



SEROJA

INVESTMENTS LIMITED

Company Registration No. 198300847M

ANNUAL REPORT 2022

CONTENTS

| | |
|-----------|--|
| 02 | Chairman's Message |
| 03 | Board of Directors |
| 04 | Operations and Financial Review |
| 05 | Financial Highlights |
| 06 | Group Structure |
| 07 | Corporate Information |
| 08 | Corporate Governance Report |
| 23 | Directors' Statement |
| 26 | Independent Auditor's Report |
| 29 | Consolidated Statement of Comprehensive Income |
| 30 | Balance Sheets |
| 31 | Consolidated Statement of Changes in Equity |
| 32 | Consolidated Statement of Cash Flows |
| 33 | Notes to the Financial Statements |
| 59 | Statistics of Shareholdings |
| 61 | Notice of Annual General Meeting Proxy Form |



CHAIRMAN'S MESSAGE

Dear Valued Shareholders,

On behalf of the Board of Directors of Seroja Investments Limited ("Company" or the "Group"), I am pleased to present to you the Annual Report of the Group for the financial year ended 31 December 2022 ("FY2022").

Due to no injection of new business, the Company continued to be designated as a cash company as defined under Rule 1018 of the listing manual of Singapore Exchange Securities Trading Limited ("SGX-ST"). As announced on 20 March 2023, the Company has terminated a conditional sale and purchase agreement ("S&P Agreement") entered on 20 March 2022 with Nickel Global Group Ltd (the "Vendor") and Denway Development Ltd, (the "Target Company") in respect of the proposed acquisition by the Company of up to 100% of the issued share capital of the Target Company from the Vendor. On 22 March 2023, the Company submitted an appeal to SGX-ST for a further extension of time of 90 days for the Company to sign a definitive agreement with a new target company with whom the Company is currently negotiating with to acquire a new business that can satisfy the listing requirements of the SGX-ST. The Company will make the necessary announcements to update all shareholders as and when there are further developments on this matter.

Following the capital reduction exercise which the Company distributed approximately S\$39 million to shareholders on 18 October 2021, the Company has relied on the remaining cash balance after distribution to meet its financial needs. The Company will need to evaluate its funding requirements for any investment opportunities and will make the necessary announcement if such needs arise.

I would like to take this opportunity to thank my fellow Directors for their dedication and contributions to the Company. Last but not least, I would like to thank our valued shareholders for their continuing support in the Company.

Edwin Soeryadjaya

Chairman

BOARD OF DIRECTORS

Mr Edwin Soeryadjaya

Chairman

Mr Edwin Soeryadjaya is the Non-Executive Chairman and also Non-Executive Director of the Group. His current chairmanships include being President Commissioner of PT Saratoga Investama Sedaya Tbk, PT Tower Bersama Infrastructure Tbk, PT Adaro Energy Indonesia Tbk, PT Mitra Pinasthika Mustika Tbk and PT Merdeka Copper Gold Tbk. He is also the Non-Executive Chairman of Interra Resources Limited, listed on the SGX-ST.

He started his career in 1978 at PT Astra International Tbk, one of Indonesia's largest diversified conglomerates founded by his father. In 1993, he left as Vice President Director and co-founded PT Saratoga Investama Sedaya Tbk, an active investment company focusing on natural resources, infrastructure and consumer products.

Aside from serving on various boards of the Saratoga Group, Mr Edwin Soeryadjaya remains active as Co-Founder of William & Lily Foundation and is on the Board of Trustees of the Ora et Labora Foundation and Prasetiya Mulya Foundation amongst others. He is also a board member of Habitat for Humanity International.

Mr Ng Soon Kai

Independent Director

Mr Ng Soon Kai is an Independent Director of the Group. Mr Ng is a lawyer by profession and is currently a partner in Messrs Lee & Lee. He has vast experience in mergers and acquisitions, corporate restructuring, reverse takeovers and schemes of arrangement. He obtained Second Class Upper Division Honours in Law from the National University of Singapore in 1989.

Mr Yap Kian Peng

Independent Director

Mr Yap Kian Peng is an Independent Director of the Group. He is currently the Executive Deputy Chairman and Chief Executive Officer of Jackspeed Corporation Limited which is listed on the SGX-ST. He is also the Lead Independent Director of Soon Lian Holdings Limited and Huatong Global Limited which are both listed on the SGX-Catalist.

From 2005 to 2020, he was the Executive Director of Capital Equity Holdings Pte Ltd, a private equity investment company and has interests in food and beverage as well as property investment and development. He was the Executive Director of CKG Chemicals Pte Ltd from 2004 to 2010. From 2001 to 2004, he was employed by Maybank, initially as a Senior Business Development Manager and subsequently as the Team Head of the Trade Finance Business Development Group. From 1998 to 2000, Mr Yap was a Director of You Yi Glass Contractor Pte Ltd, a company engaged in the business of trading glass sheets.

He joined Oversea-Chinese Banking Corporation Limited in 1992 and when he left in 1998, he was an Assistant Manager at the bank. Mr Yap graduated from RMIT University, Australia, with a Bachelor's degree in Business (Business Administration).

OPERATIONS AND FINANCIAL REVIEW

Operations and Financial Review

The Company became a cash company on 21 October 2020 and had no revenue for both FY2022 and FY2021.

Other gains was US\$19k in FY2022 as compared to other losses of US\$0.3 million in FY2021. Such gains in FY2022 was due to interest income of US\$16k from fixed deposit placements and fair value gain on financial assets of US\$3k. The loss of US\$0.3 million in FY2021 was due to foreign currency exchange loss of US\$0.6 million which was partly offset by gain of US\$0.3 million from writing back accruals for vessel operating expenses. Administrative expenses decreased by US\$0.1 million from US\$0.6 million in FY2021 to US\$0.5 million in FY2022 mainly due to lower professional fees incurred as well as lower remuneration to employee and fees to directors.

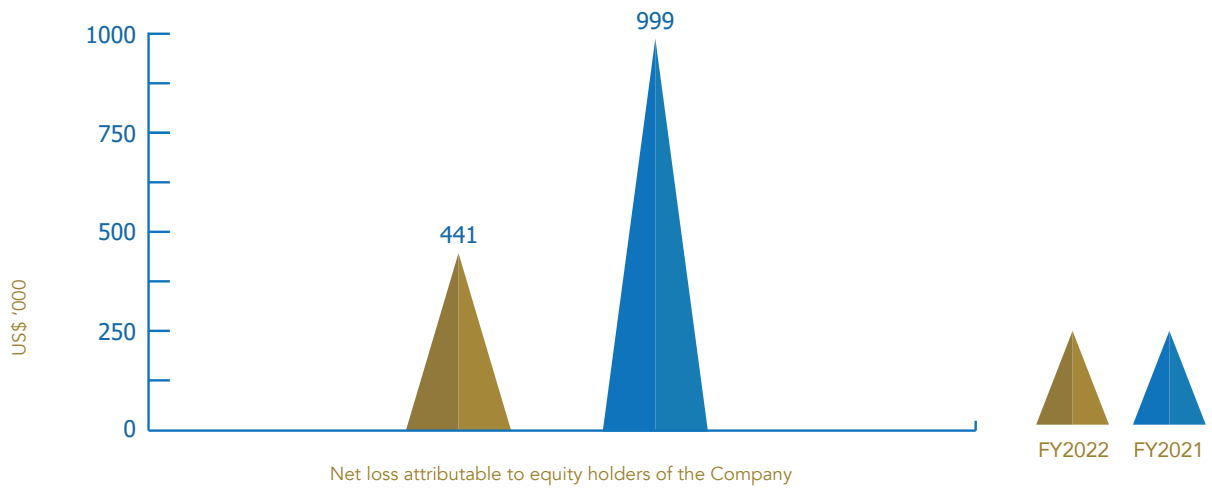
Arising from the above, net loss and total comprehensive loss attributable to equity holders of the Company decreased from US\$1.0 million in FY2021 to US\$0.4 million in FY2022.

Financial Position

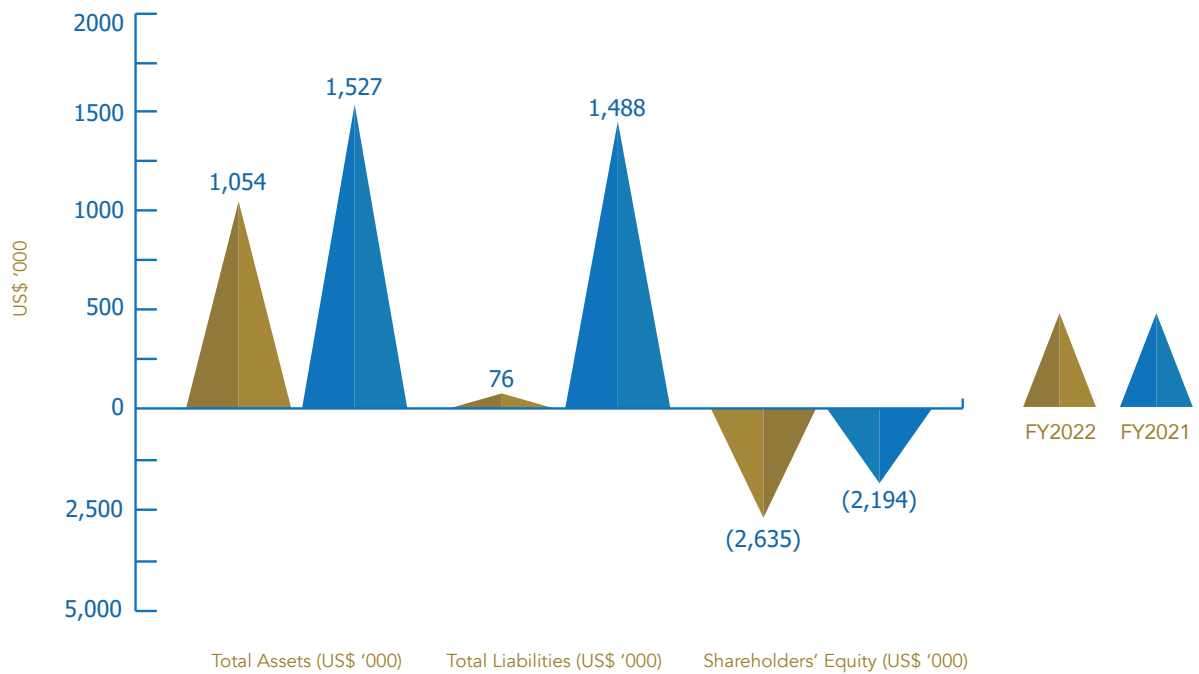
As at 31 December 2022, the assets of the Group comprised mainly of cash and bank balance of US\$1.0 million with about US\$0.9 million placed in fixed deposit account with a bank. The cash balance has decreased from US\$1.5 million as at 31 December 2021 to US\$1.0 million as at 31 December 2022 due mainly to payments made for professional, listing and administrative expenses. The liabilities of the Group decreased from US\$76k as at 31 December 2021 to US\$45k as at 31 December 2022 which was mainly for accrual of professional and listing fees.

FINANCIAL HIGHLIGHTS

Profit and Loss Statement Review

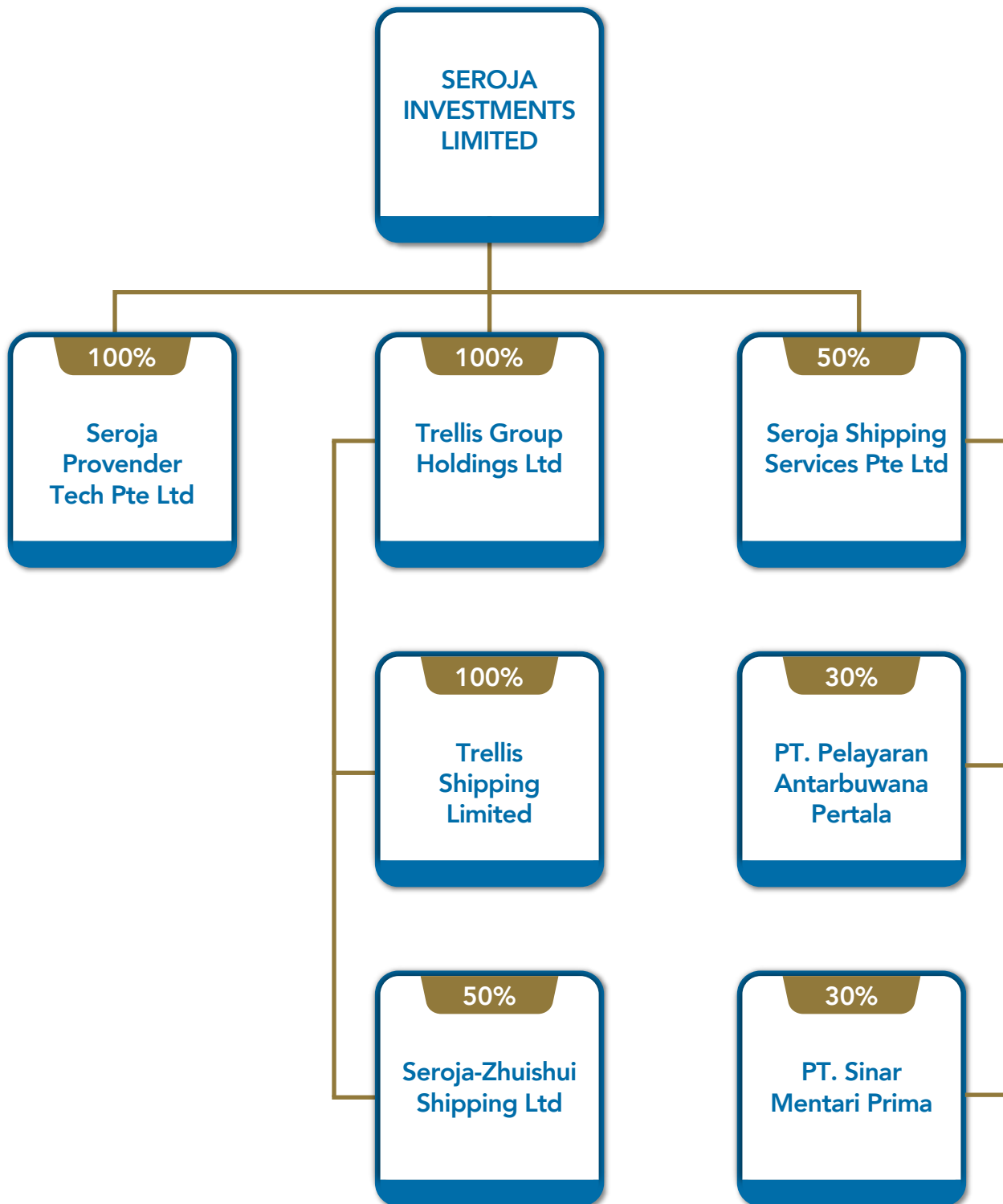


Balance Sheet Review



| Per share data | FY2022 | FY2021 |
|-----------------------------------|--------|--------|
| Losses - Basic (US cents) | 0.11 | 0.26 |
| Net tangible liability (US cents) | 0.67 | 0.56 |

GROUP STRUCTURE



CORPORATE INFORMATION

Board of Directors

Edwin Soeryadjaya, Non-Executive Chairman
Ng Soon Kai, Independent Director
Yap Kian Peng, Independent Director

Audit Committee

Yap Kian Peng, Chairman
Edwin Soeryadjaya
Ng Soon Kai

Nominating Committee

Ng Soon Kai, Chairman
Edwin Soeryadjaya
Yap Kian Peng

Remuneration Committee

Yap Kian Peng, Chairman
Edwin Soeryadjaya
Ng Soon Kai

Company Secretary

Adrian Chan Pengee

Independent Auditor

CLA Global TS Public Accounting Corporation (formerly known as Nexia TS Public Accounting Corporation)
Public Accountants and Chartered Accountants
80 Robinson Road #25-00
Singapore 068898

Director-in-charge

Lim Wei Chen, Samuel
(appointed from financial year ended 31 December 2022)

Principal Place of Business

15 Scotts Road #08-05
15 Scotts
Singapore 228218
Tel: (65) 6438 4221
Fax: (65) 6438 8782

Registered Office

25 North Bridge Road #07-00
25 North Bridge
Singapore 179104
Tel: (65) 6220 0666
Fax: (65) 6225 0438

Company Registration Number

198300847M

Registrar

Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte.Ltd.)
80 Robinson Road #02-00
Singapore 068898

Principal Bankers

UOB Limited, Singapore
Maybank Singapore Limited

CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**”) is committed to maintaining a high standard of corporate governance and transparency within the Group to protect the interests of its shareholders and enhance long-term shareholder value. This report describes the Company’s corporate governance processes and practices which have been adopted in line with the spirit of the Code of Corporate Governance 2018 (the “**Code**”), with specific reference to the principles and provisions of the Code.

