

ANNUAL REPORTS AND RELATED DOCUMENTS::

Issuer & Securities

Issuer/ Manager

QAF LIMITED

Securities

QAF LIMITED - SG1A49000759 - Q01

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No

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Soh Chai Lih

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please see attached:

(1) QAF Limited Annual Report FY2025

(2) QAF Limited Annual Report FY2025 Appendix - Proposed Renewal of IPT Mandate

Additional Details

Period Ended

31/12/2025

Attachments

[QAF Annual Report FY2025.pdf](#)

[QAF Appendix to Annual Report FY2025.pdf](#)

QAF Limited



**MAINTAINING
LONG-TERM RESILIENCE**

2025 ANNUAL
REPORT

CORPORATE INFORMATION

(AS AT 16 MARCH 2026)

BOARD OF DIRECTORS

Lam Sing Chung (Chairman)
Philip Yeo Liat Kok (Vice-Chairman)
Lin Kejian (Joint Group Managing Director)
Michael Darren Hewat (Joint Group Managing Director)
Norman Ip
Chee Teck Kwong Patrick
Loh Wee Lee
Foo Kwee Joen Junie
Basil Chan
Tan Chuan Lye
John Martin Miller
Rachel Liem Yuan Fang (Alternate Director to
Lam Sing Chung)

AUDIT AND RISK COMMITTEE

Norman Ip (Chairman)
Chee Teck Kwong Patrick
Basil Chan
Tan Chuan Lye

NOMINATING COMMITTEE

Foo Kwee Joen Junie (Chairperson)
Lam Sing Chung
Philip Yeo Liat Kok

REMUNERATION COMMITTEE

Foo Kwee Joen Junie (Chairperson)
Lam Sing Chung
Philip Yeo Liat Kok

COMPANY SECRETARY

Soh Chai Lih

REGISTERED OFFICE

150 South Bridge Road
#09-03 Fook Hai Building
Singapore 058727

Tel: (65) 6538 2866
Fax: (65) 6538 6866

PLACE & DATE OF INCORPORATION

Singapore, 3 March 1958

COMPANY REGISTRATION NO.

195800035D

REGISTRAR

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

Tel: (65) 6536 5355

AUDITORS

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583
Partner In-charge: Philip Ng Weng Kwai
(since the financial year ended 31 December 2022)

PRINCIPAL BANKERS

DBS Bank Limited
Oversea-Chinese Banking Corporation Limited
Standard Chartered Bank
United Overseas Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
HL Bank



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CHAIRMAN'S STATEMENT

Dear Shareholders,

2025 commenced in the challenging trading environment where 2024 finished. This was later compounded by the uncertainty arising from tariff and policy actions and responses, contributing to a cautious outlook for global economies. While such tensions gradually eased throughout the year, these risks remain high and the continuing high cost-of-living have resulted in softer consumer demand during the year.

Despite these conditions, the Group delivered a resilient performance in FY2025. Revenue was marginally lower at \$633.6 million, and Group profit attributable to the owners of the Parent improved by 15% to \$39.8 million. The Joint Group Managing Directors will provide further details on the Group's financial performance in their report.

The Group has maintained a strong financial position, ending FY2025 with a net cash balance of \$191 million. This conservative capital management position places us well to navigate the current economic climate.

Our commitment to distributing sustainable dividends to our shareholders remains unchanged. For FY2025, the Board has recommended a final dividend of \$0.04 per share. If approved by our shareholders at the upcoming Annual General Meeting, the total dividends for FY2025 would amount to \$0.05 per share.

During the year, changes were made to the Board and its Committees as we sought an appropriate mix of skills and experience. We extend our sincere appreciation to the outgoing members for their valuable contributions and warmly welcome the new members to the Board.

Most importantly, on behalf of the Board, I would like to thank our shareholders, customers, and business partners for their continued trust and support. I also express my deepest gratitude to our staff for their dedication and contribution to the Group.

We look forward to the year ahead with confidence and continued partnership.

Lam Sing Chung

Chairman

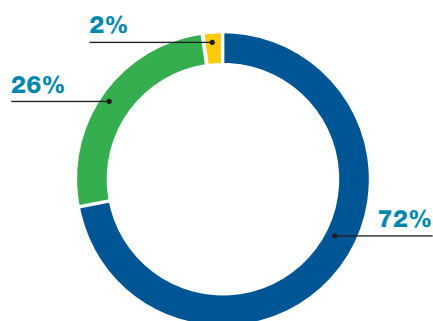
16 March 2026





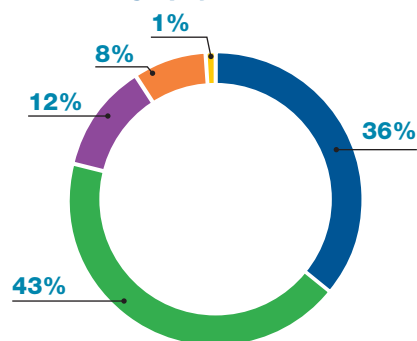
BUSINESS OVERVIEW

Segment Revenue



● Bakery ● Investments and Others
● Distribution and Warehousing

Geography Revenue



● Singapore ● Philippines ● Others
● Malaysia ● Australia

REVENUE
(EXCLUDING GBKL)

\$634m

GBKL² Revenue
\$436m

EBITDA¹
(BEFORE EXCEPTIONAL
ITEMS)

\$69.7m

GBKL² EBITDA
\$37.1m

PAT
(AFTER EXCEPTIONAL
ITEMS)

\$40.3m

GBKL² PAT
\$13.3m

> 10,000
employees

c.40
key brands



BAKERY

REVENUE

\$456m

EBITDA³
(BEFORE EXCEPTIONAL ITEMS)

\$48.2m

EBITDA MARGIN

11%

15

Factories

Singapore: 1
Philippines: 5
Malaysia: 8
Australia: 1

Produced >
310,000
metric tonnes
annually

c.82,000
third party
outlets

c.2,100
routes

c.2,100
trucks



DISTRIBUTION AND WAREHOUSING

REVENUE

\$165m

EBITDA⁴

\$7.0m

EBITDA MARGIN

4%

> 10
export markets

3
warehouses &
cold store facilities

c.20
overseas
distributors

c.38,000
sqm
of gross floor area

1 Includes segment EBITDA of Bakery, Distribution and Warehousing, and Investments and Others.

2 Reflects 100% of Gardenia Bakeries (KL) Sdn Bhd of which QAF's share of 50% has been reflected in the Group's EBITDA and PAT.

