at the Board; (4) Ensuring that the Directors receive complete, adequate and timely information; (5) Ensuring effective communication with the shareholders; (6) Encouraging constructive relations within the Board and between the Board and Management; (7) Facilitating the effective contribution of Non-Executive Directors; and (8) Promoting high standards of corporate governance and ensuring that procedures are introduced to comply with the 2018 Code.
3.3 Appointment of lead independent director where Chairman is part of the Management team.	No lead independent director is appointed as the Chairman of the Board is independent.

Principle 4: Board Membership

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.

4.1 and 4.2 NC	<p>During FY24, the Company’s NC comprised five (5) Directors of whom three (3) (including the NC Chairman) are Independent and Non-Executive Directors, one (1) is a Non-Independent and Non-Executive Director and one (1) is the Executive Director as follows:</p> <table data-bbox="431 1683 1409 1825"> <tr> <td>Mr Yam Ah Mee *</td> <td>Independent and Non-Executive Director</td> <td>Chairman</td> </tr> <tr> <td>Mr Khoo Yee Hoe *</td> <td>Independent and Non-Executive Director</td> <td>Member</td> </tr> <tr> <td>Dr Foo Say Mui</td> <td>Independent and Non-Executive Chairman</td> <td>Member</td> </tr> <tr> <td>Dr Goi Seng Hui</td> <td>Non-Independent and Non-Executive Director</td> <td>Member</td> </tr> <tr> <td>Mr Tjioe Ka Men</td> <td>President/CEO</td> <td>Member</td> </tr> </table> <p>* Mr Yam and Mr Khoo were both appointed as Directors of the Company on 1 August 2023. On the same day, Mr Yam and Mr Khoo were appointed as Chairman and member of the NC respectively.</p>	Mr Yam Ah Mee *	Independent and Non-Executive Director	Chairman	Mr Khoo Yee Hoe *	Independent and Non-Executive Director	Member	Dr Foo Say Mui	Independent and Non-Executive Chairman	Member	Dr Goi Seng Hui	Non-Independent and Non-Executive Director	Member	Mr Tjioe Ka Men	President/CEO	Member
Mr Yam Ah Mee *	Independent and Non-Executive Director	Chairman														
Mr Khoo Yee Hoe *	Independent and Non-Executive Director	Member														
Dr Foo Say Mui	Independent and Non-Executive Chairman	Member														
Dr Goi Seng Hui	Non-Independent and Non-Executive Director	Member														
Mr Tjioe Ka Men	President/CEO	Member														

CORPORATE GOVERNANCE REPORT

The NC is guided by the terms of reference, updated to be in line with the recommendations in the 2018 Code.

The responsibilities of the NC are described in its written terms of reference and its key responsibilities include the following:

- (1) review and recommend to the Board on the appointment and re-appointment of directors (including alternate directors, if applicable) having regard to their contribution and performance (e.g. attendance, preparedness, participation and candour);
- (2) review the composition and progressive renewal of the Board;
- (3) review the training and professional development programs for the Board;
- (4) assess annually whether or not a director is independent;
- (5) assess whether or not a director, who has multiple board representations, is able to and has been adequately carrying out his/her duties as a director;
- (6) development of a process for evaluation of the performance of the Board, its Board Committees and contribution of each director;
- (7) formal assessment of the effectiveness of the Board as a whole, its Board Committees and individual director; and
- (8) review and recommend to the Board on the succession plans for directors as well as key executives.

The Board believes in carrying out succession planning for the Board and Key Management Personnel ("**KMP**") to ensure continuity of leadership. In this regard, the NC reviews the composition of the Board and Board Committees, which include the size and mix, and recommends to the Board the selection and appointment of new Directors, whether as an addition to the current Board or as replacement of Directors who are retiring, with the intention of identifying any gaps in the Board's skill sets considering the Group's strategic priorities and the factors affecting the long-term success of the Group.

In accordance with Articles 91 and 97 of the Company's Constitution, all directors shall retire from office once at least every three years by rotation and all newly appointed directors will have to retire at the next Annual General Meeting ("**AGM**") following their appointments. The retiring directors are eligible to offer themselves for re-election.

In addition, Rule 720(4) of the Catalist Rules requires that all directors shall submit themselves for re-nomination and re-election at least once every three (3) years.

At the forthcoming AGM, Mdm Ng Siok Keow ("**Mdm Ng**") and Mdm Tjioe Ka In ("**Mdm Tjioe**") are due to retire by rotation pursuant to Article 91 of the Company's Constitution. Mr Khoo and Mr Yam are also due to retire pursuant to Article 97 of the Company's Constitution at the forthcoming AGM.

The NC has recommended the re-elections of Mdm Ng, Mdm Tjioe, Mr Khoo and Mr Yam at the forthcoming AGM. These nominations have been accepted by the Board. In considering the nominations, the NC took into account the contribution of the directors with reference to their attendance and participation at Board and other Board Committee meetings as well as the proficiency with which they have discharged their responsibilities. Each member of the NC has abstained from voting on any resolutions relating to the assessment of their performance or their re-nomination as Director.

Pursuant to Rule 720(5) of the Catalist Rules, the additional information as set out in Appendix 7F of the Catalist Rules relating to the retiring Directors who are submitting themselves for re-election at the forthcoming AGM is disclosed as follows.

CORPORATE GOVERNANCE REPORT

Details	Name of Directors			
	Khoo Yee Hoe	Yam Ah Mee	Ng Siok Keow	Tjioe Ka In
Date of Appointment	1 August 2023	1 August 2023	1 November 2013	1 April 2020
Date of last re-appointment (if applicable)	Not applicable	Not applicable	30 July 2021	27 July 2022
Age	72	67	77	59
Country of principal residence	Singapore	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	<p>The Board, having considered the recommendation of the NC and assessed Mr Khoo's overall contributions and performance, is of the view that he is suitable for re-appointment as a Director of the Company.</p> <p>Both the NC and the Board are of the view that Mr Khoo is independent for the purposes of Rule 704(7) of the Catalist Rules.</p> <p>Mr Khoo has abstained from the deliberation of the NC as well as that of the Board pertaining to his continued appointment as Independent Director.</p>	<p>The Board, having considered the recommendation of the NC and assessed Mr Yam's overall contributions and performance, is of the view that he is suitable for re-appointment as a Director of the Company.</p> <p>Both the NC and the Board are of the view that Mr Yam is independent for the purposes of Rule 704(7) of the Catalist Rules.</p> <p>Mr Yam has abstained from the deliberation of the NC as well as that of the Board pertaining to his continued appointment as Independent Director.</p>	<p>The Board, having considered the recommendation of the NC and assessed Mdm Ng's overall contributions and performance, is of the view that she is suitable for re-appointment as a Director of the Company.</p> <p>Mdm Ng has abstained from the deliberation of the Board pertaining to her continued appointment as Non-Independent and Non-Executive Director.</p>	<p>The Board, having considered the recommendation of the NC and assessed Mdm Tjioe's overall contributions and performance, is of the view that she is suitable for re-appointment as a Director of the Company.</p> <p>Mdm Tjioe has abstained from the deliberation of the Board pertaining to her continued appointment as Executive Director.</p>



CORPORATE GOVERNANCE REPORT

Details	Name of Directors			
	Khoo Yee Hoe	Yam Ah Mee	Ng Siok Keow	Tjioe Ka In
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive	Executive. Mdm Tjioe's primary responsibilities include: <ul style="list-style-type: none"> - Strategic planning and responsible for ensuring operations efficiencies of the Group and to accomplish the key performance indicators set. - Oversees Tung Lok's central kitchen, which produces ready-to-eat products, festive goodies, dim sum, and sauces for local market. - Product development and planning. - Staff planning and education.
Job Title	Independent and Non-Executive Director, Chairman of ARC and member of EXCO, NC and RC.	Independent and Non-Executive Director, Chairman of NC and RC and member of ARC.	Non-Independent and Non-Executive Director and member of EXCO and RC.	Executive Director
Professional qualifications	–	<p>Bachelor of Electrical Engineering (First-Class Honours) from University of New South Wales, Australia</p> <p>Master of Business Administration from National University of Singapore, Singapore</p> <p>Master of Public Administration from Harvard University, United States of America</p>	Bachelor of Science (Honours) degree in Chemistry from the National University of Singapore	Bachelor of Science degree in Hotel and Restaurant Management from Oklahoma State University, United States of America

CORPORATE GOVERNANCE REPORT

Details	Name of Directors			
	Khoo Yee Hoe	Yam Ah Mee	Ng Siok Keow	Tjioe Ka In
		<p>Advanced Management Programme from Harvard Business School in Harvard University, United States of America</p> <p>Certified Project Manager and a Fellow of the Society of Project Managers, Singapore</p>		
Working experience and occupation(s) during the past 10 years	<p>2012 to 2013: Managing Director and Senior Advisor of DBS Bank Ltd</p> <p>2013 to Present: Chief Executive Officer of Yi He Management & Consultancy Pte. Ltd.</p>	<p>2013 to 2019: Chief Executive Officer of Sembcorp Design and Construction Pte Ltd</p> <p>2019 to 2022: Chief Executive Officer of Sembcorp Specialised Construction Pte. Ltd.</p> <p>2022 to 2023: Executive Director of Chip Eng Seng Corporation Ltd</p> <p>2023 to Present: Chief Executive Officer of Chip Eng Seng Construction Pte Ltd</p>	Executive Director of Far East Organization which Mdm Ng had retired on 31 December 2023	<p>2001 to 2016: Executive Director of Tung Lok Restaurants (2000) Ltd</p> <p>2016 to 2020: Chief Operating Officer of Tung Lok Restaurants (2000) Ltd</p> <p>2020 to present: Executive Director of Tung Lok Restaurants (2000) Ltd</p>
Shareholding interest in the listed issuer and its subsidiaries	None	None	None	105,840 (direct interest)
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	None	None	Yes, Mdm Ng is associated with Goodview Properties Pte. Ltd., a substantial shareholder of the Company.	Yes, Mdm Tjioe is the sister of Mr Tjioe Ka Men (President/Chief Executive Officer of the Company) and related to controlling shareholders of the Company, Amazing Grace Investments Pte. Ltd. and Zhou Holdings Pte Ltd.

CORPORATE GOVERNANCE REPORT

Details	Name of Directors			
	Khoo Yee Hoe	Yam Ah Mee	Ng Siok Keow	Tjioe Ka In
Conflict of interest (including any competing business)	None	None	None	None
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules has been submitted to the listed issuer	Yes	Yes	Yes	Yes
Other Principal Commitments Including Directorships	<p>Present <u>Directorships:</u></p> <ul style="list-style-type: none"> • Yi He Management & Consultancy Pte. Ltd. • Manulife (Singapore) Pte. Ltd. <p><u>Other Principal Commitments:</u> Nil</p> <p>Past (for the last 5 years) <u>Directorships:</u></p> <ul style="list-style-type: none"> • Remake Energy Pte Ltd • King's Park Pte. Ltd. <p><u>Other Principal Commitments:</u> Nil</p>	<p>Present <u>Directorships:</u></p> <ul style="list-style-type: none"> • CES Engineering & Construction Pte. Ltd. • Chip Eng Seng Contractors (1988) Pte Ltd • CES-Precast Pte. Ltd. • CES_SDC Pte Ltd • CES_Salcon Pte. Ltd. • CES_InnovFab Pte. Ltd. • CES Eco Solutions Pte. Ltd. • Chip Eng Seng Construction Pte. Ltd. • CES_Lodge Pte. Ltd. • CES Building and Construction Pte. Ltd. • Interel Pte. Ltd. • CES Salcon Sdn Bhd • CES Salcon Technologies Pte Ltd • PT CES Salcon International 	<p>Present <u>Directorships:</u></p> <ul style="list-style-type: none"> • JurongHealth Fund <p><u>Other Principal Commitments:</u></p> <ul style="list-style-type: none"> • Patron to Ng Teng Fong General Hospital • Patron to Cairnhill Community Club <p>Past (for the last 5 years) <u>Directorships:</u></p> <ul style="list-style-type: none"> • Executive Director, Far East Organization <p><u>Other Principal Commitments:</u> Nil</p>	<p>Present <u>Directorships:</u></p> <ul style="list-style-type: none"> • Tung Lok Restaurants (2000) Ltd and its subsidiaries • Zhou Holdings Pte Ltd • Amazing Grace Investments Pte. Ltd. <p><u>Other Principal Commitments:</u></p> <ul style="list-style-type: none"> • Management Committee of Ulu Pandan Community Centre • School Management Committee of Nanyang Kindergarten, Nanyang Primary School and Nanyang Girls' High School • Vice President of Nanyang Schools Alumni Association <p>Past (for the last 5 years) <u>Directorships:</u></p> <ul style="list-style-type: none"> • Director of T&T Gourmet Cuisine Pte. Ltd. • Director of Pansum Catering Technology Pte. Ltd.

CORPORATE GOVERNANCE REPORT

Details	Name of Directors			
	Khoo Yee Hoe	Yam Ah Mee	Ng Siok Keow	Tjioe Ka In
		<p><u>Other Principal Commitments:</u></p> <ul style="list-style-type: none"> • Executive Committee and Council member, Workplace Safety & Health Council (WSHC) • Chairman, WSHC Construction and Landscape Industry Committee • Member, Mindef External Review Panel for SAF Safety • Vice-Chairman, Christian National Evangelistic Commission • Co-Chairman, Hock Lian Seng Pte Ltd and CES_SDC Joint Venture • Chairman, Sinohydro Pte Ltd and CES_SDC Joint Venture • Chairman, CES_SDC and Chip Eng Seng Contractors (1988) Joint Venture • Chairman, CES_Salcon and CES_SDC Joint Venture <p><u>Past (for the last 5 years)</u></p> <p><u>Directorships:</u></p> <ul style="list-style-type: none"> • Sembcorp Architects & Engineers Pte. Ltd. • Sembcorp Specialised Construction Pte. Ltd. • Precast Concrete Builders Pte. Ltd. • SDC International Pte. Ltd. • SDC Prefab Modular Installation Specialist Pte. Ltd. <p><u>Other Principal Commitments:</u></p> <p>Nil</p>		<p><u>Other Principal Commitments:</u></p> <p>Nil</p>

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CORPORATE GOVERNANCE REPORT

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given:

Details		Name of Directors			
		Khoo Yee Hoe	Yam Ah Mee	Ng Siok Keow	Tjioe Ka In
a.	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him/her or against a partnership of which he/she was a partner at the time when he/she was a partner or at any time within 2 years from the date he/she ceased to be a partner?	No	No	No	No
b.	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he/she was a director or an equivalent person or a key executive, at the time when he/she was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he/she ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No	No
c.	Whether there is any unsatisfied judgment against him/her?	No	No	No	No
d.	Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such purpose?	No	No	No	No

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CORPORATE GOVERNANCE REPORT

Details		Name of Directors			
		Khoo Yee Hoe	Yam Ah Mee	Ng Siok Keow	Tjioe Ka In
e.	Whether he/she has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he/she is aware) for such breach?	No	No	No	No
f.	Whether at any time during the last 10 years, judgment has been entered against him/her in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his/her part, or he/she has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his/her part?	No	No	No	No
g.	Whether he/she has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No
h.	Whether he/she has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No



CORPORATE GOVERNANCE REPORT

Details		Name of Directors			
		Khoo Yee Hoe	Yam Ah Mee	Ng Siok Keow	Tjioe Ka In
i.	Whether he/she has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him/her from engaging in any type of business practice or activity?	No	No	No	No
j.	Whether he/she has ever, to his/her knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:				
	i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No [^]	No
	ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No [^]	No
	iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No [^]	No
	iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he/she was so concerned with the entity or business trust?	No	No	No [^]	No

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CORPORATE GOVERNANCE REPORT

Details		Name of Directors			
		Khoo Yee Hoe	Yam Ah Mee	Ng Siok Keow	Tjioe Ka In
k.	Whether he/she has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No
<p>^ <u>Additional Information</u></p> <p><i>Mdm Ng is/was a director of various corporations and entities operating across various industries, including real estate and hospitality. There have been occasions where these corporations and entities have been investigated by the authorities for breaches of laws and regulations arising from their day-to-day operations. To the best of her knowledge, none of the warnings, fines and penalties imposed on the corporations and entities arising from such investigations during her tenure as a director is material nor do they relate to her in her personal capacities.</i></p>					

4.3 Process for selection, appointment and re-appointment of directors, including the search and nomination process	<p>The search and nomination process for new directors, if any, will be through search companies, contacts and recommendations to cast its net as wide as possible for the right candidate. The NC determines the selection criteria in consultation with the Board and identifies candidates with the appropriate expertise and experience for the appointment as new director. The NC will shortlist candidates for interview before nominating the most suitable candidate to the Board for approval. The NC will evaluate a director in accordance with a set of criteria approved by the Board before recommending him/her to the Board for re-election. The selection criterion includes integrity, diversity of competencies, expertise, industry experience, gender and financial literacy. The NC seeks potential candidates widely and beyond directors/management recommendations and is empowered to engage external parties, such as professional search firms and institutions, to undertake research on or assessment of candidates as it deems necessary.</p>
4.4 NC to determine directors' independence annually	<p>The NC has reviewed the independence of each director in accordance with the 2018 Code's definition of independence as well as the "Confirmation of Independence" returns submitted by the directors to the Company Secretary annually. Further, an Independent Director shall immediately disclose to the NC any relationships or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of the Company, especially in connection to Rules 406(3)(d)(i) and 406(3)(d)(ii) of the Catalist Rules.</p> <p>The NC is satisfied that more than one third of the Board members were considered to be independent in FY24.</p>

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CORPORATE GOVERNANCE REPORT

<p>4.5 Multiple board representation</p>	<p>The NC and the Board are of the view that it is not meaningful to set a limit on the number of listed company board representations a director should have as the contribution of each director would depend on their individual circumstances, including whether they have a fulltime vocation or other responsibilities. Further, the directors have different capabilities, and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities. Instead, the NC will assess each potential or existing director relative to his/her abilities and known commitments and responsibilities. Specific considerations are also given to their attendance, contactability and responsiveness, as well as contributions and individual capabilities. The NC also ensures that new directors are aware of their duties and obligations.</p> <p>The NC monitors and determines annually whether directors who have multiple board representations and other principal commitments, give sufficient time and attention to the affairs of the Company and adequately carry out his/her duties as a director of the Company. The NC takes into account the results of the assessment of the effectiveness of the individual director and his/her actual conduct on the Board, in making this determination.</p> <p>The NC, and with the concurrence of the Board, was satisfied that in FY24, where a director had other listed company board representations and/or other principal commitments, the director was able to carry out and had been adequately carrying out his/her duties as a director of the Company.</p> <p>The key information of the Directors (including other listed company directorships and principle commitments) who held office as at the date of this report is disclosed in the “Board of Directors” section of the Annual Report.</p> <p>No alternate director has been appointed during FY24.</p>
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Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

<p>5.1 Board evaluation process</p>	<p>The NC is responsible for recommending and implementing a process to assess the performance and effectiveness of the Board as a whole and its Board Committees with objective performance criteria, as well as assessing the contribution of each individual Director to the overall effectiveness of the Board.</p> <p>An assessment system and evaluation forms have been established and adopted for the evaluation of the Board as a whole, its Board Committees and the individual directors annually. The objective of the performance evaluation exercise is to uncover strengths and challenges so that the Board and Board Committees are in a better position to provide the required expertise and oversight.</p> <p>Following the review, the Board is of the view that the Board and its Board Committees are performing effectively, and each director is contributing to the overall effectiveness of the Board.</p>
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CORPORATE GOVERNANCE REPORT

<p>5.2 Assessment of the Board, its board committees and each director</p>	<p>The NC has conducted a formal assessment of the effectiveness of the Board and its Board Committees for FY24. The performance criteria for the Board/Board Committees evaluation are in respect of size and composition, attendance, directors' independence, team spirit, open line of communication, degree of constructive discussion, quality of decision making, quality of agenda/board papers, timeliness of board papers, assessment of performance against specific targets, standard of conduct, risk management and internal controls, etc. The NC is satisfied with the effectiveness of the Board as a whole and its Board Committees. The Board, collectively, possesses the necessary core competencies to direct the Company and Management to perform efficiently and effectively.</p> <p>The NC conducts an evaluation of the performance of individual directors annually and for the re-election of any director. The assessment of each director's performance is undertaken by the NC Chairman. The criteria for assessment include, but not limited to, attendance record at meetings of the Board and Board Committees, intensity of participation at meetings, quality of discussions, maintenance of independence and any special contributions. The NC, in concurrence with the NC Chairman, is satisfied that each director is contributing to the overall effectiveness of the Board.</p> <p>No external facilitator was engaged by the Company for assessing the effectiveness of the Board in FY24.</p>
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REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

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.

<p>6.1, 6.2 and 6.3 RC</p>	<p>During FY24, the RC comprised the following four (4) members:</p> <table data-bbox="431 1289 1409 1406"> <tr> <td>Mr Yam Ah Mee *</td> <td>Independent and Non-Executive Director</td> <td>Chairman</td> </tr> <tr> <td>Mr Khoo Yee Hoe *</td> <td>Independent and Non-Executive Director</td> <td>Member</td> </tr> <tr> <td>Mdm Ng Seok Keow **</td> <td>Non-Independent and Non-Executive Director</td> <td>Member</td> </tr> <tr> <td>Dr Foo Say Mui</td> <td>Independent and Non-Executive Chairman</td> <td>Member</td> </tr> </table> <p>* Mr Yam and Mr Khoo were both appointed as Directors of the Company on 1 August 2023. On the same day, Mr Yam and Mr Khoo were appointed as Chairman and member of the RC respectively. ** Mdm Ng Siok Keow was appointed as a member of the RC on 1 August 2023.</p> <p>In adherence to the 2018 Code, all members of RC are non-executive directors and majority of whom, including the RC chairman, are independent directors to minimise conflict of interest.</p> <p>The RC is regulated by its terms of reference. The duties of the RC include the following:</p> <p>(a) to review and recommend to the Board:</p> <ol style="list-style-type: none"> (i) a framework of remuneration and to determine the specific remuneration packages for each executive director/key management personnel; (ii) a framework of remuneration and specific remuneration packages for non-executive directors; and (iii) remuneration of employees related to the directors and controlling shareholders of the Group. 	Mr Yam Ah Mee *	Independent and Non-Executive Director	Chairman	Mr Khoo Yee Hoe *	Independent and Non-Executive Director	Member	Mdm Ng Seok Keow **	Non-Independent and Non-Executive Director	Member	Dr Foo Say Mui	Independent and Non-Executive Chairman	Member
Mr Yam Ah Mee *	Independent and Non-Executive Director	Chairman											
Mr Khoo Yee Hoe *	Independent and Non-Executive Director	Member											
Mdm Ng Seok Keow **	Non-Independent and Non-Executive Director	Member											
Dr Foo Say Mui	Independent and Non-Executive Chairman	Member											

CORPORATE GOVERNANCE REPORT

	<p>(b) to recommend to the Board, in consultation with Management and the Chairman of the Board, the Executives'/Employees' Share Option Schemes or any long-term incentive schemes which may be set up from time to time and to do all acts necessary in connection therewith; and</p> <p>(c) to carry out its duties in the manner that it is deemed expedient and subjected to any regulations or restrictions that may be imposed upon the RC by the Board of Directors from time to time.</p> <p>As part of its review, the RC shall ensure that:</p> <p>(a) all aspects of remuneration, including and not limited to director's fees, salaries, allowances, bonuses, options and benefits-in-kind should be covered for each director and key executive;</p> <p>(b) the remuneration packages should be comparable within the industry and comparable companies and shall include a performance-related element coupled with appropriate and meaningful measures of assessing individual executive directors' and key executives' performances;</p> <p>(c) the remuneration package of employees related to executive directors and controlling shareholders of the Group are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and levels of responsibilities; and</p> <p>(d) the termination clauses contained in contracts of service of executive directors and key management personnel are fair and reasonable, and not overly generous.</p> <p>No director is involved in deciding his/her own remuneration.</p>
<p>6.4 RC should seek expert advice, if necessary</p>	<p>Where necessary, the RC shall seek expert advice inside and/or outside the Company on remuneration of all directors. The RC shall ensure that any relationship between the appointed consultant and any of its directors or the Company will not affect the independence and objectivity of the remuneration consultant. The RC, in considering the remuneration of all directors for FY24, has not sought external advice nor appointed remuneration consultants.</p>

Principle 7: Level and Mix of Remuneration

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.