The Company adheres largely to the principles and provisions as set out in the Code, and endeavours to specify and explain any deviation from the Code. Where the Company’s practices vary from any provisions of the Code, this is stated with an explanation of the reason for the variation and an explanation on how the practices it had adopted are consistent with the intent of the relevant principle.

BOARD MATTERS

BOARD’S CONDUCT OF AFFAIRS

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

The Board has overall responsibility for the corporate governance of the Company so as to protect and enhance long-term shareholder value. It provides leadership, sets the strategic aims of the Company and supervises executive management and monitors their performance. The Directors are fiduciaries who act objectively in the best interests of the company. The Directors recuse themselves and refrain from participating in discussions and decisions in which the Director has an interest or is conflicted. The principal functions of the Board are to:

- (i) 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;
- (ii) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders’ interests and the company’s assets;
- (iii) to review management performance;
- (iv) hold management accountable for performance; identify the key stakeholder groups and recognise that their perceptions affect the company’s reputation;
- (v) put in place a code of conduct and ethics, set the appropriate tone-from-the-top and desired organisational culture, and ensure proper accountability within the Company;
- (vi) ensure that obligations to shareholders and other stakeholders are understood and met; and
- (vii) consider sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

The Directors understand the Company’s business as well as their directorship duties (including their roles as executive, non-executive, and independent directors). When a new director is appointed, a formal letter of appointment setting out the terms and conditions of appointment and the director’s duties and obligations will be given to him or her. The Company is responsible for conducting briefing sessions for new directors to enable them to be familiar with the structure and operations of the Group. Existing Directors and key executive officers will be available to answer any queries the new Directors may have of the Company.

Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company’s expense. All Directors will be provided with updates on new laws and regulations affecting the Group’s operating environment through regular meetings conducted as well as email correspondences. Directors are encouraged to attend seminars and participate in discussions to keep themselves abreast of the changes and developments underlying the Group’s business. Visits to operation sites, at the Company’s expense, may be arranged to enable Directors to have a better understanding of the business operations of the Group.

The Board decides on matters that require its approval. Written guidelines are established to specify which material transactions require the Board’s approval, and such guidelines are clearly communicated to management. These transactions include, *inter alia*, material acquisitions and disposal of assets amounting to 5% or more of the relative figures set out in Rule 1006 of the Listing Manual of the SGX-ST (“**SGX-ST’s Listing Manual**”) for transactions that are not in the ordinary course of business, share issuances (including stock options or other equity awards), dividends and returns of capital to shareholders.

To assist in the discharge of its duties and responsibilities, the Board has, without abdicating its responsibility, established an Audit Committee, a Nominating Committee, and a Remuneration Committee (collectively, the “**Board Committees**”) which are all

CORPORATE GOVERNANCE REPORT

chaired by Independent Directors. These Committees function within clearly defined terms of references and operating procedures setting out their compositions, authorities and duties, including reporting back to the Board. The effectiveness of each Committee is reviewed by the Board on a regular basis. The names of the Board Committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each Board Committee's activities, are disclosed in the respective sections of the Board Committees under this Corporate Governance Report.

The Board is to meet regularly each year and as warranted by particular circumstances, to review and deliberate on the key activities and business strategies of the Group, being matters reserved for the Board's decision and require the Board's approval, including reviewing and approving significant acquisitions and disposals, reviewing financial performance, and to approve the public release of half-yearly and annual financial results. Additional meetings may be held when necessary to address significant transactions or issues.

The Company's Constitution provides for meetings to be held via telephone and video conferencing whereby all directors participating in the meeting are able to communicate as a group without requiring the directors' physical presence at the meeting. All relevant information on material events and transactions are circulated to Directors as and when they arise.

The attendance of the Directors at Board Meetings and Board Committee Meetings during the financial year ended 31 December 2022 ("FY2022") is set out as follows:

| | Board | Audit Committee | Nominating Committee | Remuneration Committee |
|-------------------------|-------|-----------------|----------------------|------------------------|
| Number of meetings held | 2 | 2 | 1 | 1 |
| Mr Edwin Soeryadjaya | - | - | - | - |
| Mr Ng Soon Kai | 2 | 2 | 1 | 1 |
| Mr Yap Kian Peng | 2 | 2 | 1 | 1 |

Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company. The Nominating Committee is satisfied that all Directors gave sufficient time and attention to the affairs of the Company and were able to and have adequately carried out their duties as a Director of the Company for FY2022.

To enable the Directors to make informed decisions and discharge their duties and responsibilities, the management will provide complete, adequate and timely information in the form of financial reports, budgets, forecasts, board papers, operational updates and any ad-hoc reports prior to meetings and on an ongoing basis. Material variances between actual results and projections or prior results of comparative period in such reports will be disclosed and explained. The Board has unrestricted access to the Company's records and information.

The Board has separate and independent access to the management, the Company Secretary, key executives of the Company and of the Group and external advisers (where necessary) at the Company's expense at all times in carrying out their duties. The Company Secretary or his representative attends all Board meetings and meetings of the Committees of the Company and ensures that Board procedures are followed and that applicable rules and regulations are complied with. The Company Secretary also assists with the circulation of Board papers, updates the Directors on changes in laws and regulations relevant to the Company as well as advises the Board on all governance matters. The appointment and removal of the Company Secretary are subject to the Board's approval.

Each Director has the right to seek independent legal and other professional advice, at the Company's expense, concerning any aspect of the Company's operations or undertakings in order to fulfil their duties and responsibilities as Directors.

BOARD COMPOSITION AND GUIDANCE

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The composition of the Board enables management to benefit from a broad and objective perspective as each Director brings to the Board a diverse background, experience and knowledge which provide for effective direction for the Group. The Board adopts the Code's definition of what constitutes an Independent Director in assessing the independence of the Directors.

CORPORATE GOVERNANCE REPORT

The Board, having considered the views of the Nominating Committee, is of the opinion that the two Independent Directors (who represent more than half of the Board) are independent in conduct, character and judgement and that they have no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. No individual or small group of individuals dominates the decision-making process of the Board. Both Mr Yap Kian Peng and Mr Ng Soon Kai have served more than nine (9) years on the Board since FY2009. However, their independence are subject to rigorous annual review by the Board (with both Mr Yap Kian Peng and Mr Ng Soon Kai recusing from the review). After due consideration, the Board is of the view that Mr Yap Kian Peng and Mr Ng Soon Kai have continued to demonstrate strong independence in conduct, character and judgement in the discharge of their duties and responsibilities as Independent Directors of the Company.

Both Mr Yap Kian Peng and Mr Ng Soon Kai demonstrated no fear when expressing their viewpoints during discussions, made enquiries, and challenged management with a view to seeking facts or clarifications on matters discussed. Taking into account the abovementioned and that there are no changes in disclosures made by both Mr Yap Kian Peng and Mr Ng Soon Kai in FY2022, the Board (save for Mr Yap Kian Peng and Mr Ng Soon Kai) is satisfied that Mr Yap Kian Peng and Mr Ng Soon Kai continue to be Independent Directors of the Company, notwithstanding that they have served on the Board more than nine (9) years from the date of their first appointment.

With effect from 1 January 2022, a director who has served on the board for an aggregate period of more than nine (9) years will no longer be eligible to be designated as an independent director unless his continued appointment as an independent director has been sought and approved under separate resolutions in general meetings prior to 1 January 2022 by (i) all shareholders; and (ii) shareholders, excluding the directors and the chief executive officer of the company, and associates of such directors and chief executive officer (as required by Rule 210(5)(d)(iii) of SGX-ST's Listing Manual which will take effect from 1 January 2022). However, this two-tier vote mechanism has been removed with effect from 11 January 2023 when a limit of nine years tenure will be imposed on independent directors serving on the boards of listed issuers. As transition, an independent director whose tenure exceeds the nine-year limit can continue to be deemed independent until the company's Annual General Meeting held for the financial year ending on or after 31 December 2023. Both Mr Yap Kian Peng and Mr Ng Soon Kai will continue to serve as independent directors until their retirement or resignation as directors, or the conclusion of the AGM held for the financial year ending on 31 December 2023, whichever is earlier.

Currently, the Board comprises one Non-Executive Director and two Independent Directors. As such, the Board is made up entirely of all Non-Executive Directors with Independent Directors representing more than half of the Board, which will enable the Board to be more independent in approving decisions made by the Company's management. The Company has a written policy on board diversity under Provision 2.4 of the Code. The Board, through its Nominating Committee, reviews the structure, size, and composition of the Board in order to evaluate the Board's effectiveness in performing its duties. The Board and Board Committees are of an appropriate size, and comprise directors who as a group provide an appropriate balance and mix of skills, experience, and knowledge of the Company. The Board Members also provide core competencies such as accounting, finance, business, legal, management experience, industry knowledge and strategic planning experience and hence would be able to provide a balanced view within the Board. The Board recognises and embraces the benefits of diversity when establishing and reviewing board composition, beyond skills, experience, competencies, and knowledge of the Company to include other aspects such as age and gender, so as to avoid groupthink and foster constructive debate. In consideration of the Company's market capitalisation, revenue and industry, the Board places primary emphasis on its core competencies without increasing its size. It will endeavour to include further additional attributes when there is a need to bring in fresh perspectives and enhancements. Key information regarding the Directors is given in the section titled "Board of Directors" in this Annual Report.

The Board considered its current size is adequate and appropriate for effective decision-making, taking into account the scope and nature of the operations of the Group, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees. The Board has also assessed that the present composition of the Board allows it to effectively exercise objective judgement independently of the management. The composition and renewal of the Board, including the need for progressive refreshing of the Board, will be reviewed on an annual basis by the Nominating Committee to ensure that the Board has the appropriate balance and mix of skills, knowledge, expertise, experience and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate and possesses the necessary competencies for effective decision making.

The Non-Executive and Independent Directors make active contributions during and outside of Board meetings. The Non-Executive Directors constructively challenge and help develop proposals on strategy, review the performance of Management in meeting agreed goals and objectives and monitor the reporting of performance. The Non-Executive and Independent Directors communicate amongst themselves and with the Company's auditors and management. When necessary, the Company will coordinate informal meetings for Non-Executive and Independent Directors for discussions without the presence of management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Following the completion of disposal of the entire business and business assets in FY2020, the Company became a cash company with no operational staff and the role of Chairman and CEO are currently held by Mr Edwin Soeryadjaya.

As the Chairman and acting CEO, Mr Edwin Soeryadjaya bears responsibilities for the strategic planning and development of the Group's business and spearheading the expansion and growth of the Group as well as ensuring the integrity and effectiveness of the governance process of the Board. He is also responsible for amongst others, the proper carrying out of the business of the Board including:

- (i) ensuring that Board meetings are held periodically or when necessary;
- (ii) setting the agenda of the Board meetings to discuss operational, financial and in particular strategic issues of the Company and ensuring all agenda items are given adequate time to be addressed;
- (iii) promoting a culture of openness and debate at the Board and management level to gather feedback that will be constructive to the Company;
- (iv) ensuring that management provides the Board with complete, adequate and timely information;
- (v) ensuring the proper flow of information between the Board, management and shareholders;
- (vi) encouraging constructive relationships within the Board and between the Board and management to ensure the Board and management work well together to achieve the Company's goals set by the Board; and
- (vii) facilitating the effective contribution of non-executive Directors in particular.

Although Mr Edwin Soeryadjaya is undertaking two roles, any major decisions are made in consultation with the Board, whom majority of the Board is made up of Independent Directors. This will provide a strong independent element to the decision-making process of the Board and provides for collective decisions without any individual or small group of individuals dominating the Board's decision-making.

All major decisions are subject to the majority approval of the Board. The appointment and performance of the Chairman and CEO are reviewed periodically by the NC and their remuneration packages are reviewed periodically by the RC. In this regard, the Board is of the opinion that there are adequate safeguards in place to ensure that there will be an appropriate balance of power and authority within the spirit of good corporate governance.

The Board does not have a lead independent director. While the Chairman is non-independent, the Board is of the view that it is not necessary to appoint a lead independent director, given that the Board is comprised of a majority of Non-Executive Directors and Independent Directors who are able to function effectively and provide objective feedback to the Chairman. Accordingly, the Board is of the view that, despite not having a lead independent director, there is a clear division of responsibilities between the leadership of the Board and the Management, and no one individual has unfettered powers of decision-making. The Board will continue to periodically examine the need to appoint a lead independent director.

BOARD MEMBERSHIP

Principle 4: The Board has a formal and transparent process for the appointment and re- appointment of directors, taking into account the need for progressive renewal of the Board.

The Nominating Committee ("NC") comprises three members, majority of whom including the chairman of the NC are Independent Directors. The chairman of the NC during FY2022 is Mr Ng Soon Kai and the other members are Mr Edwin Soeryadjaya and Mr Yap Kian Peng.

The NC's responsibilities include the following:

- (i) reviewing and making recommendations to the Board on:
 - (a) the review of succession plans for directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel;
 - (b) the process and criteria for evaluation of the performance of the Board, its board committees and directors;
 - (c) the review of training and professional development programmes for the Board and its directors; and
 - (d) all appointments and re-appointment of directors (including alternate directors, if any) of the Company, having regard to the relevant director's contribution and performance;

CORPORATE GOVERNANCE REPORT

- (ii) ensuring that all members of the Board submit themselves for re-nomination and re-election at regular intervals and at least once in every three years;
- (iii) determining on an annual basis, and as and when circumstances require, whether or not a Director is independent having regard to the circumstances set forth in Provision 2.1 of the Code;
- (iv) prior to 1 January 2022, conducting a rigorous review of the independence of any Director who has served on the Board for more than nine (9) years from the date of his first appointment and the reasons for considering him as independent;
- (v) ensuring that new Directors are aware of their duties and obligations;
- (vi) deciding whether a Director is able to and has been adequately carrying out his or her duties as a Director of the Company, and where a Director holds a significant number of listed company directorships and principal commitments¹, assessing the ability of such a Director to diligently discharge his or her duties;
- (vii) assessing the performance of the Board and contribution of each director to the effectiveness of the Board; and
- (viii) reviewing and approving any new employment of related persons and the proposed terms of their employment.