3 Excludes head office expenses and joint venture (GBKL) contribution.

4 Excludes head office expenses.



JOINT GROUP MANAGING DIRECTORS' REPORT

	FY2025	FY2024	Change
	\$' million	\$' million	%
Revenue	633.6	636.1	0
Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") before exceptional items	69.7	59.6	17
<i>EBITDA margin before exceptional items (%)</i>	<i>11.0%</i>	<i>9.4%</i>	
Profit before Taxation ("PBT") after exceptional items	47.8	44.6	7
<i>PBT margin after exceptional items (%)</i>	<i>7.5%</i>	<i>7.0%</i>	
Profit after Taxation ("PAT") after exceptional items	40.3	34.7	16
<i>PAT margin after exceptional items (%)</i>	<i>6.4%</i>	<i>5.5%</i>	

The year 2025 was characterised by heightened uncertainty and a cautious outlook across global economies, following the shock to worldwide trade early in the year. While tensions related to tariff and policy responses eased progressively during the year, overall uncertainty and risk levels remain high. Together with the persistent high cost-of-living environment, these factors continued to weigh on consumer confidence.

The Group remained adaptable during the year. By leveraging our core products and competencies, we made strategic product mix adjustments and pursued opportunities in new products, expanded regions and channels to maintain our competitive position.

Against this backdrop, the Group reported a revenue of \$633.6 million for FY2025 against \$636.1 million in the prior year. When foreign exchange effects are excluded, the Group's revenue improved by 1% in constant currency terms against FY2024. During the year, while cost of materials continued to stabilise, the Group experienced higher staff and distribution-related costs against a softer consumer demand. The Group saw some relief from lower utilities and continued to rationalise marketing efforts by focusing on strategic and targeted efforts.

Our reported results were also impacted by non-trading items. We recorded a \$0.7 million foreign currency translation gain in FY2025, compared to a loss of \$8.8 million in FY2024. This arose mainly from AUD-denominated cash deposits.

In addition, we revised the shareholders' agreement of the Group's joint venture, Gardenia Bakeries (KL) Sdn Bhd ("GBKL"). In conjunction with this revision and our periodic assessment of the recoverable amount of our investment in GBKL, we recorded a net non-cash impairment reversal of \$8.7 million in FY2025, compared to the non-cash impairment of \$1.2 million in FY2024.

In FY2025, we did not record any exceptional items. This is compared to \$6.4 million of exceptional income recognised in FY2024 for items relating to the December 2021 flood damage at one of our factories in Malaysia.

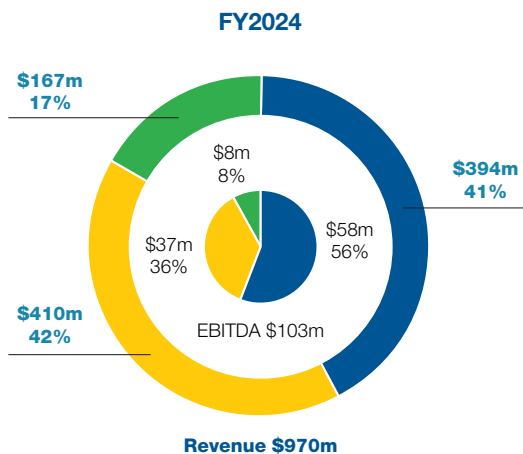
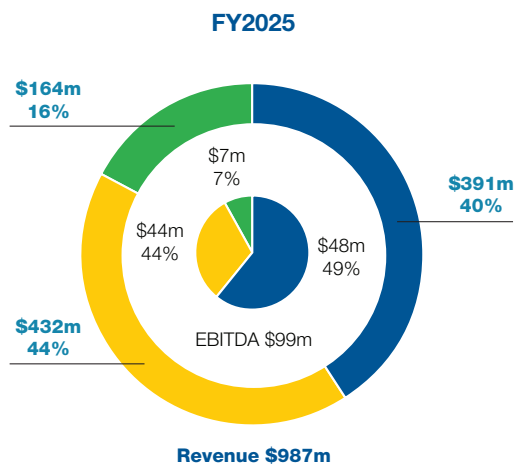
As a result, the Group's EBITDA before exceptional items improved by 17% to \$69.7 million for FY2025. Profit before taxation after exceptional items also improved by 7% to \$47.8 million.



JOINT GROUP MANAGING DIRECTORS' REPORT

Consolidating 100% of GBKL but excluding head office, FY2025 total proforma revenue was 2% higher than FY2024 at \$987 million. However, proforma EBITDA before exceptional items (including GBKL's royalty income to QAF Limited) fell by 4% to \$99 million compared to \$103 million in FY2024. Please see the charts below.

Proforma Revenue & EBITDA before exceptional items excluding head office (net of inter-segment elimination)



● Bakery excluding GBKL ● GBKL (100%) ● Distribution and Warehousing

The Group remains in a strong financial position with a net cash position of \$191 million, as at 31 December 2025. In consideration of our financial performance and commitment to sustainable dividend distributions, the Board has recommended a final dividend of \$0.04 per share for FY2025. If approved by our shareholders at the upcoming Annual General Meeting, the total dividends for FY2025 would amount to \$0.05 per share.

The year ahead remains uncertain, as evidenced by the geopolitical events already occurring in early 2026. Despite this, we are committed to pursuing long-term growth. We will build on the strong foundations of our proprietary brands and core products. Continuous adjustment to our product mix, development of new and exciting products will be pursued as we build our product portfolio and meet the evolving preferences of our consumers. We also seek to grow our presence through the expansion of our distribution channels and export markets. Underpinning this is a strong balance sheet that positions us well to explore strategic opportunities and manage unexpected financial stresses.

As we enter 2026, we acknowledge the dedication of our colleagues and the guidance of the Board over the past year. We also extend our appreciation to our shareholders, customers, and business partners for their continued support.

