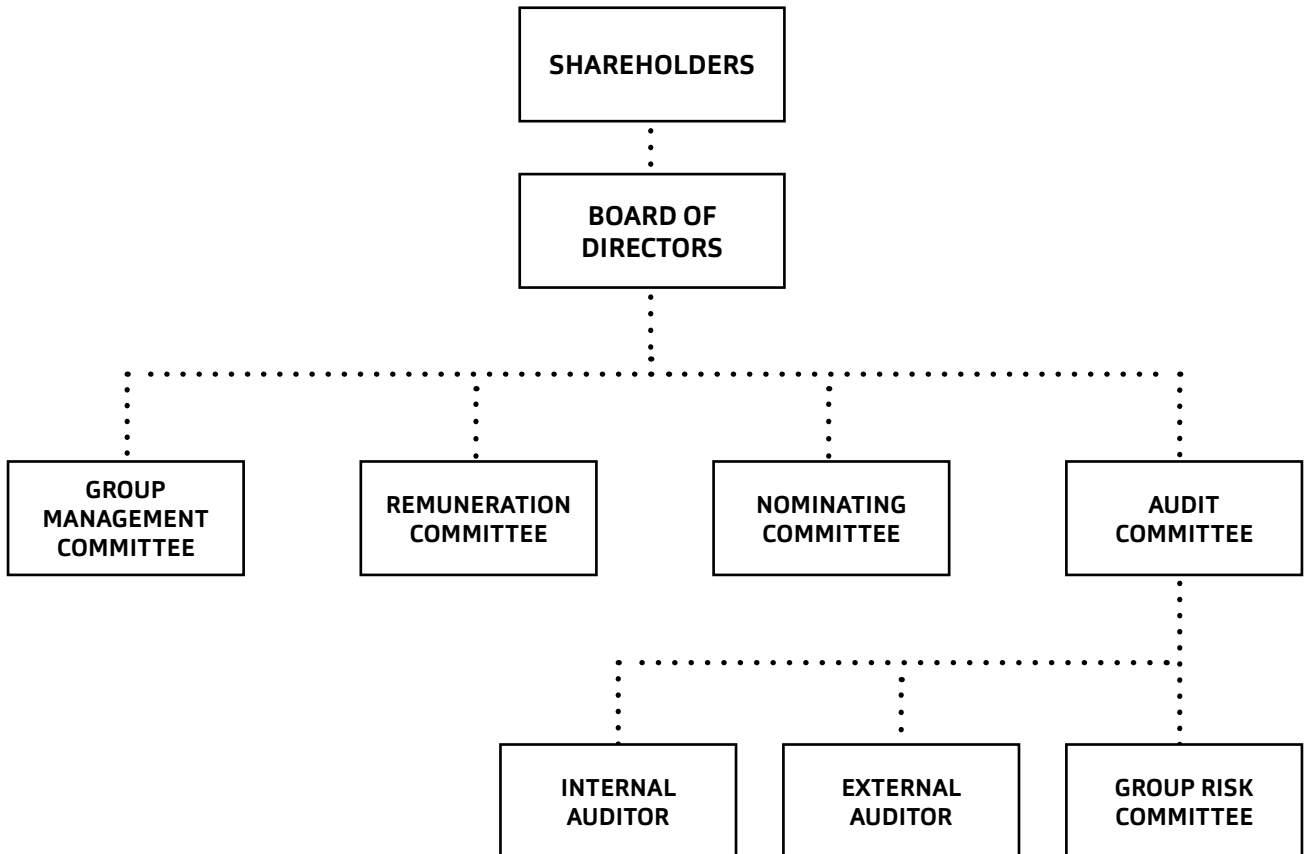


# CORPORATE GOVERNANCE REPORT

## CORPORATE STRUCTURE



# CORPORATE GOVERNANCE REPORT

## INTRODUCTION

Intraco Limited is committed to ensuring and maintaining a high standard of corporate governance. It understands that it not only has to be legally compliant and socially responsible but also to deliver performance and manage shareholders' and other stakeholder's expectations.

The focus has been to continue engaging and providing oversight of Management's actions and strategic directions with the Board of Directors of the Company (the "Board"). Such Board oversights of the Company are facilitated through regular Board's and Board Committees' meetings and guiding Management in improving internal processes, instilling business values and beliefs with the support of the Board and respective Board Committees. The Board is committed to adopting the best practices in ensuring the spirit of Corporate Governance while carrying out its duties and responsibilities under the framework and rules of the Board's operating processes, policies and guidelines.

In keeping with its commitment to a high standard of corporate governance, the Board and Management endeavour to align the Company's governance framework with the principles and provisions of the Code of Corporate Governance 2018 (the "Code").

This report describes the corporate governance framework and practices of the Company with specific reference to each principle as set out in the Code. For the financial year ended 31 December 2024 ("FY2024"), the Board is pleased to report that the Company has complied in all material aspects with the Code. Where there are deviations from any of the guidelines of the Code, explanations as to how the Company's practices were consistent with the intent of the Principle in question are provided in this report. The Company reviews its practices on an ongoing basis, as and when required.

## BOARD MATTERS

### THE BOARD'S CONDUCT OF AFFAIRS

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

#### Provision 1.1 – Role of the Board

The Board assumes responsibility for stewardship of the Group and is primarily responsible for the protection and enhancement of long-term value and returns for the shareholders. It has oversight responsibility over the management of the business and affairs of the Group. The Board also sets the tone for the Group where ethics and values are concerned.

Apart from its statutory responsibilities, the Board also:

1. provides entrepreneurial leadership and guidance on the overall strategic direction, oversees the proper conduct of the business, performance and affairs of the Group and ensures that the necessary financial, human and operational resources are in place for the Group to meet its objectives;
2. sets objective performance criteria to evaluate the Board, individual Directors and Board Committees' performance and succession planning process;
3. reviews the adequacy and effectiveness of the Group's risk management and internal controls framework including financial, operational, compliance and information technology controls and establishing risk appetite and parameters to safeguard shareholders' interests and the Group's assets;

# CORPORATE GOVERNANCE REPORT

4. reviews and approves key operational and business initiatives, major funding proposals and other corporate actions, significant investment and divestment proposals, including determining the Group's operating and financial performance, the Group's annual budgets and capital expenditure, release of the Group's half-year and full-year financial results and other strategic initiatives proposed by Management;
5. conducts strategic reviews of the Company and annual plans with Management for execution to fulfil key management performance and Company's strategic goals;
6. approves all Board appointments/re-appointments and appointment of Chief Executive Officer ("CEO") and other persons having authority and responsibility for planning, directing and controlling the activities of the Company ("Key Management Personnel" or "KMP"), evaluates their performance and approves their remuneration packages;
7. establishes broad goals and priority for Management and reviews Management's performance by monitoring the achievement of these goals;
8. approves the nominations for the Board and Board Committees by the Nominating Committee;
9. reviews recommendations made by the Audit Committee on the appointment, re-appointment or removal of external auditors;
10. reviews recommendations made by the Remuneration Committee and approves the remuneration packages for the Board and KMP;
11. ensures effective communication with, and transparency and accountability to key stakeholder groups;
12. sets the Company's values and standards (including ethical standards), and ensures that obligations to shareholders and other stakeholders are understood and met;
13. considers sustainability matters, e.g. environmental, health and safety and social factors, as part of its strategic formulation;
14. sets out policy and framework for promoting diversity on the Board;
15. succession planning for the Board and KMP; and
16. reviews recommendations by the AC for any whistle-blowing investigations on practices and infractions of company policies, processes and procedures, staffing and personnel matters, and commercial and legal compliance matters.

In discharging the Directors' fiduciary duties, all Directors are expected to exercise due diligence and independent judgement and make decisions objectively in the best interest of the Company. A Director who is interested in a transaction or proposed transaction is required to declare if he/she has a conflict or potential conflict of interest and recuse himself/herself from deliberation and decisions involving the areas of potential conflict.

For the purposes of Section 156 of the Companies Act, each Director has given notice to the Company of the entities in which he/she is an officer or member of, and which should be regarded as being interested in any transaction between the Group and such entity. The Directors will periodically update the notice wherever there is any change in his/her directorships.

# CORPORATE GOVERNANCE REPORT

The Company has established internal policies and procedures on the types of transactions/activities and financial authorisation limits that require Board approval. These include approval of annual budgets, financial statements, business strategies, and material transactions such as acquisitions, divestments, funding and investment proposals, all commitments to term loans and lines of credit from banks and financial institutions. Below the Board level, there is appropriate delegation of authority and approval sub-limits at management level, to facilitate operational efficiency.

## CODE OF BUSINESS CONDUCT AND ETHICS

The Board has put in place a Code of Business Conduct and Ethics to guide the Directors on the areas of ethical risk, and help nurture an environment where integrity and accountability are key.

The Group's Code of Business Conduct and Ethics includes the following key principles:

1. Directors must avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of the Group;
2. Directors must immediately declare conflicts of interest in relation to any matter and recuse themselves from participating in any discussion and/or decision on the matter, and are expected to take necessary mitigating steps (if appropriate) to avoid the conflict;
3. Directors should inform the Secretary in writing as soon as practicable upon any appointments to the board of directors of another public or private company or principal commitments;
4. Directors are to exercise due care and maintain the confidentiality of information entrusted to them by the Company or other parties who have business dealings with the Group;
5. Directors must carry out their responsibilities in compliance with the Company's guidelines and policies, and applicable laws, rules and regulations; and
6. Directors must not trade in the securities of the Company if, at the relevant time, they are in possession of non-public materially price-sensitive or trade-sensitive information.

### Provision 1.2 – Disclosure on Directors' discharge of duties and responsibilities

All Directors exercise due diligence and independent judgement in dealing with the business affairs of the Group and are obliged to act in good faith and to take objective decisions in the interest of the Group.

### Role of Non-Executive Directors

The Non-Executive Directors exercise objective judgement on the Group's affairs independently from Management. The Non-Executive Directors also contribute to the Board process by (monitoring and) reviewing Management's performance against goals and objectives. Their views and opinions provide alternate perspectives to the Group's business. When challenging Management's proposals or decisions, they bring independent judgement to bear on business activities and transactions involving conflicts of interest and other complexities. The challenge is conducted in a constructive and professional atmosphere to evaluate the business options and other risks associated with it adding fresh dimensions to Management's strategy for the best outcome.

# CORPORATE GOVERNANCE REPORT

## Meetings without Management

The Non-Executive Directors and/or Independent Directors also meet regularly during scheduled and ad-hoc meetings where required without presence of Management to facilitate more open discussions. In furtherance to such meetings, casual discussions were also carried out as and when the need arises to enable the Non-Executive Directors and/or Independent Directors to discuss underlying issues of the Group. All Non-Executive Directors are resident in Singapore.