The NC reviews and recommends to the Board the re-appointment of retiring Directors for re-election at each Annual General Meeting (“**AGM**”) and the appointment of new Directors. The review ensures that the Director to be re-appointed or appointed is able to contribute to the ongoing effectiveness of the Board, has the ability to exercise sound business judgement, and has demonstrated leadership capacity, high level of professional skills and appropriate personal qualities. Each member of the NC shall abstain from voting on any resolution relating to his own re-nomination as a director.

If there is a need for a new Director, the NC has in place an internal process to facilitate the search, selection and appointment of a suitable Director. The NC determines the selection criteria and identifies candidates with the appropriate expertise, experience and his/her likely contribution to the Board. The search for new Directors, if any, will be via contacts and recommendations so as to cast its net as wide as possible for the right candidate. Executive recruitment agencies will also be engaged to assist in the search process where necessary. Subsequently, interviews would be conducted before the NC makes its recommendation to the Board. The Board shall make the final determination for the appointment. The Company has no Alternate Director.

The NC has reviewed the independence of each director based on the Code’s definition of independence and is satisfied that Mr Yap Kian Peng and Mr Ng Soon Kai are independent in conduct, character and judgement as they have no relationship with the Company, its related corporations, its shareholders who have an interest of at least 5% of the Company’s voting shares or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interests of the Company.

The listed company directorships and principal commitments of each Director are disclosed in the Annual Report. In the event a Director holds a significant number of directorships and commitments, the Company provides the Nominating Committee’s and Board’s reasoned assessment of the ability of the Director to diligently discharge his or her duties in the Annual Report. The NC is of the view that it is not necessary to impose a limit on the number of listed company board representations of each Director as long as each Director is able to dedicate sufficient time and attention to discharge his duties to the Company. Nevertheless, the NC will continue to review annually the board representations and other principal commitments of each Director to ensure that the Directors are able to discharge their duties adequately.

The date of initial appointment, last re-election and resignation of each Director are set out below:

| Name | Appointment | Date of initial Appointment | Date of last re-election | Date of resignation |
|----------------------|-------------------------------------|-----------------------------|--------------------------|---------------------|
| Mr Edwin Soeryadjaya | Non-Executive Chairman and Director | 20 April 1998 | 29 June 2021 | Not applicable |
| Mr Yap Kian Peng | Independent Director | 14 August 2009 | 29 April 2022 | Not applicable |
| Mr Ng Soon Kai | Independent Director | 12 May 2015 | 29 June 2021 | Not applicable |

Key information of the current Directors is set out in the Board of Directors section of this Annual Report.

¹ The term “principal commitments” includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.

CORPORATE GOVERNANCE REPORT

BOARD PERFORMANCE

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Company believes that the Board's performance is ultimately reflected in the performance of the Company. The Board is tasked with making sound commercial decisions and setting strategic directions so as to act in the best interests of the Company and its shareholders.

In line with the principles of good corporate governance, the NC has established and recommended for the Board's approval an objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Chairman and each individual Director to the Board. Factors taken into consideration for the assessment of each Director include attendance at meetings, adequacy of preparation, participation, industry knowledge and functional expertise. Factors for assessment of the Board as a whole include the board structure, conduct of meetings, corporate strategy, risk management and internal controls, business and financial performance, compensation, financial reporting and communication with the shareholders.

After the end of the financial year, all Directors are requested to complete a Board performance evaluation questionnaire as well as appraisal forms for the respective Board Committees. The Board performance evaluation questionnaire is to assess the overall effectiveness of the Board and the appraisal forms are to assess the overall effectiveness of each Board Committee. The responses are collated for review by the NC and the NC will submit to the Board together with its recommendations for the Board's deliberation and decision. For FY2022, the Board did not appoint any external facilitators to assist in the assessment of the Board, the Board Committees and the Directors. The Chairman, together with the Board, having reviewed the feedback from the NC, has assessed that the current Board is effective and competent to meet its performance objectives going forward.

The Chairman, in consultation with the NC takes into account the performance of individual Directors in their re-appointment and re-election and also takes into account specific needs which may arise from time to time in any appointment of new directors.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC is primarily responsible for recommending to the Board a framework of remuneration for the Board and the key executives and determining the specific remuneration packages for each Executive Director. The recommendations will be submitted for endorsement by the Board.

The main duties of the RC include the following:

- (i) reviewing and recommending to the Board:
 - (a) a framework of remuneration for the Board and key management personnel; and
 - (b) the specific remuneration packages for each Director as well as for the key management personnel,and in doing so, the Remuneration and Compensation Committee considers all aspects of remuneration, including, but not limited to, Director's fees, salaries, allowances, bonuses, share options and benefits in kind and termination terms, to ensure they are fair;
- (ii) reviewing on an annual basis the remuneration of employees related to our Directors and Substantial Shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities. The RC will also review and approve any bonuses, pay increases and/or promotions for these employees; and
- (iii) recommending a formal and transparent process for determining Directors' fees for the Non-Executive Directors of the Company.

CORPORATE GOVERNANCE REPORT

The Remuneration Committee (“RC”) during FY2022 comprises 3 Non-Executive Directors, majority of whom, including the chairman of the RC, are Independent Directors. The Chairman is Mr Yap Kian Peng, and the other members are Mr Edwin Soeryadjaya and Mr Ng Soon Kai.

The RC recommends a framework of remuneration policies for Directors as well as the remuneration package of key management personnel and submitted them for endorsement by the entire Board. The recommendations include all aspects of remuneration, including termination terms, to ensure they are fair. For Directors, the review covers all aspects of remuneration including but not limited to directors’ fees, salaries, allowances, bonuses, and benefits-in-kind. Each RC member will abstain from voting on any resolution in respect of his own remuneration. The RC is not proposing any changes to the existing framework and deemed it not necessary to engage remuneration consultants. However, the RC is provided with access to expert professional advice on remuneration matters, if required, and the expenses of such services will be borne by the Company.

No new appointment of executive Director or key management personnel was made during the year. The RC reviews the Company’s obligations arising in the event of termination of executive Directors’ or key management personnel’s contracts of service and the terms and conditions of such employment to ensure that the contracts of service contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

LEVEL AND MIX OF REMUNERATION

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

A significant and appropriate proportion of the Executive Directors’ and key Management personnel’s remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with Shareholders’ interests and other stakeholders and promotes the long-term success of the Company.

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and in comparable companies and whether the remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term. The remuneration for Executive Directors and key management personnel takes into account the performance of the Group and the individual. The remuneration packages include a fixed salary and a variable performance related bonus which is designed to align the interests of the Executive Directors and key management personnel with those of shareholders and promote the long-term success of the Group. Such performance-related remuneration also takes into account the risk policies and risk tolerance of the Company, as well as the time horizon of risks. No Director is involved in deciding his own remuneration. In determining the actual quantum of remuneration of executive Directors and key management personnel, the RC had taken into account the extent to which their performance conditions have been met. These performance conditions are selected by the RC as they support how the Group achieves its strategic objectives. For FY2022, the RC is of the view that the performance conditions have been met.

The Executive Directors have service agreements which cover the terms of employment, salaries and other benefits. The service agreements include a fixed term of appointment with termination by either party giving to the other not less than three months prior written notice. The Non-Executive Directors receive Directors’ fees appropriate to their level of contribution, taking into account factors such as effort, time spent and the responsibilities of the Directors. The Directors’ fees are recommended by the entire Board for shareholders’ approval at each AGM. The RC is mindful Non-Executive Directors should not be over-compensated to the extent that their independence may be compromised.

The RC has the discretion not to award the variable performance related bonus in any year if an executive is directly involved in a material misstatement of financial statements or of misconduct resulting in restatement of financial statements or of misconduct resulting in financial loss to the Company.

DISCLOSURE ON REMUNERATION

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

While the Company endeavours to provide adequate disclosure of its Directors’, CEO’s, and key management personnel’s remuneration in order to enhance transparency between the Company and shareholders, for competitive reasons, the Company will only disclose the remuneration of Directors and Key Executives in bands no wider than S\$250,000. The Board also believes that it is for the benefit of the Company and the Group that the remuneration of the Directors and Key Executives are kept confidential, due to its sensitive nature. Nonetheless, the Company recognises that for financial years ending on or after 31 December 2024, Rule 1207(10D) requires the Company to disclose in its annual reports, the names, exact amounts and breakdown of remuneration paid to each individual Director and the CEO by the Company and its subsidiaries.

CORPORATE GOVERNANCE REPORT

The Company has only one key management personnel (who are not Directors or the CEO) who is the Group Financial Controller. The details of the remuneration of the Directors and the key executive of the Group for services rendered during the financial year ended 31 December 2022 are as follows:

| | Salary % | Bonus % | Fees % | Allowances and Other Benefits % | Total Compensation % |
|-------------------------|----------|---------|--------|---------------------------------|----------------------|
| Directors | | | | | |
| Below S\$70,000 | | | | | |
| Mr Edwin Soeryadjaya | - | - | 100 | - | 100 |
| Mr Ng Soon Kai | - | - | 100 | - | 100 |
| Mr Yap Kian Peng | - | - | 100 | - | 100 |
| | | | | | |
| Key Executive | | | | | |
| Below S\$150,000 | | | | | |
| Lim Poh Chen | 91.9 | 8.1 | - | - | 100 |

The remuneration of key management personnel generally comprises primarily a basic salary component and a variable component which is the bonuses based on the performance of the Company and the Group as a whole and the individual performance of each key management personnel.

No termination, retirement and post-employment benefits have been granted to the Directors or key management personnel.

The aggregate remuneration paid/payable to the key executive of the Company (who are not Directors or the CEO) for FY2022 is US\$104,000. Save as disclosed above, there are no employees who are substantial shareholders of the company, or are immediate family members of a Director or the CEO or a substantial shareholder of the company whose remuneration exceeded S\$100,000 during the financial year ended 31 December 2022. The Company has obtained shareholders' approval for the renewal of Seroja Employee Share Option Scheme 2018 ("SESOS 2018") during its annual general meeting on 29 April 2022. The RC will be tasked to administer SESOS 2018 for options to be awarded to the Company's directors, employees and substantial shareholders. The objective of SESOS 2018 is to provide eligible participants an opportunity to benefit from upside in the equity of the Company by motivating them through increased diligence and dedication to generate higher returns for the Company and its shareholders. The RC will determine the number of share options to be granted individually and set the date of grant and the price thereof under the SESOS 2018 which will then be approved by the Board. No share options has been issued as at the date of issue of this Annual Report.

Save for the above, there are no other forms of remuneration and other payments and benefits, paid by the Company and its subsidiaries to Directors and key management personnel of the Company.

ACCOUNTABILITY AND AUDIT

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Board has delegated the AC with the responsibility of overseeing the risk management framework and policies of the Company which includes determining the Company's levels of risk tolerance and risk policies and overseeing the Management in the design, implementation and monitoring of the risk management and internal control systems. The Management will regularly assess and review the Company's operational environment with other senior department heads to identify areas of significant business and financial risks and to implement appropriate measures to control and mitigate such risks. The AC also reviews the audit plans and the findings of the external and internal auditors and ensures that the management follows up on the auditors' recommendations raised, if any, during the audit process.

The Board, supported by the Audit Committee ("AC"), reviewed the adequacy and effectiveness of the Group's risk management and system of internal controls, including financial, operational, compliance and information technology controls. During the financial year, the AC has reviewed the reports by the external auditors as well as discussed with management and is satisfied that

CORPORATE GOVERNANCE REPORT

the Group's internal control system is adequate to provide reasonable assurance that assets are safeguarded, proper accounting records are maintained to ensure preparation of reliable financial statements and compliance with applicable internal policies, laws and regulations are adhered to.

The Board recognizes its responsibilities for the overall internal control framework but notes that no cost effective system of internal controls could provide absolute assurance against the occurrence of material errors, losses, fraud or other irregularities. Based on the reports of the external auditors and the various management controls put in place, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls addressing financial, operational and compliance and information technology controls and risk management system were adequate and effective for the financial year ended 31 December 2022.

For the financial ended 31 December 2022, the Chairman and the Group Financial Controller have provided assurance to the Board that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and that the Group's internal controls addressing financial, operational and compliance and information technology controls and risk management system were adequate and effective.

The Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as take appropriate measures to control and mitigate these risks. The Group also considers the various financial risks and management policies, details of which are found on pages 52 to 56 of the Annual Report.

AUDIT COMMITTEE ("AC")

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

The main responsibilities of the AC are to assist the Board in fulfilling its statutory and other duties relating to corporate governance, financial and accounting matters and reporting practices of the Group. The AC meets periodically to perform the following functions:

- (i) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- (ii) reviewing at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems;
- (iii) reviewing the assurance from the CEO and the FC on the financial records and financial statements;
- (iv) review with the external auditors the audit plans, their evaluation of the system of internal accounting controls, their audit report, their management letter and the management's response;
- (v) review the half-yearly and annual financial statements before submission to the Board for approval, focusing on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, the going concern statement, compliance with accounting standards and compliance with SGX-ST's Listing Manual and any other relevant statutory or regulatory requirements;
- (vi) review the internal control and procedures and co-ordination between the external auditors and the management, review the assistance given by the management to the auditors and discuss problems and concerns, if any, arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the management, where necessary);
- (vii) ensure that annual internal controls audit is commissioned until such time it is satisfied that the Group's internal controls are robust and effective enough;
- (viii) review and approve all formal hedging and trading policies, and ensure that adequate procedures are in place, prior to implementation by the Group;
- (ix) review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the management's response;
- (x) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of the external auditors; and (ii) the audit fee and terms of engagement of the external auditors;

CORPORATE GOVERNANCE REPORT

- (xi) reviewing the adequacy, effectiveness, independence, scope and results of the Company's internal audit function;
- (xii) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns;
- (xiii) review and approve all interested person transactions of the Group prior to entry;
- (xiv) review any potential conflicts of interest;
- (xv) undertake such other reviews and projects as may be requested by the Board, and will report to the Board its findings from time to time on matters arising and requiring the attention of the Audit Committee; and
- (xvi) generally undertake such other functions and duties as may be required by statute or SGX-ST's Listing Manual, or by such amendments as may be made thereto from time to time.

Apart from the duties above, the AC shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position.

The AC has full access to and co-operation of the Management and has full discretion to invite any Director or executive officer to attend its meetings, and has been given reasonable resources to enable it to discharge its functions.

The AC during FY2022 comprises three members, all of whom are non-executive directors and the majority of whom, including the AC Chairman, are Independent Directors. Members of the Audit Committee are appropriately qualified and have recent and relevant accounting or related financial management expertise or experience to discharge their responsibilities. The AC is chaired by Mr Yap Kian Peng and the other members are Mr Edwin Soeryadjaya and Mr Ng Soon Kai. The Board is of the view that the Chairman and members of the Audit Committee, whose professions or principal commitments require them to keep abreast of changes to accounting standards and issues, are appropriately qualified and have recent and relevant accounting or related financial management expertise or experience to discharge the Audit Committee's functions and responsibilities. In the course of their work or profession, members of the AC will also attend courses and seminars related to accounting or related financial management topics. Furthermore, the AC was also informed and briefed by the external auditors during AC meetings in respect of the latest changes to accounting standards and issues which have a direct impact on the financial statements.

None of the AC members were previous partners or directors of the Company's external auditor, CLA Global TS Public Accounting Corporation (a) within a period of two years commencing on the date of their ceasing to be a partner or a director of the external auditor; and in any case, (b) for as long as they have any financial interest in the external auditor.