Lin Kejian
Michael Hewat

Joint Group Managing Directors
16 March 2026



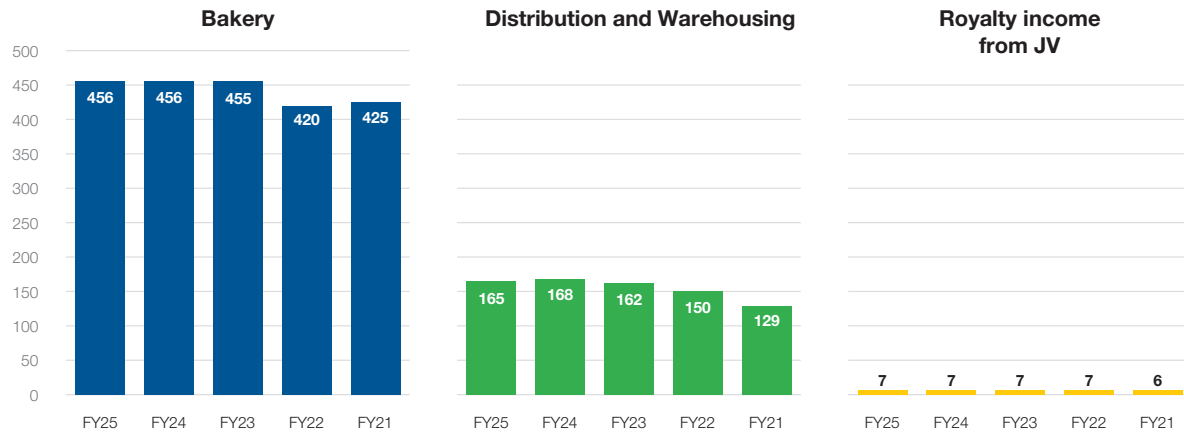
FINANCIAL HIGHLIGHTS

	FY2025	FY2024	FY2023	FY2022*	FY2021
INCOME STATEMENT (S\$'000)					
Revenue	633,596	636,107	628,590	577,523	558,976
Earnings before interest, tax, depreciation and amortisation ("EBITDA") before exceptional items	69,677	59,554	48,047	45,664	68,211
Profit before taxation ("PBT") after exceptional items	47,798	44,635	40,991	37,151	28,741
Profit attributable to owners of the Parent ("PATMI") after exceptional items	39,839	34,704	27,485	25,748	22,220
STATEMENT OF FINANCIAL POSITION (S\$'000)					
Total assets	668,628	664,280	669,160	664,759	878,160
Total liabilities	156,325	163,241	180,678	165,300	345,832
Total equity	512,303	501,039	488,482	499,459	532,328
Equity attributable to owners of the Parent	510,287	499,680	486,851	497,708	530,554
Total cash and cash equivalents	214,055	209,403	215,677	216,792	88,705
Gross debt ^(Note 1)	23,155	31,966	48,923	41,751	56,955
SELECTED EARNINGS, LIQUIDITY AND SOLVENCY DATA					
EBITDA margin before exceptional items (%)	11%	9%	8%	8%	12%
Net margin after exceptional items (%) ^(Note 2)	6%	5%	4%	4%	4%
Return after exceptional items on average shareholders' equity (%)	8%	7%	6%	5%	4%
Return after exceptional items on average assets (%)	6%	5%	4%	3%	3%
Earnings per share (cents)	6.9	6.0	4.8	4.5	3.9
Net asset value per share (cents) ^(Note 3)	88.7	86.9	84.6	86.5	92.2
Total dividends per share (cents)	5.0	5.0	5.0	7.0*	5.0
Dividend payout (%)	72%	83%	105%	112%*	129%
Current ratio (no. of times) ^(Note 4)	3.1	2.9	2.7	3.1	1.9
Net gearing ratio (no. of times) ^(Note 5)	(0.37)	(0.36)	(0.34)	(0.35)	(0.06)
Capital expenditure (S\$'000) ^(Note 6)	17,796	19,338	39,680	26,552	30,092
SELECTED VALUATION DATA					
Number of shares outstanding @ 31 December ('000)	575,268	575,268	575,268	575,268	575,268
Total market capitalisation (S\$'000)	514,865	480,349	468,844	477,473	506,236
Price/Book Value (no. of times) ^(Note 7)	1.0	1.0	1.0	1.0	1.0
Price/Revenue (no. of times) ^(Note 8)	0.8	0.8	0.7	0.8	0.9
P/E Ratio (no. of times) ^(Note 9)	12.9	13.8	17.1	18.5	22.8
Price/CF (no. of times) ^(Note 10)	9.7	7.4	8.1	9.1	4.6
Total Dividend Yield (%)	6%	6%	6%	8%*	6%

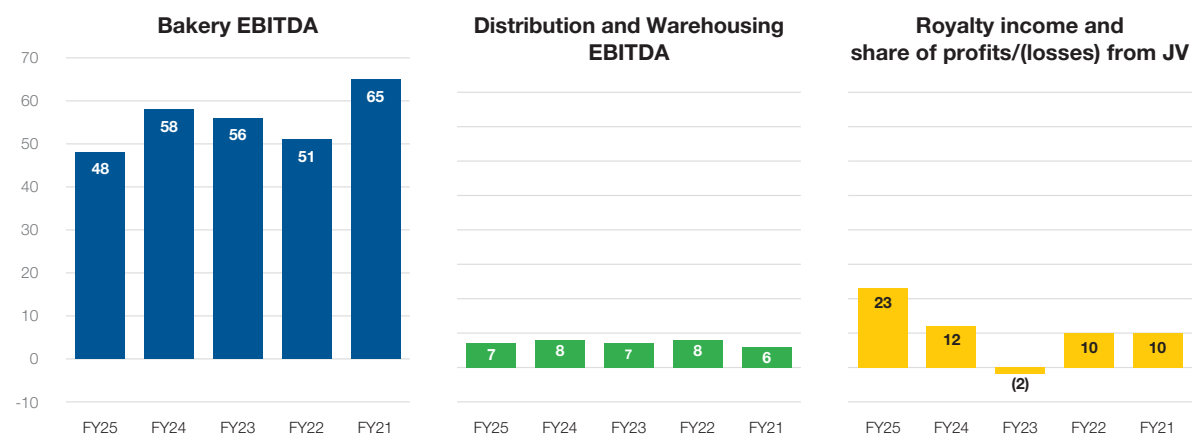


FINANCIAL HIGHLIGHTS

Group Revenue from Key Segments (\$\$'m) (before inter-segment elimination)



Contribution from Key Segments (\$\$'m) (before exceptional items)



The above charts reflect financial performance of the key business segments only. The charts exclude financials of head office.