## Directors to receive appropriate and relevant training

All newly-appointed Directors attend an orientation programme to familiarise themselves with the Group's business, operations and governance practices and they are also given materials containing such information. A formal letter of appointment is also provided to any newly appointed Director, setting out his/her duties and responsibilities.

The Group's policies and procedures are also given to the Directors to enable them to gain a clear understanding on the levels of authority in relation to transactions. In addition, Directors are provided with the contact numbers and email addresses of fellow Directors, key executives, the Company Secretaries and Auditors to facilitate efficient and direct access.

The Board is kept up-to-date from time to time on pertinent business developments in the Group's business, including key changes in relevant legislation and regulatory requirements, financial reporting standards, risk management, corporate governance, sustainability issues and industry specific knowledge so as to enable them to properly discharge their responsibilities as Board members or Board committee members. Directors and Management also attend courses to keep abreast of changes in the law and governance matters that may affect the Group.

The Board values ongoing professional development and recognises that it is important that all Directors receive regular training so as to be able to serve effectively on, and contribute to the Board. The Company has a budget for Directors to receive further relevant training of their choice in connection with their duties as Directors.

As part of the Board continuing professional development, the Directors had received more than 11 training hours in aggregate through attending various training seminars, courses, conferences and workshops during the year. The Company maintains a register of training to keep track of the training and development hours spent by Directors.

During the year, the Directors attended professional development programmes organised by SID in collaboration with ACRA and SGX as follows:

- Environmental, Social and Governance Essentials (Core)
- Navigating Towards International Sustainability Standards Board (ISSB) Compliance

In addition, all the Board members have completed the mandated sustainability training courses as required under Listing Rule 720(7).

Further, articles, press releases, reports issued by SGX and ACRA which are relevant to the Group's business and compliance obligation are circulated to the Board. The external auditors, BDO LLP, routinely update the Audit Committee on new and revised financial reporting standards applicable to the Company.

# CORPORATE GOVERNANCE REPORT

## Provision 1.3 – Board Approval

The Company has established internal policies and procedures on the types of transactions/activities and financial authorisation limits that require Board approval. These include approval of annual budgets, financial statements, business strategies, and material transactions, such as acquisitions, divestments, funding and investment proposals, all commitments to term loans and lines of credit from banks and financial institutions. Below the Board level, there is appropriate delegation of authority and approval sub-limits at management level, to facilitate operational efficiency.

## Provision 1.4 – Delegation of Authority by the Board to Board Committees

To assist in the execution of its responsibilities, the Board had established three (3) Board Committees, namely the Audit Committee (“AC”), Nominating Committee (“NC”), and Remuneration Committee (“RC”), and delegated specific areas of responsibilities to these Board Committees. Each of these Board Committees functions within clearly written terms of reference (“TOR”), which have been approved by the Board.

The composition of the three (3) Board Committees is as follows:

Directors	AC	NC	RC
Mr Mak Lye Mun (Executive Chairman)	-	-	-
Mr Soh Chung Hian	Chairman	Member	Member
Mr Tan Hup Foi @ Tan Hup Hoi	Member	Chairman	-
Ms Ong Beng Hong	-	Member	Chairman
Mr Charlie Ng How Kiat	Member	-	Member

The Board Committees have the authority to deliberate any issue that arises in their specific areas of responsibilities within their respective TOR and report to the Board with their decisions and/or recommendations. The ultimate responsibility and authority for the decisions and actions on all matters rest with the Board.

Besides the Board Committees, there are separate sub-committees at Management level to assist the AC and the Board. The below sub-committees were established and each sub-committee is guided by their respective TOR.

### Group Management Committee (“GMC”)

The GMC comprising senior management of the Group’s business units is headed by Mr Mak Lye Mun, the Executive Chairman and Director. The GMC reports directly to the Board.

Under the GMC’s TOR, the GMC is to provide oversight over the business activities of the Group through:

- developing and implementing business strategies, financial and operational plans, forecasts and budgets, policies and procedures;
- driving and monitoring the businesses, operating and financial performance;
- risks management and internal controls; and
- prioritising and allocating resources.

# CORPORATE GOVERNANCE REPORT

## Group Risk Committee (“GRC”)

The GRC, headed by Mr Michael Tan Kong Yew comprises certain senior management of the Group and reports directly to the AC.

The GRC focuses on identifying, monitoring, tracking and providing guidance on material risks of the Group. This allows for a more structured approach in the Group’s Enterprise-Wide Risk Management where the GRC will act as a dedicated committee to have visibility across the entire Group’s material risk activities.

Under the GRC’s TOR, the GRC is to provide oversight under delegated authority of the AC the expected material risks of the Group through:

- driving and setting of the Group’s risk policy direction and framework via the Group’s Material Risk Policy;
- identifying and prioritising measurable key material risk metrics to be periodically monitored and reviewed;
- approving (subject to approval of respective entity’s Board) material limits and delegated authority to business units and/or employees of the Group; and
- ordering of investigation or unscheduled audit review on serious lapses and breaches and appointment of ad-hoc disciplinary committee and decide on its recommendation.

## Provision 1.5, 1.6 & 1.7 – Board Processes

The Board and Board Committees meet regularly and whenever necessary to discharge their duties. When required, the Board also sets aside time at the scheduled meetings to meet without the presence of Management. The annual schedules of Board and Board Committee meeting dates are scheduled in advance each year in consultation with the Directors to assist them in planning their attendance.

Ad-hoc meetings are convened when required to address any significant issues that may arise in-between scheduled meetings. Where physical meetings are not possible, timely communication is achieved through electronic means and circulation of written resolutions for approval. The Company’s Constitution provides that the Directors may conduct meetings by means of telephone or video conference or other methods of simultaneous communication.

All draft agendas for meetings are prepared by the Company Secretaries and reviewed by the Chairman of the Board or the Chairman of the respective Board Committees. Papers and/or other information are forwarded to the Directors at least a week in advance of each meeting, enabling sufficient time for their review and consideration. Members of Management are also invited to attend the meetings to present information and/or render clarification when required.

The Board’s responsiveness has allowed Management to manage business and corporate matters effectively. Individual Directors make themselves available and accessible to Management for discussion and consultation outside the formal Board and Board Committees’ meetings.

Senior executives also make presentations on the performance of the Group’s various businesses and business strategies at these meetings. These allow the Board to have a good understanding of the Group’s operations and actively engage in robust discussions with the Group’s senior executives.

Directors may request for further explanation, briefings or discussions on any aspect of the Group’s operations or business from Management. As and when required, Board members meet to exchange views outside the formal environment of Board meetings.

# CORPORATE GOVERNANCE REPORT

A record of the Directors' attendance at the Board and Board committee meetings as well as general meetings for FY2024 is set out below:

	Board	AC	NC	RC	AGM	Extraordinary General Meeting
<b>No. of Meetings held during 2024</b>	<b>4</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Name of Directors</b>	<b>No. of Meetings attended in FY2024</b>					
Mr Mak Lye Mun	4	4 *	1*	1*	1	1
Mr Soh Chung Hian <sup>(1)</sup>	3	3	-	-	-	-
Ms Ong Beng Hong	4	4*	1	1	1	1
Mr Tan Hup Foi @ Tan Hup Hoi <sup>(2)</sup>	3	3	-	-	-	-
Mr Charlie Ng How Kiat	4	4	1*	1	1	1
Dr Tan Boon Wan <sup>(3)</sup>	1	1	1	1	1	1
Dr Steve Lai Mun Fook <sup>(4)</sup>	1	1	1	1*	1	1

\*as invitee

Notes:

- (1) Mr Soh Chung Hian was appointed as a Director on 26 April 2024.
- (2) Mr Tan Hup Foi @ Tan Hup Hoi was appointed as a Director on 26 April 2024.
- (3) Dr Tan Boon Wan retired as a Director on 25 April 2024.
- (4) Dr Steve Lai Mun Fook retired as a Director on 25 April 2024.

The Chief Operating Officer and the Financial Controller of the Company attended all AC and Board meetings held during the year.

Other KMPs were also invited to the AC and/or Board meetings when needed.

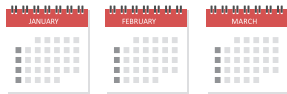


# CORPORATE GOVERNANCE REPORT

## BUSINESS PROCESSES UNDERTAKEN BY THE BOARD

### **intraco** Board and Management Operating System – 2024 Business Process & Operating Mechanisms aligned

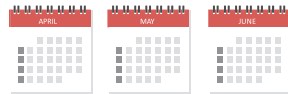
#### 1st Quarter 2024



#### Board Meeting 1

Review of FY2023 Results  
 Evaluation of Board/Board Committees/Individual/ Executive Director Performance  
 Review of remuneration packages for Directors and key management personnel  
 Key business units' update

#### 2nd Quarter 2024



#### Annual General meeting Board Meeting 2

Review of 1Q2024 financial performance of the Group  
 Key business units' update

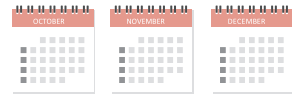
#### 3rd Quarter 2024



#### Board Meeting 3

Half-Year Results Announcement, Operations Report  
 Key business units' update

#### 4th Quarter 2024



#### Board Meeting 4

Review of 3Q2024 Performance  
 Review estimated FY2024 Financial  
 Performance vs FY 2024 Budget  
 Review of FY2025 Budget  
 Key business units' update

### **intraco** Board and Management Operating System – 2025 Business Process & Operating Mechanisms aligned

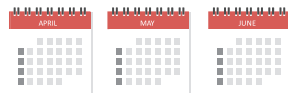
#### 1st Quarter 2025



#### Board Meeting 1

Review of FY2024 Results  
 Evaluation of Board/Board Committees/Individual/ Executive Director Performance  
 Review of remuneration packages for Directors and key management personnel  
 Key business units' update

#### 2nd Quarter 2025



#### Annual General meeting Board Meeting 2

Review of 1QFY2025 financial performance of the Group  
 Key business units' update

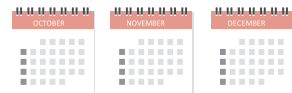
#### 3rd Quarter 2025



#### Board Meeting 3

Half-Year Results Announcement, Operations Report  
 Key business units' update

#### 4th Quarter 2025



#### Board Meeting 4

Review of 3Q2025 Performance  
 Review estimated FY2025 Financial  
 Performance vs FY2025 budget  
 Review of FY2026 Budget  
 Key business units' update

The above sets out the typical Board processes during the preceding and current calendar year.

# CORPORATE GOVERNANCE REPORT

During the full year meeting, the Board will review the Group's full year performance and matters to be included in the Company's Corporate Governance Report. The adequacy and effectiveness of internal controls of the Group will be ascertained simultaneously when reviewing risks under the "Risk Management and Internal Controls" section below.

The KMP succession planning will be reviewed by the NC where priorities and gaps concerning management leadership within the Group will be discussed.