During the financial year, the AC met with the management and the external auditors on two (2) and two (2) occasions respectively. These meetings included, amongst other things, a review of the Group's financial statements, the internal control procedures, prospects of the Group, independence of the external auditors, changes in accounting standards and issues which have a direct impact on financial statements. The AC members will also meet up with external auditors, and with the internal auditors, in each case without the presence of management, at least during one of the AC meetings. The AC reviews the independence of the external auditors and the nature and extent of non-audit services provided by the external auditors to the Group and is satisfied that such services will not prejudice the independence and objectivity of the external auditors. During the year under review, the aggregate amount of fees paid to the external auditors for the audit and non-audit services amounted to US\$35,000 and US\$2,000 respectively. The AC has recommended to the Board that CLA Global TS Public Accounting Corporation, Singapore be nominated for re-appointment as external auditors at the forthcoming AGM.

Besides CLA Global TS Public Accounting Corporation, the AC is also tasked with assessing the appointments of different auditors for the Group's associated companies. However, such associated companies were dormant during the financial year and no audit was required.

The AC has reviewed the Company's whistle blowing framework which was put in place to establish a confidential line of communication for employees to report in confidence, without fear of reprisal, concerns about possible improprieties in matters of financial reporting or other matters. This policy is to assist the AC in managing allegations of fraud or other misconduct; disciplinary and civil actions that are initiated following the completion of the investigations are appropriate and fair; and actions are taken to correct the weakness in the existing system of internal processes which allowed the perpetration of the fraud and/or misconduct and to prevent recurrence. Employees of the Company may, in confidence, report any such violations in writing to the Company Secretary or any Director of the Company.

CORPORATE GOVERNANCE REPORT

The policy aims to provide an avenue for employees to raise concerns and offer reassurance that they will be protected from reprisals for whistle blowing in good faith. The AC is responsible to ensure the proper implementation of this Policy and will monitor and provide updates to the Board for any such incidents under investigation. Unless required by law to disclose the identity of the whistle-blower, the Company will take all necessary means to ensure that his/her identity will be kept confidential. No action will be taken against the whistle-blower who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed through investigation. During FY2022, the AC had noted that there were no complaints or other matters received from the channel established under the whistle-blowing policy.

Each member of the AC shall abstain from voting on any resolutions and making any recommendation and/or participating in any deliberations of the AC in respect of matters he is interested in.

The AC also decides on the appointment, termination and remuneration of the internal auditor. The internal auditor reports primarily to the AC and has full access to the documents, records, properties and personnel, including the AC, of the Group and has appropriate standing within the Company. The findings and recommendations of the internal auditor are discussed at the AC meeting and management is required to follow up on such recommendations to strengthen the internal control system of the Group.

As the Company is a cash company, the AC and Board are of the view that internal audit engagement is currently not required as the existing internal control system of the Company is generally adequate. However, the AC will emphasize the need for internal audit function once the Company acquires assets or businesses which can satisfy the listing requirements of SGX-ST.

SHAREHOLDER RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Shareholders are encouraged to attend the AGMs to ensure a high level of accountability and to be kept updated on the Group's strategies and goals. The Company will make announcement via SGXNet and advertise in local newspapers the notice of the AGMs. The Company's Constitution allows shareholders who are unable to attend the general meetings to appoint up to two (2) proxies each to attend and vote on their behalf as long as their proxy forms are duly lodged in advance with the Company. Shareholders whose shares are held through nominees are allowed to attend general meetings as observers with advance notice from the nominees to the Company. The Company has decided not to provide for other absentia voting methods such as voting via mail, e-mail or fax until security and other pertinent issues relating to shareholder identity authentication are satisfactorily resolved.

The Board ensures that separate resolutions are proposed for approval on each substantially separate issue at general meetings, unless the issues are interdependent and linked so as to form one significant proposal, to which explanatory notes are furnished in the general meetings' notices. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of meeting.

The Directors' attendance at general meetings is set out below. The Directors endeavour to attend all the general meetings of shareholders to address any queries by shareholders. The Company Secretary and external auditors were also present to assist the Directors in addressing any relevant queries from shareholders, including queries about the conduct of audit and the preparation and content of the auditors' report.

| Name of Director | AGM held on 29 April 2022 |
|-------------------|---------------------------|
| Edwin Soeryadjaya | Absent |
| Ng Soon Kai | Present |
| Yap Kian Peng | Present |

The minutes of the meetings, which include substantial and relevant comments and queries from shareholders relating to the agenda of the meeting, and responses from the Board and Management, are published within one month from the date of meeting, on the Company's corporate website at www.seroja.com.sg. Such minutes are also available to shareholders for inspection upon their request. The minutes of general meetings record substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting, and responses from the Board and the Management.

CORPORATE GOVERNANCE REPORT

The Company does not have a fixed dividend policy. The form, frequency and amount of dividends will depend on the Group's financial results, capital requirements, cash flow, development plans and other factors as the directors may deem appropriate. If there is intention to declare dividends, this will be clearly communicated to the shareholders via announcements through SGXNet.

The Company has been conducting poll voting for all resolutions passed at its AGMs. An independent firm was appointed as the scrutineer to conduct the polling process. The results of the poll voting on each resolution tabled at the last AGM, including the total number of votes cast for and against each resolution and the respective percentages, were also announced via SGXNet after the AGM.

ENGAGEMENT WITH SHAREHOLDERS

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

The Company does not practice selective disclosure. In line with continuing disclosure obligations of the Company pursuant to the Listing Rules of the SGX-ST, the Board's policy is that all shareholders should be informed on a timely basis of all major developments that impact the Group. Information will first be disseminated through SGXNet and where relevant, followed by a news release. The Company will also make announcements from time to time to update shareholders on developments that are of interest to them.

To facilitate the exercise of ownership rights by all shareholders, the Company is committed to proactive communication with shareholders and to provide shareholders with timely and material information. Such information has been disclosed or communicated in a fairly and timely manner through:

- (i) Annual Reports which are prepared and issued to all shareholders;
- (ii) Half-yearly and full year financial results announcements which are published on the SGXNet;
- (iii) notices of and explanatory memoranda for AGMs and EGMs (if any);
- (iv) major announcements which are published on the SGXNet;
- (v) Company's website at www.seroja.com.sg for shareholders to access financial information, corporate announcements, Annual Reports and other Company's reports under one platform.

Shareholders are entitled to attend the general meetings and are given the opportunity to participate effectively in and vote at the general meetings of the Company. They are informed of general meetings through notice of general meetings published in the local newspapers and announcement via SGXNet as well as Annual Reports sent to them. The rules and voting procedures governing the meetings of shareholders are clearly communicated to shareholders by the scrutineer at such meetings.

The Company provides avenues for communication between the Board and all shareholders. To allow the Board to solicit and understand the views of Shareholders, Shareholders are encouraged to attend the annual general meetings and extraordinary general meetings of the Company to ensure high level of accountability and to stay apprised of the Company's strategy and goals. At the general meetings, the Shareholders are given an opportunity to air their views and ask questions regarding the Company and the Group.

While the Company does not have a formal investor relations policy, to have regular and timely communication other than the general meetings, the Company intends to engage the service of an investor relation firm to manage relations with shareholders, analysts and media when there are major developments that will be of interest to the investing community. Currently, the investor relation role is delegated to Management to explain and clarify the Company's financial results and industry operations which shareholders, analysts and media may have queries on. Such queries can be directed to the Company's Management through email correspondence to enquiry@seroja.com.sg and the Company will perform verification check and reply to the queries once the sender is verified.

MANAGING STAKEHOLDER RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

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

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. Meetings will be organised if necessary to address any major concerns of such stakeholder groups which have an impact on the operations and performance of the Company and the Group. The Board has identified and engaged its material stakeholder groups as customers, suppliers, employees, investors, government bodies, finance institutions, media and the communities.

CORPORATE GOVERNANCE REPORT

The Company maintains a current corporate website to communicate and engage with stakeholders. The Company's corporate website address is www.seroja.com.sg.

DEALINGS IN SECURITIES

The Group has adopted an internal code which prohibits the Directors and officers of the Group from dealing in the Company's shares during the period commencing two weeks and one month, as the case may be, before the announcement of the Group's half-yearly and full-year financial results and ending on the date of announcement of the relevant results or if they are in possession of unpublished material price-sensitive information of the Group. In addition, Directors and officers are expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period and are discouraged from dealing in securities for short term consideration.

MATERIAL CONTRACTS

There were no material contracts made by the Company involving the interests of any of the Directors or controlling shareholders of the Company, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

INTERESTED PERSON TRANSACTIONS

The Company ensures that all interested person transactions comply with its internal control procedures and Chapter 9 of the SGX-ST's, and are carried out on an arm's length basis and will not be prejudicial to the interests of the shareholders and will be properly documented. The AC reviews all interested person transactions, to ensure that they are carried out on normal commercial basis and in accordance with the internal control procedures.

There were no interested person transactions for the financial year ended 31 December 2022.

| Name of Interested Persons | Nature of relationship | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate (excluding transactions less than \$100,000) pursuant to Rule 920 |
|----------------------------|------------------------|---|--|
| | | US\$ '000 | US\$ '000 |
| N.A. | N.A. | NIL | NIL |

CORPORATE GOVERNANCE REPORT

DISCLOSURE OF INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Mr Edwin Soeryadjaya is retiring and being eligible, offer himself for re-election at the forthcoming Annual General Meeting ("AGM") of the Company to be convened on 28 April 2023.

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Retiring Directors, in accordance with Appendix 7.4.1 to the Listing Manual of the SGX-ST, is set out below:

| | |
|--|---|
| Name of Issuer | Seroja Investments Limited |
| 1. Name of Director | Mr Edwin Soeryadjaya |
| 2. Date of appointment | 20 April 1998 |
| 3. Date of last re-appointment | 29 June 2021 |
| 4. Age | 73 |
| 5. Country of principal residence | Indonesia |
| 6. The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process) | The Board approved the re-appointment after having considered the recommendation of the NC and has reviewed and assessed Mr Edwin Soeryadjaya's qualifications, experience and contributions. The Board is of the view that Mr Edwin Soeryadjaya has the requisite experience, knowledge and capabilities to assume the duties and responsibilities as a Non-Executive Chairman and Non-Executive Director. |
| 7. Whether appointment is executive, and if so, the area of responsibility | No |
| 8. Job title | - Non-Executive Chairman - Non-Executive Director |
| 9. Professional qualifications and working experience and occupation(s) during the past 10 years | Mr Edwin Soeryadjaya holds a Bachelor's degree in Business Administration. He is presently the President Commissioner of PT Saratoga Investama Sedaya Tbk |
| 10. Shareholding interest in the Company and its subsidiaries | Company:- Direct interest:- 24,270,349 ordinary shares Deemed interest:- 90,812,988 ordinary shares Subsidiaries:- Mr Edwin Soeryadjaya, who by virtue of his interest of not less than 20% of the issued capital of the Company, is deemed to have an interest in the whole of the share capital of the Company's subsidiary corporations. |
| 11. Any relationship (including immediate family relationships) with any existing Director, executive officer, the Company and/or substantial shareholder of the Company or of any of its principal subsidiaries | No |
| 12. Conflict of interest (including any competing business) | No |

CORPORATE GOVERNANCE REPORT

| | |
|---|---|
| 13. Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company | Yes |
| 14. Other principal commitments including Directorships | President Commissioner, PT Saratoga Investama Sedaya Tbk |
| Past (for the last 5 years) | <p><u>Director</u></p> <p>Fleur Enterprises Limited PT Medco Power Indonesia PT Saratoga Power PT Tri Wahana Universal PT Baskhara Utama Sedaya PT Lintas Marga Sedaya PT Burni Hijau Asri PT Mitra Pinasthika Mustika Auto PT Nugraha Eka Kencana PT Saratoga Sentra Business PT Satria Sukses Makmur PT Trimitra Karya Jaya PT Wana Bhakti Sukses Mineral</p> |
| Present | <p><u>Director</u></p> <p>Goldwater Company Limited Interra Resources Limited Towerchina Infrastructure I Private Limited PT Adaro Energy Indonesia Tbk PT Adaro Strategic Lestari PT Adaro Strategic Capital PT Adaro Strategic Investments PT Mitra Pinasthika Mustika Tbk PT Merdeka Copper Gold Tbk PT Pandu Dian Pertiwi PT Saratoga Investama Sedaya Tbk PT Tower Bersama Infrastructure Tbk PT Unitras Pertama PT Wahana Anugerah Sejahtera</p> |

Mr Edwin Soeryadjaya has responded negative to items (a) to (k) listed in Rule 720(6) of the Listing Rules of SGX-ST.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2022

The directors present their statement to the members together with the audited financial statements of Seroja Investments Limited (the "Company") and its subsidiary corporations (the "Group") for the financial year ended 31 December 2022 and the balance sheet of the Company as at 31 December 2022.

In the opinion of the directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 29 to 58 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2022 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and
- (b) at the date of this statement, having regards to the matters set out in Note 2.1 to the financial statements, the financial statements have been prepared on a basis other than going concern as management intends to liquidate the Company upon completion of exit offer and shareholders' approval for liquidation.

Directors

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

Edwin Soeryadjaya
Yap Kian Peng
Ng Soon Kai

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 object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

| | Holdings registered in name of director | | Holdings in which director is deemed to have an interest | |
|--------------------------|--|------------|---|-------------------|
| | As at 31.12.2022 | 1.1.2022 | As at 31.12.2022 | As at 1.1.2022 |
| The Company | | | | |
| (No. of ordinary shares) | | | | |
| Edwin Soeryadjaya | 24,270,349 | 24,270,349 | 90,812,988 | 90,812,988 |
| Ng Soon Kai | - | - | 4,225,446 | 4,225,446 |

Edwin Soeryadjaya, who by virtue of his interest of not less than 20% of the issued capital of the Company, is deemed to have an interest in the whole of the share capital of the Company's subsidiary corporations.

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2023.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2022

Share options

Seroja Employee Share Option Scheme 2018

Seroja Employee Share Option Scheme 2018 ("SESOS 2018") was approved by the shareholders during the extraordinary general meeting on 27 April 2018. The Company has obtained shareholders' approval for the renewal of SESOS 2018 during its annual general meeting on 29 April 2022. The Remuneration Committee ("RC") will be tasked to administer SESOS 2018 for options to be awarded to the Company's directors, employees and substantial shareholders. The objective of SESOS 2018 is to provide eligible participants an opportunity to benefit from upside in the equity of the Company by motivating them through increased diligence and dedication to generate higher returns for the Company and its shareholders. The RC will determine the number of share options to be granted individually and set the date of grant and the price thereof under the SESOS 2018 which will then be approved by the Board.

There were no options granted during the financial year to subscribe for unissued shares of the Company or its subsidiary corporations.

No shares have been issued during the financial year by virtue of the exercise of option to take up unissued shares of the Company or its subsidiary corporations.

As at the end of the financial year, there were no unissued shares of the Company or its subsidiary corporations under option.

Audit committee

The members of the Audit Committee ("AC") at the end of the financial year were as follows:

Yap Kian Peng (Chairman), Independent director
Edwin Soeryadjaya, Non-independent director
Ng Soon Kai, Independent director

All members of the AC were non-executive directors.

The AC carried out its functions in accordance with by section 201B(5) of the Singapore Companies Act 1967 (the "Act") and the Code of Corporate Governance. In performing those functions, the Committee reviewed:

- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2022 before their submission to the Board of Directors.