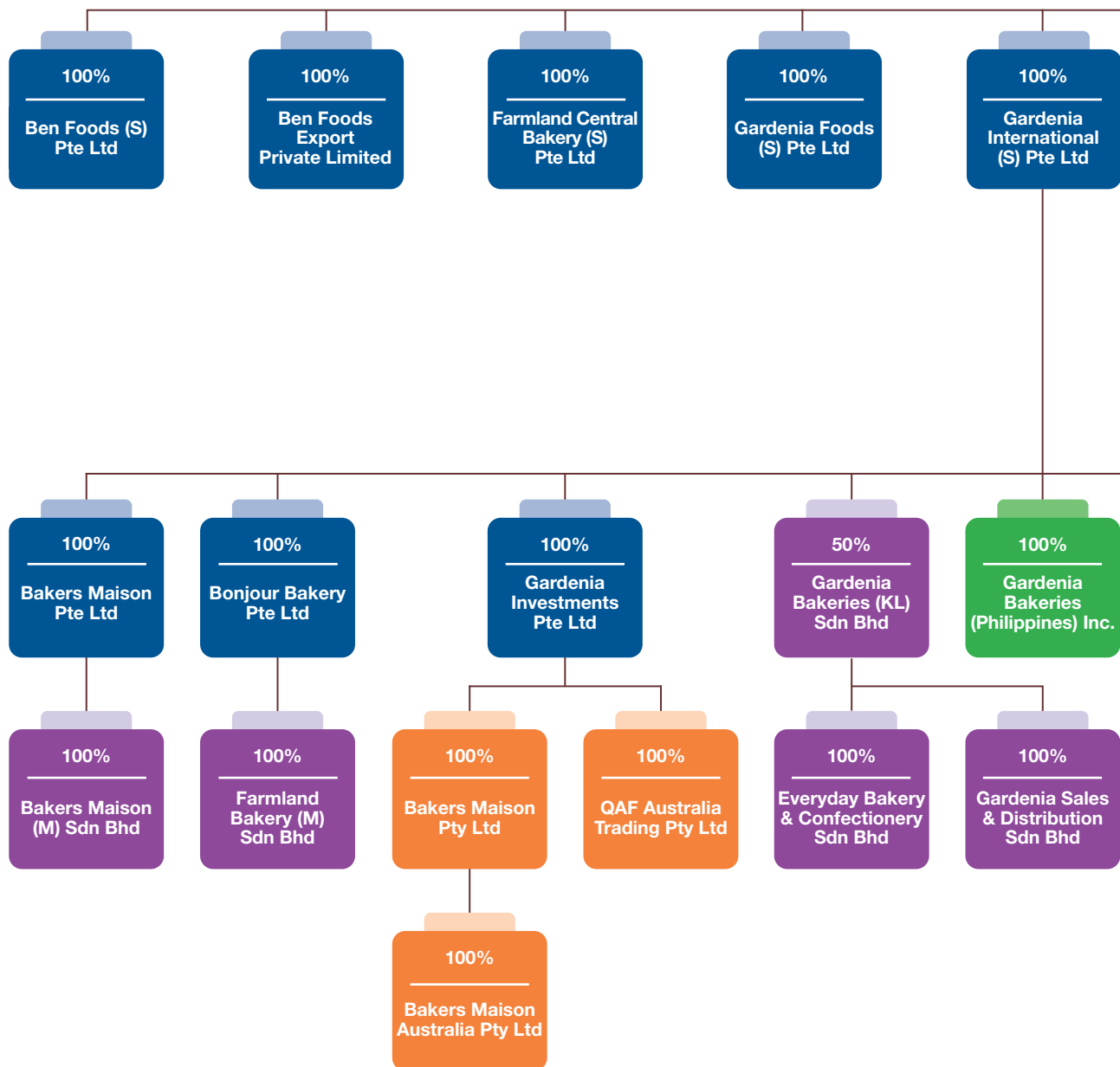
Notes:

- * In 2022, special dividends of \$0.02 per share was paid. The special dividends relates to the discontinued operations and is excluded from the calculation of dividend payout.
- 1. Gross debt is calculated as bank borrowings, lease liabilities and loans from non-controlling interests.
- 2. Net margin is computed based on PATMI after exceptional items.
- 3. Net asset value per share is computed based on total assets less total liabilities and non-controlling interests.
- 4. Current ratio is computed based on total current assets and total current liabilities. For 2021, both assets and liabilities belonging to disposal group classified as held for sale are excluded in the computation.
- 5. Net gearing ratio is calculated by dividing net debt/(cash) against equity attributable to owners of the Parent.
- 6. Capital expenditure relates to actual cash flows incurred. For 2021, this includes those incurred by the discontinued operations. For 2022, 2023 and 2024, this includes the reinstatement of the damaged production lines in connection with the severe flooding at one of the Group's Malaysian factories in December 2021.
- 7. Price/Book Value is calculated by dividing total market capitalisation against equity attributable to owners of the Parent at the end of the year.
- 8. Price/Revenue is calculated by dividing total market capitalisation at the end of the year against annual revenue.
- 9. P/E Ratio is calculated by dividing total market capitalisation at the end of the year against PATMI after exceptional items.
- 10. Price/CF is calculated by dividing total market capitalisation at the end of the year against net cash from operating activities.