Apart from the review of the Group's half year and full year results announcement, the AC and Board also monitor the Group's performance for the second and third quarter among other matters. It is also an opportune time to review the progress made by the Group in comparison with its budget decided at the beginning of the year and elaborate the plans and strategies for the future. Heads of business units will be invited to participate in the session. The Board with Management will discuss the mitigation or action plans to achieve the agreed targets.

In the fourth quarter of the year, another performance gap review will be carried out where the Board and Management will fine tune the Group's strategy. The budgets and operating plans for the next fiscal year are also tabled and reviewed at the Board meeting.

## Access to Information

To assist the Board in fulfilling its responsibilities, Management provides the Board with reports containing complete, adequate and timely information prior to Board meetings. The Board has unrestricted access to Management and also receives quarterly reports on the financial performance of the Group, strategy implementation updates, key operational matters and updates on potential investment opportunities.

Board and Board Committees papers are disseminated electronically.

Information provided includes background or explanatory materials related to matters to be reviewed and matters under review by the Board, copies of disclosure documents, budgets, forecasts and internal financial statements. Any material variance between the projections and actual results in respect of budgets, is also disclosed and explained.

The Board is also regularly provided with information and updates on the Company's policies and procedures relating to issues pertaining to governance, disclosure of interests in securities and restrictions on disclosure of price sensitive information, changes in reporting standards and issues which have a direct impact on financial statements so as to enable them to properly discharge their duties and responsibilities as Board members or Board committee members. Where necessary, critical information is highlighted promptly.

Minutes of all Board Committee meetings are circulated to the Board so that Directors are aware of and kept updated as to the proceedings and matters discussed during such meetings. This will also enable the Directors to weigh in on any key points under consideration.

Where appropriate, Directors may also be invited to attend the Board Committee meetings to deliberate the matter collectively.

## Access to Management and Company Secretaries

The Board has separate and independent access to Management, the Company Secretaries, as well as to the internal and external auditors. The Company Secretaries attends all Board and Board Committees meetings and are responsible for ensuring that Board procedures are observed and that applicable rules and regulations are complied with. The Company Secretaries also provide periodic updates to the Board on relevant regulatory changes affecting the Company.

The appointment and removal of the Company Secretaries is a matter for the Board as a whole.

# CORPORATE GOVERNANCE REPORT

## Access to independent professional advice at the Company's expense

The Company has in place a Board endorsed procedure to enable the Directors, whether as a group or individually, to obtain independent professional advice at the Company's expense as and when necessary in furtherance of their duties. Independent advisors include legal, financial, tax, board compensation and M&A functions. The appointment of any such professional advisor is subject to approval by the Board.

## 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.*

### Provision 2.1, 2.2 & 2.3 – Board Composition and Independence of Directors

As at the date of this report, the Board comprises five (5) Directors, one (1) of whom is an Executive Director, three (3) of whom are Independent Directors and one (1) of whom is a Non-Independent, Non-Executive Director. The composition of the Board is as follows:

Mr Mak Lye Mun	Executive Chairman and Director
Mr Soh Chung Hian	Lead Independent Director
Mr Tan Hup Foi @ Tan Hup Hoi	Independent Director
Ms Ong Beng Hong	Independent Director
Mr Charlie Ng How Kiat	Non-Independent, Non-Executive Director

Independent Non-Executive Directors make up a majority of the Board. There are currently no Alternate Directors on the Board.

### Nominee Director Policy

The Company is represented by its key management on the Boards of its subsidiaries.

The representatives on the Group's subsidiary are also guided by its internal nominee director policy where the responsibilities and the duties of the nominee directors are stated clearly therein, notwithstanding that they each owe a fiduciary duty to act in the best interests of the company whose Board they served on, have to:

- serve as a conduit for relaying the views of the Company;
- provide oversights which are consistent with the strategies and goals of the Company;
- communicate regularly to the Company on the operations, subject to regulatory restrictions; and
- apart from familiarising themselves with the business operations and applicable regulations and constitution of the Company and the company on whose board they sit on, they are expected to be familiar with, where applicable, the Company's policies and procedures (including, inter alia, its enterprise risk management framework).

# CORPORATE GOVERNANCE REPORT

## Independence of Director

The NC reviews annually the independence of each Director considering the existence of relationships or circumstances, including those provided in the Code, and considers whether a Director has business relationships with the Group. On the latter, the NC will consider whether such relationship can interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent judgement. Each Independent Director is required to complete a Confirmation of Independence form based on Principle 2 of the Code for the NC's review and recommendation to the Board.

Each independent Director is required to complete an annual declaration to confirm his/her independence based on the applicable Listing Rules and the guidelines as set out in the Code. For the year under review, the NC examined the relationships that might impair the Directors' independence and is satisfied that all the three independent Directors, namely Mr Soh Chung Hian ("Mr Soh"), Mr Tan Hup Foi @ Tan Hup Hoi ("Mr Tan") and Ms Ong Beng Hong ("Ms Ong"), are independent. Each of the NC members abstained from any discussion and voting on his/her independence matter.

Each of Mr Soh, Mr Tan and Ms Ong has also confirmed their independence. Mr Charlie Ng How Kiat ("Mr Ng") is not independent by virtue of him representing the interests of the 5% shareholders (as defined under the Code) of the Company.

At the end of FY2024, the NC noted that none of the Independent Directors has served on the Board beyond nine years from the date of his or her first appointment.

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

Name of Director	Position	Date of Initial Appointment	Date of last Re-appointment/ Re-election
Mr Mak Lye Mun	Executive Chairman and Director	29 April 2021	25 April 2024
Mr Soh Chung Hian	Lead Independent Director	26 April 2024	-
Mr Tan Hup Foi @ Tan Hup Hoi	Independent Director	26 April 2024	-
Ms Ong Beng Hong	Independent Director	1 September 2022	25 April 2023
Mr Charlie Ng How Kiat	Non-Independent Non-Executive Director	22 November 2012	25 April 2023

The NC is of the view that in assessing the independence of any Independent Director, one should consider the substance of their professionalism, integrity and objectivity and not merely based on the number of years which they have served on the Board. The rationale for the continuation to serve as an Independent Director is that he/she continues to exercise independent judgement and over time has also developed significant insights of the Group's business and operations and can significantly continue to provide noteworthy and valuable contributions to the Board.

# CORPORATE GOVERNANCE REPORT

## Provision 2.4 – Board to determine its appropriate size and Board Diversity

On a yearly basis, the NC reviews the size and composition of the Board to ensure that the size of the Board is conducive for effective discussions and decision-making and that the Board has the appropriate mix of expertise and experience as well as an appropriate balance of Independent Directors.

The Company has a focused board renewal strategy to progressively bring in diversity of skillsets, views and backgrounds in alignment with the growth of the Group. One-third of the Company's directors (excluding newly appointed directors who will be retiring and seeking re-election pursuant to regulation 119 of the Company's Constitution) will retire and seek re-election at every AGM.

The current Board is made up of a team of high calibre leaders whose diverse expertise and experience in accounting & finance, banking, strategic planning, human resource management, business and management, legal and regulatory, industry knowledge combined provides core competencies necessary to lead and govern the Group effectively. The Directors' objective judgement, collective experience and knowledge are invaluable to the Group and allow for the useful exchange of ideas and views.

The NC, with the concurrence of the Board, considers its current board size of five (5) Directors appropriate for effective decision-making, considering the scope and nature of the Group's businesses and operations.

## Board Diversity

The Board has put in place a Board Diversity Policy which endorses the principle that a diverse Board will enhance the decision-making process by utilising a variety of skills, industry and business experience, gender, age and other distinguishing qualities of the members of the Board. In accordance with the Board Diversity Policy, the NC shall strive for the inclusion of diverse groups and viewpoints. The final decision on selection of directors will be based on merit against the objective criteria set and after giving due regard for the benefits of diversity on the Board.

The Board, supported by the NC, on an annual basis, also reviews the Board's diversity, covering aspects ranging from skills, experience, background, gender, age, ethnicity and culture, tenure of service, independence and other competencies and is of the view that the Board provides an appropriate balance and diversity of skills, experience, background, age and knowledge.

## Skills and Expertise

As at the date of this Annual Report, the Board comprises Directors who, as a group, possesses diverse skills and experience including:

1. Accounting & Finance
2. Business and Human Resource Management
3. Strategic Planning and Corporate Development
4. Legal and Regulatory
5. Risks and Credit management

The Board is of the view that it has achieved the skills and expertise diversity in its composition.

# CORPORATE GOVERNANCE REPORT

## Gender Diversity

The NC, with the concurrence of the Board, has agreed to the target of achieving 20% female director on its Board at all times.

The Board has achieved its gender diversity target with Ms Ong on the Board.

## Age Diversity

The Board consists of directors with ages ranging from early 50s to early 70s, who have served on the Board for different tenures. The Board members with their combined business, management and professional experience, knowledge and expertise, provide the core competencies to allow for diverse and objective perspectives on the Group's business and direction.

The NC will continue to review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and will recommend appropriate revisions to the Board for consideration and approval. It will also continue its identification and evaluation of suitable candidates to ensure there is diversity on the Board, taking into account the scope of the Group's businesses and operation.

## CHAIRMAN AND THE 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.*

### **Provision 3.1 – Chairman and Chief Executive Officer (“CEO”) should be separate persons**

Mr Mak Lye Mun (“Mr Mak”) is the Executive Chairman and Director of the Company. As the sole Executive Director, Mr Mak oversees the running of the Group's businesses. He is further supported by the Chief Operating Officer (“COO”) of the Company and the key management of the Group's business unit.

Considering the above, the Board is of the view there is no necessity to appoint a Chief Executive Officer (“CEO”). The nature of the Group's business merit the continuity of an Executive Director to provide Independent Directors with the requisite background and knowledge to facilitate their independent judgement and decision-making.

The Board is of the view that there is adequate accountability and transparency within the Group. Given that there is a majority of Independent Non-Executive Directors, the Board is also of the view that there are sufficient safeguards and checks to ensure that the process of decision making by the Board is based on collective decisions without any individual or group of individuals exercising any considerable concentration of power or influence.

### **Provision 3.2 – Roles of Chairman and CEO**

The Executive Chairman presides over the business of the Board and monitors the translation of the Board's decisions and directions into executive action. In addition, the Executive Chairman provides close oversight, guidance, advice and leadership to the senior management. The Executive Chairman also plays a crucial role in fostering constructive dialogue between shareholders, the Board and Management at the Company's general meetings. The Executive Chairman leads the Company's drive to achieve and maintain a high standard of corporate governance with the full support of the Board, Management and Company Secretaries.