<p>7.1 and 7.3 Appropriate proportion of remuneration package for executive directors and key management personnel to align with shareholders' interests and long-term success of the Company</p>	<p>In determining the level of remuneration, the RC shall:</p> <ul style="list-style-type: none"> • give due consideration to the 2018 Code's principles and practice guidelines on the level and mix of remuneration so as to ensure that the level of remuneration is appropriate to attract, retain and motivate directors and key management personnel needed to run the Company successfully; • ensure that a proportion of the remuneration is linked to corporate and individual's performance; • ensure that the remuneration packages are designed to align interest of the executive director and key management personnel with those of shareholders and long-term success of the Company; and • take account of the risk policies of the Company, be symmetric with risk outcomes and be sensitive to the time horizon of risks. <p>The Company sets remuneration packages to ensure it is competitive and sufficient to attract, retain and motivate Directors and key executives of the required experience and expertise to run the Group successfully.</p> <p>Annual reviews are carried out by the RC to ensure that the remuneration of the executive directors and key management personnel commensurate with the Company's and their performance, giving due regard to the financial and commercial health and business needs of the Group. The performance of the President/CEO is reviewed periodically by the RC and the Board.</p>
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CORPORATE GOVERNANCE REPORT

7.2 Remuneration of non-executive directors should be appropriate to level of contribution, effort, time spent and responsibilities	The non-executive directors do not have any service contracts. They are paid a basic fee and additional fees for chairing any of the Board Committees. The RC and Company ensure that the non-executive directors are not overcompensated to the extent that their independence is compromised. These fees are subject to approval by shareholders at the AGM of the Company.
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Principle 8: Disclosure on Remuneration

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.

8.1 Remuneration criteria and remuneration of each director and at least the top 5 key management personnel (who are not directors) should be reported to shareholders annually	<p>The remuneration of each individual Director and key management personnel is, however, not fully disclosed as the Company believes that disclosure may be prejudicial to its business interests given the highly competitive environment it is operating in.</p> <p>Directors' Remuneration</p> <p>There are both fixed and variable components to the Executive Directors' remuneration. The variable components are tied to Group performance.</p> <p>A breakdown showing the level and percentage mix of each individual director's remuneration paid/payable for FY24 are as follows:</p>
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	Remuneration Band	Salary & Fees ¹ %	Bonus ¹ %	Other Benefits %	Total Remuneration %
Executive Directors					
Tjioe Ka Men	A	71	27	2	100
Tjioe Ka In	A	87	12	1	100
Non-Executive Directors					
Khoo Yee Hoe ^{N1}	B	100	–	–	100
Yam Ah Mee ^{N1}	B	100	–	–	100
Dr Tan Eng Liang ^{N2}	B	100	–	–	100
Dr Ker Sin Tze ^{N3}	B	100	–	–	100
Chee Wai Pong ^{N3}	B	100	–	–	100
Dr Foo Say Mui	B	100	–	–	100
Ng Siok Keow	B	100	–	–	100
Dr Goi Seng Hui	B	100	–	–	100

Remuneration Band "A" >\$250,000 but <\$500,000

Remuneration Band "B" = <\$250,000

^{N1} Mr Khoo and Mr Yam were both appointed as Directors of the Company on 1 August 2023.

^{N2} Dr Tan Eng Liang ceased to be a Director of the Company on 28 May 2023.

^{N3} Dr Ker Sin Tze and Mr Chee Wai Pong retired as Directors of the Company at the conclusion of the 23rd Annual General Meeting of the Company held on 28 July 2023.

CORPORATE GOVERNANCE REPORT

The Company has disclosed each Director's remuneration in bands of S\$250,000 and provided a further detailed breakdown of the remuneration in percentage terms into salary & fees, bonus and other benefits. The compensation paid to all Directors (including Executive Directors) is summarily provided in Note 27 of the Notes to the Financial Statements of FY24.

Top 6 Key Management Personnel

The remuneration of top six (6) key management personnel (who are not directors or the CEO of the Company) are set out below:

	Salary & Fixed Allowances¹ %	Bonus¹ %	Other Benefits %	Total Remuneration %
Name of Key Management Personnel				
Above S\$250,000 but below S\$500,000				
Tiong Heng Tee ²	86	13	1	100
Below S\$250,000				
Chong Sze Jin ³	100	–	–	100
Vincent Phang	82	16	2	100
Jocelyn Tjioe Ka Lie	87	11	2	100
Carolyn Tan	84	14	2	100
Woody Achuthan	83	15	2	100
Chua Poh York	47	52	1	100

Note:

¹ The salary and bonus percentages shown are inclusive of contributions to Central Provident Fund (CPF).

² Mr Tiong Heng Tee ceased to be the Chief Financial Officer of the Company on 27 March 2024.

³ Mr Chong Sze Jin was appointed as the Financial Controller of the Company on 28 February 2024.

The aggregate total remuneration paid to or accrued to the top six (6) Key Management Personnel (who are not Directors or the CEO) amounted to S\$1,163,307.

No termination, retirement and post-employment benefits is granted to the top six (6) Key Management Personnel ("KMP").

As the Group operates in a highly competitive industry, the disclosure of exact quantum of the remuneration of each individual director and KMP would adversely impact the Company's operations and business due to the sensitive nature and confidentiality of such information. Consequently, the Company has not disclosed exact details of the remuneration of each individual Director and KMP which is recommended by the 2018 Code as such disclosures will be prejudicial to the interests of the Company as well as our employees.

Taking into consideration the abovesaid, the current disclosures of the level and mix of remuneration of the Directors and the KMP in various bands as well as in percentage terms can strike a balance between detailed disclosure and confidentiality and are able to provide the shareholders with an adequate appreciation of the remuneration packages of the Directors and KMP which the Company believes is consistent with the intent of Principle 8 of the 2018 Code.

CORPORATE GOVERNANCE REPORT

	<p>SGX has amended its Catalist Rule on remuneration disclosures and this amendment will take effect for annual reports prepared for the financial year ending on or after 31 December 2024, where the Company is required to disclose the exact amount and breakdown of remuneration paid to directors and the CEO in the annual report. The Company will make the appropriate disclosure when the Catalist Rule is effective.</p>
<p>8.2 Disclose remuneration details of employees who are immediate family members of a director, CEO or substantial shareholder and whose remuneration exceeds S\$100,000 during the year</p>	<p>The Executive Director of the Company (Mdm Tjioe Ka In) and the Senior Vice President, Administration (Mdm Jocelyn Tjioe Ka Lie) are sisters of Mr Tjioe Ka Men (President/CEO). Mdm Tjioe Ka In's remuneration was disclosed under the Directors' Remuneration in the table above whereas Mdm Jocelyn Tjioe Ka Lie's remuneration was between S\$100,000 and S\$200,000 during FY24.</p>
<p>8.3 Disclose all forms of remuneration and other payment and benefits paid to directors and key management personnel; Details of employee share scheme</p>	<p>The Executive Directors and key management personnel are paid discretionary bonus based on Group's results and individual performance. Such performance-related remuneration is aligned with the interests of shareholders and promotes the long-term success of the Company. It also takes into account the risk policies of the Company, and to be symmetric with risk outcomes and sensitive to the time horizon of the risks.</p> <p>The Executive Directors are paid variable bonuses based on the Group performance. Certain key management personnel are paid incentives based on achievement of targeted performance of their respective business units set at the beginning of the financial year. In setting the targets, due regards are given to the financial and commercial health and business needs of the Group.</p> <p>The Group has not implemented any share-based compensation scheme or any long-term incentive schemes involving the offer of shares or grant of options in place or any other forms of deferred remuneration. In evaluating long-term incentives, the RC takes into consideration the costs and benefits of such schemes.</p> <p>At the moment, the Group does not use any contractual provisions to claim incentive components of remuneration from the executive directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company.</p> <p>The RC is of the view that the remuneration policy and amounts paid to the Directors and key management personnel are adequate and reflective of the present market conditions.</p>



CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

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.

<p>9.1 Board should determine the Company's level of risk tolerance and risk policies, and oversee risk management and internal control systems</p>	<p>The Board acknowledges that it is responsible for the governance of risks. It oversees the Management in the design, implementation and monitoring of the risk management and internal control systems.</p> <p>The Group has in place a system of internal control and risk management policies and systems for ensuring proper keeping of accounting records and reliable financial information, as well as managing business risks with a view to safeguarding shareholders' investments and the Company's assets. The risk management framework provides for systematic and structured review as well as reporting on the assessment of the degree of risk, evaluation and effectiveness of controls in place to mitigate the risk.</p> <p>Following the nomination of the ARC to assist the Board in its risk management role, the ARC reviews the adequacy of the Group's risk management framework to ensure that a robust risk management process, structure and framework is in place. The process of risk management is undertaken by the President/CEO and senior management under the purview of the ARC and the Board.</p> <p>The Company has a structured Enterprise Risk Management ("ERM") Framework to facilitate the Board in identifying and assessing key operational, financial, compliance and information technology risks with reference to the business goals, strategies and critical success factors of the Group. Under the ERM Framework, which is developed with reference to the ISO 31000:2009 Risk Management – Principles and Guidelines, Committee of Sponsoring Organisations of the Treadway Commission (COSO) Model and Risk Governance Guidance for Listed Board 2017, Management and executives of all levels are expected to constantly review the business operations and the operating environment to identify risk areas and ensure mitigating measures are promptly developed to minimise these risks. The ERM Framework outlines the Group's approach to managing enterprise-wide risks and sets out a systematic process for identifying, evaluating, monitoring, managing and reporting risks faced by the Group. Thus, it allows the Group to address the changes and challenges in the business environment, reduce uncertainties and facilitates the shareholder value creation process on an ongoing basis.</p> <p>Management regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks within the Group's policies, strategy as well as risk appetite. Management is accountable to the ARC for ensuring the effectiveness of risk management and adherence to risk appetite limits. On a day-to-day basis, business units have primary responsibility for risk management. The various business units provide senior management with a timely assessment of key risk exposures and the associated management responses. These business units also recommend risk appetite and control limits.</p> <p>A risk monitoring, review and reporting framework has been established to deploy the ongoing monitoring tools and processes of the Group which includes monitoring of risk score changes, ongoing assessment of risk treatment action plans and quarterly ERM reporting to the ARC. Management reviews all significant control policies and procedures and highlights all significant matters to the ARC and the Board.</p>
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CORPORATE GOVERNANCE REPORT

The Group's risk factors and management are set out in the notes to the financial statements in the Annual Report.

The Board and the ARC are also responsible for (a) monitoring the Company's risk of becoming subject to, or violating, any Sanction Law; and (b) ensuring timely and accurate disclosures to SGX-ST of any such risks and other relevant authorities. The Company will inform shareholders of any sanction-related risks on the Company, the impact of such risk on the financials and operations of the Group, if any, and also the cessation of such risk via announcement to SGXNet.

Providing a balanced and understandable assessment of Company's performance, position and prospects

The Board is accountable to the shareholders and is mindful of its obligations to furnish timely information and to ensure full disclosure of material information to shareholders.

The Board provides shareholders with half-year and annual financial reports. Half-year results are released to shareholders within 45 days after the end of the relevant financial period. Annual financial results are released within 60 days after the end of the relevant financial period. In our financial results announcements to shareholders, the Board aims to provide shareholders with a balanced and understandable assessment of the Group's performance, position and prospects. Price and trade-sensitive information will be publicly released via SGXNet, followed by press release and meeting with any group of investors or analysts (where appropriate). All announcements and the half-yearly and annual financial results are also uploaded on the Group's website at www.tunglok.com.

Taking adequate steps to ensure compliance with legislative and regulatory requirements

The Board takes adequate steps to ensure compliance with legislative and statutory requirements, including requirements under the Catalist Rules. The Board provides a negative assurance statement to the shareholders in its half-yearly financial statements announcements in accordance with Rule 705(5) of the Catalist Rules. For the financial year under review, the President/CEO and the Financial Controller as well as the former Chief Financial Officer have provided assurance to the Board on the integrity of the Group's financial statements. The Board also provides an opinion on the adequacy and effectiveness of the Group's risk management and internal controls (including financial, operational, compliance and information technology controls) systems in place.

Management accounts

Management provides the Executive Directors with monthly financial reports. Weekly meetings are conducted involving the senior management and the business unit heads. Additional or ad-hoc meetings are conducted, when required.

Management presents the financial performance of the Group to the Board on a quarterly basis.

Internal and External Audits

Biennially, the Group will engage an independent internal audit firm to independently review the Group's internal controls and practices. During FY24, the Company appointed BDO Advisory Pte Ltd ("**BDO**") to carry out an independent internal audit review on the Group's key operational processes in Singapore based on the internal audit plans approved by the ARC.



CORPORATE GOVERNANCE REPORT

	<p>The Company's external auditor, Messrs Ernst & Young LLP ("EY"), has also in the course of their annual audit carried out a review of the effectiveness of the Group's material internal controls over financial reporting as laid out in their audit plans. Any material non-compliance and internal control weakness noted during the audits and auditor's recommendations are reported to the ARC.</p> <p>The Company has an in-house internal audit function that performs regular reviews of the Group's internal controls. The Company's in-house internal auditor follows up on the recommendations and monitors the timely and proper implementation of required corrective, preventive and improvement measures so as to strengthen the Group's internal controls and practices.</p> <p>The auditors have also evaluated the adequacy and effectiveness of the financial, operational, compliance and information technology internal controls implemented to manage the identified risks based on the results of the ERM process executed.</p> <p>The Board and ARC have reviewed the internal and external audit reports for FY24. Management has also taken appropriate and timely countermeasures to remedy the internal control weaknesses identified and sought ways to continuously improve the Group's internal control systems.</p> <p>Based on the reports submitted by the auditors, and the various management controls/improvements put in place by Management, the Board with the concurrence of the ARC, is of the opinion that the Group's system of internal controls (addressing financial, operational, compliance and information technology controls) and risk management systems maintained by the Management during FY24 are adequate and effective. While acknowledging their responsibility for the system of internal controls, the Board is aware that such a system is designed to minimise, rather than eliminate all risks, and therefore cannot provide an absolute assurance in this regard, or absolute assurance against the occurrence of occasional errors, poor judgement in decision making, fraud and irregularities.</p>
9.2 Assurance from CEO, CFO and Key Management Personnel to the Board	The Board has also received assurance from the President/CEO and the Financial Controller as well as the former Chief Financial Officer, 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 the Company's risk management and internal control systems are adequate and effective.

Principle 10: Audit Committee

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

10.1 and 10.2 ARC	<p>During FY24, the ARC comprised four (4) Non-Executive Directors, majority of whom including the ARC Chairman, are independent. The members of the ARC are:-</p> <table data-bbox="480 1634 1516 1753"> <tr> <td>Mr Khoo Yee Hoe *</td> <td>Independent and Non-Executive Director</td> <td>Chairman</td> </tr> <tr> <td>Mr Yam Ah Mee *</td> <td>Independent and Non-Executive Director</td> <td>Member</td> </tr> <tr> <td>Dr Foo Say Mui</td> <td>Independent and Non-Executive Chairman</td> <td>Member</td> </tr> <tr> <td>Dr Goi Seng Hui</td> <td>Non-Independent and Non-Executive Director</td> <td>Member</td> </tr> </table> <p>* Mr Khoo and Mr Yam were both appointed as Directors of the Company on 1 August 2023. On the same day, Mr Khoo and Mr Yam were appointed as Chairman and member of the ARC respectively.</p> <p>The Board considers that the members of the ARC are qualified to discharge the responsibilities of the ARC as at least two members of the ARC, including the ARC Chairman, have accounting or related financial management expertise or experience. Please refer to the profile in the "Board of Directors" section of the Annual Report.</p>	Mr Khoo Yee Hoe *	Independent and Non-Executive Director	Chairman	Mr Yam Ah Mee *	Independent and Non-Executive Director	Member	Dr Foo Say Mui	Independent and Non-Executive Chairman	Member	Dr Goi Seng Hui	Non-Independent and Non-Executive Director	Member
Mr Khoo Yee Hoe *	Independent and Non-Executive Director	Chairman											
Mr Yam Ah Mee *	Independent and Non-Executive Director	Member											
Dr Foo Say Mui	Independent and Non-Executive Chairman	Member											
Dr Goi Seng Hui	Non-Independent and Non-Executive Director	Member											

CORPORATE GOVERNANCE REPORT

The ARC is regulated by its terms of reference and meets at least two times a year and as warranted by circumstances, to perform the following functions:

- (1) review significant financial reporting issues and judgements so as to ensure the integrity of the financial statements and any announcements relating to the Company's financial performance;
- (2) review with the internal and external auditors the audit plans and their evaluation of the systems of risk management and internal controls;
- (3) review the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function;
- (4) review the cooperation given by management and Group's officers to the external auditor;
- (5) review and discuss with the external auditor any suspected fraud or irregularity, or suspected infringement of any law, rules or regulations, which has or is likely to have a material impact on the Company or the Group's operating results or financial position and management's responses;
- (6) review the financial statements of the Group, external auditor's reports and the result announcements before submission to the Board for approval;
- (7) make recommendations to the Board on the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor;
- (8) review interested person transactions, if any, and potential conflict of interests;
- (9) review arrangements by which staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial report or other matters and ensure that arrangements are in place for independent investigation of the same and for appropriate follow up actions;
- (10) oversee the Company's risk management systems, practices and procedures to ensure effectiveness of risk identification and management, and compliance with internal guidelines and external requirements;
- (11) review the adequacy and effectiveness of the Group's material internal controls (compliance, financial, operational and information technology) and risk management policies and systems; and
- (12) review the assurance from the President/CEO and Chief Financial Officer/Financial Controller on the financial records and financial statements.

Minutes of the ARC meetings are submitted to the Board for its information and review.

The ARC is authorised by the Board to investigate any activity within its terms of reference. It has unrestricted access to information relating to the Group, to both internal and external auditors and has full discretion to invite any director or executive officer to attend its meetings. The ARC has expressed power to commission investigations into any matter, which has or is likely to have material impact on the Group's operating results and/or financial position. The ARC has adequate resources to enable it to discharge its responsibilities properly.

Review independence of external auditor

The ARC has received the requisite information from the external auditor evidencing its independence.

The ARC has noted that there is no non-audit related work carried out by the external auditor during FY24 and is satisfied with the independence and objectivity of the external auditor.

The audit fee paid to the external auditor of the Company for FY24 was S\$166,300. There was no non-audit fee paid to the external auditor in FY24.



CORPORATE GOVERNANCE REPORT

The ARC is satisfied with the independence and objectivity of EY and has recommended to the Board that EY be nominated for re-appointment as external auditor at the forthcoming AGM.

The Group has complied with Rules 712, 715 and 716 of the Catalist Rules in relation to the external auditor.

Keeping abreast of changes to accounting standards and issues

The ARC is guided by the terms of reference which stipulate its principal functions.

The Company will arrange to send the members of the ARC to seminars on updates of SFRS(I), if required. The external auditor provides regular updates and briefings to the ARC on changes or amendments to accounting standards to enable the members of the ARC to keep abreast of such changes and its corresponding impact on the financial statements, if any.

In the review of the financial statements for FY24, the ARC is of the view that the financial statements are fairly presented in conformity with the relevant SFRS(I) in all material aspects.

In line with the recommendations by Accounting and Corporate Regulatory Authority (ACRA), Monetary Authority of Singapore (MAS) and SGX-ST that the ARC can help to improve transparency and enhance the quality of corporate reporting by providing a commentary on key audit matters ("**KAM**"), the ARC deliberated the KAM presented by EY together with Management. The ARC reviewed the KAM and concurred with EY and Management on their assessment, judgements and estimates on the significant matters reported by EY as set out under the Independent Auditor's Report of the Annual Report.

Whistle-blowing policy

The Group has in place, a whistle-blowing policy where employees of the Group and any other persons may, in confidence, raise concerns about possible improprieties or misconduct or wrongdoing relating to the Company and its officer. Such a policy serves to encourage and provide a channel for staff to report in good faith and without fear of reprisals, concerns about possible improprieties in financial reporting or other matters to the ARC Chairman, President/CEO or the Head of Human Resource. It has a well-defined process which ensures independent investigation of issues/concerns raised and appropriate follow-up action to be taken. The ARC has the responsibility of overseeing and monitoring this policy. The Company is committed to ensuring that whistle-blowers will be protected against any detrimental or unfair treatment and shall use reasonable best efforts to ensure that the confidentiality and anonymity of the complainants are protected.

Details of the whistle-blowing policies and arrangements have been made available to all employees.

The public, our customers and other stakeholders can also report possible improprieties or provide other feedbacks through the Company's website at www.tunglok.com. The Management reviews each correspondence received and escalates to the President/CEO or ARC Chairman on any instances of potential improprieties. Independent investigations will be conducted and follow-up actions taken, if warranted.

There were no whistle-blowing incidents received in FY24.

CORPORATE GOVERNANCE REPORT

<p>10.3 A former partner or director of the Company's existing auditing firm should not act as a member of ARC</p>	<p>None of the members of the ARC were former partner or director of the Company's external auditor, EY. The members of the ARC also do not hold any financial interest in EY.</p>
<p>10.4 Internal audit function</p>	<p>The independent internal auditor, BDO, and the Company's in-house internal audit team report directly to the ARC Chairman, and also to the Chief Financial Officer/Financial Controller on administrative matters. The ARC reviews and approves the appointment and hiring of internal auditors ("IA"), internal audit plans, resources and reports, and the internal audit fees. The IA has unfettered access to all the Company's documents, records, properties and personnel, including access to the ARC.</p> <p>The ARC has full access to and the cooperation of the Management and IA, and ensures that the internal audit function is adequately resourced, staffed with persons with the relevant qualifications and experience, and has appropriate standing within the Company to perform its function.</p> <p>BDO is one of the established mid-tier accounting firms in Singapore with vast experience in performing internal audit engagements. BDO is guided by its global internal audit methodology, which reference to the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors in carrying out the internal audit review. The engagement team assigned comprises 5 members and was headed by a Risk Advisory Partner who has more than 25 years of experience in leading external and internal audits, internal control reviews, corporate governance, compliance, data analytics and advisory reviews, IT system audits, fraud investigations and enterprise risk managements for medium to major listed organisations in diverse industries including food and beverage industry. The Risk Advisory Partner holds the qualifications of Bachelor of Accountancy from Nanyang Technological University, Chartered Accountant (Singapore), Certified Internal Auditor and possesses the necessary qualifications, skills and experience to discharge his duty as an independent internal auditor of the Company.</p> <p>The ARC is satisfied that the Company's internal audit function is effective, adequately resourced, independent, and has appropriate standing within the Company. Accordingly, the Company is in compliance with Rule 1204(10C) of the Catalist Rules.</p>
<p>10.5 ARC to meet internal and external auditors, without presence of Management, at least annually</p>	<p>For FY24, the ARC met once with the external auditor (EY), independent internal auditor (BDO) and in-house internal auditor without the presence of the Management to review any matter that might be raised. These meetings enable the auditors to raise any issues in the course of their work directly to the ARC.</p>



CORPORATE GOVERNANCE REPORT

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

<p>11.1, 11.3 and 11.4 Shareholders have the opportunity to participate effectively and vote at general meetings; All directors and external auditors should attend general meetings.</p>	<p>All shareholders will receive the Annual Report, circular and the notice of general meeting.</p> <p>Notice of AGM is released to shareholders together with explanatory notes or circular on items of special business (if necessary), at least 14 days before the meeting. At the AGM, shareholders will be given the opportunity to voice their views and to direct questions regarding the Group to the Directors including the chairman of each of the Board Committees. The Management and the external auditor are also present to assist the Directors in addressing any relevant queries from the shareholders.</p> <p>All Directors (excluding the two newly appointed directors, Mr Khoo and Mr Yam) attended the AGM held on 28 July 2023.</p> <p>Shareholders are encouraged to attend the AGM and other general meetings of the Company to ensure a high level of accountability and to stay informed of the Company's strategy and goals. If the shareholders are unable to attend the meetings, the Company's Constitution allows a shareholder of the Company to appoint up to two proxies to attend and vote in place of the shareholder. Relevant Intermediaries (defined herein) are entitled to appoint more than two proxies to attend and vote on their behalf at general meetings provided that each proxy is appointed to exercise the rights attached to different shares held by the member. Currently, the Company's Constitution does not allow a shareholder to vote in absentia, as the authentication of a shareholder's identity and other related security and integrity of the information, still remain a concern.</p> <p>The Company's Constitution allows corporations holding licenses in providing nominee and custodial services and CPF Board which purchases shares on behalf of the CPF investors ("Relevant Intermediaries") to appoint more than two proxies to vote at the general meetings.</p> <p>The Group recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including non-controlling shareholders, are protected.</p> <p>The Group is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Group's business which could have a material impact on the Company's share price.</p> <p>During general meetings, the relevant rules and procedures governing the meetings are clearly communicated. Shareholders are encouraged to proactively engage the Board and Management on the Group's business activities, financial performance and other business-related matters. All shareholders are entitled to vote in accordance with the established voting rules and procedures. The Company will conduct poll voting for all resolutions tabled at the general meetings.</p>
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CORPORATE GOVERNANCE REPORT

<p>11.2 The company tables separate resolution at general meetings of shareholders on each substantially separate issue.</p>	<p>Each item of special business included in the notice of the general meetings is accompanied, where appropriate, by an explanation for the proposed resolution. Separate resolutions are proposed for each separate issue at the meeting unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are bundled, the Company shall explain the reasons and material implications in the notice of meeting.</p> <p>The Company acknowledges that voting by poll in all its general meetings is integral to the enhancement of corporate governance. To ensure greater transparency, all resolutions at the Company's general meetings are put to vote by poll and the detailed results of each resolution showing the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNet after the general meetings.</p>
<p>11.5 Minutes of general meetings</p>	<p>The Company records minutes of general meetings that include substantial and relevant queries or comments from shareholders relating to the agenda of the meeting and responses from the Board and Management. The minutes will be made available within one (1) month from the date of the general meetings.</p>
<p>11.6 Dividend policy</p>	<p>The Board does not have a fixed dividend policy at present. The form, frequency and amount of dividends declared each year will take into consideration the Group's profit, growth, cash position, positive cash flow generated from operations, projected capital requirements for business growth, general business condition, and other factors as the Board may deem appropriate. Any dividend payouts are clearly communicated to shareholders in public announcements and via announcements on SGXNet when the Company discloses its financial results.</p> <p>The Board has proposed a final dividend of 0.224 Singapore cents per ordinary share for FY24 (financial year ended 31 March 2023: 0.77 Singapore cents per ordinary share).</p>

Principle 12: Engagement with Shareholders

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.