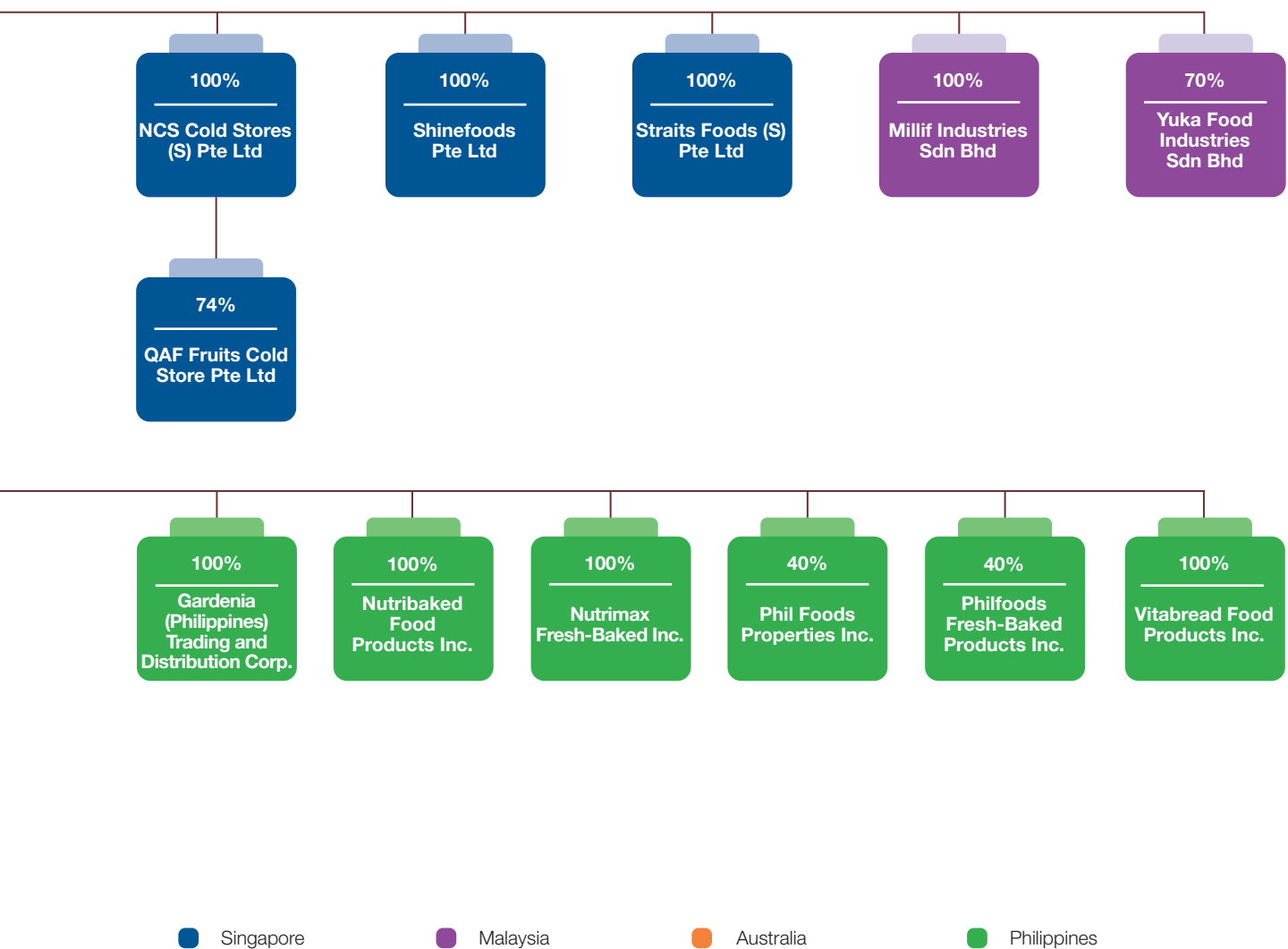
QAF GROUP

(AS AT 16 MARCH 2026)



**QAF
GROUP**

(AS AT 16 MARCH 2026)



Note: This chart shows the operating entities of the QAF Group



BOARD OF DIRECTORS

(AS AT 16 MARCH 2026)

LAM SING CHUNG, 78

Chairman

Non-executive/Non-independent Director

Date of last election:

26 April 2024

Board Committee:

Nominating Committee (Member)

Remuneration Committee (Member)

Mr Lam was appointed as a Director and Vice-Chairman of the Board of Directors of the Company on 11 October 2003. He assumed the position of Chairman with effect from 1 May 2021.

Mr Lam holds a diploma in Business Studies from the South East London Technical College of United Kingdom. Mr Lam is an established entrepreneur and has investments in a wide range of businesses. He also sits on the board of directors of various private enterprises that he invested in.

Mr Lam is a controlling shareholder of the Company, with a shareholding interest of approximately 31.03% in the total issued shares of the Company as at 16 March 2026.

Mr Lam is proposed to be re-elected at the Annual General Meeting. For further information on Mr Lam as prescribed by Appendix 7.4.1 of the SGX-ST Listing Manual, please refer to pages 196 to 205 of this Annual Report.

PHILIP YEO LIAT KOK, 79

Vice-Chairman

Non-executive/Independent Director

Date of last election:

27 April 2023

Board Committee:

Nominating Committee (Member)

Remuneration Committee (Member)

Mr Yeo was appointed as a non-executive independent Director of the Company on 1 November 2022. He assumed the position of Vice-Chairman with effect from 24 February 2023.

Mr Yeo has more than 40 years of public sector experience and had held various leadership and senior roles, including as Executive Chairman of the Economic Development Board; Executive Chairman of A*Star (Agency for Science, Technology and Research); Special Advisor for Economic Development (Prime Minister's Office); and Chairman of Spring (Standards, Productivity and Innovation for Growth) Singapore.

He has received various public awards, including the Public Administration Medal (Silver) in 1974; the Public Administration Medal (Gold) in 1982; the Meritorious Service Medal in 1991; and the Order of Nila Utama (First Class), Singapore's most prestigious National Day award, in 2006. He was also awarded the highest civilian honour, the Bintang Jana Tama (the First Class Order of Service Award), by the Indonesian Government in 1994 in recognition of his role in fostering good bilateral ties between Indonesia and Singapore; the Order of the Rising Sun, Gold and Silver Star from the Government of Japan in 2007; and the Distinguished Service (Star) award from the Singapore Labour Movement, National Trade Union Congress in 2008.

Mr Yeo is currently Chairman of Economic Development Innovations Singapore Pte. Ltd., an investment firm providing advisory services,

Accuron Technologies Limited, a Singapore-based precision engineering and technology company, and Advanced MedTech Holdings, a high growth medical technology company in Southeast Asia with a well-established global footprint. It is also a global medical technology leader with a core focus in urology devices and services.

Mr Yeo holds a Bachelor of Applied Science (Industrial Engineering) and an Honorary Doctorate in Engineering from the University of Toronto, Canada; an Honorary Doctorate in Medicine from the Karolinska Institutet, Sweden; a Master of Science (Systems Engineering) from the University of Singapore; a Master of Business Administration from Harvard University, USA; an Honorary Doctor of Science from Imperial College, London; an Honorary Doctor of Letters from National University of Singapore; an Honorary Doctor of Law from Monash University of Australia; and an Honorary Doctor of Letters from Nanyang Technological University. He is also an Honorary Fellow of King's College London.

Mr Yeo is proposed to be re-elected at the Annual General Meeting. For further information on Mr Yeo as prescribed by Appendix 7.4.1 of the SGX-ST Listing Manual, please refer to pages 196 to 205 of this Annual Report.

Directorships in other listed companies:

- Sunway Berhad
- Indofood Agri Resources Ltd



BOARD OF DIRECTORS

(AS AT 16 MARCH 2026)

LIN KEJIAN, 47

*Joint Group Managing Director
Executive Director*

Date of last election:

26 April 2024

Board Committee:

Nil

Mr Lin was first appointed as a non-executive Director of the Company on 1 December 2007. On 1 October 2010, he became an executive Director of the Company holding the post of Operations Director. He assumed the position of Deputy Group Managing Director of the QAF Group in September 2014 and thereafter Joint Group Managing Director of the QAF Group with effect from 1 January 2017.