Apart from the above, the AC shall commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. The AC has full access to and co-operation of the management and has full discretion to invite any director or executive officer to attend its meetings and has been given reasonable resources to enable it to discharge its functions.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2022

Audit committee (continued)

During the financial year, the AC met with the management and the independent auditor on two (2) and two (2) occasions respectively. These meetings included, amongst other matters, a review of the Group's financial statements, any recommendations on internal control arising from the statutory audit and independence of the independent auditor. The independent auditor also met with the AC members without the presence of the management. The AC reviews the independence of the independent auditor and the nature and extent of non-audit services provided by the independent auditor to the Group and is satisfied that such services will not prejudice the independence and objectivity of the independent auditor. Accordingly, the AC recommends to the Board that CLA Global TS Public Accounting Corporation (formerly Nexia TS Public Accounting Corporation) be nominated for re-appointment as independent auditor at the forthcoming Annual General Meeting of the Company.

The Company has in place a whistle blowing framework for employees and other parties to report in confidence, without fear of reprisal, concerns about possible improprieties in matters of financial reporting or other matters. This policy is to assist the AC in managing allegations of fraud or other misconduct; disciplinary and civil actions that are initiated following the completion of the investigations are appropriate and fair; and actions are taken to correct the weakness in the existing system of internal processes which allowed the perpetration of the fraud and/or misconduct and to prevent recurrence.

On behalf of the directors

Yap Kian Peng
Director

Ng Soon Kai
Director

12 April 2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEROJA INVESTMENTS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Seroja Investments Limited (the "Company") and its subsidiary corporations (the "Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 29 to 58.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group 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 financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that below is a key audit matter to communicate in our report.

Basis of Preparation of Financial Statements

See Note 1 General information, accounting policies Note 2.1 Basis of preparation and Note 22 Event occurring after balance sheet date

Area of focus

The Company was deemed as a cash company under Rule 1018 of the Listing Manual following the disposal of its entire shareholding interest of 100,000 shares, representing 100% of the entire issued and paid-up share capital of Trans LK Marine Pte. Ltd. ("TLM") together with its subsidiary corporations (collectively, the "TLM Group") to Mr Masdjan ("Purchaser") on 21 October 2020 and the Company ceased to have any operating business since then.

As disclosed in Note 1 and Note 22 to the financial statements, the Company had on 10 April 2023, received from the Singapore Exchange ("SGX-ST") a notification of delisting from the Official List of the SGX-ST as per Rule 1018(2) of the Listing Manual as it has failed to enter into a definitive agreement for the acquisition of a new business to meet the requirements for a new listing under Rule 1018(2) of the Listing Manual before the extended deadline which has lapsed on 20 May 2022. The SGX-ST was of the view that the Company had failed to demonstrate to SGX-ST that the Company would be able to meet the requirements under Rule 1018 of the Mainboard Rules as the Company was still in negotiations with another company (the "New Target Company") for the potential reverse takeover of the Company by the New Target Company. Moreover, SGX-ST noted that there remained significant uncertainties as to whether any definitive agreement would be executed between the Company and the New Target Company.

As a result of the above, the Company is required to make a cash exit offer to the shareholders in accordance with Rule 1309 of the Listing Manual and the Company will obtain shareholders' approval to liquidate the Company. Therefore, management does not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. The financial statements have been prepared on a basis other than going concern.

Given the significant of the nature of the matter, we have highlighted this as a key audit matter.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEROJA INVESTMENTS LIMITED

Key Audit Matters (continued)

Basis of Preparation of Financial Statements (continued)

See Note 1 General information, accounting policies Note 2.1 Basis of preparation and Note 22 Event occurring after balance sheet date

How our audit addressed the matter

We have performed the audit procedures:

- (i) Interviewed management on the course of action going forward and their assessment of the probability of the plan for liquidation to be approved by the shareholders;
- (ii) Reviewed announcements made by the Company on SGX-ST;
- (iii) Reviewed documents and correspondences pertaining to the going concern status; and
- (iv) Reviewed completeness of liabilities for provision of onerous contracts, if any.

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SEROJA INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SEROJA INVESTMENTS LIMITED (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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 financial year 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 have been properly kept in accordance with the provisions of the Act.

The engagement director on the audit resulting in this independent auditor's report is Mr. Lim Wei Chen, Samuel.

CLA Global TS Public Accounting Corporation
(formerly Nexia TS Public Accounting Corporation)
Public Accountants and Chartered Accountants

Singapore
12 April 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2022

| | Note | 2022 US\$'000 | 2021 US\$'000 |
|--|------|----------------------|----------------------|
| Other gains/(losses) - net | 3 | 19 | (302) |
| Administrative expenses | 4 | <u>(461)</u> | <u>(563)</u> |
| Loss before income tax | | (442) | (865) |
| Income tax expense | 6 | <u>-</u> | <u>-</u> |
| Net loss, representing total comprehensive loss for the financial year | | <u><u>(442)</u></u> | <u><u>(865)</u></u> |
| Net (loss)/profit attributable to: | | | |
| Equity holders of the Company | | (441) | (999) |
| Non-controlling interests | | <u>(1)</u> | <u>134</u> |
| | | <u><u>(442)</u></u> | <u><u>(865)</u></u> |
| Total comprehensive (loss)/income attributable to: | | | |
| Equity holders of the Company | | (441) | (999) |
| Non-controlling interests | | <u>(1)</u> | <u>134</u> |
| | | <u><u>(442)</u></u> | <u><u>(865)</u></u> |
| Net loss per share attributable to equity holders of the Company (US cents per share) | | | |
| Basic and diluted | 7 | <u><u>(0.11)</u></u> | <u><u>(0.26)</u></u> |

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

BALANCE SHEETS

As at 31 December 2022

| | Note | Group | | Company | |
|---|------|------------------|------------------|------------------|------------------|
| | | 2022 US\$'000 | 2021 US\$'000 | 2022 US\$'000 | 2021 US\$'000 |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and bank balances | 8 | 1,036 | 1,462 | 1,036 | 1,462 |
| Financial assets, at fair value through profit or loss | 9 | - | 47 | - | 47 |
| Other current assets | 10 | 18 | 18 | 18 | 18 |
| | | <u>1,054</u> | <u>1,527</u> | <u>1,054</u> | <u>1,527</u> |
| Non-current assets | | | | | |
| Investments in subsidiary corporations | 11 | - | - | - | 34 |
| Investments in associated companies | 12 | - | - | - | - |
| Property, plant and equipment | 13 | - | - | - | - |
| | | <u>-</u> | <u>-</u> | <u>-</u> | <u>34</u> |
| Total assets | | <u>1,054</u> | <u>1,527</u> | <u>1,054</u> | <u>1,561</u> |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Other payables | 14 | 45 | 76 | 74 | 107 |
| Total liabilities | | <u>45</u> | <u>76</u> | <u>74</u> | <u>107</u> |
| NET ASSETS | | <u>1,009</u> | <u>1,451</u> | <u>980</u> | <u>1,454</u> |
| EQUITY | | | | | |
| Capital and reserves attributable to equity holders of the Company | | | | | |
| Share capital | 15 | 28,012 | 28,012 | 28,012 | 28,012 |
| Other reserve | 16 | (305) | (305) | - | - |
| Accumulated losses | | (30,342) | (29,901) | (27,032) | (26,558) |
| | | <u>(2,635)</u> | <u>(2,194)</u> | 980 | 1,454 |
| Non-controlling interests | 11 | 3,644 | 3,645 | - | - |
| Total equity | | <u>1,009</u> | <u>1,451</u> | <u>980</u> | <u>1,454</u> |

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2022

| | Attributable to equity holders of the Company | | | Total | Non-controlling interests | Total equity |
|---|---|---------------|--------------------|---------|---------------------------|--------------|
| | Share capital | Other reserve | Accumulated losses | | | |
| | US\$'000 | US\$'000 | US\$'000 | | | |
| 2022 | | | | | | |
| As at 1 January 2022 | 28,012 | (305) | (29,901) | (2,194) | 3,645 | 1,451 |
| Total comprehensive loss for the financial year | - | - | (441) | (441) | (1) | (442) |
| As at 31 December 2022 | 28,012 | (305) | (30,342) | (2,635) | 3,644 | 1,009 |

| | Attributable to equity holders of the Company | | | Total | Non-controlling interests | Total equity |
|---|---|---------------|--------------------|----------|---------------------------|--------------|
| | Share capital | Other reserve | Accumulated losses | | | |
| | US\$'000 | US\$'000 | US\$'000 | | | |
| 2021 | | | | | | |
| As at 1 January 2021 | 56,951 | (305) | (28,902) | 27,744 | 3,511 | 31,255 |
| Total comprehensive loss for the financial year | - | - | (999) | (999) | 134 | (865) |
| Capital reduction (Note 15) | (28,939) | - | - | (28,939) | - | (28,939) |
| As at 31 December 2021 | 28,012 | (305) | (29,901) | (2,194) | 3,645 | 1,451 |

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

Group

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2022

| | Note | 2022 US\$'000 | 2021 US\$'000 |
|--|------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net loss | | (442) | (865) |
| Adjustments for: | | | |
| Interest income | 3 | (16) | (2) |
| Unrealised currency translation loss | | - | (2) |
| Operating loss before working capital changes | | (458) | (869) |
| Changes in working capital | | | |
| Financial assets, at fair value through profit or loss | 3 | (3) | (4) |
| Other current assets | | - | 2 |
| Trade and other payables | | (31) | (1,410) |
| Cash generated from operation | | (492) | (2,281) |
| Interest received | | 16 | 2 |
| Net cash used in operating activities | | (476) | (2,279) |
| Cash flows from investing activities | | | |
| Disposal of financial assets, at fair value through profit or loss | | 50 | - |
| Net cash provided by investing activities | | 50 | - |
| Cash flows from financing activities | | | |
| Capital reduction | 15 | - | (28,939) |
| Restricted cash | | - | 29,724 |
| Net cash provided by financing activities | | - | 785 |
| Net decrease in cash and cash equivalents | | (426) | (1,494) |
| Cash and cash equivalents | | | |
| Beginning of the financial year | 8 | 1,462 | 2,956 |
| End of the financial year | 8 | 1,036 | 1,462 |

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

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

The consolidated financial statements of the Group for the financial year ended 31 December 2022 and the balance sheet of the Company as at 31 December 2022 were authorised for issue in accordance with a resolution of the Board of Directors on 12 April 2023.

1. General information

Seroja Investments Limited (the "Company") is listed on the Singapore Exchange ("SGX-ST") and incorporated and domiciled in Singapore. The address of its registered office is 25 North Bridge Road #07-00, 25 North Bridge, Singapore 179104 and its principal place of business is 15 Scotts Road, #08-05, 15 Scotts, Singapore 228218.

The principal activities of the Company are those relating to investment holding. The principal activities of the subsidiary corporations and associated companies are set out in Note 11 and Note 12 to the financial statements respectively.

On 21 October 2020, the Company disposed of its entire shareholding interest of 100,000 shares, representing 100% of the entire issued and paid-up share capital of Trans LK Marine Pte. Ltd. ("TLM") together with its subsidiary corporations (collectively, the "TLM Group") to Mr Masdjan ("Purchaser") and the Company ceased to have any operating business. Accordingly, it is deemed as a cash company under Rule 1018 of the Mainboard Rules.

On 19 October 2021, the Company submitted an application to SGX-ST to seek the waiver ("Waiver") from strict compliance with Rule 1018(2) of the Mainboard Rules ("Rule 1018(2)") in relation to (i) the 12-month timeline to find a new business; (ii) the 6-month extension limit; and (iii) the requirement for a Definitive Agreement to have been entered into prior to the grant of an extension of time to pursue opportunities for a new business; and an extension of time of 6 months to 22 April 2022 for the Company to enter into a definitive agreement to acquire a new business. On 11 February 2022, the Company had received approval from SGX-ST on the Company's application for extension of time of up to 22 April 2022 to comply with Rule 1018(2).

On 18 April 2022, the Company applied to the SGX-ST for further extension of time of 4 weeks. On 10 May 2022, the SGX-ST has extended the deadline for the Company to enter into a definitive agreement to acquire a new listing that will meet the requirement of a new listing under rule 1018(2) by 20 May 2022.

On 20 May 2022, the Company entered into a conditional sale and purchase agreement ("SPA") with Nickel Global Group Ltd ("the Vendor") and Denway Development Ltd ("the Target Company") in respect of the proposed acquisition by the Company of up to 100% of the issued share capital of the Target Company from the Vendor for a purchase consideration of US\$2 billion. As outlined in Note 22 "Event occurring after balance sheet date", this SPA was subsequently terminated on 20 March 2023 and the Company has submitted an appeal to SGX-ST for further extension of time of 90 days from 22 March 2023 for the Company to sign a definitive agreement with a new target company. On 10 April 2023, the Company received from SGX-ST a notification of delisting from the Official List of the SGX-ST in accordance with Rule 1018(2). Accordingly, the Company is required to make a cash exit offer to the shareholders in accordance with Rule 1309 of the Mainboard Rules ("Rule 1309") and the Company will obtain shareholders' approval to liquidate the Company.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

The financial statements are expressed and rounded to the nearest thousands of United States Dollar ("US\$'000") which is the Company's functional currency.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

These financial statements are prepared on a realisation basis as management intends to liquidate the Company upon completion of exit offer and shareholders' approval for liquidation within 12 months from the balance sheet date.

Interpretations and amendments to published standards effective in 2022

On 1 January 2022, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Interest income

Interest income is recognised using the effective interest method.

2.3 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

2.4 Group accounting

(a) *Subsidiary corporations*

(i) Consolidation

Subsidiary corporations are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiary corporations are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiary corporations have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

2.4 Group accounting (continued)

(a) Subsidiary corporations (continued)

(i) Consolidation (continued)

Non-controlling interests comprise the portion of a subsidiary corporation's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary corporation, even if this results in the non-controlling interests having a deficit balance.

The acquisition method of accounting is used to account for business combinations entered into by the Group.

(ii) Acquisitions

The consideration transferred for the acquisition of a subsidiary corporation or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary corporation measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

(iii) Disposals

When a change in the Group's ownership interest in a subsidiary corporation results in a loss of control over the subsidiary corporation, the assets and liabilities of the subsidiary corporation including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

2.4 Group accounting (continued)

(a) *Subsidiary corporations* (continued)

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in subsidiary corporations in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary corporation that do not result in a loss of control over the subsidiary corporation are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

(c) *Associated companies*

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding giving rise to voting rights of 20% and above.

Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any.

(i) *Acquisition*

Investments in associated companies are initially recognised at cost. The cost of an acquisition is measured at the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Goodwill on associated companies represents the excess of the cost of acquisition of the associated company over the Group's share of the fair value of the identifiable net assets of the associated company and is included in the carrying amount of the investments.

(ii) *Equity method of accounting*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of its associated companies' post-acquisition profits or losses of the investee in profit or loss and its share of movements in other comprehensive income of the investee's other comprehensive income. Dividends received or receivable from the associated companies are recognised as a reduction of the carrying amount of the investments. When the Group's share of losses in an associated company equals to or exceeds its interest in the associated company, the Group does not recognise further losses, unless it has legal or constructive obligations to make, or has made, payments on behalf of the associated company. If the associated company subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Unrealised gains on transactions between the Group and its associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are also eliminated unless the transactions provide evidence of impairment of the assets transferred. The accounting policies of associated companies are changed where necessary to ensure consistency with the accounting policies adopted by the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

2.4 Group accounting (continued)

(c) Associated companies (continued)

(iii) Disposals

Investments in associated companies are derecognised when the Group loses significant influence. If the retained equity interest in the former associated company is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence is lost, and its fair value and any proceeds on partial disposal, is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary corporations and associated companies" for the accounting policy on investments in associated companies in the separate financial statements of the company.

2.5 Property, plant and equipment

(a) Measurement

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

| | <u>Useful lives</u> | |
|------------------------|---------------------|-------|
| Office equipment | 3 - 4 | years |
| Furniture and fittings | 3 - 10 | years |

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss within "other gains/losses) - net".