# CORPORATE GOVERNANCE REPORT

The Executive Chairman leads the Board and ensures the effectiveness on all aspects of its role. His responsibilities include, inter alia:

1. constructively determining and approving, with the full Board, the Company's strategic direction;
2. ensuring that the Board is properly organised, functioning effectively and meeting its obligations and responsibilities;
3. ensuring that Directors receive complete, adequate and timely information;
4. fostering effective communication and constructive relations amongst the Directors, within Board Committees, between shareholders, between the Directors and Management;
5. day-to-day running of the Group's business in accordance with the business plans and within approved budgets;
6. developing and proposing the Group's strategies and policies for the Board's consideration;
7. implementing the strategies and policies approved; and
8. overseeing the affairs of the Group in accordance with the policies, practices, procedures and values adopted by the Board.

The Executive Chairman also promotes and instills in the entire leadership team the highest standards of integrity, probity and corporate governance within the Group.

## **Provision 3.3 – Lead Independent Director**

Mr Soh is the Lead Independent Director of the Company.

All Non-Executive Directors, led by the Lead Independent Director, meet regularly with the Executive Director and Management to develop strategies for the Group, review the performance of Management and discuss corporate governance matters. Where warranted, the Non-Executive Directors meet for discussions in the absence of Management. The Lead Independent Director provides feedback to the Board as appropriate.

The Lead Independent Director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

# CORPORATE GOVERNANCE REPORT

## 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.*

### **Provision 4.1 & 4.2 – Composition and Role of Nominating Committee (“NC”)**

The NC comprises the following members, all of whom (including the Chairman) are Independent Directors:

Mr Tan Hup Foi @ Tan Hup Hoi (Chairman, Independent Director)  
Mr Soh Chung Hian (Lead Independent Director)  
Ms Ong Beng Hong (Independent Director)

For the year under review, the NC held one meeting and the NC Chairman reports formally to the Board on its proceedings after its meeting on all matters within its duties and responsibilities.

The NC performs the following functions as provided in its TOR:

1. identifying candidates and reviewing all nominations for the appointment or re-appointment of Directors, the CEO of the Group, and determining the selection criteria;
2. reviewing the independence of each Independent Director annually;
3. deciding whether a Director is able to and has been adequately carrying out his duties as Director of the Company, particularly where the Director has multiple board representations;
4. reviewing the Board structure, size and composition and making recommendations to the Board with regard to any adjustments that are deemed necessary;
5. reviewing Board succession plans for Directors, in particular, the Chairman, the CEO and KMPs;
6. determining how the Board and Board Committees’ performance may be evaluated and proposing objective performance criteria for the Board’s approval;
7. reviewing the training and professional development programmes for the Board;
8. reviewing the Board structure, size, composition and balance and making recommendations to the Board; and
9. the re-election of Director(s) by shareholders under the “retirement by rotation” provisions in the Company’s Constitution having due regards to the composition and progressive renewal of the Board, and the competency, performance and contribution of the Director including his attendance, preparedness and participation at Board and its Board Committees meetings. A Director’s time and effort accorded to the Company’s business and affairs will also be considered.

The NC has reviewed its terms of reference to be in line with the Code and the Listing Rules. Further, the NC has also reviewed the Board Diversity Policy and the progress toward achieving the Board Diversity Policy as described under Provision 2.4.



# CORPORATE GOVERNANCE REPORT

## Provision 4.3 – Procedure for Selection, Appointment and Re-appointment of Directors

The NC recognises succession planning as an important part of the governance process and reviews succession plans annually to ensure that Board membership is refreshed progressively and in an orderly manner. The NC had put in place a formal process for shortlisting, evaluating and nominating candidates for appointment as new Directors.

When an existing Director chooses to retire or the need for a new Director arises, either to replace a retiring Director or to enhance the Board's composition, the NC, in consultation with Management and the Board, determines the qualifications and expertise required or expected of a new Board member. The NC will also consider the current Board size, structure, composition, diversity of skill, competencies and gender. Prospective candidates are sourced through recommendations from Board members, business associates, advisors, professional bodies and other industry players. These candidates are then reviewed by the NC.

The selection criteria include qualifications, integrity, independence, leadership skills, competencies, industry experience, time commitment, financial literacy and ability to contribute effectively to the Board.

The evaluation process will also involve an interview or meeting with the nominee or candidate. Appropriate background and confidential searches will also be made. Recommendations of the NC are then put to the Board for consideration. Any appointment to Board Committees is reviewed and approved at the same time.

The Company may appoint professional search firms and recruitment consultants to assist in the selection and evaluation process if the appointment involves specific skill sets or industry specialisation.

Two new Directors, namely Mr Soh and Mr Tan, were appointed to the Board on 26 April 2024 after the last AGM of the Company. This was part of refreshing the Board which would enable the Board to tap into new external perspectives and insights from new appointees. Mr Tan is an experienced director who is familiar with the running of both private and public organisations while Mr Soh used to be an audit partner of a big four audit firm and he continues to lend his expertise and experience in both the private and public sectors.

Accordingly, Mr Soh and Mr Tan will be retiring under Regulation 119 of the Company's Constitution, and being eligible, each of Mr Tan and Mr Soh has offered himself for re-election at the forthcoming AGM. Mr Soh and Mr Tan will, upon re-election as Director of the Company, each remain as an Independent Director with Mr Soh remaining as the Lead Independent Director.

In accordance with Regulation 115 of the Company's Constitution, at least one-third of the Directors (excluding newly appointed directors who will be retiring and seeking re-election pursuant to Regulation 119 of the Company's Constitution) for the time being shall retire from office by rotation. The retiring Directors are eligible to offer themselves for re-election.

The NC had recommended to the Board that Mr Ng shall retire in accordance with Regulation 115 of the Company's Constitution and be nominated for re-election at the forthcoming AGM. The Board had accepted the NC's recommendation.

Mr Soh, Mr Tan and Mr Ng had each abstained from the discussion and taking a decision in respect of his own nomination.

## Provision 4.4 – NC's Determination of Independent Director's Independence

The NC is charged with determining the independence of the directors as set out under Provision 2.1 above as well as the relationships or circumstances which would deem a director not to be independent. The NC had reviewed the independence of Mr Soh, Mr Tan and Ms Ong as described under Principle 2 above.

# CORPORATE GOVERNANCE REPORT

## Provision 4.5 – Board Representations

Where a Director has multiple Board representations, the NC will determine if the Director has been able to devote sufficient time and attention to the Company's affairs and if he/she has been adequately carrying out his duties as a Director. The recommendation of the NC for the nomination of a Director for re-election is then made to the Board. The Board will review this recommendation.

All Directors are required to declare their Board representations. The NC is of the view that the number of directorships a Director can hold and his/her principal commitments should not be prescriptive as the time commitment for each board membership will vary. The NC also considers both the results of the assessment of the effectiveness of the individual Directors and their actual conduct during Board and Board Committee meetings and ad-hoc discussions and considers the number of listed company board representations which each Director holds on an annual basis or from time to time when the need arises. In this respect, the NC believes that it would not be necessary to prescribe a maximum number of listed company board representations a Director may hold. The Board affirms and supports this view.

During the year, the NC had reviewed the assessment of the individual Director and the directorships and principal commitments disclosed by each Director and was of the view that the existing directorships and principal commitments of the respective Directors do not impede their abilities to discharge their duties to the Company. The Board concurred with the NC.

The table below shows the disclosure of directorships and chairmanships held over the preceding three years in other listed companies as well as other principal commitments of each respective Director:

Name of Director	Past Directorships in other listed companies and principal commitments over the preceding three years	Present Directorships in other listed companies and principal commitments
Mr Mak Lye Mun	Hwa Hong Corporation Limited	<u>Listed Companies</u> (i) Boustead Singapore Limited (ii) AVJennings Limited (iii) Well Chip Group Berhad
Mr Soh Chung Hian	British and Malayan Holdings Limited	<u>Listed Companies</u> (i) VICOM Ltd (ii) Sunright Limited
Mr Tan Hup Foi @ Tan Hup Hoi	(i) Transit Link Pte Ltd (ii) CSC Holdings Limited (iii) Orita Sinclair School of Design and Music Pte Ltd	<u>Listed Companies</u> (i) Credit Bureau Asia Limited (ii) 17LIVE Group Limited  <u>Principal Commitment</u> (i) Caring Fleet Services Limited

# CORPORATE GOVERNANCE REPORT

Name of Director	Past Directorships in other listed companies and principal commitments over the preceding three years	Present Directorships in other listed companies and principal commitments
Ms Ong Beng Hong	Nil	<u>Listed Companies</u> (i) Moneymax Financial Services Ltd. (ii) Civmec Limited  <u>Principal Commitments</u> (i) Wong Tan & Molly Lim LLC (ii) WTML Management Services Pte. Ltd.
Mr Charlie Ng How Kiat	Nil	<u>Principal Commitments</u> (i) Asia Resource Corporation Pte Ltd (ii) Macondray Holdings Pte. Ltd. (iii) Alliance Asia Holdings Pte. Ltd

## BOARD PERFORMANCE

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

### Provision 5.1 & 5.2 – Assessing the effectiveness of the Board, Board Committees, Individual Director

The Board has established a set of criteria for evaluating the effectiveness of the Board and Board Committees, as well as each individual Director.

The NC has in place an annual Board Performance Evaluation exercise to evaluate the effectiveness of the Board and facilitate discussion to enable Directors to discharge their duties more effectively. The evaluations are carried out by means of a questionnaire being completed by each Director. The results of the completed questionnaires are collated, and the findings are analysed and discussed by the NC, with comparatives from the previous year’s results and reported to the Board.

The availability of the performance evaluation results promptly allows the swift identification of issues and matters that may require the Board’s attention and development of action plans to resolve these issues.

The Board performance evaluation provides an opportunity to obtain constructive feedback from each Director on whether the Board’s procedures and processes had allowed him to discharge his duties effectively. The results of the respective Board Committees and the Board are comprehensively documented and shared amongst the Board Directors upon review by the NC.

### Board Evaluation Criteria

The Board evaluation questionnaire takes into consideration qualitative factors such as Board composition, information flow to the Board, Board process, Board accountability, Board diversity, matters relating to review of environmental, social and governance factors matters concerning top management and standards of conduct of Board members. The NC would review the need to set quantitative or qualitative targets for future performance criteria as appropriate.

The performance criteria will not be changed from year to year unless circumstances deem it necessary for any of the criteria to be changed, for example to align with changes to the Code and Listing Rules and the onus should be on the entire Board to justify the decision.

# CORPORATE GOVERNANCE REPORT

## Board Committees and Individual Director Evaluation

The NC also has an annual performance evaluation exercise for each of the Board Committees. The performance evaluations of the AC, NC and RC are similarly carried out with questionnaires. The results are collated and compiled by the Company Secretaries. The findings with comparatives from the previous year's results are discussed by the NC. Areas of strength or improvements and recommendations, if any, will be reported to the Board. The Board Committees performance evaluation questionnaires take into consideration the extent of how effectively each respective committee has carried out its duties and responsibilities.

The scope of evaluation covers the size, composition, trainings and resources, processes of the Board Committees and their access to information and reference to guidelines as set out in the SID's Board Committees Guide.