<p>12.1 Avenues for communication between the Board and shareholders</p>	<p>The Board is mindful of their obligation to keep shareholders informed of all major developments that affect the Group in accordance with the Catalist Rules. Price and trade-sensitive information is publicly released via SGXNet.</p> <p>Information is communicated to shareholders on a timely and non-selective basis through:</p> <ul style="list-style-type: none"> • annual reports that are prepared and released within the mandatory period; • half-year and full-year financial statements containing a summary of the financial information and affairs of the Group for the period, released via SGXNet; • public announcements via SGXNet; • press releases on major developments via SGXNet; • Company's corporate website at www.tunglok.com at which shareholders can access information on the Group; and • notices of shareholders' meetings advertised in a newspaper in Singapore.
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CORPORATE GOVERNANCE REPORT

<p>12.2 and 12.3 Investor Relations Policy</p>	<p>To promote regular and effective communication with shareholders, the Company has an Investor Relations (“IR”) policy outlining the principles and practices adopted in the course of its investor relations activities, including communication with shareholders and the investment community.</p> <p>The Board actively encourages shareholders to participate during the Company’s general meetings so as to promote a better understanding of shareholders’ views. At these meetings, shareholders are given the opportunity to voice their views and raise issues either formally or informally. These meetings provide excellent opportunities for the Board to engage with shareholders to solicit their feedback.</p> <p>In addition, the Company has engaged WeR1 Consultants Pte Ltd to address any queries that the investors, analysts, press or public might have on the Company’s affairs. The investor relations team can be reached at tunglok@wer1.net.</p> <p>The Company’s website at www.tunglok.com is another channel to solicit and understand views, inputs and concerns from shareholders.</p>
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MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

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.

<p>13.1 and 13.2 Engagement with material stakeholder groups</p>	<p>The Company has identified the key stakeholders who affect and/or could be affected by its activities, products or services and engages them in a variety of formal and informal ways through various channels. Six (6) stakeholder groups have been identified through an assessment of their significance to the business operations. They are namely, customers, employees, regulators, shareholders, suppliers and communities.</p> <p>More details on the Company’s approach to stakeholder engagement and materiality assessment, please refer to the Group’s Sustainability Report developed in accordance with SGX Sustainability Reporting Guidelines. The Company will release the Sustainability Report via SGXNet within four (4) months from the end of the financial year. A copy of it will also be made available on the Company’s website at www.tunglok.com.</p>
<p>13.3 Corporate website to communicate and engage with stakeholders</p>	<p>The Company maintains a corporate website to communicate and engage with stakeholders. All material information on the performance and development of the Group and the Company is disclosed in a timely, accurate and comprehensive manner via SGXNet, press releases and the Company’s website at www.tunglok.com.</p>

Internal Code on Dealing in Securities

<p>Catalist Rule 1204(19)</p>	<p>In line with Catalist Rule 1204(19), the Company has adopted an internal Code of Dealing in Securities by Officers of the Company. All Directors and officers of the Group are not allowed to deal in the Company’s shares during the period commencing one (1) month before the announcement of the Company’s half-year and full-year results and ending on the date of the announcement of the relevant results.</p> <p>In addition, all Directors and officers of the Group are required to observe insider trading laws at all times and prohibited from dealing in the Company’s shares whilst in possession of unpublished price or trade-sensitive information of the Group. They should also not deal in the Company’s securities on short-term considerations.</p>
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CORPORATE GOVERNANCE REPORT

Material Contracts

Catalist Rule 1204(8)	Save for the interested persons transactions as disclosed in this Annual Report, there are no material contracts of the Company or its subsidiaries involving the interest of the President/ CEO, each director or controlling shareholder subsisting at the end of FY24 or have been entered into since the end of the previous financial year except that certain subsidiaries of the Company have entered into rental contracts with the associates of a controlling shareholder as announced by the Company on 7 November 2023.
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Interested Person Transaction (IPT) Policy

Catalist Rule 907	<p>The Company adopted an internal policy in respect of any transactions with interested persons and has established procedures for review and approval of the interested person transactions entered into by the Group. The ARC has reviewed the rationale and terms of the Group's interested person transactions and is of the view that the interested person transactions are on normal commercial terms and not prejudicial to the interests of the Company and minority shareholders.</p> <p>The aggregate value of interested person transactions for FY24 are as follows:</p>
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Name of Interested Person and Transactions	Nature of relationship	Aggregate value of all interested person transactions during FY24 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) S\$'000	Aggregate value of all interested person transactions during FY24 conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) S\$'000
Tung Lok Group - Purchase of food items from Tee Yih Jia Food Manufacturing Pte Ltd	Substantial shareholders and their associates	-	132
Tung Lok Group - Purchase of food items from Chinatown Food Corporation Pte Ltd		-	63
Tung Lok Group - Purchase of food items/ mooncakes from T & T Gourmet Cuisine Pte Ltd		-	668
Tung Lok Group - Purchase of food items from Topseller Pte Ltd		-	152
Novena Point Pte. Ltd. - Rental fees of leased premise *		133	-

The Group confirms that there were no other disclosable interested person transactions during FY24 pursuant to Catalist Rule 907.

* These refer to IPTs that are categorised as transactions under Catalist Rule 916(1), which are in connection with leases of certain commercial units owned by related companies of the Company's controlling shareholder, Goodview Properties Pte. Ltd. Please refer to the Company's announcement dated 7 November 2023.

Sponsorship

The Company is currently under the SGX-ST Catalist sponsor-supervised regime. The continuing sponsor of the Company during FY24 is SAC Capital Private Limited (the "Sponsor"). There was no non-sponsor fee paid to the Sponsor during FY24.

DIRECTORS' STATEMENT

The directors hereby present their statement to the members together with the audited consolidated financial statements of Tung Lok Restaurants (2000) Ltd (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 March 2024.

Opinion of the directors

In the opinion of the directors,

- (i) the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2024 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

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

Foo Say Mui (Dr)
Goi Seng Hui (Dr)
Ng Siok Keow
Tjioe Ka Men
Tjioe Ka In
Khoo Yee Hoe (Appointed on 1 August 2023)
Yam Ah Mee (Appointed on 1 August 2023)

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

The following directors, 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 Companies Act 1967, an interest in shares and share options of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
	At the beginning of financial year	At the end of financial year	At the beginning of financial year	At the end of financial year
Ordinary shares				
The Company				
Tjioe Ka Men	463,160	463,160	107,170,840	107,170,840
Goi Seng Hui (Dr)	1,234,200	1,234,200	53,531,280	53,531,280
Tjioe Ka In	105,840	105,840	–	–

DIRECTORS' STATEMENT

Directors' interests in shares and debentures (cont'd)

By virtue of Section 7 of the Companies Act 1967, Mr Tjioe Ka Men is deemed to have an interest in the Company and all the related corporations of the Company.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2024.

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or date of appointment if later, or at the end of the financial year.

Share options

(a) *Options to take up unissued shares*

During the financial year, no option to take up unissued shares of the Company or any corporation in the Group was granted.

(b) *Options exercised*

During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

(c) *Unissued shares under options*

At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under options.

Audit and Risk Committee

The Audit and Risk Committee ("ARC") carried out its functions in accordance with section 201B (5) of the Companies Act 1967, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the internal and external auditors
- Reviewed the half-yearly announcement and annual financial statements and the independent auditor's report on the annual financial statements of the Group and the Company before their submission to the board of directors
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor
- Met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARC

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DIRECTORS' STATEMENT

Audit and Risk Committee (cont'd)

- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators
- Reviewed the cost effectiveness and the independence and objectivity of the external auditor
- Reviewed the nature and extent of non-audit services provided by the external auditor
- Recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit
- Reported actions and minutes of the ARC to the board of directors with such recommendations as the ARC considered appropriate
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual

The ARC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor. The ARC has also conducted a review of interested person transactions.

The ARC convened four meetings during the financial year and met with external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the ARC are disclosed in the Corporate Governance Report.

Auditor

Ernst & Young LLP have expressed their willingness to accept re-appointment as auditor.

On behalf of the board of directors:

Tjioe Ka Men
Director

Tjioe Ka In
Director

Singapore
21 June 2024

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INDEPENDENT AUDITOR'S REPORT

To the members of Tung Lok Restaurants (2000) Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tung Lok Restaurants (2000) Ltd (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2024, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the financial 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, the balance sheet and the 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)") 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 March 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



INDEPENDENT AUDITOR'S REPORT

To the members of Tung Lok Restaurants (2000) Ltd

Impairment assessment of property, plant and equipment and right-of-use assets

As at 31 March 2024, the carrying value of the Group's property, plant and equipment was \$8,499,795 and right-of-use assets was \$20,629,320 which represented 27% and 66% respectively, of the Group's total non-current assets. The Group has several restaurant outlets that are loss-making since past years. Accordingly, management identified that these outlets' property, plant and equipment and right-of-use assets have indicators of impairment and performed impairment test to determine their recoverable values. As disclosed in Note 3(b), management determined the recoverable amount of the property, plant and equipment and right-of-use assets based on value-in-use calculations. In determining the value-in-use, management is required to apply judgements and make assumptions on estimates supporting underlying projected cash flows, taking into account the operating and current market conditions. This area was significant to our audit due to the quantum of the carrying amounts of property, plant and equipment and right-of-use assets. Accordingly, we consider this to be a key audit matter.

We assessed the method used by management and evaluated the reasonableness of the key assumptions used in the projected cash flow in value-in-use computation to determine the recoverable amounts, in particular the sales growth rates and discount rates. We reviewed the robustness of management's budgeting process in terms of the Group's seasonality sales pattern by comparing the actual financial performance against previously forecasted results. We reviewed management's analysis of the sensitivity of the value in use calculations to reasonably possible changes in the key assumptions. Where applicable, we also reviewed the fair value less costs of disposal of the individual right-of-use assets based on observable comparable rental rates and the necessary costs of disposal. We corroborated the fair value of right-of-use assets to recent market transacted rental rates. We reviewed the adequacy of the disclosures made on the impairment of property, plant and equipment and right-of-use assets in Note 3(b), Note 20 and Note 25 to the financial statements.

Impairment assessment of interests in subsidiaries

As of 31 March 2024, the Company's interests in subsidiaries amounted to \$15,773,441, which represented 100% of the Company's total non-current assets. The interests in subsidiaries comprise investment of \$8,856,911, and loans to subsidiaries of \$6,916,530. The main operations of the subsidiaries are that of restaurateur. Management identified investment in certain loss-making subsidiaries for impairment assessment and loans for expected credit loss assessments at year end. These assessments are significant to our audit because they involve significant management judgement relating to projected future cash flows that are affected by future expected market and economic conditions. Accordingly, we identified this to be a key audit matter.

The impairment assessment requires management to determine the recoverable amounts of certain investments in unquoted equity shares of subsidiaries, based on the estimated value-in-use of their restaurant businesses. In addition to the procedures on key assumptions as described in the above key audit matter on impairment assessment of property, plant and equipment and right-of-use assets, we also assessed the reasonableness of the terminal growth rate used by management by comparing to market available information on business growth rates.

For the loans to subsidiaries, we reviewed management's process of monitoring the collectability and credit risks of subsidiaries. We evaluated management's determination of whether there has been significant increase in the loans' credit risk in view of the current market conditions and whether the expected credit loss is material to the financial statements. These considerations include whether there are repayments from the subsidiaries, past collection history as well as an assessment of the subsidiaries' ability to meet expected repayments based on their business plans. In particular, we considered the historical and future cash flow generating ability of the subsidiaries based on their business plans and market outlook observed from external information sources.

We also reviewed the adequacy of the disclosures made on the impairment of interest in subsidiaries in Note 3(a) and Note 16 to the financial statements.

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INDEPENDENT AUDITOR'S REPORT

To the members of Tung Lok Restaurants (2000) Ltd

Other information

Management is responsible for other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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INDEPENDENT AUDITOR'S REPORT

To the members of Tung Lok Restaurants (2000) Ltd

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 Ang Chuen Beng.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore
21 June 2024

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CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2024

	Note	2024 \$	2023 \$
Revenue	4	89,967,707	86,192,303
Cost of sales		(25,323,765)	(23,470,374)
Gross profit		64,643,942	62,721,929
Other operating income	5	2,838,206	1,987,406
Administrative expenses		(33,733,924)	(31,597,130)
Other operating expenses	6	(29,845,266)	(27,183,739)
Share of loss of a joint venture		(317,020)	–
Share of (losses)/profits of associates		(87,879)	48,661
Finance costs	7	(822,104)	(535,260)
Profit before tax		2,675,955	5,441,867
Income tax credit/(expense)	8	14,951	(67,862)
Profit for the year	9	2,690,906	5,374,005
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Deregistration of a subsidiary		58,844	–
Exchange differences on translation of foreign operations		–	3,697
Reversal of foreign currency translation arising from the liquidation/disposal of associates		–	(2,626)
Total comprehensive income for the year		2,749,750	5,375,076
Profit attributable to:			
Owners of the Company		2,045,734	4,203,007
Non-controlling interests		645,172	1,170,998
		2,690,906	5,374,005
Total comprehensive income attributable to:			
Owners of the Company		2,104,578	4,204,078
Non-controlling interests		645,172	1,170,998
		2,749,750	5,375,076
Earnings per share (cents)			
Basic	10	0.75	1.53
Diluted	10	0.75	1.53

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 March 2024

	Note	Group		Company	
		2024	2023	2024	2023
		\$	\$	\$	\$
ASSETS					
Current assets					
Cash and bank balances	11	15,995,312	16,700,415	2,000,000	1,362,059
Trade receivables	12	3,749,667	2,096,059	–	–
Other receivables and prepayments	13	2,287,508	2,311,011	1,261,400	1,259,550
Inventories	14	2,188,015	2,009,022	–	–
Total current assets		24,220,502	23,116,507	3,261,400	2,621,609
Non-current assets					
Other receivables and prepayments	13	5,736	31,188	–	–
Long-term security deposits	15	1,128,949	897,865	–	–
Interests in subsidiaries	16	–	–	15,773,441	16,341,451
Interests in a joint venture	17	32,980	1,000	–	–
Interests in associates	18	457,198	545,077	–	–
Investment in unquoted equities	19	–	–	–	–
Property, plant and equipment	20	8,499,795	8,510,914	–	–
Deferred tax assets	24	679,020	298,656	–	–
Right-of-use assets	25	20,629,320	14,643,314	–	–
Total non-current assets		31,432,998	24,928,014	15,773,441	16,341,451
Total assets		55,653,500	48,044,521	19,034,841	18,963,060
LIABILITIES AND EQUITY					
Current liabilities					
Trade payables	21	3,097,098	2,820,972	–	–
Other payables	22	9,164,829	7,687,774	132,254	164,272
Bank loans	23	1,300,505	1,225,089	–	–
Lease liabilities	25	5,553,758	6,362,561	–	–
Income tax payable		271,511	–	–	–
Total current liabilities		19,387,701	18,096,396	132,254	164,272
Net current assets		4,832,801	5,020,111	3,129,146	2,457,337

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BALANCE SHEETS

As at 31 March 2024

	Note	Group		Company	
		2024	2023	2024	2023
		\$	\$	\$	\$
Non-current liabilities					
Other payables	22	3,173,839	3,277,490	–	–
Bank loans	23	1,366,655	2,626,457	–	–
Lease liabilities	25	15,973,557	8,974,485	–	–
Deferred tax liabilities	24	93,902	–	–	–
Total non-current liabilities		20,607,953	14,878,432	–	–
Total liabilities		39,995,654	32,974,828	132,254	164,272
Net assets		15,657,846	15,069,693	18,902,587	18,798,788
Capital, reserves and non-controlling interests					
Share capital	26	28,450,434	28,450,434	28,450,434	28,450,434
Currency translation reserve		–	(58,844)	–	–
Accumulated losses		(12,574,016)	(12,506,870)	(9,547,847)	(9,651,646)
Equity attributable to owners of the Company		15,876,418	15,884,720	18,902,587	18,798,788
Non-controlling interests		(218,572)	(815,027)	–	–
Net equity		15,657,846	15,069,693	18,902,587	18,798,788
Total liabilities and equity		55,653,500	48,044,521	19,034,841	18,963,060

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The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2024

Group	Attributable to owners of the Company					Equity attributable to owners of the Company, total	Non-controlling interests	Total
	Share capital	Foreign currency translation reserve	Accumulated losses					
At 1 April 2023	28,450,434	(58,844)	(12,506,870)	15,884,720	(815,027)	15,069,693		
Profit for the year	–	–	2,045,734	2,045,734	645,172	2,690,906		
Other comprehensive income								
Deregistration of a subsidiary	–	58,844	–	58,844	–	58,844		
Total comprehensive income for the year, net of tax	–	58,844	2,045,734	2,104,578	645,172	2,749,750		
Contributions by and distributions to owners								
Tax exempt final dividend of 0.77 Singapore cents per share for the financial year ended 31 March 2023 (Note 33)	–	–	(2,112,880)	(2,112,880)	–	(2,112,880)		
Dividends paid to non-controlling interests in subsidiaries	–	–	–	–	(250,000)	(250,000)		
Fair value adjustment on interest-free loan from a non-controlling interest in a subsidiary	–	–	–	–	201,283	201,283		
Total transactions with owners in their capacity as owners	–	–	(2,112,880)	(2,112,880)	(48,717)	(2,161,597)		
At 31 March 2024	28,450,434	–	(12,574,016)	15,876,418	(218,572)	15,657,846		

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2024



Group	Attributable to owners of the Company					Total
	Share capital	Foreign currency translation reserve	Accumulated losses	Equity attributable to owners of the Company, total	Non-controlling interests	
	\$	\$	\$	\$	\$	\$
At 1 April 2022	28,450,434	(59,915)	(16,709,877)	11,680,642	(1,473,816)	10,206,826
Profit for the year	-	-	4,203,007	4,203,007	1,170,998	5,374,005
<u>Other comprehensive income</u>						
Foreign currency translation, net of tax	-	3,697	-	3,697	-	3,697
Reversal of foreign currency translation arising from the liquidation of an associate	-	(2,626)	-	(2,626)	-	(2,626)
Total comprehensive income for the year, net of tax	-	1,071	4,203,007	4,204,078	1,170,998	5,375,076
<u>Contributions by and distributions to owners</u>						
Dividends paid to non-controlling interests in subsidiaries	-	-	-	-	(221,460)	(221,460)
Repayment of quasi-equity loan to non-controlling interest in a subsidiary	-	-	-	-	(6,723)	(6,723)
Return of share capital to non-controlling interests in subsidiaries	-	-	-	-	(284,026)	(284,026)
Total transactions with owners in their capacity as owners	-	-	-	-	(512,209)	(512,209)
At 31 March 2023	28,450,434	(58,844)	(12,506,870)	15,884,720	(815,027)	15,069,693

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2024

Company	Share capital \$	Accumulated losses \$	Total \$
At 1 April 2022	28,450,434	(10,185,706)	18,264,728
Profit for the year, representing total comprehensive income for the year At 31 March 2023 and 1 April 2023	–	534,060	534,060
	28,450,434	(9,651,646)	18,798,788
Profit for the year, representing total comprehensive income for the year	–	2,216,679	2,216,679
Tax exempt final dividend of 0.77 Singapore cent per share for the financial year ended 31 March 2023 (Note 33)	–	(2,112,880)	(2,112,880)
At 31 March 2024	28,450,434	(9,547,847)	18,902,587

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The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 March 2024

	Note	2024 \$	2023 \$
Operating activities			
Profit before tax		2,675,955	5,441,867
Adjustment for:			
Share of loss of a joint venture		317,020	–
Share of losses/(profits) of associates		87,879	(48,661)
Depreciation of right-of-use assets	6	6,557,844	6,680,963
Depreciation of property, plant and equipment	6	2,562,717	2,479,299
Interest income	5	(351,666)	(163,166)
Interest expense	7	822,104	535,260
Gain on disposal of property, plant and equipment	5	(26,088)	–
Write-off of property, plant and equipment	6	4,231	21,561
Impairment loss of property, plant and equipment	6	251,665	–
Foreign exchange loss	6	5,686	6,517
Reversal of provision for reinstatement costs	5	(111,320)	–
Dividend income from an unquoted equity	5	(64,100)	(62,530)
Reversal of lease liabilities	5	(40,336)	(16,389)
Rent concessions from landlords:			
- Rent concessions granted for lease component	5	–	(34,000)
Rebate on lease rental of kitchen equipment	5	(974)	(8,858)
Loss arising from the deregistration of a subsidiary	6	58,844	–
Operating cash flows before changes in working capital		12,749,461	14,831,863
Changes in working capital:			
Increase in trade receivables		(1,659,294)	(277,608)
Increase in other receivables and prepayments		(51,266)	(382,386)
Increase in inventories		(178,993)	(369,480)
(Increase)/decrease in long-term security deposits		(231,084)	46,517
Increase in trade payables		276,126	250,944
Increase in other payables		1,667,722	2,714,931
Cash flows from operations		12,572,672	16,814,781
Interest paid		(94,890)	(162,983)
Interest received		379,836	118,945
Income tax paid		–	(14,479)
Net cash flows from operating activities		12,857,618	16,756,264
Investing activities			
Purchase of property, plant and equipment	A	(2,917,936)	(3,768,536)
Proceeds from disposal of property, plant and equipment		120,825	–
Return of share capital to non-controlling interests in subsidiaries		–	(284,026)
Dividend received from an unquoted equity		64,100	62,530
Investment in a joint venture		(349,000)	(1,000)
Net cash flows used in investing activities		(3,082,011)	(3,991,032)

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 March 2024

	Note	2024 \$	2023 \$
Financing activities			
Dividends paid to owners of the Company	33	(2,112,880)	–
Dividends paid to non-controlling interests in subsidiaries	B	(250,000)	(221,460)
Repayment of quasi-equity loan to a non-controlling interest in a subsidiary		–	(6,723)
Repayment of bank loans	23	(1,184,386)	(2,198,186)
Payment of principal portion of lease liabilities	25	(6,240,220)	(6,083,787)
Interest paid in relation to lease liabilities	25	(693,224)	(338,845)
Repayment of loan to a non-controlling interest in a subsidiary		–	(100,000)
Net cash flows used in financing activities		<u>(10,480,710)</u>	<u>(8,949,001)</u>
Net (decrease)/increase in cash and bank balances		(705,103)	3,816,231
Cash and bank balances at the beginning of the financial year		16,700,415	12,883,113
Effect of foreign exchange rate changes		–	1,071
Cash and bank balances at the end of the financial year	11	<u>15,995,312</u>	<u>16,700,415</u>

Note A:

During the financial year, the Group recorded additions to property, plant and equipment with an aggregate cost of \$2,902,231 (2023: \$3,767,226) of which \$105,901 (2023: \$171,366) relates to provision for reinstatement costs of premises, \$39,437 (2023: \$161,043) remained unpaid at the end of the reporting period. Cash payments of \$2,917,936 (2023: \$3,768,536) were made for the purchase of property, plant and equipment.