Prior to joining the Company, Mr Lin was the business manager of Culindo Livestock (1994), a family-owned private enterprise, whose principal activity is that of importer and supplier of live pigs to Singapore.

Mr Lin holds a degree in Business Administration (major in Finance) from California State University, Los Angeles.

Mr Lin is the son of Mr Lam Sing Chung, a Director and Chairman of the Company. He is also a controlling shareholder of the Company, with a shareholding interest of approximately 39.51% in the total issued shares of the Company as at 16 March 2026.

MICHAEL DARREN HEWAT, 60

*Joint Group Managing Director
Executive Director*

Date of last election:

26 April 2024

Board Committee:

Nil

Mr Hewat assumed the position of Joint Group Managing Director of the QAF Group with effect from 1 June 2023. Prior to that he was the Company's Chief Operating Officer, such appointment having commenced in November 2022.

Mr Hewat was the General Manager Finance of QAF Group's Australian Primary Production business under Rivalea from 2008 and promoted to chief executive officer from 2014 until the disposal of such business by the QAF Group, which was completed in early 2022. Mr Hewat is a Certified Practising Accountant of CPA Australia, holds a Bachelor of Business (Accountancy) from the Charles Sturt University Riverina, Australia and is an Accredited Director of the Singapore Institute of Directors.



BOARD OF DIRECTORS

(AS AT 16 MARCH 2026)

NORMAN IP, 73

Non-executive/Independent Director

Date of last election:

25 April 2025

Board Committee:

Audit and Risk Committee (Chairman)

Mr Ip was appointed as a non-executive independent Director of the Company on 1 May 2021.

He is a Chartered Accountant by training, with over 40 years of commercial experience in finance and investment, real estate, mining, hospitality and general management. From 2000 to 2009, he was President and Group Chief Executive Officer of The Straits Trading Company Limited ("STC"), a listed company in Singapore. Prior to joining STC in 1983, he was with Ernst & Whinney (now known as Ernst & Young LLP).

Mr Ip is a director and/or chairman of some of the principal insurance subsidiaries of Great Eastern Holdings Limited ("GE"). He served as Chairman of GE from 2013 to 2014 and as Acting Group Chief Executive Officer from 2014 to 2015.

Mr Ip graduated from London School of Economics and Political Science with a Bachelor of Science (Econs), Special Subject: Accounting and Finance. He is a Fellow of the Institute of Chartered Accountants in England and Wales and also a Fellow of the Singapore Institute of Chartered Accountants. Mr Ip was awarded The Public Service Medal (Pingat Bakti Masyarakat) from the President of the Republic of Singapore in 2020. He is a Senior Accredited Director of the Singapore Institute of Directors.

CHEE TECK KWONG PATRICK, 71

Non-executive/Independent Director

Date of last election:

25 April 2025

Board Committee:

Audit and Risk Committee (Member)

Mr Chee was appointed as a non-executive independent Director of the Company on 1 May 2021.

Mr Chee holds a Bachelor of Laws (Honours) Degree from the University of Singapore. He is an Advocate and Solicitor of the Supreme Court of Singapore and a Solicitor of the senior courts of England and Wales. He has been in private legal practice since 1980 and is now a Senior Legal Consultant with Tito Isaac & Co LLP, a law firm providing legal services in Singapore and cross-border services in collaboration with a network of lawyers in overseas jurisdictions. His areas of practice are corporate and commercial matters, banking and finance, cross-border joint ventures and investments, mergers and acquisitions, setting up family offices and listing of companies. He has also advised on property law and handled several landmark development projects in Singapore, Indonesia, Malaysia, Vietnam and China. He also conducts civil litigation and arbitration proceedings.

Mr Chee is a member of the Law Society of Singapore, Singapore Academy of Law, Law Society of England and Wales, Singapore Institute of Arbitrators and Singapore Institute of Directors. He had served in the sub-committee of the National Crime Prevention Council, Singapore, and worked with the National Productivity Board, Singapore in developing and seeing the successful launch of some well-known franchises in Singapore in the early 1990s. From 2002 to 2013, Mr Chee was the Organising Chairman of the 'National Street Soccer League – Lee Hsien Loong Challenge Trophy'.

Mr Chee serves as Honorary Legal Advisor to several big clans and trade associations in Singapore. He is also a recipient of the National Day Awards 2003 – The Public Service Medal (Pingat Bakti Masyarakat) from the President of the Republic of Singapore.

Directorships in other listed companies:

- MeGroup Ltd.
- Sheng Siong Group Ltd.
- Noel Gifts International Ltd.



BOARD OF DIRECTORS

(AS AT 16 MARCH 2026)

LOH WEE LEE, 42

Non-executive/Independent Director

Date of last election:

25 April 2025

Board Committee:

Nil

Mr Loh was appointed as a non-executive independent Director of the Company on 1 June 2024.

He holds a Bachelor of Arts with concentrations in Economics (Summa Cum Laude) from Cornell University, USA and graduated as a Merrill Presidential Scholar. He also holds a Master of Arts with concentrations in Statistics from Harvard University, USA.

Mr Loh is currently Group Chief Digital Officer and yuu Rewards Officer of DFI Retail Group Holdings Limited, responsible for driving the growth of its digital businesses. Prior to joining DFI Retail Group Holdings Limited, he held various senior management roles with the Lazada group, serving in both regional and country business roles in corporate development, innovation and general business management. As Chief Executive Officer of Lazada Singapore Pte Ltd, he led both the Lazada marketplace and Singapore's online grocery, Redmart. Mr Loh also held other leadership roles in two Singapore-listed engineering and technology companies, leading strategy, corporate development and business operation roles in various jurisdictions, and leading and incubating growth of emerging new businesses in energy, infrastructure, robotics, automotives and AI-linked domains. Mr Loh started his private sector career as a management consultant with McKinsey and Company, serving clients in the Asia Pacific.

FOO KWEE JOEN JUNIE, 58

Non-executive/Independent Director

Date of last election:

Not Applicable

Board Committee:

Nominating Committee (Chairperson)

Remuneration Committee (Chairperson)

Ms Foo was appointed as a non-executive independent Director of the Company on 16 June 2025.

Ms Foo has more than 25 years of working experience in the banking and finance industry with her last role as Head, Global Corporates and MNCs, Corporate Banking, Asia Oceania, MUFG Bank, Ltd from 2010 to 2018. She pivoted to the social services sector and served as the Chief Executive Officer of Methodist Welfare Services from 2018 to 2023. She was the President of the Singapore Council of Women's Organisations and also sat on the boards of various non-profit organisations including Singapore Institute of Directors, Singapore Institute of Management and Singapore Art Museum.