Individual Director assessment is also conducted whereby each Director is evaluated on his/her contributions to the proper guidance, diligent oversight and able leadership, and the support that he/she lends to Management in steering the Group.

The NC was generally satisfied with the FY2024 Board and Board Committees' performance evaluation results. No significant problems were identified. The NC will continue to review the evaluation process from time to time.

The NC is of the view that the primary objective of the assessment exercise is to create a platform to identify the Board Committees' and Board's strengths and make recommendations for improvements to be tabled to the Board for discussion and comment with a view to strengthening and effectiveness of the Board Committees and the Board. The Company has not engaged any external facilitator to conduct the performance evaluation of the Board Committees, Board and individual director. Where relevant and when the need arises, the NC will consider such an engagement.

## Executive Director Evaluation

The NC had also conducted an evaluation of the Company's Executive Director for FY2024. The criteria for the Executive Director evaluation focus on leadership, strategy formulation, strategy execution, financial planning/performance, human resources management/relations and relationship with the Board. The outcome of the evaluation was reported by the NC to the Board. Appropriate feedback to the Executive Director was conveyed by the NC Chairman.

## REMUNERATION MATTERS

**PRINCIPLE 6:** *There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.*

Provision 6.1 & 6.2 – Composition and Role of the Remuneration Committee ("RC")

The RC comprises the following members, two of whom (including the Chairman) are Independent Non-Executive Directors:

Ms Ong Beng Hong (Chairman, Independent Director)

Mr Soh Chung Hian (Lead Independent Director)

Mr Charlie Ng How Kiat (Non-executive Non-Independent Director)

For the year under review, the RC held one meeting and the RC Chairman reported formally to the Board on its proceedings after its meeting on all matters within its duties and responsibilities. Where required, the RC also sets aside time to meet without the presence of Management at RC meeting to discuss matters such as the remuneration of KMP.

# CORPORATE GOVERNANCE REPORT

The TOR of the RC include:

1. recommending Non-Executive Directors' fees, Executive Director's and CEO's (if any) remuneration to the Board in accordance with the approved remuneration policies and processes of the Company;
2. reviewing service contracts for the Executive Director, CEO and KMP to keep in line with the guidelines on contractual provisions set out in the Code;
3. looking into service contract provisions that allow the Group to reclaim incentive components of remuneration from the Executive Director, CEO (if any) and KMP in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group;
4. reviewing the remuneration of the top five (5) KMP (who are not Directors) in accordance with the approved remuneration policies and processes of the Company;
5. reviewing the eligibility of the Executive Director, CEO (if any) and KMP for benefits under any long-term incentive schemes;
6. administering the INTRACO Employee Share Option Scheme ("ESOS 2023") and INTRACO Performance Share Plan (the "PSP 2023") and any other share option scheme or share plan established from time to time for the Directors and KMP. More information on the ESOS 2023 and PSP 2023 is set out in the Directors' Statement on pages 88 to 90;
7. reviewing the remuneration packages of employees who are related to any Director, substantial shareholder or the CEO (or executive of equivalent rank); and
8. ensuring that an appropriate proportion of the remuneration of Executive Directors and KMP are structured so as to link rewards to corporate and individual performance.

For FY2024, the RC had also reviewed its terms of reference to be in line with the Code.

## Provision 6.3 – Remuneration Framework

There is a formal and transparent process for developing executive remuneration and for determining the remuneration packages of individual Directors. No Director is involved in determining his own remuneration.

The RC reviews all matters concerning the remuneration of the Directors to ensure that remuneration commensurate with their contributions, responsibilities and market benchmarks.

The annual quantum of Directors' fees to be paid is also reviewed by the RC and the Board before submission to shareholders for approval at the Company's AGM. None of the Non-Executive Directors has service contracts or consultancy arrangements with the Company. They are paid Directors' fees based on a structured fee framework reflecting the responsibilities and time commitment of each Director. The fee framework comprises a base fee and additional fee for holding appointment as Chairman or member of the Board committees.

The RC also reviews the remuneration packages of the Executive Director and KMP and submits its recommendations to the Board for endorsement. A fundamental element in the remuneration principles is the concept of pay for performance and the RC will look at the total remuneration provided which comprises annual fixed salary and variable salary component. The variable salary component is in the form of variable bonus that is linked to the performance of the Group and the individual's performance.

# CORPORATE GOVERNANCE REPORT

The RC also reviews the Company's obligations under the service agreements of the Executive Director and KMP that would arise in the event of termination of these service agreements to ensure that such service agreements contain fair and reasonable termination clauses.

The RC sets the remuneration guidelines for the Group for each annual period including annual increments, total incentives for distribution to staff of all grades and structuring long-incentive plans, if applicable.

## **Provision 6.4 – RC access to expert professional advice**

The RC has access to expert professional advice on remuneration matters as and when it deems necessary in framing the remuneration of Directors. The expenses incurred from such advice shall be borne by the Company. For FY2024, no remuneration consultant was appointed to review the remuneration of Directors and KMP.

## **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.*

## **Provision 7.1 & 7.3 – Remuneration of Executive Directors and KMP**

In setting remuneration packages, the RC takes into consideration the prevailing market conditions, the pay and employment conditions within the industry and in comparable companies.

The RC reviews the remuneration of Directors and KMP on an annual basis to ensure that it commensurate with their performance, giving due regard to the financial and commercial health and business needs of the Company.

As part of its review, the RC ensures that the performance-related elements of remuneration form an appropriate part of the total remuneration package of the KMP and that each package is designed to align their interests with those of shareholders and link rewards to corporate and individual performance. The RC will review the key performance indicators ("KPIs") of the KMP and part of the KPIs will be tied to the profitability of the specific business which the individuals are managing.

## **Performance Based Compensation**

The Group adopts a remuneration policy that is performance based for KMP, comprising a fixed component and a variable component. The fixed component is in the form of a base salary and benefits. The variable component is in the form of a variable bonus that is linked to the Company's and individual performance. The RC also endorses the bonus distribution for KMP based on individual performance and presents its recommendation to the Board for approval.

In determining the fixed and variable component of the remuneration package, Management makes its recommendation to the RC, having regard to the individual KMP's KPIs, such as (a) profit target; (b) strategic requirements and goals of the Company; (c) investment in future growth; (d) the individual's contributions to these objectives. The Group rewards KMP with outstanding performance, who have fulfilled their obligations and met their KPIs as well as contributed to the growth and development of the Group.

# CORPORATE GOVERNANCE REPORT

## Long-term Incentive Scheme

The Company has also put in place the ESOS 2023 and PSP 2023 which are long-term employee share incentive plan/scheme to better align the interest of Directors and KMP with that of the Company’s shareholders. See further details on page 73.

The Company will also be renewing its Share Buyback Mandate which provides the Directors with the flexibility to utilise the shares which were purchased or acquired and held as treasury shares for any long-term share incentive schemes to be initiated by the Company as a means to reward and improve the long-term performance of the employees and in turn the Company and Group at large. The Company will utilise treasury shares instead of new issuance of shares as this would provide greater flexibility to manage and minimize the dilution impact (if any) arising from the share incentive schemes.

## Reclaim Incentive Components

The RC and Board are of the view that as the Group pays variable compensation through bonuses based on the actual results of the Group as well as the achievement of KPIs by its KMPs, claw back contractual provisions may not be relevant/applicable. Therefore, there are no contractual provisions which allow the Company to reclaim incentive components of remuneration from the KMP in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Company should be able to avail itself to remedies against the KMP in the event of such incidents.

## Provision 7.2 – Remuneration of Non-Executive Directors

The RC has recommended to the Board a total amount of up to S\$215,000 as Directors’ fees for the financial year ending 2025 (“FY2025”), to be paid quarterly in arrears. This would be tabled at the forthcoming AGM for shareholders’ approval.

The Board concurred with the RC that the proposed Directors’ fees for FY2025 is appropriate and not excessive, taking into consideration the level of contributions by the Directors, their responsibilities and obligations and factors such as efforts and time spent for serving on the Board and Board Committees. The attendance fee component will be removed from the Directors’ fees structure with effect from FY2025.

The structure of the Directors’ fees is as follows:

	Chairman	Member
<b>Board</b>	S\$60,000	S\$30,000
<b>Audit Committee</b>	S\$20,000	S\$15,000
<b>Nominating Committee</b>	S\$11,250	S\$5,625
<b>Remuneration Committee</b>	S\$11,250	S\$5,625

# CORPORATE GOVERNANCE REPORT

## 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.*

### Provision 8.1, 8.2 & 8.3 – Remuneration of Directors, CEO and Top Five KMP

Every Non-Executive Director receives a basic fee. In addition, he/she receives a Chairman's fee if he/she is the Chairman of the Board, as well as the relevant Board Committee fee (depending on whether he/she served in the capacity as the Chairman or as a member of the relevant Board Committee) for each position held on a Board Committee. Each Non-Executive Director also receives an attendance fee for each Board meeting, Board Committees' meetings and general meetings. As mentioned above, the attendance fee is capped at S\$10,000 per director for FY2024.

The amounts of Directors' fees have been computed on the basis of the anticipated number of Board and Board Committee meetings for FY2025, assuming attendance by all the Directors at such meetings, and also caters for additional fees (if any) which may be payable due to additional ad-hoc meetings. Additional Directors' fees (if any) over and above the approved Directors fees will only be paid if approved at the next AGM.

Mr Mak, the Executive Director, is on a three-year term with the Company pursuant to his employment contract with the Company dated 7 July 2022.

Pursuant to Mr Mak's employment contract with the Company dated 7 July 2022, Mr Mak shall be awarded a total of 1,000,000 Shares under the proposed PSP which shall have a three (3)-year vesting period. The total remuneration received by Mr Mak for FY2024 is S\$334,180.

A summary compensation table of the Directors receiving remuneration from the Company for FY2024 is appended below:

Name of Directors	Directors' Fees	Total (S\$)
Mr Mak Lye Mun <sup>1</sup>	-	-
Mr Soh Chung Hian <sup>2</sup>	100%	41,837
Mr Charlie Ng How Kiat	100%	50,625
Mr Tan Hup Foi @ Tan Hup Hoi <sup>3</sup>	100%	38,422
Ms Ong Beng Hong	100%	45,092
Dr Tan Boon Wan <sup>4</sup>	100%	21,196
Dr Steve Lai Mun Fook <sup>5</sup>	100%	17,828
<b>Total</b>	<b>100%</b>	<b>215,000</b>

<sup>1</sup> As Executive Chairman, Mr Mak does not receive Directors' Fee.

<sup>2</sup> Mr Soh was appointed as a Director of the Company on 26 April 2024 and received pro-rated Directors' Fees for FY2024.

<sup>3</sup> Mr Tan was appointed as a Director of the Company on 26 April 2024 and received pro-rated Directors' Fees for FY2024.