Note B:

During the financial year, certain subsidiaries of the Group declared dividends amounting to \$250,000 (2023: \$221,460) to their non-controlling interests.

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

1. Corporate information

Tung Lok Restaurants (2000) Ltd (the “Company”) is a limited liability company incorporated and domiciled in Singapore and is listed on the Catalist Board (“Catalist”) of the Singapore Exchange Securities Trading Limited (“SGX-ST”).

Both of its principal place of business and registered office are at 26 Tai Seng Street, #02-01, Singapore 534057.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries, joint venture and associates are disclosed in Note 16, 17 and 18 to the financial statements.

2. Material accounting policy information

2.1 Basis of preparation

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (“SGD” or “\$”).

2.2 New and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards that are effective for annual financial periods beginning on or after 1 April 2023. The adoption of these new standards did not have any material effect on the financial performance or position of the Group.

2.3 Standards issued but not yet effective

The Group has not adopted the following standards applicable to the Group that have been issued but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1 <i>Presentation of Financial Statements</i> : Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 16 <i>Leases</i> : Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-1 <i>Presentation of Financial Statements</i> : Non-current Liabilities with Covenants	1 January 2024
Amendments to SFRS(I) 1-7 <i>Statement of Cash Flows</i> and SFRS(I) 7 <i>Financial Instruments</i> : Disclosures: Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 1-21 <i>The Effects of Changes in Foreign Exchange Rates</i> : Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 10 <i>Consolidated Financial Statements</i> and SFRS(I) 1-28 <i>Investments in Associates and Joint Ventures</i> : Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.4 Basis of consolidation and business combinations

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

(b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquiree are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.5 Transactions with non-controlling interests

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 Foreign currency

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

2.7 Subsidiaries

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's balance sheet, investments in subsidiaries are accounted for at cost less impairment losses.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.8 Associates and joint ventures

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group account for its investments in associates and joint ventures using the equity method from the date on which it becomes an associate or joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates or joint ventures are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates or joint ventures. The profit or loss reflects the share of results of the operations of the associates or joint ventures. Distributions received from associates or joint ventures reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates or joint ventures, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate or joint venture are eliminated to the extent of the interest in the associates or joint ventures.

When the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate or joint venture. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate or joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates or joint ventures are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.9 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Furniture, fixtures and equipment	–	3 to 5 years
Kitchen equipment	–	5 years
Leasehold property	–	50 years
Motor vehicles	–	5 years

Assets under construction included in plant and equipment are not depreciated as these assets are not yet available for use.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

2.10 Impairment of non-financial assets

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

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

Impairment losses of continuing operations are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.11 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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

Subsequent measurement

Investments in debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are:

(i) Amortised cost

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

(ii) Fair value through other comprehensive income ("FVOCI")

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

(iii) Fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.11 Financial instruments (cont'd)

(a) Financial assets (cont'd)

Investments in equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established. For investments in equity instruments which the Group has not elected to present subsequent changes in fair value in OCI, changes in fair value are recognised in profit or loss.

Derecognition

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

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Derecognition

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



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.12 *Impairment of financial assets*

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

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

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

The Group considers a financial asset in default when contractual payments are 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.13 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank and on hand, and short-term deposits which are subject to an insignificant risk of changes in value.

2.14 *Provisions*

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

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.15 Leases

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

As lessee

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

Right-of-use assets

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

Outlets	–	3 to 10 years
Equipment	–	3 to 5 years
Motor vehicles	–	5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.10.

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.16 *Inventories*

Inventories comprising mainly food and beverages are stated at the lower of cost and net realisable value. Cost comprises all costs of purchase and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in-first-out method. Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value. Net realisable value represents the estimated selling price less all estimated costs of completion and estimated costs to make the sale.

2.17 *Customer loyalty programme*

This relates to loyalty points redeemable by cardholders during the valid redemption period at the Group's restaurants. Revenue is recognised when the loyalty points are redeemed.

2.18 *Government grants*

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received. Where the grant relates to an asset, the fair value is recognized as against the carrying amount of the asset on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

2.19 *Financial guarantee*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.12 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.20 Revenue recognition

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.

(a) Sale of food and beverages

Revenue from sale of food and beverages is recognised at a point in time upon the transfer of significant risk and rewards of ownership of the goods to the customer, usually on delivery of the food and beverages.

The amount of revenue recognised is based on the estimated transaction price, which comprises of the contractual price, net of deferred revenue arising from loyalty points. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes.

(b) Service charges

Revenue from service charges is recognised when the services are rendered.

(c) Service income

Revenue from service contracts is recognised when the service is provided in accordance with the substance of the relevant agreement.

(d) Management fees

Revenue from management contracts is recognised over the management period on a straight-line basis.

(e) Interest income

Interest income is accrued on a time proportionate basis, by reference to the principal outstanding and at the effective interest rate applicable.

(f) Dividend income

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.21 **Borrowing costs**

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.22 **Employee benefits**

(a) **Defined contribution plans**

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

(b) **Employee leave entitlement**

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

2.23 **Taxes**

(a) **Current income tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period, in the countries where the Group operates and generates taxable income.

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.23 Taxes (cont'd)

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

In respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

(c) Sales tax

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

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

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

2. Material accounting policy information (cont'd)

2.24 Fair value of assets and liabilities

Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.25 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.26 Share capital and share issuance expenses

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

2.27 Reportable segment

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is focused on restaurant, catering, manufacturing and other businesses which form the basis of identifying the operating segments of the Group under SFRS(I) 8 Operating Segments. The aggregated restaurant, catering, manufacturing and other businesses are therefore the Group's reportable segments.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

3. Significant accounting judgements and estimates

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made in applying accounting policies

There are no critical judgements made by management at the end of the reporting period that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

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

(a) Impairment of interests in subsidiaries

Determining whether interests in subsidiaries are impaired requires an estimation of the value in use of these subsidiaries. The value in use calculation requires the management to estimate the future cash flows expected from the cash-generating unit and an appropriate discount rate in order to calculate the present value of the future cash flows. Management has evaluated the recoverable amount of those investments based on such estimates. The carrying amounts of these investments at the end of the reporting period are stated in Note 16 to the financial statements.

The key assumptions used in value in use calculation are as follows:

- (i) Discount rate of 11.0% per annum
- (ii) Sales growth rate of 0.0% to 28.8%
- (iii) Terminal growth rate of 0.0%

There is no material impact to the recoverable amount of interests in subsidiaries if the estimated discount rate used in the calculation had increased by 0.5% or if the estimated sales growth rate had reduced by 0.5%, respectively.

(b) Impairment of property, plant and equipment and right-of-use assets

Determining whether property, plant and equipment and right-of-use assets is impaired requires an estimation of the value in use. The value in use calculation requires the management to estimate future cash flows and a suitable discount rate in order to calculate the present value of the cash flows. The carrying amount of property, plant and equipment and right-of-use assets at the end of the reporting period is \$8,499,795 (2023: \$8,510,914) and \$20,629,320 (2023: \$14,643,314) as set out in Notes 20 and 25 respectively to the financial statements.

The key assumptions are disclosed in Notes 20 and 25. There is no material impact to the carrying amount of property, plant and equipment and right-of-use assets if the estimated discount rate used in the calculation had increased by 0.5% or if the estimated sales growth rate had reduced by 0.5%, respectively.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

4. Revenue

	Group	
	2024	2023
	\$	\$
Sale of food and beverages	82,908,372	79,078,643
Service charges	6,710,414	6,831,786
Management fees	348,921	281,874
Total	89,967,707	86,192,303
Timing of transfer of goods or services		
At a point in time	89,618,786	85,910,429
Over time	348,921	281,874
Total	89,967,707	86,192,303

5. Other operating income

	Group	
	2024	2023
	\$	\$
Government grants:		
• Jobs Support Scheme	–	15,797
• Jobs Growth Incentive	177,859	198,679
• Progressive Wage Credit Scheme	362,283	297,830
• Other government grants	122,960	200,559
Service income	952,688	751,635
Interest income:		
• Cash at bank and short-term deposits	351,666	163,166
Dividend income from an unquoted equity	64,100	62,530
Reversal of provision for reinstatement costs	111,320	–
Sundry income from promotional events	138,024	21,157
Rent concessions from landlords:		
• Rent concessions granted for lease component (Note 25)	–	34,000
Reversal of lease liabilities (Note 25)	40,336	16,389
Rebates on lease rental of kitchen equipment (Note 25)	974	8,858
Gain on disposal of property, plant and equipment	26,088	–
Others	489,908	216,806
Total	2,838,206	1,987,406

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

6. Other operating expenses

	Group	
	2024	2023
	\$	\$
Depreciation of right-of-use assets (Note 25)	6,557,844	6,680,963
Depreciation of property, plant and equipment (Note 20)	2,562,717	2,479,299
Rental expense:		
• Non-lease component expenses (Note 25)	3,908,039	3,547,552
• Short-term lease (Note 25)	441,871	251,243
Utilities charges	4,477,385	3,951,914
Upkeep, repair and maintenance	3,918,883	3,745,783
Commission expense	2,005,538	1,950,370
Utensils	1,350,663	1,272,958
Transportation and motor vehicles related expense	612,726	697,337
Advertising and promotions	1,285,778	551,508
Professional fees	635,146	500,575
Loss arising from the deregistration of a subsidiary	58,844	–
Printing expense	263,472	217,945
Decorations	165,626	132,994
Write-off of property, plant and equipment	4,231	21,561
Impairment loss of property, plant and equipment	251,665	–
Foreign exchange loss	5,686	6,517
Others	1,339,152	1,175,220
Total	29,845,266	27,183,739

7. Finance costs

	Group	
	2024	2023
	\$	\$
Interest on:		
• Bank loans	98,339	159,641
• Shareholders' loans	30,541	36,774
• Lease liabilities (Note 25)	693,224	338,845
Total	822,104	535,260

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

8. Income tax (credit)/expense

(a) Major components of income tax (credit)/expense

The major components of income tax (credit)/expense for the financial years ended 31 March 2024 and 2023 are:

	Group	
	2024	2023
	\$	\$
Current income tax:		
- Under provision for current tax	271,511	5,015
	271,511	5,015
Deferred income tax:		
- Origination and reversal of temporary differences	(3,854)	74,400
- Over provision for deferred tax	(282,608)	(11,553)
	(286,462)	62,847
Income tax (credit)/expense recognised in profit or loss	(14,951)	67,862

(b) Relationship between tax (credit)/expense and profit before tax

The reconciliation between tax (credit)/expense and the product of profit before tax multiplied by the applicable corporate tax rate for the financial years ended 31 March 2024 and 2023 is as follows:

	Group	
	2024	2023
	\$	\$
Profit before tax	2,675,955	5,441,867
Income tax calculated at 17% (2023: 17%)	454,912	925,117
<i>Adjustments:</i>		
Tax effect on the share of results of joint venture and associates which is shown after tax	68,833	(8,272)
Non-deductible expenses	238,039	247,048
Tax exempt income	(75,997)	(53,006)
Utilisation of previously unrecognised deferred tax	(802,000)	(1,189,306)
Deferred tax assets not recognised	112,359	149,102
Under provision for current tax of prior years	271,511	5,015
Over provision for deferred tax of prior years	(282,608)	(11,553)
Tax losses not available for carry forward	-	3,717
Income tax (credit)/expense recognised in profit or loss	(14,951)	67,862

Domestic income tax is calculated at 17% (2023: 17%) of the estimated assessable profit for the financial year. Taxation for other jurisdiction is calculated at the rate prevailing in the relevant jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

8. Income tax (credit)/expense (cont'd)

(c) Unrecognised tax losses and other temporary differences

As at the end of the reporting period, the Group has the following unused tax losses and temporary differences which are available for offsetting against future taxable income as follows:

	Group	
	2024	2023
	\$	\$
(i) <u>Tax losses carry forward</u>		
At the beginning of the financial year	5,115,773	13,546,136
Adjustment to prior year	3,717,615	(202,520)
Forfeiture due to struck off of subsidiaries	(917,018)	(1,231,925)
Utilisation	(542,807)	(6,995,918)
At the end of the financial year	7,373,563	5,115,773
Deferred tax credit not recorded	1,253,506	869,681
(ii) <u>Other temporary differences</u>		
At the beginning of the financial year	6,731,050	5,625,943
Adjustment to prior year	(873,959)	350,709
Forfeiture due to struck off of subsidiaries	(2,470)	(122,670)
Utilisation	(4,174,838)	–
Addition	660,932	877,068
At the end of the financial year	2,340,715	6,731,050
Deferred tax credit not recorded	397,922	1,144,278

Other temporary differences consisted of mainly accelerated tax depreciation.

9. Profit for the year

Profit for the year has been arrived at after charging:

	Group	
	2024	2023
	\$	\$
Staff costs (including directors' remuneration) ^(a)	28,939,380	27,251,818
Cost of defined contribution plans (included in staff costs)	2,604,723	2,483,116
Inventories recognised as cost of sales	25,323,765	23,470,374
Audit fees (auditor of the Company)	166,300	170,000
Audit fees (other auditors)	41,891	11,074
Directors' fees	335,126	275,000

^(a) Included in administrative expenses.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

10. Earnings per share (cents)

	Group	
	2024	2023
	\$	\$
Earnings per share is based on:		
Profit attributable to owners of the Company	2,045,734	4,203,007
	2024	2023
	Number of shares	
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	274,400,000	274,400,000
Earnings per share (cents)	0.75	1.53

11. Cash and bank balances

	Group		Company	
	2024	2023	2024	2023
	\$	\$	\$	\$
Cash at bank	3,869,686	2,589,954	2,000,000	1,362,059
Cash on hand	102,077	79,856	–	–
Short-term deposits	12,023,549	14,030,605	–	–
Total	15,995,312	16,700,415	2,000,000	1,362,059

Short-term deposits are made for varying periods of between 1 month and 3 months (2023: 1 month and 3 months) and earn interests at the respective short-term deposit rates. The interest rates as of 31 March 2024 for the Group ranged from 2.80% to 3.06% (2023: 3.10% to 3.40%). The carrying amounts of these assets approximate their fair values.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

12. Trade receivables

	Group	
	2024	2023
	\$	\$
Related parties	432,729	199,245
Outside parties	3,316,938	1,896,814
Total	<u>3,749,667</u>	<u>2,096,059</u>

The average credit term on sale of goods is 30 days (2023: 30 days). No interest is charged on the outstanding balance.

Before accepting any new customer, the Group obtains customer's general profile to assess the potential customer's credit worthiness and defines credit limit to customer. Credit limits attributed to customers are reviewed periodically. Most of the trade receivables that are neither past due nor impaired relate to customers which the Group has assessed to be creditworthy based on the credit evaluation process performed by management.

Management has assessed the past due debts and noted that as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the management believe that there are no further credit allowances required in excess of the allowance for expected credit losses.

Receivables that are past due but not impaired

The Group has trade receivables amounting to \$755,262 as at 31 March 2024 and \$604,214 as at 31 March 2023 that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their aging at the end of the reporting period is as follows:

	Group	
	2024	2023
	\$	\$
<3 months	743,119	591,592
3 months to 6 months	12,143	5,253
6 months to 12 months	–	6,880
>12 months	–	489
Total	<u>755,262</u>	<u>604,214</u>

Expected credit losses

There was no expected credit loss recognised for years ended 31 March 2024 and 2023.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

13. Other receivables and prepayments

	Group		Company	
	2024	2023	2024	2023
	\$	\$	\$	\$
<u>Other receivables and prepayments (current)</u>				
Other receivables from third parties	536,614	809,645	4,230	1,944
Other receivables from a related party	16,855	–	700	–
Other receivables from a shareholder	481,600	584,687	–	–
Advances to a subsidiary	–	–	1,250,000	1,251,079
Refundable deposits	74,528	119,597	–	–
Sub-total	1,109,597	1,513,929	1,254,930	1,253,023
Prepayments	1,177,911	797,082	6,470	6,527
Total	2,287,508	2,311,011	1,261,400	1,259,550
<u>Other receivables and prepayments (non-current)</u>				
Prepayments	5,736	31,188	–	–
Total	5,736	31,188	–	–
Total other receivables and prepayments	2,293,244	2,342,199	1,261,400	1,259,550

Analysis of other receivables

Not past due and not impaired	1,109,597	1,513,929	1,254,930	1,253,023
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Included in the above refundable security deposits are deposits amounting to \$4,000 (2023: \$Nil) placed with a corporate shareholder of the Company.

Other receivables from a shareholder pertain to the recovery of expenses from a shareholder. The amount is interest free, unsecured and repayable on demand.

Movement in the allowance for expected credit losses:

	Group	
	2024	2023
	\$	\$
At the beginning of the financial year	–	298,216
Write-off for the year	–	(298,216)
At the end of the financial year	–	–

Most of the other receivables that are neither past due nor impaired relate to debtors that the Group has assessed to be creditworthy based on the credit evaluation process performed by management.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

14. Inventories

	Group	
	2024	2023
	\$	\$
At cost		
Food and beverages	2,188,015	2,009,022

15. Long-term security deposits

	Group	
	2024	2023
	\$	\$
Refundable security deposits	1,128,949	897,865

These are mainly deposits placed with the landlords and service providers. Management is of the opinion that these deposits have been placed with counterparties who are creditworthy and accordingly no allowance for potential non-recovery of security deposits is required.

Included in the above long-term security deposits are deposits amounting to \$42,312 (2023: \$42,712) placed with a corporate shareholder of the Company.

The carrying amounts of the above deposits approximate their fair values.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

16. Interests in subsidiaries

(A) Investments in subsidiaries

	Company	
	2024	2023
	\$	\$
(i) <u>Investment</u>		
Unquoted equity shares, at cost	6,227,393	6,227,393
Allowance for impairment (a)	(1,200,001)	(1,200,001)
Net	5,027,392	5,027,392
(ii) <u>Deemed investment</u>		
Fair value adjustment on interest-free loans (b)	6,673,852	5,721,917
Allowance for impairment (a)	(2,844,333)	(2,844,333)
Net	3,829,519	2,877,584
Sub-total	8,856,911	7,904,976
(iii) <u>Receivables from subsidiaries</u>		
Loans to subsidiaries (b)	12,744,530	21,876,475
Allowance for expected credit losses on loans (a)	(5,828,000)	(13,440,000)
Net	6,916,530	8,436,475
Total interests	15,773,441	16,341,451
Movement in allowance account for investment:		
At the beginning of the financial year	1,200,001	1,391,101
Write-off for the year	–	(191,100)
At the end of the financial year	1,200,001	1,200,001
Movement in allowance account for deemed investment:		
At the beginning and end of the financial year	2,844,333	2,844,333

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

16. Interests in subsidiaries (cont'd)

(A) Investments in subsidiaries (cont'd)

Movement in allowance account for receivables from subsidiaries:

	Company	
	2024	2023
	\$	\$
At the beginning of the financial year	13,440,000	13,283,156
Charge for the year	–	156,844
Write-off against receivables for the year	(7,612,000)	–
At the end of the financial year	<u>5,828,000</u>	<u>13,440,000</u>

- (a) Investments in subsidiaries which are either restaurant operators or holding interests in entities which are restaurant operators are assessed for impairment when the restaurants record operating losses for 3 consecutive years depending on brand names. Allowance for impairment is provided on the investment based on value in use. The value in use is estimated based on the available data and the estimated future cash flows discounted to its present value by using a pre-tax discount rate of 11.0% (2023: 10.0%) per annum that reflects current market assessment of the time value of money and the risks specific to the subsidiary. The management has assessed sales growth rate of its subsidiaries of 0.0% to 28.8% (2023: 0.0% to 2.0%) per annum.
- (b) The loans are unsecured, interest-free and not expected to be repaid within the next 12 months as loans were used to fund the long-term operations of the subsidiaries. The Day One difference between the fair value of the loans and the notional amount of the loans given is accounted for as "Fair value adjustment" on interest-free loans to subsidiaries.

The Group has the following investments in subsidiaries:

Name of subsidiary	Country of incorporation/ operation	Principal activities	Proportion of ownership interest and voting power	
			2024	2023
			%	%
<u>Held by the Company</u>				
Tung Lok Millennium Pte Ltd	Singapore	Restaurateur	100	100
Tung Lok (China) Holdings Pte. Ltd. ⁽¹⁾	Singapore	Investment holding	100	100
TLG Asia Pte. Ltd.	Singapore	Investment holding	100	100
Club Chinois Pte Ltd	Singapore	Restaurateur	75	75
Olde Peking Dining Hall Pte. Ltd. ⁽²⁾	Singapore	Dormant	–	60



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

16. Interests in subsidiaries (cont'd)

(A) Investments in subsidiaries (cont'd)

Name of subsidiary	Country of incorporation/ operation	Principal activities	Proportion of ownership interest and voting power	
			2024 %	2023 %
<u>Held by Tung Lok Millennium Pte Ltd</u>				
Charming Garden (Asia Pacific) Pte. Ltd.	Singapore	Restaurateur	100	100
Tung Lok Central Restaurant Pte. Ltd.	Singapore	Restaurateur	100	100
Tung Lok Signatures (2006) Pte. Ltd.	Singapore	Restaurateur	100	100
Tung Lok Peking Duck Restaurant Pte. Ltd.	Singapore	Restaurateur	100	100
McBistro Pte. Ltd.	Singapore	Restaurateur	70	70
<u>Held by Tung Lok (China) Holdings Pte. Ltd.</u>				
My Humble House in Beijing (Restaurant) Company Ltd. ⁽³⁾	People's Republic of China	Dormant	–	100
<u>Held by TLG Asia Pte. Ltd.</u>				
Tong Le Private Dining Pte. Ltd.	Singapore	Restaurateur	51	51
Garuda Padang Restaurant (Singapore) Pte. Ltd. ⁽¹⁾	Singapore	Dormant	65	65
<u>Held by Club Chinois Pte Ltd</u>				
Chinois Pte. Ltd.	Singapore	Restaurateur	100	100

The subsidiaries are audited by Ernst & Young LLP, Singapore except as indicated below:

⁽¹⁾ Not material to the Group and exempted from audit pursuant to Companies Act 1967

⁽²⁾ Struck off on 4 September 2023

⁽³⁾ Deregistered with the relevant authority in the People's Republic of China on 22 September 2023

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

16. Interests in subsidiaries (cont'd)

(B) Interests in subsidiaries with material non-controlling interest ("NCI")

The Group has the following subsidiaries that have NCI that are material to the Group.

Name of Subsidiary	Principal place of business	Proportion of ownership interest held by NCI	Profit allocated to NCI during the reporting period \$	Accumulated NCI at the end of the reporting period \$	Dividends paid to NCI \$
31 March 2024:					
Club Chinois Pte Ltd and its subsidiary	Singapore	25%	443,763	1,010,872	250,000
31 March 2023:					
Club Chinois Pte Ltd and its subsidiary	Singapore	25%	448,911	817,109	200,000

There are no significant restrictions on the Group's ability to use or access assets and settle liabilities of the subsidiaries with material NCI.

Summarised financial information about subsidiaries with material NCI

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below, which has been prepared in accordance with SFRS(I).

Summarised balance sheets

	Club Chinois Pte Ltd and its subsidiary	
	2024 \$	2023 \$
Current		
Assets	5,792,468	4,656,898
Liabilities	(2,671,728)	(2,413,796)
Net current assets	3,120,740	2,243,102
Non-current		
Assets	1,198,838	1,832,040
Liabilities	(276,090)	(806,705)
Net non-current assets	922,748	1,025,335
Net assets	4,043,488	3,268,437



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

16. Interests in subsidiaries (cont'd)

(B) Interests in subsidiaries with material non-controlling interest ("NCI") (cont'd)

Summarised statements of comprehensive income

	Club Chinois Pte Ltd and its subsidiary	
	2024	2023
	\$	\$
Revenue	14,274,352	13,162,714
Profit before tax	1,898,211	2,127,137
Income tax expense	(123,160)	(331,491)
Profit after tax, representing total comprehensive income for the year	1,775,051	1,795,646
Other summarised information		
Net cash flows from operations	2,863,192	3,874,764

17. Interests in a joint venture

	Group	
	2024	2023
	\$	\$
Unquoted equity shares, at cost	350,000	1,000
Share of post-acquisition reserves	(317,020)	–
Total	32,980	1,000

The Group's wholly owned subsidiary, Tung Lok Millennium Pte Ltd ("TLM"), has 100% legal interest in the ownership in a joint venture, Camo Cafe & Bar Pte. Ltd. ("Camo" or the Joint Venture). TLM and a joint venture partner entered into the Joint Management Agreement, dated 21 March 2023.

Under the Joint Management Agreement, unanimous consent is required for all major decisions over the relevant activities of Camo. Accordingly, Camo is in substance a joint venture of the Group, and equity accounted for based on the Group's effective beneficial interest of 50%.