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

2.6 Investments in subsidiary corporations and associated companies

Investments in subsidiary corporations and associated companies are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.7 Impairment of non-financial assets

Property, plant and equipment

Investments in subsidiary corporations and associated companies

Property, plant and equipment and investments in subsidiary corporations and associated companies are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset 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. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.8 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.9 Financial assets

(a) *Classification and measurement*

The Group classifies its financial assets in the following measurement categories:

- Amortised cost; and
- Fair value through profit or loss ("FVTPL").

The classification depends on the Group's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

2.9 Financial assets (continued)

(a) Classification and measurement (continued)

At initial recognition

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.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, listed and unlisted debt securities.

There are three subsequent measurement categories, depending on the Group's business model for managing the asset and the cash flow characteristics of the asset:

Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

FVTPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or fair value through other comprehensive income are classified as FVTPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other losses - net".

(ii) Equity investments

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains/(losses) - net". Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The credit risk note details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by the SFRS(I) 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

2.9 Financial assets (continued)

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

2.10 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.11 Other payables

Other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.12 Fair value estimation of financial assets and liabilities

The fair value of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

The fair values of financial liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest that are available to the Group for similar financial liabilities.

2.13 Short term leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

2.14 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiary corporations and associated companies except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that tax arises from a transaction which is recognised directly in equity.

2.15 Provisions

Provisions for other liabilities and charges are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised in the statement of comprehensive income as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2 Significant accounting policies (continued)

2.16 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) *Short-term compensated absences*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2.17 Currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in United States Dollar, which is the functional currency of the Company and also the functional currency of the entities in the Group.

(b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity instruments). However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance expenses". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other gains/(losses) - net".

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

2. Significant accounting policies (continued)

2.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the board of directors whose members are responsible for allocating resources and assessing performance of the operating segments. Following the completion of disposal of TLM, there are no reportable operating segments to be reported.

2.19 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.20 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

3 Other gains/(losses) - net

| | Group | |
|--|-----------|--------------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Interest income from financial assets measured at amortised cost – bank deposits | 16 | 2 |
| Currency exchange loss, net | - | (584) |
| Write-back of other payables | - | 272 |
| Government grant – Job Support Scheme | -* | 4 |
| Fair value gain on financial assets at FVTPL (Note 9) | 3 | 4 |
| | <u>19</u> | <u>(302)</u> |

Grant income of *US\$100 (2021: US\$3,800) was recognised during the financial year under the Jobs Support Scheme (the "JSS"). The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. Under the JSS, employers will receive cash grants in relation to the gross monthly wages of eligible employees.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

4 Expenses by nature

| | Group | |
|------------------------------------|------------|------------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Audit fees paid/payables to: | | |
| - auditors of the Company | 35 | 39 |
| Directors' fees | 125 | 148 |
| Employee compensation (Note 5) | 104 | 140 |
| Printing, postage and stationeries | 4 | 4 |
| Professional fees | 109 | 143 |
| Rental expense - short term lease | 71 | 73 |
| Others | 13 | 16 |
| | <u>461</u> | <u>563</u> |

5 Employee compensation

| | Group | |
|--|------------|------------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Salaries and bonus | 94 | 129 |
| Employer's contributions to Central Provident Fund ("CPF") | 10 | 11 |
| | <u>104</u> | <u>140</u> |

6 Income taxes

No provision for income tax was recognised as there are no taxable profit for the financial years ended 31 December 2022 and 2021.

The tax on the Group's loss before income tax differs from the amount that would arise using the tax calculated at Singapore Standard rate of income tax as explained below:

| | Group | |
|---|--------------|--------------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Loss before income tax | <u>(442)</u> | <u>(865)</u> |
| Tax calculated at tax rate of 17% (2021: 17%) | (75) | (147) |
| Effects of: | | |
| - income not subject to tax | (1) | (1) |
| - expenses not deductible for tax purposes | 73 | 142 |
| - tax losses disallowed | 3 | 6 |
| | <u>-</u> | <u>-</u> |

No tax impact relating to each component of other comprehensive income during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

7 Loss per share

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, loss attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding are adjusted for the effects of all dilutive potential ordinary shares. There were no dilutive potential ordinary shares outstanding during the financial year and therefore basic and diluted earnings per share are the same.

| | Group | |
|---|----------------|----------------|
| | 2022 | 2021 |
| Net loss attributable to equity holders of the Company (US\$'000) | <u>(441)</u> | <u>(999)</u> |
| Weighted average number of ordinary shares ('000) | <u>390,388</u> | <u>390,388</u> |
| Basic and diluted loss (US cents per share) | <u>(0.11)</u> | <u>(0.26)</u> |

8 Cash and bank balances

| | Group and Company | |
|--------------------------|-------------------|--------------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Cash at bank and on hand | 115 | 260 |
| Short-term bank deposits | <u>921</u> | <u>1,202</u> |
| | <u>1,036</u> | <u>1,462</u> |

Short-term bank deposits are placed with financial institutions for varying periods of between 14 days to 31 days depending on the immediate cash requirements of the Group and the Company and earn interest at the respective short-term deposit rates.

9 Financial assets, at fair value through profit or loss

| | Group and Company | |
|------------------------------------|-------------------|-----------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| <i>Beginning of financial year</i> | 47 | 43 |
| Fair value gain (Note 3) | 3 | 4 |
| Disposal | <u>(50)</u> | <u>-</u> |
| End of financial year | <u>-</u> | <u>47</u> |
| <i>Current</i> | | |
| Listed security | | |
| Equity security - Singapore | <u>-</u> | <u>47</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

10 Other current assets

| | Group and Company | |
|-------------|-------------------|-----------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Prepayments | 11 | 11 |
| Deposits | 7 | 7 |
| | <u>18</u> | <u>18</u> |

11 Investments in subsidiary corporations

| | Company | |
|---|----------|-----------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| <i>Equity investments at cost</i> | | |
| Beginning and end of financial year | 892 | 892 |
| Impairment loss | (892) | (858) |
| Net carrying amount of equity investments | <u>-</u> | <u>34</u> |

Movement in impairment loss on equity investments

| | Company | |
|-----------------------------|------------|------------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Beginning of financial year | 858 | 858 |
| Allowance made | 34 | - |
| End of financial year | <u>892</u> | <u>858</u> |

Management assessed for impairment whenever there is any objective evidence or indication that investments in subsidiary corporations may be impaired. An allowance for impairment loss was made in respect of the Company's investments in certain subsidiary corporations to reduce the carrying amount of the investments to the recoverable amounts. These subsidiary corporations were not in operations since financial year 2016. The management estimated that recoverable amount of those investments in subsidiary corporations to be nil after taking into the consideration of the financial condition and there is no future business plan for the subsidiary corporations.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

11 Investments in subsidiary corporations (continued)

The Group had the following subsidiary corporations as at 31 December 2022 and 2021:

| Name | Principal activities | Country of business/ incorporation | Proportion of ordinary shares held by the respective entities | | Proportion of ordinary shares held by the Group | | Proportion of ordinary shares held by non-controlling interests | |
|---|--|------------------------------------|---|------|---|------|---|------|
| | | | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| | | | % | % | % | % | % | % |
| <u>Held by the Company</u> | | | | | | | | |
| Seroja Provender Tech Pte. Ltd. ⁽¹⁾ | Research and experimental development on biotechnology, life and medical science | Singapore | 100 | 100 | 100 | 100 | - | - |
| Trellis Group Holdings Ltd ⁽¹⁾ | Investment holding (Dormant) | British Virgin Islands | 100 | 100 | 100 | 100 | - | - |
| Seroja Shipping Services Pte Ltd ^{(1) (2)} | Investment holding (Dormant) | Singapore | 50 | 50 | 50 | 50 | 50 | 50 |
| <u>Held by Trellis Group Holdings Ltd</u> | | | | | | | | |
| Trellis Shipping Limited ⁽¹⁾ | Provision of marine transportation of drybulk freight (Dormant) | British Virgin Islands | 100 | 100 | 100 | 100 | - | - |
| Seroja-Zhushui Shipping Ltd ^{(1) (2)} | Provision of marine transportation of drybulk freight (Dormant) | British Virgin Islands | 50 | 50 | 50 | 50 | 50 | 50 |

⁽¹⁾ Not required to be audited or it is presently dormant.

⁽²⁾ Regarded as subsidiary corporations on the basis that the Group controls the entity based on the exposure to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Carrying value of non-controlling interests

| | Group | |
|----------------------------------|------------------|------------------|
| | 2022 US\$'000 | 2021 US\$'000 |
| Seroja-Zhushui Shipping Ltd | 3,630 | 3,630 |
| Seroja Shipping Services Pte Ltd | 14 | 15 |
| Total | <u>3,644</u> | <u>3,645</u> |

Subsidiary corporations with non-controlling interests have been dormant since financial year 2016. The assets and liabilities of these subsidiary corporations consist of receivables and payables between fellow subsidiary corporations under Trellis Group Holdings Ltd. There are no transactions by such subsidiary corporations during the financial year. Accordingly, detailed disclosures of the balance sheet, statement of comprehensive income and statement of cash flows of these subsidiary corporations are not presented.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

12 Investments in associated companies

| | Group | |
|-------------------------------------|----------|----------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Beginning and end of financial year | - | - |

Set out below are the associated companies of the Group as at 31 December 2022 and 2021. The associated companies as listed below have share capital consisting solely of ordinary shares, which are held by a subsidiary corporation of the Group. The country of incorporation is also their principal place of business.

| Name of entities | Principal activities | Country of incorporation | % of ownership interest | |
|--|------------------------------------|--------------------------|-------------------------|------|
| | | | 2022 | 2021 |
| <u>Held by Seroja Shipping Services Pte Ltd</u> | | | | |
| PT. Sinar Mentari Prima ^{(1) (2)} | Provision of marine transportation | Indonesia | 30 | 30 |
| PT. Pelayaran Antarbuwana Pertala ^{(1) (2)} | Provision of marine transportation | Indonesia | 30 | 30 |

⁽¹⁾ Not required to be audited as it is presently dormant.

⁽²⁾ For consolidation purpose, limited review procedures were performed by CLA Global TS Public Accounting Corporation, (formerly Nexia TS Public Accounting Corporation) Singapore.

There are no contingent liabilities relating to the Group's interest in the associated companies.

Summarised financial information for associated companies

Set out below are the summarised financial information for PT. Sinar Mentari Prima, which is immaterial to the Group.

Summarised balance sheet

| | 2022 | 2021 |
|-----------------------------|----------|----------|
| | US\$'000 | US\$'000 |
| Current assets | 209 | 209 |
| Includes: | | |
| - Cash and cash equivalents | 209 | 209 |
| Current liabilities | (123) | (123) |
| Net assets | 86 | 86 |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

12 Investments in associated companies (continued)

Summarised statement of comprehensive income

| | 2022 | 2021 |
|--|-----------------|-----------------|
| | US\$'000 | US\$'000 |
| Interest income | - | - |
| Profit before income tax | <u>-</u> | <u>-</u> |
| Income tax expense | <u>-</u> | <u>-</u> |
| Net profit, representing total comprehensive income | <u><u>-</u></u> | <u><u>-</u></u> |

The information above reflects the amounts presented in the financial statements of the associated companies (and not the Group's share of those amounts), adjusted for differences in accounting policies between the Group and associated companies.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented, to the carrying amount of the Group's interest in associated companies, is as follows:

| | 2022 | 2021 |
|---|-----------------|-----------------|
| | US\$'000 | US\$'000 |
| Net assets – At 1 January | 86 | 86 |
| Net Profit for the financial year | <u>-</u> | <u>-</u> |
| Net assets – At 31 December | <u>86</u> | <u>86</u> |
| Carrying value/Interest in associated companies (30%) | 26 | 26 |
| Impairment loss in associated company | <u>(26)</u> | <u>(26)</u> |
| Carrying value of the Group's interest in associated companies | <u><u>-</u></u> | <u><u>-</u></u> |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

13 Property, plant and equipment

| Group and Company | Office equipment US\$'000 | Furniture and fittings US\$'000 | Total US\$'000 |
|-------------------------------------|--|--|---------------------------|
| 2022 | | | |
| <i>Cost</i> | | | |
| Beginning and end of financial year | 12 | 7 | 19 |
| <i>Accumulated depreciation</i> | | | |
| Beginning and end of financial year | 12 | 7 | 19 |
| Net book value | | | |
| End of financial year | <u>-</u> | <u>-</u> | <u>-</u> |
| 2021 | | | |
| <i>Cost</i> | | | |
| Beginning and end of financial year | 12 | 7 | 19 |
| <i>Accumulated depreciation</i> | | | |
| Beginning and end of financial year | 12 | 7 | 19 |
| Net book value | | | |
| End of financial year | <u>-</u> | <u>-</u> | <u>-</u> |

14 Other payables

| | Group | | Company | |
|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | 2022 US\$'000 | 2021 US\$'000 | 2022 US\$'000 | 2021 US\$'000 |
| Other payables: | | | | |
| - Subsidiary corporations | - | - | 29 | 31 |
| Accrued operating expenses | 45 | 76 | 45 | 76 |
| | <u>45</u> | <u>76</u> | <u>74</u> | <u>107</u> |

The non-trade amount due to subsidiary corporations are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

15 Share capital

| | Group | | Company | |
|-------------------------------------|--------------------------------|-----------------|--------------------------------|-----------------|
| | Number of ordinary shares '000 | Amount US\$'000 | Number of ordinary shares '000 | Amount US\$'000 |
| Issued and fully paid | | | | |
| 2022 | | | | |
| Beginning and end of financial year | 390,388 | 28,012 | 390,388 | 28,012 |
| 2021 | | | | |
| Beginning of financial year | 390,388 | 56,951 | 390,388 | 56,951 |
| Capital reduction | - | (28,939) | - | (28,939) |
| End of financial year | 390,388 | 28,012 | 390,388 | 28,012 |

In the previous financial year, the Company undertook a capital reduction exercise ("Capital Reduction") to return to shareholders surplus capital of the Company in excess of its needs by way of a cash distribution ("Cash Distribution") by the Company to shareholders of S\$0.10 for each ordinary share of the Company held by the shareholders. The payment of the Cash Distribution to the shareholders was completed on 18 October 2021.

The Capital Reduction and Cash Distribution will not result in a cancellation of shares in the capital of the Company or a change in the number of shares issued by the Company.

There is no par value for these ordinary shares. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

16 Other reserve

The other reserve represents the effect of the changes in the Group's ownership interest in a subsidiary corporation that do not result in loss of control over the subsidiary corporation. Other reserve is non-distributable.

17 Accumulated losses

- (a) Retained profits are distributable.
- (b) Movement in accumulated losses of the Company is as follows:

| | Company | |
|-----------------------------|---------------|---------------|
| | 2022 US\$'000 | 2021 US\$'000 |
| Beginning of financial year | (26,558) | (25,423) |
| Net loss | (474) | (1,135) |
| End of financial year | (27,032) | (26,558) |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

18 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

Key management personnel compensation is as follows:

| | Group | |
|---------------------------------|------------|------------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Directors' fees | 125 | 148 |
| Salaries and bonuses | 94 | 120 |
| Employers' contributions to CPF | 10 | 10 |
| | <u>229</u> | <u>278</u> |

Included in the salaries and bonuses above are total directors' remunerations of nil (2021: US\$23,000).