<sup>4</sup> Dr Tan Boon Wan retired as a Director of the Company on 25 April 2024 and received pro-rated Directors' Fees for FY2024.

<sup>5</sup> Dr Steve Lai Mun Fook retired as a Director of the Company on 25 April 2024 and received pro-rated Directors' Fees for FY2024.



# CORPORATE GOVERNANCE REPORT

A summary compensation table of the Executive Director receiving remuneration from the Company for FY2024 is appended below:

Name of Executive Director	Salary	Bonus	Other Benefits <sup>(1)</sup>	Total (S\$)
Mr Mak Lye Mun (Executive Director)	89.8%	7.5%	2.7%	100.0%

A summary compensation table of the KMP receiving remuneration from the Company for FY2024 is appended below:

Remuneration Band & Name of KMP	Salary	Bonus	Other Benefits <sup>(1)</sup>	Total (S\$)
<b>S\$500,000 to S\$749,999</b>				
-				
<b>S\$250,000 to S\$499,999</b>				
Mr David Hoon Chee Wai	79.7%	14.9%	5.4%	100.0%
Mr Edmond Lee Teng Chye	74.1%	19.5%	6.4%	100.0%
Mr Soh Yong Poon	80.6%	-	19.4%	100.0%
Ms Caren Soh Ying Sin	73.2%	4.9%	21.9%	100.0%
<b>Below S\$250,000</b>				
Mr Jamie Koit Ven Jee	81.5%	10.6%	7.9%	100.0%
Mr Desmond Loh Tjit Leong	92.8%	-	7.2%	100.0%
Mr Michael Tan Kong Yew	56.0%	17.2%	26.8%	100.0%
Ms Geraldine Ngo Keng Sien	70.9%	14.6%	14.5%	100.0%

**Note:**

<sup>1</sup> Other benefits refer to employer's CPF and other allowances.

The disclosure of the KMP's (excluding CEO) remuneration in types of compensation in percentage terms and in bands of S\$250,000 (based on gross remuneration received and inclusive of employer's contributions to the Central Provident Fund) is as set out in the above table.

Given the confidentiality and sensitive nature of the subject, the Company is of the view that it is not in the best interest of the Company to disclose the specific remuneration of the KMP as this disclosure may adversely affect the Company's talent retention. The Company believes that disclosure of the KMP's (excluding CEO) remuneration in bands of S\$250,000 should be sufficient to provide an insight into the link between their compensation and performance and sufficient for shareholders to have an adequate appreciation of the remuneration of the Company's KMP. Further details are deemed to be not in the interest of the Company due to the competitiveness of the industry for key talents. The aggregate remuneration paid to the KMP (who are not Directors or CEO of the Company) in FY2024 amounted to S\$1,806,749.

Apart from the above, no termination, retirement and post-employment benefits were granted to the Directors, CEO and the KMPs for FY2024.

# CORPORATE GOVERNANCE REPORT

## Employees who are Substantial Shareholders, Immediate Family Members of a Director or the CEO or a Substantial Shareholder

There are no employees who are substantial shareholders of the Company or immediate family members of a Director, the CEO or a substantial shareholder, and whose remuneration exceeds S\$100,000 in FY2024.

## INTRACO Employee Share Option Scheme (“ESOS 2023”) and INTRACO Performance Share Plan (“PSP 2023”)

The Company had on 25 April 2023 adopted the ESOS 2023 and the PSP 2023.

Eligible participants (the “Participants”) under the ESOS 2023 will have the opportunity to participate in the equity of the Company, thereby aligning the interests of the Participants with the interests of the Company and the shareholders, motivating them towards the long-term growth and profitability of the Group and better performance through increased dedication and incentives. The ESOS 2023 also enables the Group greater flexibility in structuring compensation packages of eligible Participants so that the Group is able to offer compensation packages that are competitive in order to motivate and retain its employees. The employees of the Group, including Non-Executive Directors, are eligible to participate in the ESOS 2023 Scheme. The ESOS 2023 is administered by the RC. No options were granted under the ESOS 2023 Scheme since its adoption.

The PSP 2023 gives the Group added flexibility in structuring more competitive remuneration packages to award, retain and motivate those executive personnel and Non-Executive Directors (collectively, the “Participant”) to successfully manage and guide the Group respectively for the long-term. This is vital to the well-being, sustained performance and value creation of the Group. The PSP 2023 is administered by the RC. When deciding on the number of shares to award to a Participant at any one point in time, the RC will also take into consideration the number of shares to be awarded to that Participant under any other share scheme at that time, if any.

Pursuant to Mr Mak’s Employment Contract, subject to his continued employment as the Executive Chairman of the Company, 1,000,000 ordinary shares were awarded to Mr Mak to be vested over a three-year period and release schedule as follows:

- (a) 333,333 Shares shall vest, and be released to Mr Mak, on the first anniversary from the \*Date of Grant (the “First Vesting Date”);
- (b) 333,333 Shares shall vest, and be released to Mr Mak, on the second anniversary from the Date of Grant (the “Second Vesting Date”); and
- (c) 333,334 Shares shall vest, and be released to Mr Mak, on the third anniversary from the Date of Grant (the “Third Vesting Date”).

Save for the aforementioned Award to Mr Mak, no Award under the Plan shall be granted unless the Market Price as at the date of the grant of the Award is at least S\$0.50.

*\*the date of grant was 28 April 2023 as announced on the same date.*

# CORPORATE GOVERNANCE REPORT

## Remuneration and Performance

The Company is of the view that the current disclosure provides sufficient overview of the remuneration of the Group while maintaining confidentiality of staff remuneration matters. Annual variable bonuses would be linked to achievement of financial and non-financial key performance indicators such as core values, competencies, key result areas, performance rating, and potential of the employees (including key management). Long-term incentive plans are conditional upon pre-determined performance targets being met and the long-term incentive plans serve to motivate and reward employees and align their interests to maximise long term shareholders' value.

The RC ensures that there is a strong correlation between bonuses payable, and the achievement and performance of the Group and individual staff. The RC also ensures that there is a good balance of short-term and long-term incentive schemes to motivate continuous and sustainable performance.

## 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.*

### Provision 9.1 & 9.2 – Design, Implementation and Monitoring of Risk Management and Internal Control Systems

The Board has overall responsibility for the governance of risk and exercises oversight of the material risks in the Group's business. The Board ensures that Management maintains a sound system of internal controls and effective risk management policies to safeguard shareholders' interests and the Group's assets and in this regard, is assisted by the AC which conducts the reviews of the adequacy and effectiveness of the Group's internal controls and risk management systems.

The identification and management of risks are delegated to Management, who assumes ownership and day-to-day management of these risks. Management reports to the AC on the Group's risks profile on a quarterly basis, evaluates results and counter measures to mitigate identified potential risks.

### Adequacy and Effectiveness of Risk Management and Internal Control Systems

The Board has adopted an enterprise risk management ("ERM") framework. This risk framework has five (5) principal risk categories, namely strategic, financial, operational, compliance and information technology risks.

The Group's risk management framework is aligned with the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Controls Integrated Framework.

Management is responsible for the effective implementation of the risk management strategy, policies and processes to facilitate the achievement of business plans and goals within the risk tolerance established by the AC and Board. Key business risks are proactively identified, addressed and reviewed on an ongoing basis. Identified risks that affect the achievement of the Group's business objectives are compiled in the Group Risks Register and are ranked according to the likelihood and consequential impact to the Group as a whole.

### Risk Management Policies and Processes

The main risks arising from the Group's financial operations are liquidity risk, foreign currency risk, credit risk, equity price risk and interest rate risk. Details on the foregoing are set out in the Notes to the Financial Statements. These risks are monitored by AC and the Board on a quarterly basis.

# CORPORATE GOVERNANCE REPORT

The Company's Internal Auditor reviews material internal controls as part of the internal audit plan to provide independent assurance to the AC and the Board on the adequacy, effectiveness and integrity of the Group's internal controls and risk management systems.

## Adequacy and Effectiveness of Internal Controls

The IA presents their findings to the AC on an annual basis. If any non-compliance or internal control weaknesses are noted during the audit, the corresponding recommendations and Management's responses are reported to the AC.

In addition, the external auditors will highlight any material control weakness within the Group discovered in the course of the statutory audit to the AC.

The AC and the Board review the adequacy and effectiveness of the risk management and internal controls system at least annually.

On a half-yearly and annual basis, the CEO and CFO (or equivalent) provide written confirmations ("Management Assurance Letters") to the Board confirming that:

1. the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances;
2. nothing has come to Management's attention which might render the financial results of the Group as at the end of the financial year to be false or misleading in any material aspect;
3. Management is aware of their responsibilities for establishing, maintaining and evaluating the adequacy and effectiveness of the risk management and internal control systems of the Company; and
4. there are no known significant deficiencies or lapses in the risk management and internal controls systems relating to the Company's financial, operational, compliance and information technology controls which could adversely affect the Company's ability to record, process, summarise or report financial data, or of any fraud, whether material or not.

For FY2024, the Board had received the Management Assurance Letters duly signed by the (i) Executive Director and the Financial Controller; and (ii) the Executive Director and other KMPs.

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, reviews performed by Management and the various Board Committees and the Management Assurance Letters, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls and risk management systems were adequate and effective as at 31 December 2024 to address financial, operational and compliance risks, including information technology risks, which the Company considers relevant and material to its operations.

The Board is updated quarterly on the Group's financial position and performance with explanations for material variances in financial performance provided. The updates also include key business and operational activities.

While the Board acknowledges that the system of internal controls and risk management established by Management provide reasonable, but not absolute assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it endeavours to achieve its business objectives, it is also mindful that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against poor judgement in decision making, human error, fraud or other irregularities.

Accordingly, the Company has complied with Listing Rule 1207(10).

# CORPORATE GOVERNANCE REPORT

## Separate Risk Committee

The responsibility of overseeing the Company's risk management framework and policies is undertaken by the AC during the year under review.

Management is responsible for the design, execution and reporting of the Enterprise Risk Management. Further, Management is responsible to propose to the AC, mitigation plans to reduce the reported risks.

Management is to report on events that represent new risks to the Company.

The AC is responsible for determining the Group's levels of risk tolerance and risk policies and oversees Management's implementation and monitoring of risk management and internal control systems.

Having considered the Company's business operations as well as its existing internal control and risk management systems, a Group Risk Committee ("GRC") at Management level was set up in 2023. The GRC is accountable to the AC. The GRC regularly reviews the Group's business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. The GRC reviews all significant control policies and procedures and highlights all significant matters to the AC and Board.

## Accountability for Accurate Information

The Board endeavours to ensure that the annual audited financial statements and half-yearly announcements of the Group's results present a balanced and understandable assessment of the Group's position and prospects. The Board embraces openness and transparency in the conduct of the Company's affairs, whilst preserving the commercial interests of the Company. Financial and other price sensitive information are disseminated to shareholders through timely announcements via SGXNet.