Ms Foo is currently a non-executive independent director and Audit Committee chairperson of QBE Insurance (Singapore) Pte Ltd, and a director of Agency for Integrated Care Pte Ltd. She is also the Chairperson of the Singapore Kindness Movement.

Ms Foo holds a Bachelor of Arts with Honours in Japanese Studies from the National University of Singapore and a Postgraduate Diploma in International Marketing from the University of Strathclyde. She is a Fellow and a Senior Accredited Director of the Singapore Institute of Directors. Ms Foo is a Justice of Peace and was awarded the Public Service Medal (Pingat Bakti Masyarakat) by the President of the Republic of Singapore in 2023 and the Distinguished Arts and Social Sciences Alumni Award by the National University of Singapore in 2023.

Ms Foo is proposed to be re-elected at the Annual General Meeting. For further information on Ms Foo as prescribed by Appendix 7.4.1 of the SGX-ST Listing Manual, please refer to pages 196 to 205 of this Annual Report.



BOARD OF DIRECTORS

(AS AT 16 MARCH 2026)

BASIL CHAN, 75

Non-executive/Independent Director

Date of last election:

Not Applicable

Board Committee:

Audit and Risk Committee (Member)

Mr Chan was appointed as a non-executive independent Director of the Company on 16 July 2025.

Mr Chan has more than 40 years of working experience in audit, finance and general management. From 2001 to 2003, he was the Chief Executive Officer of Hua Kok International Ltd, a construction company listed in Singapore. Prior to that, he held various senior finance positions, including as Chief Financial Officer of Datacraft Asia Ltd, Finance Director of Singapore Technologies Engineering Ltd and Regional Finance Director of Schneider Electric Group in South East Asia.

He was a Council Member and Board Director of the Singapore Institute of Directors (SID) from 2002 to 2013, and a former member of SID's Audit Committee Chapter. He was also a member of the Accounting Standards Committee and Corporate Governance Committee of the Institute of Singapore Chartered Accountants (ISCA), and a member of the Corporate Governance Committee which issued the Singapore Code of Corporate Governance in 2001.

Mr Chan is currently the Founder and Managing Director of MBE Corporate Advisory Pte Ltd, a corporate finance and advisory firm he started in 2003. He is also the Non-Executive Chairman of Memories (2022) Pte Limited, and a member of the Audit and Assurance Standards Committee of the ISCA.

Mr Chan holds a Bachelor of Science (Economics) Honours degree majoring in Business Administration from the University of Wales Institute of Science & Technology, UK. He is a Fellow of the Institute of Chartered Accountants in England and Wales, the Institute of Singapore Chartered Accountants and Singapore Institute of Directors.

Directorships in other listed companies:

- Grand Banks Yachts Limited
- Broadway Industrial Group Limited
- Nera Telecommunications Ltd

Mr Chan is proposed to be re-elected at the Annual General Meeting. For further information on Mr Chan as prescribed by Appendix 7.4.1 of the SGX-ST Listing Manual, please refer to pages 196 to 205 of this Annual Report.

TAN CHUAN LYE, 68

Non-executive/Independent Director

Date of last election:

Not Applicable

Board Committee:

Audit and Risk Committee (Member)

Mr Tan was appointed as a non-executive independent Director of the Company on 16 July 2025.

Mr Tan was an Adjunct Associate Professor with the NUS Business School from 2016 to 2024. He retired as a Risk Consulting Partner with KPMG Singapore in 2015, having spent more than 15 years across several periods where he was involved in external audit and risk advisory services.

He also has more than 20 years of experience working in international banks where he held senior roles in the areas of internal audit and operational risk management, including as Head of Group Technology & Operational Risk Management and Deputy Head of Group Audit of DBS Bank, and Head of Audit (Asia Pacific) of Chase Manhattan Bank (now known as JP Morgan Chase).

Mr Tan currently sits on the Board and Audit and Risk Committee(s) of Berjaya Sompoo Insurance Berhad; Synapse Pte Ltd, the national HealthTech agency wholly owned by MOH Holdings Pte Ltd; Meranti Power Pte Ltd, a subsidiary of the Energy Market Authority; and Science Centre Board, a statutory board of the Ministry of Education. He is also a member of the Asia Advisory Board of EFG Bank AG where he chairs the Audit & Risk Committee.

Mr Tan holds a Master of Business Administration from Henley Business School, Brunel University London, UK. He is a Fellow of the Institute of Singapore Chartered Accountants and the Association of Chartered Certified Accountants, and a Senior Accredited Director of the Singapore Institute of Directors.

Directorships in other listed companies:

- First REIT Management Limited
- Heeton Holdings Limited
- Kingsmen Creatives Limited

Mr Tan is proposed to be re-elected at the Annual General Meeting. For further information on Mr Tan as prescribed by Appendix 7.4.1 of the SGX-ST Listing Manual, please refer to pages 196 to 205 of this Annual Report.



BOARD OF DIRECTORS

(AS AT 16 MARCH 2026)

JOHN MARTIN MILLER, 68

Non-executive/Independent Director

Date of last election:

Not Applicable

Board Committee:

Nil

Mr Miller was appointed as a non-executive independent Director of the Company on 16 July 2025.

Mr Miller has extensive experience in the food industry having held senior positions with Danone and Nestlé. He spent the first 22 years of his career with Unilever where he held positions as Marketing Director in Malaysia, the Czech Republic and Slovakia. He was also Senior Vice President for Africa. His specific areas of expertise include general management, business strategy and marketing. Mr Miller was with the Nestlé group for more than 10 years, holding various leadership positions, such as Senior Vice President for Africa and Pakistan, Chairman and Chief Executive Officer of Nestlé Philippines, Chairman and Chief Executive Officer of Nestlé Thailand where he was also responsible for overseeing Nestlé's operations in Vietnam, Cambodia, Laos and Myanmar, and Managing Director of Nestlé Singapore.

Mr Miller graduated from the University of Durham, UK with a Bachelor of Arts (in General Studies) and a Master of Arts (by research).

Mr Miller is proposed to be re-elected at the Annual General Meeting. For further information on Mr Miller as prescribed by Appendix 7.4.1 of the SGX-ST Listing Manual, please refer to pages 196 to 205 of this Annual Report.