19 Commitments

Operating lease commitments – where the Group is a lessee

The Group leases office unit from a non-related party under a non-cancellable short-term lease agreement. The future minimum lease payments payable under the non-cancellable short-term lease as at the balance sheet date but not recognised as liabilities are as follows:

| | Group | |
|-------------------------|----------|----------|
| | 2022 | 2021 |
| | US\$'000 | US\$'000 |
| Not later than one year | <u>6</u> | <u>6</u> |

20 Financial risk management

Financial risk factors

The Group's activities expose it to market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. This includes establishing policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits.

(a) Market risk

(i) *Currency risk*

The Group currently operates in Singapore. The entities of the Group transact in their respective functional currencies. Transactions in currencies other than their respective functional currencies ("foreign currency") are denominated mainly in Singapore Dollar ("SGD").

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

20 Financial risk management (continued)

(b) Market risk (continued)

(i) Currency risk (continued)

The Group's currency exposure based on the information provided to key management is as follows:

| | USD | SGD | Total |
|---|-----------------|-----------------|-----------------|
| | US\$'000 | US\$'000 | US\$'000 |
| At 31 December 2022 | | | |
| Financial assets | | | |
| Cash and bank balances | 1,024 | 12 | 1,036 |
| Other current assets | - | 7 | 7 |
| Intra-group receivables | - | 29 | 29 |
| | <u>1,024</u> | <u>48</u> | <u>1,072</u> |
| Financial liabilities | | | |
| Other payables | - | (45) | (45) |
| Intra-group payables | - | (29) | (29) |
| | <u>-</u> | <u>(74)</u> | <u>(74)</u> |
| Net financial assets | 1,024 | (26) | 998 |
| Less: Net financial liabilities denominated in the functional currencies of respective entities | (1,024) | - | (1,024) |
| Currency exposure | <u>-</u> | <u>(26)</u> | <u>(26)</u> |
| | USD | SGD | Total |
| | US\$'000 | US\$'000 | US\$'000 |
| At 31 December 2021 | | | |
| Financial assets | | | |
| Cash and bank balances | 1,330 | 132 | 1,462 |
| Other current assets | - | 7 | 7 |
| Financial assets, at fair value through profit or loss | - | 47 | 47 |
| Intra-group receivables | - | 31 | 31 |
| | <u>1,330</u> | <u>217</u> | <u>1,547</u> |
| Financial liabilities | | | |
| Other payables | - | (76) | (76) |
| Intra-group payables | - | (31) | (31) |
| | <u>-</u> | <u>(107)</u> | <u>(107)</u> |
| Net financial assets | 1,330 | 110 | 1,440 |
| Less: Net financial liabilities denominated in the functional currencies of respective entities | (1,330) | - | (1,330) |
| Currency exposure | <u>-</u> | <u>110</u> | <u>110</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

20 Financial risk management (continued)

(b) Market risk (continued)

(i) Currency risk (continued)

The Company's currency exposure based on the information provided to key management is as follows:

| | USD | SGD | Total |
|--|-----------------|-----------------|-----------------|
| | US\$'000 | US\$'000 | US\$'000 |
| At 31 December 2022 | | | |
| Financial assets | | | |
| Cash and bank balances | 1,024 | 12 | 1,036 |
| Financial assets, at fair value through profit or loss | - | - | - |
| Other current assets | - | 7 | 7 |
| | <u>1,024</u> | <u>19</u> | <u>1,043</u> |
| Financial liabilities | | | |
| Other payables | - | (74) | (74) |
| Net financial assets | 1,024 | (55) | 969 |
| Less: Net financial assets denominated in the functional currency of the Company | (1,024) | - | (1,024) |
| Currency exposure | <u>-</u> | <u>(55)</u> | <u>(55)</u> |
| | USD | SGD | Total |
| | US\$'000 | US\$'000 | US\$'000 |
| At 31 December 2021 | | | |
| Financial assets | | | |
| Cash and bank balances | 1,330 | 132 | 1,462 |
| Financial assets, at fair value through profit or loss | - | 47 | 47 |
| Other current assets | - | 7 | 7 |
| | <u>1,330</u> | <u>186</u> | <u>1,516</u> |
| Financial liabilities | | | |
| Other payables | - | (107) | (107) |
| Net financial assets | 1,330 | 79 | 1,409 |
| Less: Net financial assets denominated in the functional currency of the Company | (1,330) | - | (1,330) |
| Currency exposure | <u>-</u> | <u>79</u> | <u>79</u> |

The Group and Company have insignificant exposure to foreign exchange risk and therefore, no sensitivity analysis is prepared by management.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

20 Financial risk management (continued)

(b) Market risk (continued)

(ii) Equity price risks

The Group is exposed to equity security price risk arising from the investment held by the Group which is classified at financial assets, at fair value through profit or loss. The security is listed in Singapore. As at 31 December 2022 the Group has nil (2021: one) investment in security. The investment in security was acquired in financial year 2018 and disposed during the current financial year.

If the prices for equity security listed in Singapore had changed by 15% with other variables including tax rate being held constant, the effect on profit after tax would have been increased/(decreased) by nil (2021: US\$7,100).

(iii) Cash flow and fair value interest rate risks

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group adopts the policy of dealing only with customers of appropriate credit standing and history and obtaining cash deposits to mitigate credit risk.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the sales director based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored at the entity level by the respective management.

Cash and cash equivalents and deposits are subject to immaterial credit loss.

(c) Liquidity risk

The Group and the Company manage the liquidity risk by maintaining sufficient cash to enable them to meet their normal operating commitments and having an adequate amount of committed credit facilities.

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

| | Group | | Company | |
|---------------------------|-----------|-----------|-----------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Less than one year | | | | |
| Other payables | <u>45</u> | <u>76</u> | <u>74</u> | <u>107</u> |

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

20 Financial risk management (continued)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return of capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings.

Management does not set a target level of gearing as at 31 December 2022 and 2021.

The Group and the Company are not subject to any externally imposed capital requirements for the financial years ended 31 December 2022 and 2021.

(e) Fair value measurements

The fair value of financial asset, at fair value through profit or loss is measured at quoted price (unadjusted) in active market for identical asset (Level 1 of fair value measurement hierarchy) (Note 9). The carrying amount less impairment provision of other current assets and other payables are assumed to approximate their fair values.

(f) Financial instruments by category

The carrying amount of the different categories of financial instruments is as disclosed on the face of the balance sheet, except for the following:

| | Group | | Company | |
|---|-----------|-----------|-----------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| | US\$'000 | US\$'000 | US\$'000 | US\$'000 |
| Financial assets, fair value through profit or loss | - | 47 | - | 47 |
| Financial assets, at amortised cost | 1,043 | 1,469 | 1,043 | 1,469 |
| Financial liabilities, at amortised cost | <u>45</u> | <u>76</u> | <u>45</u> | <u>107</u> |

21 Segment information

Management has determined the operating segments based on the reports reviewed by the Board of Directors ("BOD") for the purpose of making strategic decisions, allocating resources, and assessing performance. For each of the strategic business units, the BOD (the chief operating decision maker) reviews internal management reports on at least quarterly basis.

The BOD comprises two (2021: two) independent directors and one (2021: one) non-independent directors.

There are no business activities under continuing operations of the Group. As such, no segment information is presented.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

22 Event occurring after balance sheet date

On 20 March 2023, the Company announced the termination of the conditional sale and purchase agreement entered on 20 May 2022 with Nickel Global Group Limited and Denway Development Ltd as disclosed in Note 1 "General Information".

On 21 March 2023, the Company announced that it has received an email from the SGX-ST informing the Company that: (i) the deadline granted by the SGX-ST for the Company to enter into a definitive agreement for the acquisition of a new business to meet the requirements for a new listing under Rule 1018(2) has lapsed on 20 May 2022; (ii) the Company has not submitted any valid application for an extension of time to the SGX-ST before the deadline and (iii) the SGX-ST will proceed to issue a delisting notification to the Company (pursuant to Rule 1018(2)) by 24 March 2023.

Item (ii) was subsequently amended to read as "the Company has not submitted any valid application for an extension of time to the SGX-ST though the deadline has lapsed on 20 May 2022" in a subsequent announcement released on 22 March 2023. In the same announcement, the Company announced that it has submitted an appeal to SGX-ST for a further extension of time of 90 days from 22 March 2023 for the Company to sign a definitive agreement with a new target company with whom the Company is currently negotiating with to acquire a new business that can satisfy the listing criteria of the SGX-ST.

On 10 April 2023, the Company received from SGX-ST a notification of delisting from the Official List of the SGX-ST as the SGX-ST was of the view that the Company had failed to demonstrate to SGX-ST that the Company would be able to meet the requirements under Rule 1018 of the Mainboard Rules as the Company was still in negotiations with another company (the "New Target Company") for the potential reverse takeover of the Company by the New Target Company. Moreover, SGX-ST noted that there remained significant uncertainties as to whether any definitive agreement would be executed between the Company and the New Target Company.

Accordingly, the Company is required to make a cash exit offer to the shareholders in accordance with Rule 1309 and the Company will obtain shareholders' approval to liquidate the Company.

Based on their best estimate as of the date of the authorisation for the issue of the financial statements, the management determined that future expenses to be incurred, and which were not yet committed as of the balance sheet date, in relation to the liquidation of the Company could amount to approximately US\$40,000. The financial statements have not been adjusted to take into account of these expenses.

23 New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published and are relevant for the Group's accounting periods beginning on or after 1 January 2022 and which the Group has not early adopted.

Amendments to SFRS(I) 1-1 Presentation of Financial Statements:

Classification of Liabilities as Current or Non-current (effective for annual periods beginning on or after 1 January 2023)

The narrow-scope amendments to SFRS(I) 1-1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g., the receipt of a waiver or a breach of covenant). The amendments also clarify what SFRS(I) 1-1 means when it refers to the "settlement" of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

The Group does not expect any significant impact arising from applying these amendments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

23 New or revised accounting standards and interpretations (continued)

Amendments to SFRS(I) 1-12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for annual periods beginning on or after 1 January 2023)

The amendments to SFRS(I) 1-12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate.

SFRS(I) 1-12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Group does not expect any significant impact arising from applying these amendments.

STATISTICS OF SHAREHOLDINGS

AS AT 17 MARCH 2023

DISTRIBUTION OF SHAREHOLDERS BY SIZE OF SHAREHOLDINGS AS AT AS AT 17 MARCH 2023

| <u>SIZE OF SHAREHOLDINGS</u> | <u>NO. OF SHAREHOLDERS</u> | <u>%</u> | <u>NO. OF SHARES</u> | <u>%</u> |
|------------------------------|----------------------------|---------------|----------------------|---------------|
| 1 - 99 | 10,641 | 63.37 | 209,890 | 0.05 |
| 100 - 1,000 | 4,156 | 24.75 | 1,386,507 | 0.35 |
| 1,001 - 10,000 | 1,129 | 6.72 | 4,359,346 | 1.12 |
| 10,001 - 1,000,000 | 841 | 5.01 | 52,225,054 | 13.38 |
| 1,000,001 AND ABOVE | 26 | 0.15 | 332,207,313 | 85.10 |
| TOTAL | <u>16,793</u> | <u>100.00</u> | <u>390,388,110</u> | <u>100.00</u> |

TWENTY LARGEST SHAREHOLDERS AS AT 17 MARCH 2023

| <u>NO.</u> | <u>SHAREHOLDER'S NAME</u> | <u>NUMBER OF SHARES HELD</u> | <u>%</u> |
|------------|-------------------------------------|------------------------------|--------------|
| 1 | UOB KAY HIAN PTE LTD | 90,843,775 | 23.27 |
| 2 | CITIBANK NOMINEES SINGAPORE PTE LTD | 77,807,066 | 19.93 |
| 3 | REAVIS GLOBAL LTD | 36,325,195 | 9.30 |
| 4 | RAFFLES NOMINEES (PTE) LIMITED | 26,068,528 | 6.68 |
| 5 | MAYBANK SECURITIES PTE. LTD. | 20,316,804 | 5.20 |
| 6 | QUARTO CAPITAL INVESTMENT LIMITED | 13,213,530 | 3.38 |
| 7 | TEO AH BAN | 7,878,412 | 2.02 |
| 8 | DB NOMINEES (SINGAPORE) PTE LTD | 7,316,010 | 1.87 |
| 9 | ATTICA FINANCE LTD | 6,760,714 | 1.73 |
| 10 | NG HWEE KOON | 5,810,100 | 1.49 |
| 11 | TEO LI HUI | 5,650,000 | 1.45 |
| 12 | TEO YONG CHOON OR TEO AH BAN | 4,231,900 | 1.08 |
| 13 | EMAS FORTUNA LIMITED | 4,225,446 | 1.08 |
| 14 | MITO INVESTMENTS LIMITED | 3,380,357 | 0.87 |
| 15 | OCBC SECURITIES PRIVATE LTD | 3,243,500 | 0.83 |
| 16 | LAI YEW FEI (LI YAOHUI) | 2,781,200 | 0.71 |
| 17 | PHILLIP SECURITIES PTE LTD | 2,495,106 | 0.64 |
| 18 | KOH HANG HENG | 2,379,600 | 0.61 |
| 19 | LEE KAI HENG | 1,900,000 | 0.49 |
| 20 | DBS NOMINEES PTE LTD | 1,677,147 | 0.43 |
| | TOTAL | <u>324,304,390</u> | <u>83.06</u> |

STATISTICS OF SHAREHOLDINGS

AS AT 17 MARCH 2023

SUBSTANTIAL SHAREHOLDERS

Substantial shareholders as recorded in the Register of Substantial Shareholders as at 17 March 2023.

| Name of Substantial Shareholders | Number of shares registered in the name of substantial shareholders | Number of shares in which the substantial shareholder is deemed to have an interest | Total | % |
|---|---|---|-------------|-------|
| PT Saratoga Investama Sedaya Tbk | 90,812,988 | - | 90,812,988 | 23.26 |
| Reavis Global Ltd | 36,325,195 | - | 36,325,195 | 9.30 |
| Mr Edwin Soeryadjaya ⁽¹⁾ | 24,270,349 | 90,812,988 | 115,083,337 | 29.48 |
| Mr Sandiaga Salahuddin Uno ⁽²⁾ | - | 107,798,702 | 107,798,702 | 27.61 |
| Mr Masdjan ⁽³⁾ | - | 36,325,195 | 36,325,195 | 9.30 |

⁽¹⁾ Mr Edwin Soeryadjaya is deemed interested in the shares held by PT Saratoga Investama Sedaya Tbk by virtue of Section 7 of the Companies Act 1967.

⁽²⁾ Mr Sandiaga Salahuddin Uno is deemed interested in the shares held by Uno Capital Holdings Inc., Attica Finance Ltd and PT Saratoga Investama Sedaya Tbk by virtue of Section 7 of the Companies Act 1967.

⁽³⁾ Mr Masdjan is deemed interested in the shares held by Reavis Global Ltd by virtue of Section 7 of the Companies Act 1967.

SHAREHOLDINGS HELD IN THE HANDS OF THE PUBLIC

Based on information available to the Company as at 17 March 2023, approximately 47.83% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited is complied with.