The AC and the Board also meet to review and monitor the Group's performance at regular intervals besides the Group's half-yearly and full year financial performance.

## Compliance with Legislative and Regulatory Requirements

In line with the requirements of the SGX-ST, negative assurance confirmation statements were issued by the Board to accompany the Group's interim financial results announcements, confirming to the best of the Board's knowledge that nothing had come to the Board's attention which could render the Group's results announcements to be false or misleading in any material aspect. This is in turn supported by a written confirmation from the (i) Executive Director and Financial Controller and (ii) the Executive Director and KMPs of all subsidiaries (see explanation under Provision 9.2 above). The Group is not required to issue negative assurance confirmation statements for its full year results announcements.

The Company also completes and submits the compliance checklists to SGX-ST (if applicable) to ensure that all financial results announcements, circulars and letters to shareholders comply with the minimum requirements set out in the listing manual of the SGX-ST.

## Management Accounts

Management provides the Board with a continual flow of relevant information on the Group's operational, financial and compliance matters on a timely basis, including quarterly management reports in order that the Board may effectively discharge its duties.

# CORPORATE GOVERNANCE REPORT

## AUDIT COMMITTEE

**PRINCIPLE 10:** *The Board has an Audit Committee (“AC”) which discharges its duties objectively.*

### Provision 10.2 – Composition of the AC

The AC oversees the quality and integrity of the accounting, auditing, internal controls and financial practices of the Group. The AC comprises the following members:

Mr Soh Chung Hian (Chairman, Lead Independent Director)  
Mr Tan Hup Foi @ Tan Hup Hoi (Independent Director)  
Mr Charlie Ng How Kiat (Non-executive Non-Independent Director)

For the year under review, the AC held four (4) meetings and the AC Chairman reported formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities. The minutes of the AC meetings are also made available to the Board.

### Expertise of AC Members

The Board is of the view that the AC members, having accounting and related financial management expertise and experience, are appropriately qualified to discharge their responsibilities. All members of the AC have many years of experience in senior management positions in both financial and industrial sectors.

### Authority of the AC

The AC has explicit authority to investigate any matter relating to the Group’s accounting, auditing, internal controls and financial practices brought to its attention with full access to records, resources, and personnel to enable it to discharge its functions properly; and has full access to and cooperation of Management and the discretion to invite any Director or officer to attend its meetings.

### Provision 10.1 – Duties of AC and Activities of the AC

The AC is guided by its written Terms of Reference (“TOR”), which set out its authority and duties.

The TOR of the AC include:

1. reviewing the audit plans of the internal and external auditors of the Company, and their reports arising from their audits including Management’s response to their letter to Management;
2. reviewing the financial statements of the Company and the consolidated financial statements of the Group;
3. reviewing the balance sheet and profit and loss account of the Company and the consolidated balance sheet and profit and loss account to ensure the integrity of the financial statements and any formal announcements relating to the financial performance of the Company and of the Group;
4. reviewing the half-year and full year results announcements of the Group before submission to the Board for approval;
5. reviewing and reporting the adequacy and effectiveness of material internal controls, including financial, operational, compliance and information technology controls and risk management systems;

# CORPORATE GOVERNANCE REPORT

6. the cost-effectiveness, independence and objectivity of the external auditors, nature and extent of non-audit services provided and approval of audit and non-audit fees payable to the external auditors. Audit and non-audit fees which comprised corporate tax compliance services paid to the external auditors, BDO LLP, amounted to S\$187,000 and S\$33,900 respectively;
7. making recommendations to the Board for the appointment or re-appointment of the external auditors of the Company;
8. reviewing interested person transactions (“IPTs”) to ensure that the current procedures for monitoring of IPTs have been complied with and that the IPTs are on normal commercial terms and not prejudicial to the interests of the Company’s minority shareholders;
9. reviewing the scope and results of the internal audit procedures, and the adequacy and effectiveness of the Company’s internal audit function;
10. approving the hiring, removal, evaluation and compensation of the Head of the Internal Audit function, or accounting/auditing firm or corporation if the internal audit function is outsourced;
11. directing Management to report regularly to AC on the Company’s risk profile and the status of risk mitigation action plans; and
12. reviewing the Company’s whistle-blowing policy, and to ensure that arrangements are in place for concerns about possible improprieties in matters of financial reporting or other matters to be raised and independently investigated, and for appropriate follow-up action to be taken.

During FY2024, the AC had carried out the above duties as provided in their TOR. In addition, the AC also assessed and ensured adequate cash flow to sustain the Group’s operations on an on-going basis and assisted the Board to review the Company’s sustainability reporting framework.

For FY2024, the AC had also reviewed its TOR to be in line with the Code.

The external auditors provide regular updates and periodic briefings to the AC on changes or amendments to accounting standards to enable the AC to keep abreast of such changes and their corresponding impact on the financial statements, if any. The AC is entitled to seek clarification from Management, the external auditors and independent professional advisors and to attend relevant seminars at the Company’s expense to apprise themselves of accounting standards/financial updates.

The AC had recommended, and the Board had accepted proposing to shareholders of the Company, the re-appointment of BDO LLP as the independent auditors for the Group in the ensuing year. Save for certain of the Company’s Singapore subsidiaries which have appointed CKS Associates as their auditors, BDO LLP is the auditor of the Company. The Board and AC are satisfied that the appointment of CKS Assurance PAC would not compromise the standard and effectiveness of the audit of the Company. The Company has complied with Listing Rules 712 and 715 (read with 716) of the Listing Manual.

The Group’s subsidiaries disclosed under Notes 5 of the Notes to the Financial Statements on pages 116 to 119 of the Annual Report.

# CORPORATE GOVERNANCE REPORT

## Meeting with External Auditors and Internal Auditors

The AC had met with the internal auditors at least once without the presence of Management. This is part of the routine business of the AC meeting where the internal auditors will report directly to the AC on its internal audit matters.

The AC meets with the external auditors without the presence of Management, at least annually to discuss any issues they may have (including suspected fraud or irregularity, or suspected infringement of any applicable law, rules or regulations, which has or is likely to have a material impact on the Company and Group's operating results or financial position), and Management's response thereof.

Both sets of auditors had confirmed that they had access to and received full co-operation and assistance from Management and no restrictions were placed on the scope of their audit.

## Review the Independence of External Auditors

The AC confirms that the Company has complied with Listing Rule 712 in that BDO LLP is registered with the Accounting and Corporate Regulatory Authority (ACRA). The AC is satisfied that the resources and experience of BDO LLP, the audit engagement partner and the team assigned to the audit of the Group were adequate to meet their audit obligations, given the size, nature, operations and complexity of the Group. The AC also reviewed all non-audit services provided by the external auditors and is of the opinion that the nature and provision of such services would not affect the independence and objectivity of the external auditors. The external auditors have confirmed their independence in this respect.

## Whistle-blowing Policy

The AC also reviews arrangements by which staff of the Company and external parties may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. The Group has in place a whistle-blowing policy to ensure independent investigations of such matters and for appropriate follow up action. Such concerns include dishonesty, fraudulent acts, corruption, legal breaches and other serious improper conduct; unsafe work practices and any other conduct that may cause financial or non-financial loss to the Group or damage to the Group's reputation.

The policy is aimed at encouraging the reporting of such matters in good faith, with the confidence that staff of the Company and other persons making such reports will be treated fairly and, to the extent possible, protected from reprisal. Complaints or suspicions of impropriety can be made in the form of emails, faxes, letters or written reports. A dedicated email address is maintained by the Company's Internal Audit Department to receive such complaints or reports. Anonymous complaints may be considered, taking into account factors such as the seriousness of the issues raised, the credibility and the likelihood of confirming the allegation from attributable sources.

New employees are briefed on the Whistle-blowing policy during their induction.

The Whistle-blowing Policy as well as whistle-blowing communications channel, have been disseminated to all staff via email and also made available on the Company's internal shared drive for staff reference.

All reported whistle-blowing incidents or concerns will be independently investigated, and remedial actions will be taken to address the whistle-blowing incidents.

The AC reports to the Board any issues/concerns received by it. Where appropriate, the AC and the Board have access to the appropriate external advice where necessary.



# CORPORATE GOVERNANCE REPORT

## **Provision 10.3 – Former Partner or Director of the Company’s Existing Auditing Firm**

The AC does not have any member who is a former partner or Director of the Company’s existing audit firm.

## **Provision 10.4 – Internal Audit**

The role of IA is to provide independent and objective assurance that adds value and improves the Group’s operations. The IA helps the Group to accomplish its objectives by providing a systematic, disciplined approach to evaluate and improve the effectiveness of internal controls, risk management and governance processes. The IA conducts regular audits of the Group’s subsidiaries based on a risk-based audit approach in its audit plan approved by the AC. The IA of the Company reports functionally to the AC Chairman and administratively to the Executive Director. The AC is responsible for the appointment, termination and remuneration of the IA.

The AC also ensures that the IA function is adequately resourced and has appropriate standing within the Group. The IA has unfettered access to all the Group’s documents, records, properties and personnel and direct access to the AC.

The role of the IA is to support the AC in ensuring that the Group maintains a sound system of internal controls by highlighting any weaknesses in the current process, ascertaining that operations were conducted in accordance with established policies and procedures, and identifying areas for improvement where controls can be strengthened.

The IA has the relevant qualifications and experience in internal audit to discharge his duties effectively. The International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors (the IIA Standards) laid down in the International Professional Practices Framework are used as a reference and guide by the Company’s IA. The Company’s IA has confirmed to the AC that he is in compliance with the IIA Standards.

The IA adopts a risk-based approach in formulating the annual plan. The AC approves the IA Plan annually and reviews the adequacy and effectiveness of the internal audit function. Reports prepared by the IA are reviewed by the AC on a quarterly basis. The AC assesses the adequacy and effectiveness of the IA function and ensures that the IA has direct and unrestricted access to the AC Chairman. Management also helps the AC to assess the adequacy and effectiveness of the IA function through completing a questionnaire and discussing their evaluation with the AC.

During FY2024, the IA completed its internal audit review of the Group on cash management and investment, payroll and personnel process and IT general controls. The findings and recommendations of the IA, Management’s responses and implementations have been reviewed and approved by the AC.

For FY2024, the AC and Management reviewed the IA’s effectiveness and adequacy by completing a questionnaire evaluating the IA’s standing within the Company, resources in the IA department and the effectiveness and adequacy of the internal process based on the nature and extent of the Group’s operations.

Pursuant to Rule 1207(10C) of the Listing Manual, the AC had assessed and is satisfied with the adequacy, effectiveness, independence, scope and results of the Company’s internal audit function.

# CORPORATE GOVERNANCE REPORT

## KEY AUDIT MATTER

In the review of the financial statements, the AC had discussed with Management the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements and considered the clarity of key disclosures in the financial statements. The AC reviewed, amongst other matters, the following key audit matter reported by external auditors for FY2024.