Details of the joint venture of the Group are set out below:

Name of joint venture	Country of incorporation/operation	Principal activities	Effective interest held by the Group	
			2024	2023
			%	%
<u>Held by Tung Lok Millennium Pte Ltd</u>				
Camo Cafe & Bar Pte. Ltd.	Singapore	Restaurateur	50	50

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

18. Interests in associates

	Group	
	2024	2023
	\$	\$
Unquoted equity shares, at cost	174,000	174,000
Share of post-acquisition reserves	283,198	371,077
Total	457,198	545,077

Details of the associates of the Group are set out below:

Name of associate	Country of incorporation/ operation	Principal activities	Proportion of equity held by the Group	
			2024	2023
			%	%
<u>Held by TLG Asia Pte. Ltd.</u>				
Seafood Republic Pte. Ltd. ("SRPL") ⁽¹⁾	Singapore	Restaurateur	20	20
Singapore Seafood Republic Pte. Ltd. ("SSRPL") ⁽²⁾	Singapore	Investment holding	27	27
SSR Sentosa Pte. Ltd. ("SSR Sentosa") ⁽²⁾	Singapore	Dormant	27	27

⁽¹⁾ Audited by Deloitte & Touche LLP, Singapore

⁽²⁾ Not material to the Group and exempted from audit pursuant to Companies Act 1967

Aggregate information about the Group's investments in associates that are not individually material are as follows:

	Group	
	2024	2023
	\$	\$
(Loss)/profit after tax representing total comprehensive income	(306,261)	253,799

The audited financial statements of SSR Sentosa, SSRPL and SRPL are made up to 30 September each year. For the purpose of applying the equity method of accounting, the unaudited management accounts of SSR Sentosa, SSRPL and SRPL for the financial years ended 31 March 2024 and 2023 have been used.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

19. Investment in unquoted equities

(a) Financial instruments as at 31 March 2024

	Group	
	2024	2023
	\$	\$
<i>At fair value through profit or loss</i>		
- Equity securities (unquoted)	-	-

(b) Financial instruments

	Group	
	2024	2023
	\$	\$
<i>Investment in unquoted equities</i>		
- Equity securities (unquoted)	81,210	81,210
Amount written off in prior years	(81,210)	(81,210)

The investment in unquoted equities consist of investments in PT Taipan Indonesia and PT Ming Cipta Rasa, both incorporated in Indonesia. These companies are engaged in restaurateur activities.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

20. Property, plant and equipment

Group	Furniture, fixtures and equipment \$	Kitchen equipment \$	Leasehold property \$	Motor vehicles \$	Total \$
Cost:					
At 1 April 2022	23,462,150	7,698,627	4,405,867	618,888	36,185,532
Additions	2,817,603	842,374	–	107,249	3,767,226
Write-off	(1,101,580)	(705,293)	–	(157,150)	(1,964,023)
At 31 March 2023 and 1 April 2023	25,178,173	7,835,708	4,405,867	568,987	37,988,735
Additions	2,335,663	566,568	–	–	2,902,231
Write-off	(2,381,760)	(538,773)	–	–	(2,920,533)
Disposal	–	–	–	(568,987)	(568,987)
At 31 March 2024	25,132,076	7,863,503	4,405,867	–	37,401,446
Accumulated depreciation:					
At 1 April 2022	18,159,630	6,836,819	1,652,270	618,888	27,267,607
Depreciation	1,927,136	453,321	88,117	10,725	2,479,299
Write-off	(1,080,848)	(703,223)	–	(157,150)	(1,941,221)
At 31 March 2023 and 1 April 2023	19,005,918	6,586,917	1,740,387	472,463	27,805,685
Depreciation	2,002,020	470,793	88,117	1,787	2,562,717
Write-off	(1,830,325)	(473,187)	–	–	(2,303,512)
Disposal	–	–	–	(474,250)	(474,250)
At 31 March 2024	19,177,613	6,584,523	1,828,504	–	27,590,640
Impairment:					
At 1 April 2022	1,590,828	82,549	–	–	1,673,377
Write-off	–	(1,241)	–	–	(1,241)
At 31 March 2023 and 1 April 2023	1,590,828	81,308	–	–	1,672,136
Additions	251,665	–	–	–	251,665
Write-off	(547,204)	(65,586)	–	–	(612,790)
At 31 March 2024	1,295,289	15,722	–	–	1,311,011
Carrying amount:					
At 31 March 2023	4,581,427	1,167,483	2,665,480	96,524	8,510,914
At 31 March 2024	4,659,174	1,263,258	2,577,363	–	8,499,795

The recoverable amount of the relevant assets of the restaurants has been determined on the basis of their value in use. The discount rate used in measuring value in use was 11.0% (2023: 10.0%) per annum. The management has assessed that the sales growth rate of the relevant restaurant to be ranged from 9.8% to 28.8% (2023: 0.0% to 3.5%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

20. Property, plant and equipment (cont'd)

Management has estimated the fair value of the leasehold property to be approximately \$10,300,000 as at 31 March 2024 (2023: \$8,200,000).

The valuation of leasehold property is based on comparable market prices that consider similar properties that have been transacted in the open market, which is classified under Level 2 of the fair value hierarchy.

Details of the leasehold property as of 31 March 2024 are as follows:

Location	Type of premises	Land area (sq ft)	Tenure
20 Bukit Batok Crescent #11-05 to 09, 18 Enterprise Centre Singapore 658080	Office and factory building	23,659	60 years commencing 13 March 1997

21. Trade payables

	Group	
	2024	2023
	\$	\$
Outside parties	3,057,190	2,785,165
Related parties	39,908	35,807
Total	<u>3,097,098</u>	<u>2,820,972</u>

The average credit period on purchase of goods is 30 days (2023: 30 days).

22. Other payables

	Group		Company	
	2024	2023	2024	2023
	\$	\$	\$	\$
<u>Other payables (current)</u>				
Refundable deposits	379,118	508,849	–	–
Deferred revenue (a)	1,480,520	1,769,381	–	–
Deferred grant income (b)	201,952	520,359	–	–
Accrued expenses (c)	5,670,730	3,758,406	35,000	32,800
Related parties (d)	359,679	135,013	–	–
Financial guarantee contracts (e)	–	–	94,352	120,726
Purchase of property, plant and equipment	39,437	161,043	–	–
Others (f)	1,033,393	834,723	2,902	10,746
Total	<u>9,164,829</u>	<u>7,687,774</u>	<u>132,254</u>	<u>164,272</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

22. Other payables (cont'd)

	Group		Company	
	2024	2023	2024	2023
	\$	\$	\$	\$
<u>Other payables (non-current)</u>				
Deferred revenue (a)	67,500	97,500	-	-
Loans from non-controlling interests in subsidiaries (g)	1,238,176	1,408,918	-	-
Accrued expenses (c)	1,868,163	1,771,072	-	-
Total	3,173,839	3,277,490	-	-
Total other payables	12,338,668	10,965,264	132,254	164,272

- (a) Deferred revenue mainly consists of loyalty points issued on the Group's Tung Lok First Card Scheme, Tung Lok vouchers issued, prepaid franchise income received from a franchisee and advertising and promotion cash funding extended by credit card companies. Under the Tung Lok First Card Scheme, card members dining at the Group's restaurants are entitled to receive loyalty points depending on their level of spending, which can be used to offset subsequent spending.
- (b) Deferred grant income consists of the Job Growth Incentive and Progressive Wage Credit Scheme granted by the Singapore Government.
- (c) Included in accrued expenses which consist of mainly payroll expenses and utility charges, as well as an amount of \$1,868,163 (2023: \$1,921,465) being provision for reinstatement costs of premises.
- (d) The related parties are affiliated to a corporate shareholder of the Company. The amount is unsecured and interest-free.
- (e) The Company is a party to certain financial guarantees which it provides to banks in respect of credit facilities extended to these subsidiaries. Deemed guarantee fee has been accrued on guarantees issued to banks.
- (f) Included in others are payables to non-trade creditors for other operating expenses.
- (g) The loans from non-controlling interests in subsidiaries are unsecured and interest-free. Current loans are repayable on demand and non-current loans have an average repayment term of 5 years.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

23. Bank loans

	Group	
	2024	2023
	\$	\$
Bank loans	2,667,160	3,851,546
The borrowings are repayable as follows:		
On demand or within one year	1,300,505	1,225,089
After one year but within five years	1,366,655	2,626,457
	2,667,160	3,851,546
Less: Amount due for settlement within 12 months (shown under current liabilities)	(1,300,505)	(1,225,089)
Amount due for settlement after 12 months	1,366,655	2,626,457

The Group has the following principal bank loans:

- (a) a loan of \$1,219,860 (2023: \$1,968,216). The loan was drawn down in November 2020. Repayment of principal commenced in November 2021 and will continue until October 2025. The loan currently carries fixed interest rate at 2.25% (2023: 2.25%) per annum.
- (b) a loan of \$723,650 (2023: \$941,665). The loan was drawn down in December 2021. Repayment of principal commenced in January 2023 and will continue until December 2026. The loan currently carries fixed interest rate at 3.75% (2023: 3.75%) per annum.
- (c) a loan of \$723,650 (2023: \$941,665). The loan was drawn down in December 2021. Repayment of principal commenced in January 2023 and will continue until December 2026. The loan currently carries fixed interest rate at 3.75% (2023: 3.75%) per annum.

The bank loans are secured by way of a corporate guarantee issued by the Company.

Management estimates the fair value of the above loans to approximate their carrying amounts.

A reconciliation of liabilities arising from financing activities is as follows:

	2023	Cash flow	Reclassification	2024
	\$	\$	\$	\$
Bank loans				
- current	1,225,089	(1,184,386)	1,259,802	1,300,505
- non-current	2,626,457	-	(1,259,802)	1,366,655
	3,851,546	(1,184,386)	-	2,667,160

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

23. Bank loans (cont'd)

	2022	Cash flow	Reclassification	2023
	\$	\$	\$	\$
Bank loans				
- current	1,037,105	(1,032,810)	1,220,794	1,225,089
- non-current	5,012,627	(1,165,376)	(1,220,794)	2,626,457
	<u>6,049,732</u>	<u>(2,198,186)</u>	<u>-</u>	<u>3,851,546</u>

24. Deferred tax (assets)/liabilities

The following are the major deferred tax (assets)/liabilities recognised by the Group and the movement thereon during the year:

Group	Accelerated tax depreciation	Others	Tax losses	Total
	\$	\$	\$	\$
Represented by:				
- Deferred tax assets	(210,873)	(347,686)	(120,461)	(679,020)
- Deferred tax liabilities	102,935	(9,033)	-	93,902
At 31 March 2024	<u>(107,938)</u>	<u>(356,719)</u>	<u>(120,461)</u>	<u>(585,118)</u>
<u>Deferred tax assets</u>				
At 1 April 2022	31,495	(170,444)	(222,554)	(361,503)
Charged/(credited) to profit or loss for the year (Note 8)	61,063	(173,178)	174,962	62,847
At 31 March 2023 and 1 April 2023	92,558	(343,622)	(47,592)	(298,656)
Credited to profit or loss for the year (Note 8)	(303,431)	(4,064)	(72,869)	(380,364)
At 31 March 2024	<u>(210,873)</u>	<u>(347,686)</u>	<u>(120,461)</u>	<u>(679,020)</u>
<u>Deferred tax liabilities</u>				
At 1 April 2022, 31 March 2023 and 1 April 2023	-	-	-	-
Charged/(credited) to profit or loss for the year (Note 8)	102,935	(9,033)	-	93,902
At 31 March 2024	<u>102,935</u>	<u>(9,033)</u>	<u>-</u>	<u>93,902</u>

Others pertained to temporary differences arising from provisions made for operation expense.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

25. Right-of-use assets/lease liabilities

The Group has lease contracts for outlets, equipment and motor vehicles. The Group's obligations under these leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets. The contract includes extension option which is further discussed below.

The Group also has certain leases of office equipment with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(a) Carrying amount of right-of-use assets

	Outlets \$	Equipment \$	Motor Vehicle \$	Total \$
Cost:				
As at 1 April 2022	20,400,489	749,209	1,401,244	22,550,942
Additions	6,235,673	314,474	245,169	6,795,316
Termination	–	(102,780)	–	(102,780)
Write-off	(5,560,569)	(307,332)	–	(5,867,901)
At 31 March 2023 and 1 April 2023	21,075,593	653,571	1,646,413	23,375,577
Additions	12,123,928	338,561	655,701	13,118,190
Termination	(1,230,929)	(77,830)	–	(1,308,759)
Write-off	(3,505,998)	(66,498)	–	(3,572,496)
As at 31 March 2024	28,462,594	847,804	2,302,114	31,612,512
Accumulated depreciation:				
As at 1 April 2022	6,428,683	367,308	1,193,194	7,989,185
Depreciation	6,327,136	215,959	137,868	6,680,963
Termination	–	(69,984)	–	(69,984)
Write-off	(5,560,569)	(307,332)	–	(5,867,901)
As at 31 March 2023 and 1 April 2023	7,195,250	205,951	1,331,062	8,732,263
Depreciation	6,125,570	217,268	215,006	6,557,844
Termination	(703,629)	(30,790)	–	(734,419)
Write-off	(3,505,998)	(66,498)	–	(3,572,496)
As at 31 March 2024	9,111,193	325,931	1,546,068	10,983,192
Carrying amount:				
As at 31 March 2023	13,880,343	447,620	315,351	14,643,314
As at 31 March 2024	19,351,401	521,873	756,046	20,629,320

During the financial year, the recoverable amount of the right-of-use assets of the restaurants has been determined on the basis of their value in use and fair value less cost of disposal. The discount rate used in measuring value in use was 11.0% (2023: 10.0%) per annum. The management has estimated the sales growth rate of the relevant restaurant to be ranged from 9.8% to 28.8% (2023: 0.0% to 3.5%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

25. Right-of-use assets/lease liabilities (cont'd)

(b) Lease liabilities

The carrying amounts of lease liabilities and the movements during the year are disclosed as below and the maturity analysis of lease liabilities is disclosed in Note 31(d).

	Group	
	2024	2023
	\$	\$
At the beginning of the financial year	15,337,046	14,803,485
Additions	13,046,139	6,709,391
Accretion of interest	693,224	338,845
Lease payments		
• Principal portion	(6,240,220)	(6,083,787)
• Interest portion	(693,224)	(338,845)
• Rent concession granted	–	(34,000)
• Rebates on lease rental of kitchen equipment	(974)	(8,858)
Termination	(614,676)	(49,185)
At the end of the financial year	21,527,315	15,337,046
Current	5,553,758	6,362,561
Non-current	15,973,557	8,974,485

(c) Amounts recognised in profit or loss

	Group	
	2024	2023
	\$	\$
Depreciation of right-of-use assets (Note 6)	6,557,844	6,680,963
Interest expenses on lease liabilities (Note 7)	693,224	338,845
Non-lease component payments (Note 6)	3,908,039	3,547,552
Short-term lease payments (Note 6)	441,871	251,243
Rent concessions from landlords:		
• Rent concessions granted for lease component (Note 5)	–	(34,000)
Rebates on lease rental of kitchen equipment (Note 5)	(974)	(8,858)
Reversal of lease liabilities (Note 5)	(40,336)	(16,389)
Total amount recognised in profit or loss	11,559,668	10,759,356

At the end of reporting date, the incremental borrowing rates applied ranged between 1.88% to 3.75% (2023: 1.88% to 2.78%) for the leases of premises and retail outlets located in Singapore. The Group leases certain items of motor vehicles under finance leases and the interest rate was ranged from 2.78% to 3.48% (2023: 2.98%).

The Group's lease liabilities of \$561,327 (2023: \$281,435) are secured over motor vehicles (Note 25(a)).



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

25. Right-of-use assets/lease liabilities (cont'd)

(d) **Total cash outflow**

The Group had total cash outflow for leases of \$11,283,354 (2023: \$10,221,427) during the financial year. The Group also had non-cash additions to right-of-use assets and lease liabilities of \$13,118,190 and \$13,046,139 (2023: \$6,795,316 and \$6,709,391) respectively during the financial year.

(e) **Future cash outflow which are not capitalised in lease liabilities**

(i) Non-lease component payments

The leases for food and beverage outlets contain advertising and promotion expenses, service charges and variable lease payments that are based on a percentage of sales generated by the outlets, on top of the fixed lease payments. Overall, non-lease component payments recognised as expense in profit or loss amounted to \$3,908,039 (2023: \$3,547,552), of which \$1,340,258 (2023: \$1,486,050) pertained to contingent rental incurred during the financial year.

(ii) Extension options

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises judgement in determining whether these extensions and termination options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	Within five years	Total
	\$	\$
2024		
Extension options not included in lease term	240,732	240,732
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2023		
Extension options not included in lease term	2,845,176	2,845,176
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

26. Share capital

	Group and Company			
	2024	2023	2024	2023
	Number of ordinary shares		\$	
Issued and paid up:				
At the beginning and end of the financial year	274,400,000	274,400,000	28,450,434	28,450,434

The Company has only one class of shares which are the ordinary shares. The ordinary shares have no par value, carry one vote per share without restrictions and carry a right to dividends as and when declared by the Company.

27. Related party transactions

Certain transactions and arrangements of the Group are with related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The balances are unsecured, interest-free and repayable upon demand unless otherwise stated.

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and related parties are disclosed below.

	Group	
	2024	2023
	\$	
<u>With joint venture</u>		
Sale of food and beverages	16,163	–
Purchase of food and beverages	311	–
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<u>With corporate shareholder of certain subsidiary</u>		
Sale of food and beverages	47,028	51,310
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<u>With corporate shareholders of the Company</u>		
Sale of food and beverages	2,608,844	1,556,337
Purchase of food, beverages, and services	1,026,986	837,966
Rental expenses	2,163,897	1,723,637
Payment of principal portion of lease liabilities	1,728,096	1,968,679
Interest paid in relation to lease liabilities	97,355	68,319
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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

27. Related party transactions (cont'd)

	Group	
	2024	2023
	\$	\$
Compensation of key management personnel		
Short-term employee benefits	1,988,160	1,730,681
Central Provident Fund Contributions	163,940	146,624
Total	<u>2,152,100</u>	<u>1,877,305</u>
Comprise amounts paid to:		
Directors of the Company	988,793	902,121
Other key management personnel	1,163,307	975,184
Total	<u>2,152,100</u>	<u>1,877,305</u>

28. Segment information

Reportable segment

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is specifically focused on the restaurant business which forms the basis of identifying the operating segments of the Group under SFRS(I) 8 Operating Segments. Management has determined the operating segments based on the reports reviewed by the Board of Directors ("BOD") that are used to make strategic decisions.

For the management purposes, the Group is organised into business units based on their products and services, and has four reportable operating segments as follows:

- The restaurant segment is in the business of operating restaurants.
- The catering segment is in the business of providing catering services.
- The manufacturing segment pertains to central kitchen function that supports the restaurant segment of the Group as well as OEM products to third parties.
- The others segment comprises of the corporate services, treasury functions, investment holding activities and franchising activities.

Management monitors the operating results of its business units separately by making decision about allocation of resources and assessment of performance of each segment.

Inter-segment sales are measured on the basis that the entity actually uses to price the transfers. Internal transfer pricing policies of the Group are as far as practicable based on market prices. The accounting policies of the reportable segment are the same as the Group's accounting policies described in Note 2. Segment profit or loss represents the profit or loss earned/incurred by each segment without allocation of control administration costs and directors' salaries. The segment information provided to the management for the reportable segments are as follows:

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

28. Segment information (cont'd)

(a) Business segment

2024

	Restaurant operations	Catering operations	Manufacturing operations	Others	Elimination	Total
	\$	\$	\$	\$	\$	\$
<u>Revenue</u>						
Revenue from external customers	77,379,266	10,614,296	1,625,224	348,921	-	89,967,707
Inter-segment revenue	283,092	1,704,803	5,025,296	4,202,485	(11,215,676)	-
Total segment revenue	77,662,358	12,319,099	6,650,520	4,551,406	(11,215,676)	89,967,707
<u>Results</u>						
Profit/(loss) from operations	3,816,463	757,763	(2,277)	(1,020,657)	-	3,551,292
Finance costs	(477,961)	(126,457)	(62,191)	(155,495)	-	(822,104)
Finance income	196,778	-	-	154,888	-	351,666
Share of loss of joint venture	(317,020)	-	-	-	-	(317,020)
Share of losses of associates	(87,879)	-	-	-	-	(87,879)
Segment profit/(loss) before tax	3,130,381	631,306	(64,468)	(1,021,264)	-	2,675,955
Income tax credit	-	-	-	-	-	14,951
Profit for the year						<u>2,690,906</u>
Profit for the year has been arrived after charging:						
Depreciation of property, plant and equipment	(2,154,994)	(157,800)	(156,927)	(92,996)	-	(2,562,717)
Depreciation of right-of-use assets	(5,457,809)	(461,749)	(205,805)	(432,481)	-	(6,557,844)
Impairment loss of property, plant and equipment	(251,665)	-	-	-	-	(251,665)
Write-off of plant and equipment	(1,638)	(1,493)	(1,100)	-	-	(4,231)
Gain on disposal of plant and equipment	-	4,587	-	21,501	-	26,088
Total assets for reportable segments	31,971,450	4,747,020	5,643,470	13,291,560	-	55,653,500
Total liabilities for reportable segments	28,547,755	4,665,297	1,996,818	4,785,784	-	39,995,654
Investment in a joint venture	32,980	-	-	-	-	32,980
Investment in associates	457,198	-	-	-	-	457,198
Capital expenditure on plant and equipment	2,422,884	90,397	195,213	193,737	-	2,902,231

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

28. Segment information (cont'd)

(a) Business segment (cont'd)

	2023					
	Restaurant operations	Catering operations	Manufacturing operations	Others	Elimination	Total
	\$	\$	\$	\$	\$	\$
<u>Revenue</u>						
Revenue from external customers	78,239,761	6,276,463	1,394,205	281,874	–	86,192,303
Inter-segment revenue	300,902	1,302,048	6,049,223	3,945,398	(11,597,571)	–
Total segment revenue	78,540,663	7,578,511	7,443,428	4,227,272	(11,597,571)	86,192,303
<u>Results</u>						
Profit/(loss) from operations	8,230,159	(1,205,849)	229,827	(1,488,837)	–	5,765,300
Finance costs	(451,312)	(26,471)	(44,138)	(13,339)	–	(535,260)
Finance income	62,780	–	–	100,386	–	163,166
Share of profits of associates	48,661	–	–	–	–	48,661
Segment profit/(loss) before tax	7,890,288	(1,232,320)	185,689	(1,401,790)	–	5,441,867
Income tax expense	–	–	–	–	–	(67,862)
Profit for the year	–	–	–	–	–	5,374,005
Profit/(loss) for the year has been arrived after charging:						
Depreciation of property, plant and equipment	(1,956,227)	(222,857)	(144,001)	(156,214)	–	(2,479,299)
Depreciation of right-of-use assets	(5,640,543)	(482,594)	(204,015)	(353,811)	–	(6,680,963)
Write-off of plant and equipment	(20,406)	–	(245)	(910)	–	(21,561)
Total assets for reportable segments	33,925,160	1,397,044	4,303,503	8,418,814	–	48,044,521
Total liabilities for reportable segments	29,197,222	1,155,505	635,782	1,986,319	–	32,974,828
Investment in a joint venture	1,000	–	–	–	–	1,000
Investment in associates	545,077	–	–	–	–	545,077
Capital expenditure on plant and equipment	3,454,481	98,515	40,777	173,453	–	3,767,226

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

28. Segment information (cont'd)

(b) Geographical information

The Group operates in Singapore.

The following table provides an analysis of the Group's revenue from external customers based on the geographical location where revenue is generated:

	Group	
	Sales revenue by geographical market	
	2024	2023
	\$	\$
Singapore	89,967,707	86,192,303

The following is an analysis of the carrying amount of segment assets (non-current assets excluding financial instruments and investments in associates) analysed by the geographical location in which the assets are located:

	Group	
	Non-current assets	
	2024	2023
	\$	\$
Singapore	29,129,115	23,154,228

The non-current assets comprise property, plant and equipment and right-of-use assets.

Information about major customers

The revenue is spread over a broad base of customers.