TREASURY SHARES AND SUBSIDIARY HOLDINGS

The Company has no treasury shares and subsidiary holdings.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting ("**AGM**") of the Company will be held by way of electronic means on 28 April 2023 at 2:00 p.m. for the following purposes:

AS ORDINARY BUSINESS

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

1. To receive and adopt the audited accounts for the financial year ended 31 December 2022 together with the Directors' Statement and Independent Auditor's Report thereon.
(Resolution 1)
2. To re-elect as Director Mr Edwin Soeryadjaya who is retiring by rotation pursuant to Regulation 99 of the Company's Constitution and Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").
[See Explanatory Note (i)]
(Resolution 2)
3. To approve the payment of Directors' fees of up to S\$312,000 for the financial year ending 31 December 2023 and the payment thereof on a quarterly basis (2022: S\$312,000).
[See Explanatory Note (ii)]
(Resolution 3)
4. To re-appoint Messrs CLA Global TS Public Accounting Corporation (formerly known as Nexia TS Public Accounting Corporation) as Independent Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.
(Resolution 4)

AS SPECIAL BUSINESS

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

AS ORDINARY RESOLUTIONS:

5. **General Authority to Issue and Allot Shares**

That pursuant to Section 161 of the Companies Act, (the "**Act**"), and Rule 806 of the Listing Manual of the SGX-ST, authority be and is hereby given to the Directors of the Company to:

- (A) (i) issue and allot shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures, or other instruments convertible into Shares,

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

- (B) (notwithstanding that this authority may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution shall not exceed 50 per centum (50%) of the total number of issued Shares (**excluding treasury shares and subsidiary holdings**) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro rata basis to shareholders of the Company shall not exceed 20 per centum (20%) of the total number of issued Shares (**excluding treasury shares and subsidiary holdings**) (as calculated in accordance with sub-paragraph (2) below);

NOTICE OF ANNUAL GENERAL MEETING

- (2) subject to such calculation as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph 1 above, the total number of issued Shares (**excluding treasury shares and subsidiary holdings**) shall be based on the total number of issued Shares (**excluding treasury shares and subsidiary holdings**) at the time of the passing of this Resolution, 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 the Listing Manual of the SGX-ST; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares,
- and provided also that adjustments under (i) and (ii) 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 this Resolution is passed);
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions, rules, guidelines and measures issued by the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.
- [See Explanatory Note (iii)]**

(Resolution 5)

6. **Authority to Allot and Issue Shares Pursuant to the Seroja Employee Share Option Scheme 2018**

That pursuant to Section 161 of the Act, authority be and is hereby given to the Directors to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of options granted by the Company under the Seroja Employee Share Option Scheme 2018 ("**SESOS 2018**"), provided always that the aggregate number of Shares issued and to be issued pursuant to the SESOS 2018 shall not exceed fifteen per cent (15%) of the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) at any time and from time to time. Such authority 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 or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)]

(Resolution 6)

7. To transact any other ordinary business which may be properly transacted at an AGM.

BY ORDER OF THE BOARD

Adrian Chan Pengee
Company Secretary

13 April 2023

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes on Resolutions to be Transacted:-

(i) Resolution 2

Mr Edwin Soeryadjaya will, upon re-election as a Director of the Company, remain as Non-Executive Director of the Company and Chairman of the Board of Directors (the "**Board**"). Please refer to pages 21 to 22 in the Annual Report for detailed information on Mr Edwin Soeryadjaya required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST.

(ii) Resolution 3

Resolution 3's purpose, as proposed above, is to facilitate payment of Directors' fees during the financial year in which the fees are incurred.

(iii) Resolution 5

Resolution 5 as proposed above, if passed, will empower the Directors of the Company, effective until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding the aggregated of 50% of the total number of issued Shares (**excluding treasury shares and subsidiary holdings**), of which up to 20% may be issued other than on a pro-rata basis to shareholders of the Company, after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time Resolution 5 is passed and any subsequent bonus issue, consolidation or subdivision of shares.

(iv) Resolution 6

Resolution 6 as proposed above, if passed, will authorise the Directors of the Company to allot and issue Shares pursuant to the exercise of options under the SESOS 2018 not exceeding fifteen per cent (15%) of the total issued share capital of the Company (excluding treasury shares and subsidiary holdings) at any time and from time to time.

Notes:

1. The AGM of the Company is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. This Notice of AGM, the accompanying proxy form and the Company's Annual Report for the financial year ended 31 December 2022 will also be published electronically on: (i) the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>; and (ii) the Company's website at the URL <http://www.seroja.com.sg>.
2. The alternative arrangements for the AGM relating to, among others, attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via "live" audio-visual webcast ("**LIVE WEBCAST**") or "live" audio-only stream ("**LIVE AUDIO STREAM**")), submission of questions in advance of or "live" at the AGM, addressing of substantial and relevant questions in advance of or "live" at the AGM and voting at the AGM (i) "live" by the member or his/her/its duly appointed proxy(ies) (other than the Chairman of the AGM) via electronic means; or (ii) by appointing the Chairman of the AGM as proxy to vote on the member's behalf at the AGM, are set out in the accompanying Company's announcement dated 13 April 2023 (the "**Announcement**"), which has been published together with this Notice of AGM on SGXNet at <https://www.sgx.com/securities/company-announcements> on the same day. The Announcement may also be accessed on the Company's corporate website at <http://www.seroja.com.sg>. For the avoidance of doubt, the Announcement is circulated together with and forms part of this Notice of AGM in respect of the AGM.
3. As the AGM will be conducted virtually, a member of the Company will not be able to attend the AGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it may:
 - a. attend and vote live via electronic means at the AGM;
 - b. appoint a proxy(ies) (other than the Chairman of the AGM) to attend and vote live via electronic means at the AGM on his/her/its behalf by submitting a proxy form; or
 - c. appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM by submitting a proxy form.

NOTICE OF ANNUAL GENERAL MEETING

In appointing the proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the proxy for that resolution will be treated as invalid.

CPF or SRS investors who wish to vote should

- (i) attend and vote live via electronic means at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - (ii) approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 2:00 p.m. on 19 April 2023) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.
4. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's proxy form appoints two proxies, the appointments are invalid unless the member specifies the proportions of the member's holdings to be represented by each proxy.
 - (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.
5. Members who wish to observe and/or listen to the AGM proceedings through the live audio-visual webcast or live audio-only stream must pre-register with the Company at the URL <https://registration.ryt-poll.com/home/index/seroja-agm> by 2:00 p.m. on 25 April 2023 to enable the verification of members' status.
 6. Members may also submit questions related to the resolutions to be tabled at the AGM in the following manner:
 - (i) If attending the LIVE Webcast (and not the LIVE Audio Stream), members will be able to ask questions live by typing in and submitting their questions via the online platform hosting the live webcast; or
 - (ii) by submitting questions in advance of the AGM no later than 5:00 p.m. on 20 April 2023
 - (a) via the pre-registration website at the URL <https://registration.ryt-poll.com/home/index/seroja-agm>
 - (b) by email to enquiry@seroja.com.sg; or
 - (c) by sending questions by post, with such letter containing said questions to be lodged at the office of the Company at 15 Scotts Road, #08-05, 15 Scotts, Singapore 228218.

The Company will endeavour to address such substantial and relevant questions submitted prior to the AGM by publishing the responses to such questions on the SGXNet and the Company's website by 5:00 p.m. on 23 April 2023. This is to allow members to have sufficient time and opportunity to consider the Company's response before the deadline for the submission of proxy forms.

If there are substantial and relevant questions received after the cut-off time for the submission of questions, the Board will address them at the AGM. The Board will endeavour to respond to questions as far as reasonably practicable during the AGM. Where there are substantially similar questions, the Board will consolidate such questions and consequently not all questions may be individually addressed.

7. A proxy need not be a member of the Company.
8. The instrument or form appointing the proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must: (a) if sent personally or by post, be lodged at the office of the Company at 15 Scotts Road, #08-05, 15 Scotts, Singapore 228218; or (b) if submitted electronically, be submitted in PDF format by email and be received by the Company's Share Registrar at sg.is.proxy@sg.tricorglobal.com, in either case, by 2:00 p.m. on 25 April 2023 (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

In view of the current COVID-19 situation, members are strongly encouraged to submit their completed proxy forms electronically via email.

NOTICE OF ANNUAL GENERAL MEETING

9. The instrument appointing a proxy must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing the proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the instrument of proxy may be treated as invalid. Where an instrument appointing the proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument appointing proxy is submitted by post, be lodged with the instrument of proxy or, if the instrument appointing the proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.
10. A corporation which is a member of the Company may authorise by resolution of its director or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with its constitution and Section 179 of the Act.
11. The Company shall be entitled to reject the instrument appointing the proxy 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 the proxy.
12. In the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the proxy lodged or submitted if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy

By (a) submitting an instrument appointing a proxy to attend, speak and vote at the AGM and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the AGM via LIVE WEBCAST or LIVE AUDIO STREAM, or (c) submitting any question prior to the AGM in accordance with this Notice, 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 following purposes:

- (i) processing, administration and analysis by the Company (or its agents or service providers) of the instruments appointing a proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof);
- (ii) processing of the registration for purpose of granting access to members (or their corporate representatives in the case of members which are legal entities) to the LIVE WEBCAST or LIVE AUDIO STREAM to observe the proceedings of the AGM and providing them with any technical assistance where necessary;
- (iii) addressing substantial and relevant questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions; and
- (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities.

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 of the AGM. Accordingly, the personal data of a member (such as his name, his presence at the AGM and any questions he may raise or motions he propose/second) may be recorded by the Company for such purpose.

This page has been intentionally left blank.

SEROJA INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration no. 198300847M)

PROXY FORM ANNUAL GENERAL MEETING

IMPORTANT:

- The annual general meeting of the Company (the "AGM") is being convened, and will be held, by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
- As the AGM will be conducted virtually, a member may:
 - attend and vote live via electronic means at the AGM;
 - appoint a proxy(ies) (other than the Chairman of the AGM) to attend and vote live via electronic means at the AGM on his/her/its behalf by submitting a proxy form; or
 - appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM by submitting a proxy form.
- CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 2:00 p.m. on 19 April 2023) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint a proxy to vote on their behalf by the cut-off date.
- This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, _____ (Name) _____ (NRIC/Passport No.)
of _____ (Address)
being *a member/members of SEROJA INVESTMENTS LIMITED (the "Company"), hereby appoint:-

| Name | Address | NRIC/ Passport No. | Email Address** | Proportion of Shareholdings | |
|------|---------|--------------------|-----------------|-----------------------------|---|
| | | | | No. of Shares | % |
| | | | | | |

*and/or,

| Name | Address | NRIC/ Passport No. | Email Address** | Proportion of Shareholdings | |
|------|---------|--------------------|-----------------|-----------------------------|---|
| | | | | No. of Shares | % |
| | | | | | |

or failing *him/her/them, the Chairman of the AGM of the Company, as *my/our *proxy/proxies to attend and to vote for *me/us on *my/our behalf at the AGM to be conducted virtually on Friday, 28 April 2023 at 2:00 p.m. and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for or against, or to abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any matter arising at the AGM.

All Resolutions put to the vote at the AGM shall be decided by way of poll.

(Please indicate your vote "For" or "Against" or "Abstain" from voting a resolution with a tick [✓] within the box provided in respect of that resolution. Alternatively, please indicate the number of votes as appropriate in the relevant box provided in respect of that resolution. If you mark the abstain box for a particular resolution, you are directing your *proxy/proxies not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.)

| Resolutions | For | Against | Abstain |
|--|-----|---------|---------|
| Ordinary Business Resolution 1 To receive and adopt the audited accounts for the financial year ended 31 December 2022 together with the Directors' Statement and Independent Auditor's Report thereon. | | | |
| Resolution 2 To re-elect as Director Mr Edwin Soeryadjaya who is retiring by rotation pursuant to Regulation 99 of the Company's Constitution and Rule 720(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (" SGX-ST "). | | | |
| Resolution 3 To approve the payment of Directors' fees of up to S\$312,000 for the financial year ending 31 December 2023 and the payment thereof on a quarterly basis. | | | |
| Resolution 4 To re-appoint Messrs CLA Global TS Public Accounting Corporation (formerly known as Nexia TS Public Accounting Corporation) as Independent Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. | | | |



| | | | |
|--|--|--|--|
| Special Business | | | |
| Resolution 5 To authorise Directors to issue and allot shares pursuant to Section 161 of the Companies Act 1967 and the listing rules of the SGX-ST. | | | |
| Resolution 6 To authorise Directors to issue and allot shares pursuant to the Seroja Employee Share Option Scheme 2018. | | | |

* Delete accordingly

** Required for registration purposes. Only valid email addresses provided in the submitted proxy form will receive a confirmation email from the Company.

Dated this _____ day of _____ 2023

| Total Number of Shares in | Number of Shares |
|---------------------------|------------------|
| (a) CDP Register | |
| (b) Register of Members | |

Signature(s) of Member(s) / Common Seal of Corporate Shareholder

Important: Please read notes overleaf.

Notes to the Proxy Form:

1. A member should insert the total number of shares held. If the member has shares entered against his/her name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore), he/she should insert that number of shares. If the member has shares registered in his/her name in the Register of Members of the Company, he/she should insert that number of shares. If the member has shares entered against his/her name in the Depository Register and shares registered in his/her name in the Register of Members of the Company, he/she should insert the aggregate number of shares entered against his/her name in the Depository Register and registered in his/her name in the Register of Members. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member of the Company.
2. As the AGM will be conducted virtually, a member of the Company will not be able to attend the AGM in person. If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it may:
 - a. attend and vote live via electronic means at the AGM;
 - b. appoint a proxy(ies) (other than the Chairman of the AGM) to attend and vote live via electronic means at the AGM on his/her/its behalf by submitting a proxy form; or
 - c. appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM by submitting a proxy form.

In appointing the proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the proxy for that resolution will be treated as invalid.

CPF or SRS investors who wish to vote should

- (i) attend and vote live via electronic means at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
 - (ii) approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by 2:00 p.m. on 19 April 2023) in order to allow sufficient time for their respective CPF Agent Banks or SRS Operators to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by the cut-off date.
3. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's proxy form appoints two proxies, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form.
 - (b) A member who is a relevant intermediary is entitled to appoint two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.



4. A proxy need not be a member of the Company.
5. The instrument or form appointing the proxy, together with the power of attorney or other authority under which it is signed (if applicable) or a notarial certified copy thereof, must: (a) if sent personally or by post, be lodged at the office of the Company at 15 Scotts Road, #08-05, 15 Scotts, Singapore 228218; or (b) if submitted electronically, be submitted in PDF format by email and be received by the Company's Share Registrar at sg.is.proxy@sg.tricorglobal.com, in either case, by 2:00 p.m. on 25 April 2022 (being not less than seventy-two (72) hours before the time appointed for holding the AGM) (or at any adjournment thereof) and in default the instrument of proxy shall not be treated as valid.

In view of the current COVID-19 situation, members are strongly encouraged to submit their completed proxy forms electronically via email.

6. The instrument appointing a proxy must be under the hand of the appointor or on his/her attorney duly authorised in writing. Where the instrument appointing the proxy is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or duly authorised officer, failing which the instrument of proxy may be treated as invalid. Where an instrument appointing the proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument appointing proxy is submitted by post, be lodged with the instrument of proxy or, if the instrument appointing the proxy is submitted electronically via email, be emailed with the instrument of proxy, failing which the instrument may be treated as invalid.
7. A corporation which is a member of the Company may authorise by resolution of its director or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with its constitution and Section 179 of the Companies Act.
8. The Company shall be entitled to reject the instrument appointing the proxy 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 the proxy.
9. In the case of members whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing the proxy lodged or submitted if such members are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting an instrument appointing a proxy, the member accepts and agrees to the personal data privacy terms set out in the accompanying Notice of AGM.

SEROJA INVESTMENTS LIMITED

15 Scotts Rd, Thong Teck Building
#08-05, Singapore 228218
Tel: +65 6438 4221
Fax: +65 6438 8782

Designed and Printed by
Asdor Digital
www.asdordigital.com.sg