Key Audit Matter	How these issues were addressed by AC
Accounting for Assets held for sale and Discontinued operations	<p>The AC gave suggestions to ensure proper financial reporting and disclosures by:</p> <ul style="list-style-type: none"> <li>• Verifying that the financial statements correctly reflect the presentation of:               <ul style="list-style-type: none"> <li>- assets classified as held for sale in a separate section of the income statement; and</li> <li>- the results of discontinued operations in a separate section of the income statement.</li> </ul> </li> <li>• Ensuring that the necessary disclosures are made in the notes to the financial statements regarding:               <ul style="list-style-type: none"> <li>- the nature of discontinued operations;</li> <li>- the carrying amounts of major classes of assets and liabilities; and</li> <li>- the status and expected completion of the sale.</li> </ul> </li> </ul>

# CORPORATE GOVERNANCE REPORT

## 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.*

### Provision 11.1 – Participation of Shareholders at General Meetings

The Company welcomes the views of shareholders on matters concerning the Company and encourages shareholders' participation at shareholders' meetings. All shareholders are entitled to attend the general meetings and are given ample opportunity and time to participate effectively and vote at the meetings.

Shareholders are welcomed to communicate their views on matters relating to the Group with the Board and the Chairman of the Board Committees and the external auditors of the Company in attendance. Shareholders are informed of the rules, including voting procedures that govern the general meetings. The Company's Constitution allows a shareholder to appoint up to two (2) proxies to attend and vote on behalf of the shareholders.

Specified intermediaries, such as banks and capital markets service licence holders which provide custodial services, may appoint more than two proxies. This will enable indirect investors, including CPF investors, to be appointed as proxies to participate in shareholders' meetings. Such indirect investors, where so appointed, will have the same rights as direct investors to vote at shareholders' meetings.

### Provision 11.2 – Separate Resolutions at General Meetings on Each Substantially Separate Issue

The Company does not practise bundling of resolutions at general meetings. Each distinct issue is proposed as a separate resolution and full information is provided for each item in the agenda for the meetings.

All resolutions proposed at the general meeting are conducted by way of poll voting. A scrutineer is appointed to count and validate the votes cast at the meeting. The total number of votes cast, for or against, and the respective percentages, in respect of each resolution are tallied and announced at the meeting. The detailed voting results will also be announced to SGX-ST via SGXNet on the same day after the conclusion of the meetings. Shareholders who are present in person or represented by proxies will be entitled to one vote for each share held.

### Provision 11.3 – Attendance at General Meetings

All Directors, including the Chairman of the Board and the respective Chairman of the AC, NC and RC, as well as external auditors are present at general meetings to address shareholders' queries. Management is also present at general meetings to respond, if necessary, to operational questions from shareholders that may be raised.

An independent external party is appointed as scrutineer for the poll voting process. It is the role of the scrutineer to review the proxies and the poll voting system, as well as attend to the proxy verification process to ensure that the poll voting information is compiled correctly. All of the Company's resolutions are voted on via a poll.

At the general meetings, the voting results for each resolution are disclosed to shareholders. When voting for a resolution has concluded, the poll voting results including the number and percentage of votes cast (both for and against the resolution) are immediately made known to shareholders. The poll voting and proxy voting results are promptly released to the SGX-ST via SGXNet.

# CORPORATE GOVERNANCE REPORT

## Provision 11.4 – Absentia Voting

If any shareholder is unable to attend a shareholders' meeting, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the meeting through proxy forms which are sent together with the Annual Reports or Circulars (as the case may be).

As the authentication of shareholder identity information and other related security issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, email or fax.

## Provision 11.5 – Minutes of General Meetings

The Company prepares minutes of general meetings which include substantial and relevant comments or queries from shareholders, and responses from Board and Management. Minutes of general meetings will be published within one month after the meeting on the SGX-ST and the Company's corporate website.

## Provision 11.6 – Dividend Policy

The Company does not have a formal dividend policy. The Company targets to provide sustainable dividend payouts that consider the Group's profit growth, cash position, positive cash generated from operations, projected capital requirements for business growth and other factors as the Board may deem appropriate. The Company endeavours to pay dividends and where dividends are not paid, the Company will disclose its reason(s) accordingly.

For FY2024, the Board has declared a final dividend of 0.5 Singapore cent per share to shareholders.

## 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.*

### Provision 12.1 – Communication with Shareholders

The Company believes in high standards of transparent corporate disclosure and is committed to disclose to its shareholders, the information in a timely and fair manner via SGXNet. The released announcements are then posted on its corporate website at [www.intraco.com.sg](http://www.intraco.com.sg) to allow shareholders, investors and members of the public to keep abreast of development in the Group's business and activities. Where there is inadvertent disclosure made to a select group, the Company will make the same disclosure publicly to all others as soon as possible.

The Company does not practise selective disclosure. Price-sensitive information is publicly released, financial results and annual reports/circulars are announced to the SGX-ST via SGXNET on a timely basis and are available on the Company's website. Prior to the release of the Company's half year and full year results, the Company will also make an announcement informing shareholders of the Company the date of releasing its half year and full year results.

Shareholders of the Company can download the Company's annual report/circular and notice of AGM/EGM from the Company's website or SGXNet. These notices are also advertised in the newspaper.

The Company's website at [www.intraco.com.sg](http://www.intraco.com.sg) is the key resource of information for shareholders. Among other things, it contains corporate announcements, financial results and annual reports.

# CORPORATE GOVERNANCE REPORT

## Provision 12.2 & 12.3 – Investor Relations Policy

The Board recognises the importance of engaging with shareholders, investors and analysts to obtain and understand their concerns and feedback. As a demonstration of the Company's commitment to transparency and fair disclosure, the Company has adopted an Investor Relations Policy to promote regular and effective communication with shareholders.

The Executive Chairman is empowered to act as spokespersons towards security holders and securities markets professionals. Enquiries are to be directed to the Company's email at [investor.relations@intraco.com](mailto:investor.relations@intraco.com). General meetings have been and are still the principal forum for dialogue with shareholders. The Company will review the need for analyst briefings, investor roadshows or Investors' Day briefings when necessary.

## MANAGING STAKEHOLDERS RELATIONSHIPS

**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 Group's stakeholders play a crucial role in our business. Intraco's vision and the success of its business is closely aligned with the interests and needs of its key stakeholders. Effective stakeholder engagement can help the Group to better understand the needs of its key stakeholders and incorporate these into its corporate strategy.

The Group has identified 5 key stakeholder groups based on their relevance and influence to Intraco's business. They include customers, suppliers, employees, investors and regulators. The Group engages with these stakeholders through various informal and formal channels of communication to learn and understand their concerns. For example, the Group maintains a corporate website to leverage on internet platforms, which enables it to communicate with key stakeholders and the public.

The other sections of the annual report set out the Group's strategy (for more information, please refer to Chairman's Statement) and key areas of focus in managing stakeholder relationships (for more information, please refer to the Company's Sustainability Report).

## CONDUCT AND ETHICS POLICY

All employees are required to observe and maintain high standards of integrity, as well as comply with laws, regulations and Company's policies. The Company sets standards of ethical conduct for employees, which covers all aspects of the business operation of the Group such as work ethics, personal conflicts of interest, and confidentiality of information, related party transactions, gifts and dealing in the Company's securities.

## DEALINGS IN SECURITIES (LISTING RULE 1207(19))

The Group has in place internal guidelines in relation to dealing in the Company's securities. The Directors and all employees of the Group are prohibited from trading in the Company's securities during the relevant blackout period of one (1) month prior to the release of the Group's half-year and full year results. They are also required at all times to observe the insider trading rules stipulated in the Securities and Futures 2001 and are discouraged against dealing in the Company's securities on short-term considerations. Directors and the CEO are also required to notify their dealings in the Company's securities within 2 business days.

# CORPORATE GOVERNANCE REPORT

The Company will be seeking a renewal of its Share Buyback Mandate at the upcoming AGM. In connection with the Share Buyback Mandate, the Company has also put in place a Share Buyback Policy. The Company confirmed that it has adhered to its policy for securities transactions for FY2024.

## INTERESTED PERSON TRANSACTIONS (“IPT”) (LISTING RULE 907)

The Company has in place internal procedures to ensure that all transactions with interested persons are reported to AC in a timely manner, and an IPT register is maintained by the Company. Management will compile and submit to AC a full listing of IPTs including those less than \$100,000 and their aggregate including cases of non-compliance on a quarterly basis. Where an IPT or its aggregate reaches 3% of the Group’s latest audited net tangible assets, an immediate announcement is made after the AC’s review and approval. Where an IPT or its aggregate reaches 5% of the Group’s latest audited net tangible assets, Shareholders’ approval will be sought through a general meeting, while the interested Shareholder (and any associate) will abstain from voting. The Company currently does not have an IPT mandate in place.

In accordance with Rule 907 of the SGX-St Listing Manual, the IPT for FY2024 is as follows:

Name of interested person	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)
		2024 S\$'000
<b>Tat Hong Investments group</b> - Subscription of commercial papers issued by the Company	Controlling shareholder of the Company and/or their associates <sup>(1)</sup>	108 <sup>(3)</sup>
<b>Amtrek Investment group</b> - Subscription of commercial papers issued by the Company	Controlling shareholder of the Company and/or their associates <sup>(2)</sup>	142 <sup>(3)</sup>

### Notes:

- (1) The subscribers of the Company’s commercial papers, being associates of the controlling shareholder of the Company are Mr Ng Sang Kuey, Mr Ng Sun Eng, Tat Hong Leasing Pte Ltd, Fersina (Singapore) Pte Ltd and CMC Construction Pte Ltd.
- (2) The subscribers of the Company’s commercial papers, being associates of the controlling shareholder of the Company are Alliance Asia Holdings Pte Ltd, Macondray Holdings Pte Ltd and Asia Resource Corporation Pte Ltd.
- (3) The value of the interested person transaction relates to the interests arising from the commercial papers issued by the Company.

## MATERIAL CONTRACTS (LISTING RULE 1207(8))

Except as disclosed in the notes to the Financial Statements and the Supplementary Information, there were no material contracts entered by the Company or its subsidiaries involving the interests of the CEO, each Director or controlling shareholders in FY2024.



# CORPORATE GOVERNANCE REPORT

## USE OF PROCEEDS

The net proceeds arising from the placement of 10,000,000 shares in the capital of the Company amounting to approximately S\$4.4 million (after deducting expenses in relation to the Placement) in January 2022 was used to invest in SlideSG Pte. Ltd. on January 2024 and fund the growth and expansion of the Group's principal businesses. The net proceeds arising from (1) the sale of Treasury shares to members of the Company's group management committee amounting to S\$86,700 in December 2024 and (2) the sale of Treasury shares to an accredited investor amounting to S\$244,860 in January 2025 are used for the Group's general working capital purposes in accordance with the respective announcements.