29. Contingent liabilities

	Company	
	2024	2023
	\$	\$
Corporate guarantees issued for bank facilities, finance lease facilities and corporate loans granted to subsidiaries	2,667,160	3,851,546
Letters of undertaking to provide financial support to loss making subsidiaries	4,539,627	3,795,444
Total	7,206,787	7,646,990

Management is of the opinion that the fair value of the above corporate guarantees is not material.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

30. Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2024	2023	2024	2023
	\$	\$	\$	\$
Financial assets				
At amortised cost:				
Cash and bank balances (Note 11)	15,995,312	16,700,415	2,000,000	1,362,059
Trade receivables (Note 12)	3,749,667	2,096,059	–	–
Other receivables (Note 13)	1,109,597	1,513,929	1,254,930	1,253,023
Loans to subsidiaries (Note 16(A))	–	–	6,916,530	8,436,475
Long-term security deposits (Note 15)	1,128,949	897,865	–	–
Total	21,983,525	21,208,268	10,171,460	11,051,557
Financial liabilities				
At amortised cost:				
Trade payables (Note 21)	3,097,098	2,820,972	–	–
Other payables (Note 22)	8,720,533	6,656,559	37,902	43,546
Bank loans (Note 23)	2,667,160	3,851,546	–	–
Lease liabilities (Note 25)	21,527,315	15,337,046	–	–
Total	36,012,106	28,666,123	37,902	43,546
Financial guarantee contracts (Note 22)	–	–	94,352	120,726

The Company has issued corporate guarantees to banks for borrowings of its subsidiary, where the Company is required to reimburse the banks if the subsidiary fails to make principal or interest payments when due in accordance with the terms of its borrowings.

Financial guarantees are initially recognised at their fair values and are subsequently amortised to profit or loss over the period of the subsidiary's borrowings, unless it is probable that the Company will reimburse the bank for an amount higher than the unamortised amount.

Fair value of the financial guarantees is estimated using market lending rate for similar type of loan guarantee arrangement as at the end of the reporting period.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

31. Financial risks management objectives and policies

The Group has documented financial risk management policies. These policies set out the Group's overall business strategies and its risk management philosophy. The Group's overall financial risk management programme seeks to minimise potential adverse effects of financial performance of the Group. Management provides written principles for overall financial risk management and written policies covering specific areas, such as market risk (including interest rate risk and foreign exchange risk), credit risk, liquidity risk and investing excess cash.

The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk. Financial risk exposures are measured using sensitivity analysis indicated below.

(a) Foreign exchange risk management

The Group does not enter into any derivative contracts to hedge the foreign exchange risk on such net investments. The Group's monetary assets and monetary liabilities are largely denominated in the respective Group entities' functional currencies.

As the Group's principal operations are in Singapore, it is not significantly exposed to foreign exchange risk and thus foreign currency risk sensitivity analysis has not been disclosed.

(b) Interest rate risk management

The Group's exposure to interest rate risks relate mainly to its bank loans of \$2,667,160 (2023: \$3,851,546). The Group currently does not use any derivative financial instruments to manage its exposure to changes in interest rates.

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's profit for the year ended 31 March 2024 would decrease/increase by approximately \$13,000 (2023: \$19,000) respectively. This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

31. Financial risks management objectives and policies (cont'd)

(c) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Group's credit risk is primarily attributable to its cash and bank balances, trade and other receivables and advances to associates. Liquid funds are placed with banks with high credit ratings. The credit risk with respect to the trade receivables is limited as the Group's revenue is generated mainly from cash and credit card sales. Where transactions are conducted other than on a cash basis, the Group practises stringent credit review.

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

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 180 days when they fall due, which are derived based on the Group's historical information.

To assess whether there is a significant increase in credit risks, the Group compares the risk of a default occurring on an asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forward-looking information which includes the following indicators:

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

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

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

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

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 365 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the Group continues to engage enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

31. Financial risks management objectives and policies (cont'd)

(c) Credit risk management (cont'd)

Trade receivables

The Group provides for lifetime expected credit losses for all trade receivables using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past by grouping of customers based on different customer profile. As of 31 March 2024, there is immaterial credit risk losses noted.

Exposure to credit risk

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses and the exposure to defaults from financial guarantees disclosed in Note 31(d), represents the Group's and the Company's maximum exposure to credit risk without taking into account the value of any collateral obtained.

Other than the amount due from related parties, the Group has no significant concentration of credit risk. Trade receivables are spread over a broad base of customers.

Financial assets that are neither past due nor impaired

Trade and other receivables, including advances to associate that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalent are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Notes 12 and 13 above.

(d) Liquidity risk management

The Group funds its operations through a mixture of internal funds, bank borrowings and other fund raising exercises. The Group reviews regularly its liquidity reserves comprising free cash flows from its operations and undrawn credit facilities from banks.

The Group has a cash pooling system whereby excess liquidity is equalised internally through intercompany accounts. Depending on the specifics of the funding requirements, funding for its operating subsidiaries may be either sourced directly from the Group's bankers or indirectly through the Company.

The Group and the Company are dependent on the availability of future cash flows from the Group's restaurant operations and any unutilised credit facilities given by the banks.

During the financial year ended 31 March 2024, the directors have taken steps to improve the Group's and Company's working capital position and cash inflow from their operating activities.

In respect of the corporate guarantees in Note 29, the maximum amount the Company would be forced to settle if the full guaranteed amount is claimed by the counterparty is \$2,667,160 (2023: \$3,851,546). The earliest period that the guarantee could be called is within 1 year (2023: 1 year) from the end of the reporting period. The Company considers that it is more likely than not that no amount will be payable under the arrangement.



NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

31. Financial risks management objectives and policies (cont'd)

(d) Liquidity risk management (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets used for managing liquidity risk and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Group 2024	On demand or within 1 year	Within 2 to 5 years	After 5 years	Discounts	Total
	\$	\$	\$	\$	\$
Financial assets:					
Cash and bank balances (Note 11)	15,995,312	–	–	–	15,995,312
Trade receivables (Note 12)	3,749,667	–	–	–	3,749,667
Other receivables (Note 13)	1,109,597	–	–	–	1,109,597
Long-term security deposits (Note 15)	–	1,128,949	–	–	1,128,949
Total undiscounted financial assets	20,854,576	1,128,949	–	–	21,983,525
Financial liabilities:					
Trade payables (Note 21)	3,097,098	–	–	–	3,097,098
Other payables (Note 22)	7,482,357	1,470,000	–	(231,824)	8,720,533
Bank loans (Note 23)	1,369,148	1,401,768	–	(103,756)	2,667,160
Lease liabilities (Note 25)	6,194,204	13,134,709	4,497,797	(2,299,395)	21,527,315
Total undiscounted financial liabilities	18,142,807	16,006,477	4,497,797	(2,634,975)	36,012,106
Total net undiscounted financial assets/ (liabilities)	2,711,769	(14,877,528)	(4,497,797)	2,634,975	(14,028,581)

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

31. Financial risks management objectives and policies (cont'd)

(d) Liquidity risk management (cont'd)

Group 2023	On demand or within 1 year \$	Within 2 to 5 years \$	After 5 years \$	Discounts \$	Total \$
Financial assets:					
Cash and bank balances (Note 11)	16,700,415	–	–	–	16,700,415
Trade receivables (Note 12)	2,096,059	–	–	–	2,096,059
Other receivables (Note 13)	1,513,929	–	–	–	1,513,929
Long-term security deposits (Note 15)	–	897,865	–	–	897,865
Total undiscounted financial assets	20,310,403	897,865	–	–	21,208,268
Financial liabilities:					
Trade payables (Note 21)	2,820,972	–	–	–	2,820,972
Other payables (Note 22)	5,247,641	1,470,000	–	(61,082)	6,656,559
Bank loans (Note 23)	1,324,212	2,725,501	–	(198,167)	3,851,546
Lease liabilities (Note 25)	6,601,533	9,185,834	–	(450,321)	15,337,046
Total undiscounted financial liabilities	15,994,358	13,381,335	–	(709,570)	28,666,123
Total net undiscounted financial assets/ (liabilities)	4,316,045	(12,483,470)	–	709,570	(7,457,855)

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

31. Financial risks management objectives and policies (cont'd)

(d) Liquidity risk management (cont'd)

Company 2024	On demand or within 1 year \$	Within 2 to 5 years \$	After 5 years \$	Discounts \$	Total \$
Financial assets:					
Cash and bank balances (Note 11)	2,000,000	–	–	–	2,000,000
Other receivables (Note 13)	1,254,930	–	–	–	1,254,930
Loans to subsidiaries (Note 16(A))	–	8,194,841	–	(1,278,311)	6,916,530
Total undiscounted financial assets	3,254,930	8,194,841	–	(1,278,311)	10,171,460
Financial liabilities:					
Other payables (Note 22)	37,902	–	–	–	37,902
Total undiscounted financial liabilities	37,902	–	–	–	37,902
Total net undiscounted financial assets	3,217,028	8,194,841	–	(1,278,311)	10,133,558
2023					
Financial assets:					
Cash and bank balances (Note 11)	1,362,059	–	–	–	1,362,059
Other receivables (Note 13)	1,253,023	–	–	–	1,253,023
Loans to subsidiaries (Note 16(A))	–	9,004,305	–	(567,830)	8,436,475
Total undiscounted financial assets	2,615,082	9,004,305	–	(567,830)	11,051,557
Financial liabilities:					
Other payables (Note 22)	43,546	–	–	–	43,546
Total undiscounted financial liabilities	43,546	–	–	–	43,546
Total net undiscounted financial assets	2,571,536	9,004,305	–	(567,830)	11,008,011

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

31. Financial risks management objectives and policies (cont'd)

(d) Liquidity risk management (cont'd)

The table below shows the contractual expiry by maturity of the Company's contingent liabilities and commitments. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantee could be called.

Company 2024	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	\$	\$	\$	\$	\$
Financial guarantee contracts (notional amount)	2,667,160	–	–	–	2,667,160
2023					
Financial guarantee contracts (notional amount)	3,851,546	–	–	–	3,851,546

(e) Commodity price risk

Certain commodities, principally dried foodstuff, meat, fish and other seafood delicacies, are generally purchased based on market prices established with the suppliers. Although many of the products purchased are subject to changes in commodity prices, certain purchasing contracts or pricing arrangements contain risk management techniques designed to minimise price volatility. Typically, the Group uses these types of purchasing techniques to control costs as an alternative to directly using financial instruments to hedge commodity prices. Where commodity cost increases significantly and appears to be long-term in nature, management addresses the risk by adjusting the menu pricing or changing the product delivery strategy.

(f) Fair value of financial assets and financial liabilities

The carrying amounts of cash and bank balances, trade and other current receivables, trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to financial statements.

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

(g) Financial instruments subject to off-setting, enforceable master netting arrangements and similar agreements

The Group does not have any financial instruments which are subject to offsetting under enforceable master netting arrangements or similar netting agreements.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2024

32. Capital risk management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 23, and equity attributable to owners of the Company, comprising issued capital, reserves net of accumulated losses.

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.

No changes were made in the objectives, policies and processes during the years ended 31 March 2024 and 31 March 2023.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/adjusted capital (as shown below). Net debt is calculated as total borrowings less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital and retained earnings):

	Group	
	2024	2023
	\$	\$
Net debt:		
All current and non-current borrowings including lease liabilities	24,194,475	19,188,592
Less: cash and cash equivalents	(15,995,312)	(16,700,415)
Net debt	<u>8,199,163</u>	<u>2,488,177</u>
Total equity	<u>15,657,846</u>	<u>15,069,693</u>
Debt-to-adjusted capital ratio	<u>52%</u>	<u>17%</u>

The Group's policy is to keep the debt-to-adjusted capital ratio below 100%.

33. Dividends

	Group		Company	
	2024	2023	2024	2023
	\$	\$	\$	\$
Ordinary dividends paid:				
First and final tax-exempt dividends of 0.77 Singapore cents per share	<u>2,112,880</u>	<u>-</u>	<u>2,112,880</u>	<u>-</u>

34. Authorisation of financial statements

The financial statements for the year ended 31 March 2024 were authorised for issue in accordance with a resolution of the directors on 21 June 2024.

STATISTICS OF SHAREHOLDINGS

As at 21 June 2024

Number of Issued Shares : 274,400,000
 Class of Shares : Ordinary shares
 Voting Rights : One vote per share

Distribution of Shareholders by size of shareholdings as at 21 June 2024

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF ISSUED SHARE CAPITAL
1 to 99	5	0.76	41	0.00
100 to 1,000	114	17.43	89,000	0.03
1,001 to 10,000	291	44.50	1,288,603	0.47
10,001 to 1,000,000	230	35.17	16,469,885	6.00
1,000,001 AND ABOVE	14	2.14	256,552,471	93.50
TOTAL	654	100.00	274,400,000	100.00

Shareholdings in the hands of public as at 21 June 2024

The percentage of shareholdings in the hands of the public was approximately 13.52% and hence the Company has complied with Rule 723 of the SGX-ST Listing Manual – Section B: Rules of the Catalist which states that an issuer must ensure that at least 10% of its ordinary shares is at all times held by the public.

The Company did not hold any treasury shares or subsidiary holdings as at 21 June 2024.

Twenty Largest Shareholders as at 21 June 2024

NO.	NAME OF SHAREHOLDERS	NO. OF SHARES	% OF ISSUED SHARE CAPITAL
1	ZHOU HOLDINGS PTE LTD	104,272,000	38.00
2	GOODVIEW PROPERTIES PTE LTD	54,015,780	19.69
3	TEE YIH JIA FOOD MANUFACTURING PTE LTD	53,531,280	19.51
4	UOB KAY HIAN PRIVATE LIMITED	20,300,000	7.40
5	RAFFLES NOMINEES (PTE.) LIMITED	4,858,271	1.77
6	DBS NOMINEES (PRIVATE) LIMITED	3,772,920	1.37
7	ANG TJIA LENG @ WIDJAJA LINDA ANGGRAINI	2,898,840	1.06
8	CHIN KAI SENG	2,561,600	0.93
9	GOH CHENG LIANG	2,400,000	0.87
10	CITIBANK NOMINEES SINGAPORE PTE LTD	2,062,580	0.75
11	YEOW SENG (SEAFOOD) PTE LTD	1,890,000	0.69
12	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	1,394,000	0.51
13	ZHANG WEN	1,361,000	0.50
14	GOI SENG HUI	1,234,200	0.45
15	GTK INVESTMENT (S) PTE LTD	699,300	0.25
16	ZHANG ZHONG YI	695,900	0.25
17	YIO KANG LENG	600,000	0.22
18	SEONG PECK THONG	550,000	0.20
19	LIEW OI PENG (LIU AIPING)	498,000	0.18
20	TJIOE KA MEN	463,160	0.17
		260,058,831	94.77

STATISTICS OF SHAREHOLDINGS

As at 21 June 2024

Substantial Shareholders

NAME OF SHAREHOLDERS	DIRECT INTEREST		DEEMED INTEREST		TOTAL	
	NO. OF SHARES	%	NO. OF SHARES	%	NO. OF SHARES	%
Zhou Holdings Pte Ltd	104,272,000	38.00	–	–	104,272,000	38.00
Amazing Grace Investments Pte. Ltd.	–	–	104,272,000*	38.00	104,272,000	38.00
Tjioe Ka Men	463,160	0.17	107,170,840**	39.06	107,634,000	39.23
Goodview Properties Pte Ltd	54,015,780	19.69	–	–	54,015,780	19.69
Far East Organization Centre Pte. Ltd.	–	–	54,015,780#	19.69	54,015,780	19.69
Estate of Ng Teng Fong, Deceased	–	–	54,482,260##	19.86	54,482,260	19.86
Ng Chee Tat Philip	–	–	54,482,260###	19.86	54,482,260	19.86
Ng Chee Siong	–	–	54,015,780####	19.69	54,015,780	19.69
Tee Yih Jia Food Manufacturing Pte Ltd	53,531,280	19.51	–	–	53,531,280	19.51
Goi Seng Hui	1,234,200	0.45	53,531,280+	19.51	54,765,480	19.96
Antica Bay Pte. Ltd.	20,300,000	7.40	–	–	20,300,000	7.40
Ambrosius Holdings Pte. Ltd.	–	–	20,300,000@	7.40	20,300,000	7.40
Anthony Bingei	–	–	20,300,000@	7.40	20,300,000	7.40

Notes:

- * Deemed to be interested in the 104,272,000 shares held by Zhou Holdings Pte Ltd by virtue of Section 7 of the Companies Act 1967
- ** Deemed to be interested in the 104,272,000 shares held by Zhou Holdings Pte Ltd and 2,898,840 shares held by Ang Tjia Leng @ Widjaja Linda Anggraini (spouse) by virtue of Section 7 of the Companies Act 1967
- # Deemed to be interested in the 54,015,780 shares held by Goodview Properties Pte Ltd by virtue of Section 7 of the Companies Act 1967
- ## Deemed to be interested in the 54,015,780 shares held by Goodview Properties Pte Ltd by virtue of its controlling interest in Far East Organization Centre Pte. Ltd., which in turn has a controlling interest in Goodview Properties Pte Ltd; and 466,480 shares held by Kuang Ming Investments Pte. Ltd. as its associate, Mdm Tan Kim Choo, has more than 20% interest in Kuang Ming Investments Pte. Ltd. by virtue of Section 7 of the Companies Act 1967
- ### Deemed to be interested in an aggregate of 54,482,260 shares as follows:
- (a) Goodview Properties Pte Ltd has a direct interest in 54,015,780 shares. The Estate of Ng Teng Fong has a controlling interest in Far East Organization Centre Pte. Ltd., which in turn has a controlling interest in Goodview Properties Pte Ltd. Ng Chee Tat Philip is a beneficiary of the Estate of Ng Teng Fong and is therefore deemed to be interested in the 54,015,780 shares in which Goodview Properties Pte Ltd has an interest; and
- (b) Kuang Ming Investments Pte. Ltd. has a direct interest in 466,480 shares. Ng Chee Tat Philip has a more than 20% interest in Kuang Ming Investments Pte. Ltd. and is therefore deemed to be interested in the 466,480 shares in which Kuang Ming Investments Pte. Ltd. has an interest
- #### Deemed to be interested in the 54,015,780 shares held by Goodview Properties Pte Ltd. The Estate of Ng Teng Fong has a controlling interest in Far East Organization Centre Pte. Ltd., which in turn has a controlling interest in Goodview Properties Pte Ltd. Ng Chee Siong is a beneficiary of the Estate of Ng Teng Fong and is therefore deemed to be interested in the 54,015,780 shares in which Goodview Properties Pte Ltd has an interest
- + Deemed to be interested in the 53,531,280 shares held by Tee Yih Jia Food Manufacturing Pte Ltd by virtue of Section 7 of the Companies Act 1967
- @ Deemed to be interested in the 20,300,000 shares held by Antica Bay Pte. Ltd. by virtue of Section 7 of the Companies Act 1967

NOTICE OF 24TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 24th Annual General Meeting of **TUNG LOK RESTAURANTS (2000) LTD** (the “**Company**”) will be held at Orchard Rendezvous Hotel, 1 Tanglin Road, Level 2 Antica Ballroom, Singapore 247905 on Wednesday, 31 July 2024 at 11.00 a.m. (Singapore time) for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 31 March 2024 together with the Auditor’s Report thereon. **[Resolution 1]**

2. To approve the payment of a tax exempt (one-tier) first and final dividend of 0.224 Singapore cents per ordinary share for the financial year ended 31 March 2024. **[Resolution 2]**

3. To approve Directors’ Fees of S\$261,800 for the financial year ending 31 March 2025 to be paid quarterly in arrears (31 March 2024: S\$267,851). **[Resolution 3]**

[See Explanatory Note (i)]

4. To re-elect the following Directors who are retiring:

(a) Mdm Ng Siok Keow (pursuant to Article 91 of the Company’s Constitution) **[Resolution 4(a)]**

(b) Mdm Tjioe Ka In (pursuant to Article 91 of the Company’s Constitution) **[Resolution 4(b)]**

(c) Mr Yam Ah Mee (pursuant to Article 97 of the Company’s Constitution) **[Resolution 4(c)]**

(d) Mr Khoo Yee Hoe (pursuant to Article 97 of the Company’s Constitution) **[Resolution 4(d)]**

Mdm Ng Siok Keow will, upon re-election as a Director of the Company, remain as a Non-Independent and Non-Executive Director, and a member of the Remuneration Committee (“**RC**”) and the Executive Committee (“**EXCO**”).

Mdm Tjioe Ka In will, upon re-election as a Director of the Company, remain as an Executive Director.

Mr Yam Ah Mee will, upon re-election as a Director of the Company, remain as an Independent and Non-Executive Director, the Chairman of the Nominating Committee (“**NC**”) and RC, a member of the Audit and Risk Committee (“**ARC**”) and will be considered independent for the purpose of Rule 704(7) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual – Section B: Rules of Catalist (the “**Catalist Rules**”).

Mr Khoo Yee Hoe will, upon re-election as a Director of the Company, remain as an Independent and Non-Executive Director, the Chairman of the ARC, a member of the NC, RC and EXCO and will be considered independent for the purpose of Rule 704(7) of the Catalist Rules.

5. To re-appoint Ernst & Young LLP as Auditor and to authorise the Directors to fix their remuneration. **[Resolution 5]**

6. To transact any other ordinary business of an Annual General Meeting (“**AGM**”) of which due notice shall have been given.

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NOTICE OF 24TH ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

To consider and, if thought fit, pass the following as Ordinary Resolutions, with or without modifications:

7. Authority to allot and issue shares

[Resolution 6]

That pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Catalist Rules, authority be and is hereby given to the Directors of the Company to:

- (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise, and/or
- (ii) make or grant offers, agreements or options that might or would require shares 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,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion deem fit; and

- (iii) (notwithstanding that the authority conferred by this resolution may have ceased to be in force) issue shares in pursuance of any instrument made or granted by the Directors whilst this resolution was in force,

provided that:

- (a) the aggregate number of shares to be issued pursuant to this resolution does not exceed 100% of the total number of issued shares in the Company (excluding treasury shares and subsidiary holdings), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company does not exceed 50% of the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings);
- (b) for the purpose of determining the aggregate number of shares that may be issued under paragraph (a) above, the percentage of issued shares shall be based on the total number of issued shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time this resolution is passed, after adjusting for (i) new shares arising from the conversion or exercise of any convertible securities, (ii) new shares arising from exercising share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules, and (iii) any subsequent bonus issue, consolidation or subdivision of shares.

Adjustments in accordance with sub-paragraphs (i) and (ii) above 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 the resolution approving this resolution;

- (c) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), the Companies Act and the Company's Constitution; and
- (d) unless revoked or varied by the Company in general meeting, such authority shall continue in force until the conclusion of the next AGM of the Company or when it is required by law to be held, whichever is earlier.

[See Explanatory Note (ii)]

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NOTICE OF 24TH ANNUAL GENERAL MEETING

8. Renewal of the Shareholders' Mandate for Interested Person Transactions

[Resolution 7]

- (a) That approval be and is hereby given for the purposes of Chapter 9 of the Catalist Rules for any of the Entities at Risk (as defined in the Appendix to this Notice of the AGM) to enter into any of the transactions falling within the types of interested person transactions ("**IPTs**") (particulars of which are set out in the Appendix accompanying this Notice) with the Interested Persons in accordance with the guidelines of the Company for IPTs as set out in the Appendix, and subject to the review procedures for such IPTs as set out in the Appendix (the "**IPT Mandate**");
- (b) That such approval shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company;
- (c) That the ARC of the Company be and is hereby authorised to take such action as it deems proper in respect of review procedures for the IPTs and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Catalist Rules which may be prescribed by the SGX-ST from time to time; and
- (d) That the Directors of the Company and each of them be and are hereby authorised to do all such acts and things (including without limitation executing all such documents as may be required) as they may consider expedient or necessary or in the interest of the Company to give effect to the transactions contemplated and/or authorised by the proposed IPT Mandate and/or this resolution.

[See Explanatory Note (iii)]

By Order of the Board

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Secretary
Singapore, 15 July 2024

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NOTICE OF 24TH ANNUAL GENERAL MEETING

EXPLANATORY NOTES TO RESOLUTIONS:

- (i) Resolution 3, if passed, will allow the Company to pay Directors' Fees up to S\$261,800 (on a quarterly basis in arrears) during the financial year ending 31 March 2025 in which the fees are incurred. In the event of unforeseen circumstances, such as appointment of an additional Director or formation of additional Board Committees, resulting in the amount proposed being insufficient, approval will be sought at the next AGM for payments to meet the shortfall.
- (ii) Resolution 6, if passed, will authorise the Directors of the Company to issue shares in the capital of the Company up to an amount not exceeding in aggregate 100% of the total number of issued shares in the capital of the Company, excluding treasury shares and subsidiary holdings, at the time of the passing of this resolution, of which the aggregate number of shares to be issued other than on a pro-rata basis to the shareholders of the Company does not exceed 50% of the total number of issued shares in the capital of the Company, excluding treasury shares and subsidiary holdings.
- (iii) Resolution 7, if passed, will renew the IPT Mandate for certain transactions with the interested persons and empower the Directors of the Company from the date of the above meeting until the date of the next AGM to do all acts necessary to give effect to the resolution. This authority will, unless previously revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.

In accordance with the requirements under Chapter 9 of the Catalist Rules, Dr Goi Seng Hui being an "Interested Person" in relation to the IPT Mandate, will abstain from voting, and will ensure that his respective associates abstain from voting, on Resolution 7 relating to the IPT Mandate.

NOTES RELATING TO THE CONDUCT OF AGM:

- (1) Members of the Company are invited to **attend physically** at the AGM. There will be no option for members to participate virtually. Printed copies of this Notice of AGM, Annual Report of the Company for the financial year ended 31 March 2024 ("**Annual Report**"), Appendix on IPT Mandate, and the proxy form will be despatched to members by post and made available on the Company's website at <https://www.tunglok.com> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>.
- (2) Please bring along your NRIC/passport so as to enable the Company to verify your identity.

VOTING BY PROXY

- (1) A member who is unable to attend the AGM and wishes to appoint proxy(ies) to attend, speak and vote at the AGM on his/her/its behalf should complete, sign and return the instrument of proxy in accordance with the instructions printed thereon.
- (2) A proxy need not be a member of the Company.
- (3) In relation to the appointment of proxy(ies) to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy(ies) should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instruction as to voting are given, or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy(ies) will vote or abstain from voting at his/her/their discretion.
- (4) The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal, executed as a deed in accordance with the Companies Act 1967 or under the hand of an attorney or an officer duly authorised, or in some other manner approved by the Directors. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy.
- (5) The instrument appointing a proxy, together with the letter or power of attorney or other authority under which it is signed or a duly certified copy thereof (if applicable), must be submitted either:
 - (a) if sent personally or by post, the proxy form must be lodged at the Company's registered office at 26 Tai Seng Street #02-01 Singapore 534057; or
 - (b) if by email, the proxy form must be received at investors@tunglok.com,

in either case, by no later than 11.00 a.m. (Singapore time) on 29 July 2024, being at least 48 hours before the time appointed for holding the AGM.

A member can appoint the Chairman of the AGM as his/her/its proxy, but this is **not mandatory**. The Chairman of the AGM, as a proxy, need not be a member of the Company.

The proxy must bring along his/her NRIC/passport so as to enable the Company to verify his/her identity.

NOTICE OF 24TH ANNUAL GENERAL MEETING

- (6) (a) A member who is not a relevant intermediary* is entitled to appoint not more than 2 proxies to attend, speak and vote at the AGM. Where such member appoints 2 proxies, he/she/it should specify the proportion of he/she/it shareholding (expressed as a percentage of the whole) to be represented by each proxy in the instrument appointing a proxy or proxies.
- (b) A member who is a relevant intermediary* is entitled to appoint more than 2 proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than 2 proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies.

* **"Relevant Intermediary"** has the meaning ascribed to it in Section 181 of the Companies Act 1967:

- (i) a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
- (ii) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
- (iii) the Central Provident Fund ("**CPF**") Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
- (7) Investors who hold shares under the Supplementary Retirement Scheme ("**SRS**") or CPF Investment Scheme ("**CPFIS**") and wish to vote, should approach their respective SRS Operators or CPF Agent Banks to submit their votes at least 7 working days before the AGM (i.e. by 11.00 a.m. (Singapore time) on 19 July 2024). SRS or CPFIS investors should contact their respective SRS Operators or CPF Agent Banks for any queries they may have with regard to the appointment of proxy for the AGM.
- (8) The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument.

SUBMISSION OF QUESTIONS IN ADVANCE OF, OR AT THE AGM

- (1) Members, including SRS and CPFIS investors, may submit questions relating to the resolutions to be tabled for approval at the AGM or in advance of the AGM no later than 5.00 p.m. (Singapore time) on 23 July 2024:
- (a) by email to the Company at investors@tunglok.com; or
- (b) send personally or by post to the Company's registered office at 26 Tai Seng Street #02-01 Singapore 534057.

Members submitting questions are required to state: (a) their full name; (b) their identification/registration number; and (c) the manner in which his/her/its shares in the Company are held (e.g. via CDP, CPF, SRS and/or scrip), failing which the Company shall be entitled to regard the submission as invalid and not respond to the questions submitted.

All questions submitted in advance of the AGM must be received by the Company by the time and date stated above to be treated as valid. Where substantially similar questions are received, they will be consolidated and not all questions may be individually addressed.

To ensure that questions are received by the Company by the stipulated deadline, members are strongly encouraged to submit questions by email.

- (2) The Company will endeavour to address the substantial and relevant questions (as may be determined by the Company in its sole discretion) relating to the resolutions to be tabled and for approval at the AGM prior to or at the AGM. The responses to these questions will be published on or before 26 July 2024 via SGXNet and the Company's website or if answered during the AGM, will be included in the minutes of the AGM which shall be published on the Company's website and the SGXNet within one month after the date of AGM.

NOTICE OF 24TH ANNUAL GENERAL MEETING

PERSONAL DATA PRIVACY

By (a) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof; or (b) submitting any questions prior to the AGM in accordance with this Notice of AGM, a member of the Company consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of:

- (1) the processing, administration and analysis by the Company (or its agents or service providers) of proxy forms for the AGM (including any adjournment thereof);
- (2) addressing substantial and relevant questions from members received in advance of the AGM;
- (3) the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof),

((1), (2) and (3) collectively, the "**Purposes**");

- (4) 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
- (5) in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities, and 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.

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

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APPENDIX DATED 15 JULY 2024

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

This Appendix is circulated to Shareholders of Tung Lok Restaurants (2000) Ltd (the "**Company**") together with the Company's Annual Report for the financial year ended 31 March 2024 (the "**Annual Report**"). Its purpose is to explain to Shareholders the rationale and provide information relating to the proposed renewal of the IPT Mandate (as defined herein) to be tabled at the Annual General Meeting to be held on 31 July 2024 at 11.00 a.m. at Orchard Rendezvous Hotel, 1 Tanglin Road, Level 2, Antica Ballroom, Singapore 247905 (the "**Annual General Meeting**").

If you have sold or transferred all your issued and paid-up ordinary shares in the capital of the Company ("**Shares**") held through the CDP (as defined herein), you need not forward this Appendix to the purchaser or the transferee as arrangements will be made by CDP. If you have sold or transferred all your Shares represented by physical share certificate(s), you should immediately forward this Appendix to the purchaser or transferee, or to the bank, stockbroker or agent through whom the sale or transfer was affected for onward transmission to the purchaser or transferee. However, such documents should not be forwarded or transmitted to any jurisdiction outside of Singapore. The Notice of Annual General Meeting and a Proxy Form are enclosed with the Annual Report.

This Appendix has been reviewed by the Company's Sponsor, SAC Capital Private Limited. It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**Exchange**") and the Exchange assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix. The details of the contact person for the Sponsor are Ms Lee Khai Yinn (Registered Professional, SAC Capital Private Limited), Address: 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, Tel: 6232 3210.



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TUNG LOK RESTAURANTS (2000) LTD

(Incorporated in the Republic of Singapore)
(Company Registration Number: 200005703N)

**APPENDIX TO THE NOTICE OF ANNUAL GENERAL MEETING DATED 15 JULY 2024 IN
RELATION TO THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR
INTERESTED PERSON TRANSACTIONS**

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CONTENTS

THE PROPOSED RENEWAL OF THE SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS

	PAGE
DEFINITIONS	134
LETTER TO SHAREHOLDERS	
1. INTRODUCTION.....	138
2. THE PROPOSED RENEWAL OF THE IPT MANDATE.....	138
3. CHAPTER 9 OF THE CATALIST RULES.....	138
4. THE IPT MANDATE.....	140
5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	145
6. SHAREHOLDING INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS	146
7. STATEMENT OF THE AUDIT AND RISK COMMITTEE	147
8. UNAFFECTED DIRECTORS' RECOMMENDATIONS	147
9. ABSTENTION FROM VOTING	147
10. DIRECTORS' RESPONSIBILITY STATEMENT.....	148
11. DOCUMENTS AVAILABLE FOR INSPECTION	148

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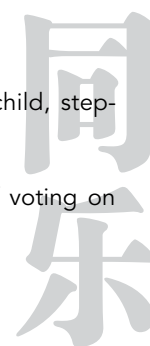
DEFINITIONS

Unless otherwise stated, the following definitions shall apply throughout this Appendix.

- "Act"** : The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time
- "AGM"** : The Annual General Meeting of the Company
- "Approved Exchange"** : A stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Catalist Rules
- "Appendix"** : This Appendix to the Shareholders dated 15 July 2024
- "Associate(s)"** : (a) In relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means:
- (i) his Immediate Family;
 - (ii) the trustees of any trust of which he or his Immediate Family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his Immediate Family together (directly or indirectly) have an interest of 30% or more;
- (b) In relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
- or such other definition as the Catalist Rules may from time to time prescribe
- "Associated Company"** : A company in which at least 20% but not more than 50% of its shares are held by the Group or the TYJ Group (as the case may be)
- "Audit and Risk Committee"** : The Audit and Risk Committee of the Company, comprising Mr Khoo Yee Hoe, Mr Yam Ah Mee, Dr Goi Seng Hui and Dr Foo Say Mui (Bill)
- "Board"** : The Board of Directors of the Company as at the date of this Appendix
- "Catalist"** : The Catalist board of the SGX-ST
- "Catalist Rules"** : Section B: Rules of Catalist of the Listing Manual of SGX-ST, as amended, supplemented or modified from time to time
- "CDP"** : The Central Depository (Pte) Limited
- "Company"** : Tung Lok Restaurants (2000) Ltd
- "Constitution"** : The constitution of the Company, as amended, supplemented or modified from time to time

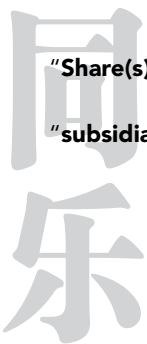
DEFINITIONS

- “Controlling Shareholder”** : A person who:
- (a) holds directly or indirectly 15% or more of the nominal amount of all voting Shares in the Company (unless the SGX-ST determines that such person is not a Controlling Shareholder of the Company); or
 - (b) in fact exercises control over a company
- and “Control” herein means the capacity to dominate decision making, directly or indirectly, in relation to the financial and operating policies of a company
- “Directors”** : The directors of the Company for the time being
- “Entity at Risk”** : (a) the listed company;
- (b) a subsidiary of the listed company that is not listed on the SGX-ST or an Approved Exchange (as defined in the Catalist Rules); or
 - (c) an associated company of the listed company that is not listed on the SGX-ST or an Approved Exchange (as defined in the Catalist Rules), provided that the listed group, or the listed group and its interested person(s), has control over the associated company
- “FY”** : Financial year ended, or ending 31 March, as the case may be
- “Group”** : The Company and its subsidiaries, collectively
- “GSH”** : Dr Goi Seng Hui
- “GSH Associates”** : Means, in relation to GSH:
- (i) his Immediate Family;
 - (ii) the trustees of any trust of which he or his Immediate Family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (iii) any company in which he and his Immediate Family together (directly or indirectly) have an interest of 30% or more; and
- shall for the purposes of the IPT Mandate, include (i) the TYJ Group; and (ii) such Associated Companies of the TYJ Group in which GSH and his Immediate Family together (directly or indirectly) have an interest of 30% or more
- “GSH Interested Group”** : GSH and GSH Associates that are considered Interested Persons
- “Immediate Family”** : In relation to a person, means the person’s spouse, child, adopted child, step-child, sibling and parent
- “Independent Shareholders”** : Shareholders who are deemed to be independent for the purpose of voting on the proposed renewal of the IPT Mandate



DEFINITIONS

"Interested Person"	:	(a) a Director, Chief Executive Officer, or Controlling Shareholder of the Company; or (b) an associate of any such Director, Chief Executive Officer or Controlling Shareholder
"Interested Person Transactions Register"	:	Shall have the meaning ascribed to it in paragraph 4.8.1 of this Appendix
"IPT"	:	An interested person transaction between any of the Entities at Risk and the Interested Persons
"IPT Mandate"	:	The Shareholders' mandate for IPTs pursuant to Rule 920 of the Catalist Rules, permitting the Tung Lok Target Group, which are considered to be Entities at Risk or any of them, to enter into the categories of Recurrent IPTs as set out in Section 4.4 of this Appendix with the GSH Interested Group, which are considered Interested Persons
"IPT Review Committee"	:	Shall have the meaning ascribed to it in paragraph 4.6(a) of this Appendix
"Latest Practicable Date"	:	4 July 2024, being the latest practicable date prior to the printing of this Appendix
"NTA"	:	Net tangible assets
"President/Chief Executive Officer"	:	The most senior executive officer who is responsible under the immediate authority of the Board for the conduct of the business of the Company
"Recurrent IPTs"	:	Shall have the meaning ascribed to it in paragraph 4.5 of this Appendix
"Sale List Items"	:	Shall have the meaning ascribed to it in paragraph 4.6(b) of this Appendix
"Sale Price Formula"	:	Shall have the meaning ascribed to it in paragraph 4.6(b) of this Appendix
"Securities Account"	:	A securities account maintained by a Depositor with CDP
"SFA"	:	The Securities and Futures Act 2001 of Singapore, as amended, modified or supplemented from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shareholders"	:	Registered holders of Shares, except that, where the registered holder is CDP, the term " Shareholders " shall, in relation to such Shares, and where the context admits, mean the persons named as Depositors and whose Securities Accounts are credited with Shares
"Share(s)"	:	Ordinary share(s) in the capital of the Company
"subsidiary"	:	Shall have the meaning ascribed to it in the Act



DEFINITIONS

- “Substantial Shareholder”** : A person has a substantial shareholding in the Company if:
- (a) he has an interest or interests in one or more voting shares in the Company; and
 - (b) the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the Company
- “Tung Lok Target Group”** : The Group and such of its Associated Companies that are considered Entities at Risk under Chapter 9 of the Catalist Rules
- “TYJ”** : Tee Yih Jia Food Manufacturing Pte Ltd
- “TYJ Group”** : TYJ and its subsidiaries, collectively
- “Unaffected Directors”** : The Directors who are deemed to be independent for the purposes of making a recommendation to Shareholders in respect of the IPT Mandate, namely Mr Tjioe Ka Men, Mr Khoo Yee Hoe, Mr Yam Ah Mee, Dr Foo Say Mui (Bill), Mdm Ng Siok Keow and Mdm Tjioe Ka In
- “2019 EGM”** : The extraordinary general meeting of the Company held on 31 July 2019

Currencies, Units and Others

- “S\$” and “cents”** : Singapore dollars and cents respectively
- “%”** : per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons, where applicable, shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Act, the Catalist Rules, the SFA or any statutory or regulatory modification thereof and used in this Appendix shall, where applicable, have the same meaning assigned to it under the Act, the Catalist Rules, the SFA or any statutory or regulatory modification thereof, as the case may be, unless otherwise provided.

Any discrepancies in the tables included in this Appendix between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals in certain tables in this Appendix may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of day and date in this Appendix shall be a reference to Singapore time and date respectively, unless otherwise stated.

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LETTER TO SHAREHOLDERS

TUNG LOK RESTAURANTS (2000) LTD
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200005703N)

1. INTRODUCTION

- 1.1 At the 2019 EGM, the Company obtained the IPT Mandate whereby authority was given to the Company and/or its subsidiaries to enter into IPTs with GSH and the GSH Associates in the ordinary course of business provided that such transactions are carried out on normal commercial terms and in accordance with the review procedure of such transactions. The IPT Mandate has been subsequently renewed annually at the Company's AGM. The most recent renewal was approved by the Shareholders at the Company's AGM held on 28 July 2023.
- 1.2 Resolution 7 in the Notice of Annual General Meeting relates to the renewal of the IPT Mandate. This Appendix is to provide the Shareholders with the relevant information relating to the above. The approval of Shareholders for the renewal of the IPT Mandate will be sought at the AGM to be held on Wednesday, 31 July 2024 at 11.00 a.m. (Singapore time).

2. THE PROPOSED RENEWAL OF THE IPT MANDATE

- 2.1 The IPT Mandate renewed at the AGM held on 28 July 2023 was expressed to have effect until the conclusion of the next AGM of the Company. As such, the abovesaid IPT Mandate will expire on 31 July 2024. Pursuant to Rule 920 of the Catalist Rules, the Company will seek Shareholders' approval for the proposed renewal of the IPT Mandate.
- 2.2 The proposed renewal of the IPT Mandate will enable Tung Lok Target Group which are considered to be Entities at Risk within the meaning of Rule 904(2) of the Catalist Rules, in their ordinary course of business, to enter into categories of transactions with specified classes of the Company's Interested Persons, provided that such transactions are entered into on normal commercial terms and will not be prejudicial to the interests of the Company and/or its minority Shareholders.
- 2.3 There is no change in the categories of transactions, Entities at Risk and Interested Persons in the proposed renewal of the IPT Mandate.
- 2.4 The renewed IPT Mandate will take effect from the passing of the ordinary resolution relating thereto at the forthcoming AGM and will (unless revoked or varied by the Company in a general meeting) continue in force until the conclusion of the next AGM of the Company. Approval from the Independent Shareholders will be sought for the renewal of the IPT Mandate at the next AGM of the Company and at each subsequent AGM of the Company, subject to satisfactory review by the Audit and Risk Committee of the continued applicability of the IPT Mandate to the Recurrent IPTs and the continued sufficiency of the review procedures to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

3. CHAPTER 9 OF THE CATALIST RULES

Chapter 9 of the Catalist Rules governs transactions by the listed company, its subsidiaries or its associated companies who are considered entities at risk, with interested persons. The purpose is to guard against the risk that interested persons could influence the listed company, its subsidiaries or associated companies to enter into transactions with interested persons that may adversely affect the interests of the listed company or its shareholders. An interested person transaction includes the provision or receipt of financial assistance, the acquisition, disposal or leasing of assets, the provision or receipt of services, the issuance or subscription of securities, the granting of or being granted options, and the establishment of joint ventures or joint investments, whether or not in the ordinary course of business, and whether or not entered into directly or indirectly.

LETTER TO SHAREHOLDERS

Pursuant to Rules 905 and 906 of the Catalist Rules, an immediate announcement and/or shareholders' approval is required in respect of an interested person transaction if the value of the transaction alone or in aggregation with other transactions conducted with the same interested person during the financial year reaches or exceeds certain materiality thresholds (which are based on the Group's latest audited consolidated NTA).

- (a) An immediate announcement is required where:
- (i) the value of a proposed transaction is equal to or exceeds 3% of the Group's latest audited consolidated NTA ("**Threshold 1**"); or
 - (ii) the aggregate value of all transactions entered into with the same interested person during the same financial year, is equal to or more than Threshold 1. In this instance, an announcement will have to be made immediately of the latest transaction and all future transactions entered into with that same interested person during the financial year.
- (b) In addition to an immediate announcement, shareholders' approval is required where:
- (i) the value of a proposed transaction is equal to or exceeds 5% of the Group's latest audited consolidated NTA ("**Threshold 2**"); or
 - (ii) the aggregate value of all transactions entered into with the same interested person during the same financial year, will be equal to or exceed Threshold 2. The aggregation will exclude any transaction that has been approved by shareholders previously or is the subject of aggregation with another transaction that has been previously approved by shareholders.

These requirements do not apply to transactions that are below S\$100,000 in value or certain transactions which qualify as excepted transactions under Chapter 9 of the Catalist Rules.

Pursuant to Rule 909 of the Catalist Rules, the value of a transaction is the amount at risk to the Company. This is illustrated by the following examples:

- (i) in the case of a partly-owned subsidiary or Associated Company, the value of the transaction is the Company's effective interest in that transaction;
- (ii) in the case of a joint venture, the value of the transaction includes the equity participation, shareholders' loans and guarantees given by the "entity at risk" within the meaning of Chapter 9 of the Catalist Rules;
- (iii) in the case of borrowing of funds from an interested person, the value of the transaction is the interest payable on the borrowing. In the case of lending of funds to an interested person, the value of the transaction is the interest payable on the loan and the value of the loan; and
- (iv) in the case that the market value or book value of the asset to be disposed of is higher than the consideration from an interested person, the value of the transaction is the higher of the market value or book value of the asset.

Rule 920 of the Catalist Rules allows a listed company to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings, or businesses, which may be carried out with the listed company's interested persons. A general mandate granted by shareholders is subject to annual renewal.

LETTER TO SHAREHOLDERS

4. THE IPT MANDATE

4.1 Background and relationship between the parties

The Group and its Associated Companies own and/or manage 33 restaurants.

The TYJ Group is, amongst other things, carrying on business as manufacturers and distributors of frozen foods. TYJ is also a Controlling Shareholder of the Company holding 19.51% of the total issued share capital of the Company as at the Latest Practicable Date.

As the Group, the TYJ Group and their respective Associated Companies are in complementary businesses, the Group and its Associated Companies have from time to time, had various business dealings with the TYJ Group and its Associated Companies in their ordinary course of business.

GSH has been a Director of the Company since 23 June 2011. GSH is a Controlling Shareholder and has an interest of more than 30% of the total issued shares in the capital of TYJ. As a result, GSH is deemed interested in the shares of the Company owned by TYJ, a Controlling Shareholder of the Company. GSH and the GSH Associates would be **"Interested Persons"** within the meaning of Rule 904 of the Catalist Rules. As such, transactions between the Group and its Associated Companies and GSH and the GSH Associates will constitute **"Interested Person Transactions"** under Chapter 9 of the Catalist Rules.

The IPT Mandate was proposed to enable the Entities at Risk to enter into the categories of recurrent transactions (more particularly set out in paragraph 4.4 of this Appendix) in the ordinary course of its business with the GSH Interested Group (more particularly set out in paragraph 4.2 of this Appendix), provided that such transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and/or its minority Shareholders.

4.2 Classes of Interested Persons

The IPT Mandate will apply to the transactions that are carried out between any entity in the Tung Lok Target Group and the GSH Interested Group.

4.3 Scope of the IPT Mandate

The IPT Mandate will apply to any transaction within the categories of IPTs as set out in paragraph 4.4 of this Appendix arising from the ordinary course of business of the Tung Lok Target Group. Accordingly, any transaction entered into pursuant to the IPT Mandate will be included for the purposes of aggregation for the thresholds as stated in paragraph 4.7 of this Appendix.

For the avoidance of doubt, the IPT Mandate will cover transactions below S\$100,000 in value, notwithstanding that the threshold and aggregation requirements of Chapter 9 of the Catalist Rules as at the Latest Practicable Date do not apply to such transactions.

Transactions between the Entity at Risk with Interested Persons that do not fall within the ambit of the IPT Mandate will be subject to the relevant provisions of Chapter 9 of the Catalist Rules and/or any applicable provisions of the Catalist Rules.

4.4 Categories of IPTs

The categories of IPTs which will be covered by the IPT Mandate are as set out below:

(a) Purchase of finished products from the GSH Interested Group

The Tung Lok Target Group may from time to time purchase finished products (including dim sum and mooncakes) from the GSH Interested Group. The GSH Interested Group has its own production facilities and is in the business of manufacturing and selling various food products.

LETTER TO SHAREHOLDERS

(b) Sale of mooncakes to the GSH Interested Group

The Tung Lok Target Group may tap into the local and overseas distribution network of the GSH Interested Group (particularly, the TYJ Group) by selling its Tung Lok brand of mooncakes to the relevant entities of the GSH Interested Group.

4.5 Rationale for and Benefits of the IPT Mandate

The Tung Lok Target Group and the GSH Interested Group are in related businesses, and have been transacting with each other, in the ordinary course of business. The Tung Lok Target Group and the GSH Interested Group intend to continue with such recurrent transactions (the “**Recurrent IPTs**”) in the future.

Accordingly, the IPT Mandate is to enable the Tung Lok Target Group to enter into the Recurrent IPTs with the Interested Persons in the ordinary course of business, provided such transactions will be carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

The Directors believe that the IPT Mandate is in the interests of the Group for the following reasons:

- (a) It will be beneficial to the Group to allow the Recurrent IPTs, provided that they are carried out on normal commercial terms, and are not prejudicial to the interests of the Company and its minority Shareholders. The Recurrent IPTs will enable the Tung Lok Target Group to benefit from the expertise and available resources of the GSH Interested Group;
- (b) The IPT Mandate will facilitate entry into the Recurrent IPTs with the GSH Interested Group in the ordinary course of the Tung Lok Target Group’s businesses since the Tung Lok Target Group has been procuring finished products (including dim sum and mooncakes) from the GSH Interested Group. It is crucial that the Tung Lok Target Group maintains continuity of supplies and consistency of quality for those food supplies so that the provision of food and related services to the consumers of the Tung Lok Target Group’s restaurant outlets and catering services will not be unduly disrupted; and
- (c) The Recurrent IPTs will occur frequently at differing intervals. The IPT Mandate and any subsequent renewals of the same on an annual basis are intended to facilitate the Recurrent IPTs in the day-to-day transactions of the Tung Lok Target Group and will eliminate the need to prepare and make announcements and/or convene separate general meetings on a continual basis to seek prior approval for the entry into these transactions, which will serve to minimize disruptions to our food supply and improve operational efficiency in a cost-effective manner. Furthermore, the IPT Mandate will give the Tung Lok Target Group and the GSH Interested Group the flexibility to conduct the Recurrent IPTs in the ordinary course of business, thereby reducing the time and expenses which would otherwise be incurred to convene general meetings on an ad hoc basis, and allow such resources and time to be channeled towards the management of the Group’s business.

4.6 Guidelines and review procedures for the Recurrent IPTs under the IPT Mandate

The IPT Mandate incorporates the following guidelines and review procedures for the following Recurrent IPTs:

(a) Purchase of finished products from the GSH Interested Group

The purchase of finished products from the GSH Interested Group will be carried out on terms comparable or more favourable to the Tung Lok Target Group than those offered by unrelated third-party suppliers to the Tung Lok Target Group.

The purchase prices of these finished products will be routinely reviewed by a committee (the “**IPT Review Committee**”), comprising representatives from the senior management team of the Company who are familiar with the Tung Lok Target Group’s businesses. The IPT Review Committee shall comprise persons who are independent of the GSH Interested Group and approved by the Audit and Risk Committee.



LETTER TO SHAREHOLDERS

Prior to any entry of a transaction with the GSH Interested Group for a new finished product, quotes shall be obtained (wherever possible or available) from at least two (2) other unrelated third-party suppliers for similar finished products and at similar quantities for comparison. In determining whether the price and terms offered by the GSH Interested Group for the new finished product are fair and reasonable, the relevant entity in the Tung Lok Target Group will take into account relevant factors (other than price) including, but not limited to, delivery schedules, quality of products, credit terms, customer requirements and specifications, track record of counter-parties, overall services provided, costs and/or expenses (including, inter alia, storage, shipment and transportation) borne by each party, availability of preferential rates, rebates or discount and cost of freight.

For existing finished products which the Tung Lok Target Group has been purchasing from the GSH Interested Group, at least two (2) quotations from unrelated third parties for similar finished products and at similar quantities will be obtained at least half-yearly for comparison with the quotations from the GSH Interested Group. In determining whether the price and terms offered by the GSH Interested Group are fair and reasonable, relevant factors (other than price) including, but not limited to, delivery schedules, quality of products, credit terms, customer requirements and specifications, track record of counter-parties, overall services provided, costs and/or expenses (including, inter alia, storage, shipment and transportation) borne by each party, availability of preferential rates, rebates or discount and cost of freight will be taken into account.

In the event that two (2) quotations from unrelated third parties are not available, the IPT Review Committee will determine the reasonableness of the quote offered by the GSH Interested Group in accordance with the Group's usual business practices and pricing policies or industry norms (as the case may be), taking into account relevant factors including, but not limited to, the nature of the product, order quantity, delivery schedules, quality of products, credit terms, customer requirements and specifications, track record of counter-parties, overall services provided, costs and/or expenses (including, inter alia, storage, shipment and transportation) borne by each party, availability of preferential rates, discounts or rebates and cost of freight.

(b) Sale of mooncakes to the GSH Interested Group

In respect of the sale of mooncakes by the Tung Lok Target Group to the GSH Interested Group, the selling price of agreed items of mooncakes ("**Sale List Items**") by the Tung Lok Target Group to the GSH Interested Group are fixed at a predetermined percentage discount to the relevant market selling price from time to time (the "**Sale Price Formula**"). The Sale Price Formula for sales to the GSH Interested Group is fixed by the IPT Review Committee. In determining the Sale Price Formula, the IPT Review Committee will take into account the usual business practices and pricing policies of the Tung Lok Target Group to ensure that the sale of mooncakes by the Tung Lok Target Group to the GSH Interested Group is carried out at prevailing market rates and on terms which are no more favourable than the usual commercial terms extended by the Tung Lok Target Group to unrelated third party customers (taking into consideration, where appropriate, preferential rates/ prices/ discounts accorded for high volume purchases). Any subsequent adjustments to the Sale Price Formula or the adoption of any new Sales Price Formulas shall be approved by the IPT Review Committee prior to making any sales to the GSH Interested Group. The IPT Review Committee shall inform the Audit and Risk Committee of any significant adjustments to the Sale Price Formula or the adoption of any new Sale Price Formula.

Prior to entering into a sales transaction with the GSH Interested Group for the Sale List Items, the relevant entity in the Tung Lok Target Group will take into account relevant factors (other than price) including, but not limited to, the strategic reasons for the transaction, volume of the transaction, delivery schedules, quality of products, credit terms, customer requirements and specifications, and track record of counter-parties, overall services provided, costs and/or expenses (including, inter alia, storage, shipment and transportation) borne by each party and whether the sales are designated for export or for local markets.



LETTER TO SHAREHOLDERS

4.7 Threshold Limits

In addition to the review procedures, the following approval procedures will be implemented to supplement existing internal control procedures for the Recurrent IPTs to ensure that such transactions are undertaken on an arm's length basis and on normal commercial terms:

(a) Threshold for individual Recurrent IPTs

Transactions between the Tung Lok Target Group and the GSH Interested Group:

- (i) Where an individual Recurrent IPT is in excess of S\$200,000, such transaction will require the prior approval of the Audit and Risk Committee;
- (ii) Where an individual Recurrent IPT is in excess of S\$30,000 but equal to or below S\$200,000, such transaction will be approved by the President/Chief Executive Officer of the Company, who is independent of the GSH Interested Group;
- (iii) Where an individual Recurrent IPT is in excess of S\$20,000 but equal to or below S\$30,000, such transaction will be approved by the Executive Director of the Company, who is independent of the GSH Interested Group;
- (iv) Where an individual Recurrent IPT is in excess of S\$10,000 but equal to or below S\$20,000, such transaction will be approved by the senior vice president of the Company's purchasing department, who is independent of the GSH Interested Group; and
- (v) Where an individual Recurrent IPT is equal to or below S\$10,000, such transaction will be approved by the chief chef, executive chef, departmental manager or outlet manager (as the case may be), who is independent of the GSH Interested Group.

(b) Threshold for aggregate value of Recurrent IPTs

- (i) Where the aggregate value of the Recurrent IPTs in the same financial year is less than 5% of the latest audited NTA of the Group, all Recurrent IPTs will be reviewed on a monthly basis by the finance manager of the Company to ensure that they have been carried out on normal commercial terms and in accordance with the procedures set out in the IPT Mandate; and
- (ii) Where the aggregate value of the Recurrent IPTs in the same financial year is equal to or in excess of 5% of the latest audited NTA of the Group, all subsequent Recurrent IPTs will be reviewed on a monthly basis by the finance manager and financial controller of the Company. In addition, the Audit and Risk Committee will also have to review the Interested Person Transaction Register (defined in paragraph 4.8.1 of this Appendix) to ensure that they have been carried out on normal commercial terms and in accordance with the procedures set out in the IPT Mandate.

The threshold limits set out above are adopted by the Company taking into account, inter alia, the nature, volume, frequency and size of the transactions as well as the Group's day-to-day operations, administration and businesses. The threshold limits are arrived at as a result of a balancing exercise after considering the operational efficiency for the day-to-day business operations of the Group and the internal controls for the Recurrent IPTs.

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LETTER TO SHAREHOLDERS

4.8 Additional procedures to be taken by the Company in respect of all Recurrent IPTs

- 4.8.1 The finance department of the Tung Lok Target Group will maintain a register of transactions carried out with the Interested Persons (including transactions as set out in paragraph 4.4 of this Appendix entered into with the GSH Interested Group pursuant to the IPT Mandate) (recording the basis, including the quotations obtained to support such basis, on which they were entered into) (the “**Interested Person Transactions Register**”). Any discrepancies or significant variances (as determined by the IPT Review Committee), from the Group’s usual business practices and pricing policies will be highlighted to the Audit and Risk Committee.
- 4.8.2 The finance manager of the Company will maintain a list of the Directors and Controlling Shareholders and their Associates (which is to be updated immediately if there are any changes) to enable identification of Interested Persons (including the GSH Interested Group). The master list of Interested Persons (including the GSH Interested Group) which is maintained shall be reviewed by the financial controller of the Company at least half-yearly and subject to verifications or declarations as required by the Audit and Risk Committee from time to time or for such periods as determined by them.
- 4.8.3 The Company’s annual internal audit plan shall incorporate a review of all Recurrent IPTs, including the established review procedures for monitoring of such Recurrent IPTs, entered into during the current financial year pursuant to the IPT Mandate. The Group’s internal auditor shall, on at least a half-yearly basis, subject to adjustment in frequency, and depending on factors such as, inter alia, substantial increment of aggregate transactional value, report to the Audit and Risk Committee on all Recurrent IPTs entered into with the GSH Interested Group pursuant to the IPT Mandate, and the basis of such transactions, entered into with the interested persons during the review period. The internal audit report will be reviewed by the Audit and Risk Committee at least on a half-yearly basis to ascertain whether the guidelines and procedures established to monitor the Recurrent IPTs entered into with the GSH Interested Group pursuant to the IPT Mandate have been complied with.
- 4.8.4 The Audit and Risk Committee shall periodically review the Interested Person Transactions Register, at least on a half-yearly basis, to ensure that they are carried out on normal commercial terms and in accordance with the guidelines and review procedures under the IPT Mandate. In its review and/or approval of the Recurrent IPTs under paragraph 4.7 (where relevant) and paragraph 4.8 of this Appendix, the Audit and Risk Committee will generally only approve an IPT entered into with the GSH Interested Group pursuant to the IPT Mandate if the terms of the transaction are no less favourable to the Tung Lok Target Group than the terms offered by unrelated third parties or in accordance with usual business practices and pricing policies or industry norms (as the case may be). All relevant non-quantitative factors will also be taken into account. Such review includes the examination of the transaction and its supporting documents or such other data deemed necessary by the Audit and Risk Committee. The Audit and Risk Committee shall, when it deems fit, have the right to require the appointment of independent advisers and/or valuers to provide additional information or review of controls and its implementation pertaining to the transactions under review.
- 4.8.5 The Audit and Risk Committee has the overall responsibility for determining the review procedures, with the authority to delegate to individuals within the Company as it deems appropriate. The Audit and Risk Committee will conduct periodic reviews (at least on half-yearly basis) of the review procedures for the Recurrent IPTs entered into with the GSH Interested Group pursuant to the IPT Mandate. If, during these periodic reviews, the Audit and Risk Committee is of the view that these review procedures are no longer appropriate to ensure that the Recurrent IPTs entered into with the GSH Interested Group pursuant to the IPT Mandate are transacted on normal commercial terms and will not be prejudicial to the interests of the Company and/or its minority Shareholders, the Company will seek a fresh mandate from the Shareholders based on new review procedures for Recurrent IPTs entered into with the GSH Interested Group. In the interim, the Audit and Risk Committee will review every Recurrent IPT pending the grant of the fresh mandate. The fresh mandate will be in accordance with the requirements of the relevant provisions of Chapter 9 and/or other applicable provisions of the Catalist Rules (as amended from time to time).
- 4.8.6 For purposes of the above review and approval process, any Director who is not considered independent for purposes of the IPT Mandate and/or any Recurrent IPTs will abstain from and will undertake to ensure that his Associates will abstain from voting in relation to any respective resolutions, and/or abstain from participating in the Audit and Risk Committee’s decision during its review of the established review procedures for the Recurrent IPTs or during its review or approval of any IPT.
- 4.8.7 The Directors will ensure that all disclosure, approval and other requirements on the Recurrent IPTs, including those required by prevailing legislation, the Catalist Rules and accounting standards, are complied with.

LETTER TO SHAREHOLDERS

4.9 Validity Period of the IPT Mandate

If approved at the forthcoming AGM, the renewed IPT Mandate will take effect from the passing of the ordinary resolution relating thereto and will (unless revoked or varied by the Company in the general meeting) continue in force until the conclusion of the next AGM of the Company. Approval from the Shareholders will be sought for the renewal of the IPT Mandate at the next AGM and at each subsequent AGM of the Company, subject to satisfactory review by the Audit and Risk Committee of the continued applicability of the IPT Mandate to the Recurrent IPTs and the continued sufficiency of the review procedures to ensure that the Recurrent IPTs will be carried out on normal commercial terms and will not be prejudicial to the interest of the Company and its minority Shareholders.

4.10 Disclosure of the Interested Person Transactions pursuant to the IPT Mandate

The Company will:

- (a) announce the aggregate value of transactions conducted with GSH Interested Group pursuant to the IPT Mandate for the relevant financial periods which the Company is required to report on pursuant to Rule 705 of the Catalist Rules and within the time required for the announcement of such report while the IPT Mandate remains in force, in accordance with the requirements of Chapter 9 of the Catalist Rules; and
- (b) disclose the IPT Mandate in the Company's annual report, giving details of the aggregate value of transactions conducted with GSH Interested Group pursuant to the IPT Mandate during the financial year, and in the annual reports for the subsequent financial years that the IPT Mandate continues in force, in accordance with the requirements of Chapter 9 of the Catalist Rules.

The disclosure will include the name of the Interested Persons (including the GSH Interested Group) and the corresponding aggregate value of the Recurrent IPTs (including transactions as set out in paragraph 4.4 of this Appendix entered into with the GSH Interested Group pursuant to the IPT Mandate), presented to indicate (a) the aggregate value of all Recurrent IPTs during the financial year under review; and (b) the aggregate value of all Recurrent IPTs, conducted under the IPT Mandate, in the following format (or in such other form as the Catalist Rules may require from time to time):

Name of Interested Person	Nature of Relationship	Aggregate value of all Recurrent IPTs during the financial year under review (excluding transactions less than S\$100,000 and the Recurrent IPTs conducted under the IPT Mandate)	Aggregate value of all Recurrent IPTs conducted under the IPT Mandate (excluding transactions less than S\$100,000)
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5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

Save for GSH and TYJ, none of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the IPT Mandate.

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LETTER TO SHAREHOLDERS

6. SHAREHOLDING INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

6.1 The details and shareholdings of the Directors and the Substantial Shareholders of the Company (as recorded in the Register of Substantial Shareholders and Register of Directors' Shareholdings as at the Latest Practicable Date) are as follows:

Directors	Direct Interest	%	Deemed Interest	%
Tjioe Ka Men	463,160	0.17	107,170,840**	39.06
Khoo Yee Hoe	–	–	–	–
Yam Ah Mee	–	–	–	–
Foo Say Mui (Bill)	–	–	–	–
Ng Siok Keow	–	–	–	–
Goi Seng Hui	1,234,200	0.45	53,531,280 ⁺	19.51
Tjioe Ka In	105,840	0.04	–	–

Substantial Shareholders	Direct Interest	%	Deemed Interest	%
Zhou Holdings Pte Ltd	104,272,000	38.00	–	–
Amazing Grace Investments Pte. Ltd.	–	–	104,272,000*	38.00
Tjioe Ka Men	463,160	0.17	107,170,840**	39.06
Goodview Properties Pte Ltd	54,015,780	19.69	–	–
Far East Organization Centre Pte. Ltd.	–	–	54,015,780 [#]	19.69
Estate of Ng Teng Fong, Deceased	–	–	54,482,260 ^{##}	19.86
Ng Chee Tat Philip	–	–	54,482,260 ^{###}	19.86
Ng Chee Siong	–	–	54,015,780 ^{####}	19.69
Tee Yih Jia Food Manufacturing Pte Ltd	53,531,280	19.51	–	–
Goi Seng Hui	1,234,200	0.45	53,531,280 ⁺	19.51
Antica Bay Pte. Ltd.	20,300,000	7.40	–	–
Ambrosius Holdings Pte. Ltd.	–	–	20,300,000 [@]	7.40
Anthony Bingei	–	–	20,300,000 [@]	7.40

Notes:

* Deemed to be interested in the 104,272,000 Shares held by Zhou Holdings Pte Ltd by virtue of Section 7 of the Act

** Deemed to be interested in the 104,272,000 Shares held by Zhou Holdings Pte Ltd and 2,898,840 Shares held by Ang Tjia Leng @ Widjaja Linda Anggraini (spouse) by virtue of Section 7 of the Act

Deemed to be interested in the 54,015,780 Shares held by Goodview Properties Pte Ltd by virtue of Section 7 of the Act

Deemed to be interested in the 54,015,780 Shares held by Goodview Properties Pte Ltd by virtue of its controlling interest in Far East Organization Centre Pte Ltd, which in turn has a controlling interest in Goodview Properties Pte Ltd; and 466,480 Shares held by Kuang Ming Investments Pte. Ltd. as its Associate, Mdm Tan Kim Choo, has more than 20% interest in Kuang Ming Investments Pte. Ltd. by virtue of Section 7 of the Act

Deemed to be interested in an aggregate of 54,482,260 Shares as follows:

(a) Goodview Properties Pte Ltd has a direct interest in 54,015,780 Shares. The Estate of Ng Teng Fong has a controlling interest in Far East Organization Centre Pte. Ltd., which in turn has a controlling interest in Goodview Properties Pte Ltd. Ng Chee Tat Philip is a beneficiary of the Estate of Ng Teng Fong and is therefore deemed to be interested in the 54,015,780 Shares in which Goodview Properties Pte Ltd has an interest; and

LETTER TO SHAREHOLDERS

(b) Kuang Ming Investments Pte. Ltd. has a direct interest in 466,480 Shares. Ng Chee Tat Philip has a more than 20% interest in Kuang Ming Investments Pte. Ltd. and is therefore deemed to be interested in the 466,480 Shares in which Kuang Ming Investments Pte. Ltd. has an interest

Deemed to be interested in the 54,015,780 Shares held by Goodview Properties Pte Ltd. The Estate of Ng Teng Fong has a controlling interest in Far East Organization Centre Pte. Ltd., which in turn has a controlling interest in Goodview Properties Pte Ltd. Ng Chee Siong is a beneficiary of the Estate of Ng Teng Fong and is therefore deemed to be interested in the 54,015,780 Shares in which Goodview Properties Pte Ltd has an interest

+ Deemed to be interested in the 53,531,280 Shares held by Tee Yih Jia Food Manufacturing Pte Ltd by virtue of Section 7 of the Act

@ Deemed to be interested in the 20,300,000 Shares held by Antica Bay Pte. Ltd. by virtue of Section 7 of the Act

6.2 Save as disclosed above, none of the Directors has any direct or deemed interest in the Shares.

7. STATEMENT OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee confirms that the methods and procedures for determining the transaction prices for the Recurrent IPTs have not changed since the Shareholder's approval of the IPT Mandate in the 2019 EGM.

The Audit and Risk Committee has reviewed the terms of the IPT Mandate and is satisfied that the review procedures of the Recurrent IPTs set up by the Company for determining the transaction prices of the IPTs, if adhered to, are sufficient to ensure that the IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

8. UNAFFECTED DIRECTORS' RECOMMENDATIONS

Having considered, amongst others, the rationale for and benefits of the IPT mandate to the Group and its Associated Companies set out in paragraph 4.5 of this Appendix, the Unaffected Directors are of the view that the IPT Mandate is in the interests of the Company and, accordingly, recommend that the Shareholders vote in favour of the ordinary resolution relating to the IPT Mandate.

9. ABSTENTION FROM VOTING

Abstinence from voting

In accordance with Rule 919 of the Catalist Rules, the Interested Persons will abstain and have undertaken to ensure that their Associates will abstain from voting on the resolution approving the IPT Mandate. Furthermore, such Interested Persons shall not act as proxies in relation to such resolution unless voting instructions have been given by a Shareholder.

As GSH is an Interested Person, he will abstain from and has undertaken to ensure that the GSH Interested Group will abstain from making any recommendations or vote on any matter in connection with the Recurrent IPTs. Save as disclosed herein, none of the Directors or Substantial Shareholders of the Company has any interest, direct or indirect, in the Recurrent IPTs.

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LETTER TO SHAREHOLDERS

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the IPT Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in the Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Appendix in its proper form and context.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 26 Tai Seng Street #02-01, Singapore 534057 during normal business hours from the date hereof up to and including the date of the AGM:

- (a) the Constitution of the Company; and
- (b) the Annual Report of the Company for FY2024.

Yours faithfully

For and on behalf of the Board of Directors of
TUNG LOK RESTAURANTS (2000) LTD
Mr Tjioe Ka Men
President/Chief Executive Officer

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Tung Lok Restaurants (2000) Ltd

(Incorporated in the Republic of Singapore)

Registration No. 200005703N

IMPORTANT

- (1) Relevant intermediaries as defined in Section 181 of the Companies Act 1967 of Singapore may appoint more than 2 proxies to attend, speak and vote at the AGM (please refer to Note 3 for the definition of "relevant intermediaries").
- (2) For investors who have used their CPF/SRS monies to buy the Company's shares, this Proxy Form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
- (3) CPFIS or SRS investors who wish to vote should contact their respective CPF Agent Banks or SRS Operators at least 7 working days before the AGM to specify voting instructions and to ensure that their votes are submitted.

Proxy Form

(Please see notes overleaf before completing this Form)

I/We, _____ (Name)

_____ (NRIC/Passport/Company Registration No.)

of _____ (Address)

being a member/members of Tung Lok Restaurants (2000) Ltd (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing whom, the Chairman of the Annual General Meeting ("**AGM**") as my/our* proxy to attend, speak and vote for me/us* on my/our* behalf at the 24th AGM to be convened and held at Orchard Rendezvous Hotel, 1 Tanglin Road, Level 2, Antica Ballroom, Singapore 247905 on Wednesday, 31 July 2024 at 11.00 a.m. (Singapore time) and at any adjournment thereof.

*Delete where inapplicable.

(Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be cast for, against or abstain from the Resolutions to be proposed at the AGM as indicated hereunder. In the absence of specific directions, the proxy/proxies will vote for, against or abstain as he/she/they may think fit, as he/she/they will on any other matter arising at the AGM.)

No.	Ordinary Resolutions relating to:	For	Against	Abstain
Ordinary Business				
1	To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2024 together with the Auditor's Report thereon			
2	Approval of First and Final Dividend			
3	Approval of Directors' Fees for the financial year ending 31 March 2025			
4(a)	Re-election of Mdm Ng Siok Keow (pursuant to Article 91)			
4(b)	Re-election of Mdm Tjioe Ka In (pursuant to Article 91)			
4(c)	Re-election of Mr Yam Ah Mee (pursuant to Article 97)			
4(d)	Re-election of Mr Khoo Yee Hoe (pursuant to Article 97)			
5	Re-appointment of Ernst & Young LLP as Auditor and to authorise the Directors to fix their remuneration			
Special Business				
6	Authority to allot and issue shares			
7	Renewal of the Shareholders' Mandate for Interested Person Transactions			

Dated this _____ day of July 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

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, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the Shares held by you.
2. A member of the Company who is not a relevant intermediary is entitled to appoint not more than 2 proxies to attend, speak and vote in his stead at the AGM. Such proxy need not be a member of the Company.
3. A member who is a relevant intermediary is entitled to appoint more than 2 proxies to attend, speak and vote instead of the member, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than 2 proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed. Pursuant to Section 181 of the Companies Act 1967 of Singapore, a relevant intermediary is either:
 - (a) a banking corporation licensed under the Banking Act 1970 or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or
 - (c) the Central Provident Fund ("CPF") Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the CPF, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
4. Where a member appoints more than one proxy, the appointments shall be invalid unless the member specifies the proportion of his/her/its shareholding (expressed as a percentage of the whole) to be represented by each proxy.
5. The instrument appointing a proxy(ies), duly executed in accordance with the instructions on the proxy form, must be submitted to the Company in the following manner:
 - (a) if send personally or by post to the Company's registered office at 26 Tai Seng Street #02-01 Singapore 534057; or
 - (b) by email to investors@tunglok.com,in either case, by 11.00 a.m. (Singapore time) on 29 July 2024, being no later than at least 48 hours before the time set for the AGM.

Members are strongly encouraged to submit completed proxy forms electronically via email to ensure that they are received by the Company within the stipulated deadline.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised.
7. Where an instrument appointing a proxy is signed on behalf of the appointer by an attorney, the letter of power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967 of Singapore.

GENERAL

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 15 July 2024.

26, Tai Seng Street, #02-01, Singapore 534057
Tel: 6270 7998 • Fax: 6272 7120



www.tunglok.com

Company Registration No. 200005703N