RACHEL LIEM YUAN FANG, 30

*Alternate Director to
Mr Lam Sing Chung*

Date of last election:

Not applicable

Board Committee:

**Nominating Committee (Alternate)
Remuneration Committee (Alternate)**

Ms Liem was appointed on 21 January 2018 as alternate director to Mr Lam Sing Chung, who is a Director and Chairman of the Board of Directors of the Company.

Ms Liem holds a Bachelor of Science Degree (Magna Cum Laude) with concentrations in Strategic Management and Business Analytics from Babson College, United States. Ms Liem is the daughter of Mr Lam Sing Chung.



QAF MANAGEMENT STAFF

ALBERT LOH

Chief Financial Officer

Mr Loh was appointed Chief Financial Officer in June 2023 and is responsible for the overall financial and management accounting functions of the Group. He joined the QAF Group in May 2019 and served as the Group Corporate Finance Officer till May 2023. Mr Loh has more than 30 years of experience in corporate financial management. His last appointment before joining the QAF Group was as group corporate finance manager of a luxury retailer in the United Arab Emirates. Mr Loh is a Chartered Accountant of Singapore, CFA® charterholder and Certified Internal Auditor. He holds a Bachelor degree from Nanyang Technological University and a Master of Business Administration from the National University of Singapore.

SOH CHAI LIH

*Group General Counsel and
Company Secretary*

Ms Soh joined the QAF Group on 1 February 2025 as Joint Group Legal Counsel for a transitional period and was appointed Group General Counsel and Company Secretary on 1 May 2025. She oversees the legal and corporate secretarial functions of the Group.

Ms Soh holds a LLB (Honours) degree from the National University of Singapore. Prior to joining the QAF Group, she spent a decade in various in-house counsel roles: Group General Counsel at Pathology Asia Holdings Pte Ltd, Deputy General Counsel and Chief of Staff (Board of Directors) at Fullerton Health Corporation Limited and Assistant General Counsel, Vice President at GIC Private Limited. She also has over a decade of experience in private practice where she specialised in mergers and acquisitions and capital markets work. She was a partner at Rajah & Tann Singapore LLP from 2011 to 2015.

WONG CHIN CHIN

Group Financial Controller

Ms Wong was appointed Group Financial Controller in May 2019 and is responsible for the Group's financial and accounting matters including compliance with financial reporting. Ms Wong has been with the QAF Group since 2005 and was the Group Deputy Financial Controller from January 2018 to April 2019 and Assistant Financial Controller from January 2009 to December 2017. Ms Wong has more than six years of audit experience in providing audit and advisory services to clients in diverse industries and SGX-ST listed companies. Prior to joining the QAF Group, she was a manager (corporate financial services) with Raffles International Limited. Ms Wong is a Chartered Accountant of Singapore and holds a Bachelor degree from Nanyang Technological University.



OUR KEY BRANDS





OPERATIONAL REVIEW

SEGMENT FINANCIALS

Bakery Segment	FY2025	FY2024	Change
	\$' millions	\$' millions	%
Revenue	456.2	456.0	0
Segment EBITDA before exceptional items ¹	48.2	58.2	(17)
<i>EBITDA margin before exceptional items (%)</i>	<i>10.6%</i>	<i>12.8%</i>	
Share of profits/(losses) and royalty income from joint venture (GBKL) ²	22.5	11.5	96
Segment EBITDA before exceptional items, plus joint venture (GBKL) contribution	70.7	69.7	1

Distribution and Warehousing Segment	FY2025	FY2024	Change
	\$' millions	\$' millions	%
Revenue	165.2	168.0	(2)
Segment EBITDA ¹	7.0	8.1	(14)
<i>EBITDA margin (%)</i>	<i>4.2%</i>	<i>4.8%</i>	

¹ Segment EBITDA excludes head office expenses.

² Share of profits/(losses) and royalty income from joint venture includes a net non-cash reversal of impairment of \$8.7 million on the Group's investment in its joint venture in FY2025 and a non-cash impairment of \$1.2 million in FY2024.



OPERATIONAL REVIEW

BAKERY



SINGAPORE

Gardenia Foods (S) Pte Ltd
("Gardenia Singapore")

Gardenia Singapore continued to reinforce its position as a trusted bakery brand in 2025. Through product innovation and accessibility, collaboration with partners and community engagement, Gardenia Singapore has maintained its strong leadership in the packaged bread market.

This year, Gardenia Singapore accelerated product development efforts to address the evolving preferences of consumers. This resulted in new product launches and the revitalisation of several signature products.

- Premium specialty loaves – *Gardenia Thick Toast Brioche Loaf*, *Gardenia Chocolate Royale Loaf* and *Gardenia Matcha Azuki Loaf*, to bring artisanal-style experiences conveniently into the homes of consumers.
- *Gardenia Belgian Waffles* – *Original*, *Chocolate*, and *Blueberry*, to meet the rising demand for convenient, ready-to-eat snacks with longer shelf life.
- *Gardenia Chocolate Malt Drink*, to cater to the growing demand for healthier beverage options.
- Product revitalisation – *Gardenia Hokkaido Hi-Calcium Milk Bread*, *Gardenia High Fibre White Bread* and *Gardenia Butter Corn Loaf*, enhancing both taste and nutritional value.

Complementary to its consumer-centric product portfolio, Gardenia Singapore continued to champion nutrition education and encourage healthier eating habits among the community. By collaborating closely with strategic partners, these efforts aimed to build a healthier, more inclusive and responsible society.

- Gardenia Singapore plays an active role in national health campaigns by supporting the Health Promotion Board's ("HPB") initiatives. Through HPB's "Eat, Drink, Shop Healthy" campaign, community roadshows, in-store promotions and prominent use of the "Healthier Choice" symbol across its wholemeal and multi-grain products, Gardenia Singapore reinforced and promoted the selection of nutritious food options.
- The launch of the new *Gardenia Chocolate Malt Drink* also featured HPB's messaging through digital advertisements and sampling activities, extending Gardenia Singapore's commitment to healthier living beyond the bakery into the beverage category.



In 2025, Gardenia Singapore accelerated its product development efforts to meet evolving preferences of consumers, resulting in the successful launches of new products.



In 2025, Gardenia Singapore revitalised several signature products, enhancing both taste and nutritional value.



OPERATIONAL REVIEW

BAKERY

- A 5-month preschool outreach programme, educating 2,500 children across 25 schools, was conducted. Through engaging activities and sampling drives, the initiative taught young minds about the importance of healthy eating and the nutritional benefits of wholemeal bread.
- In celebration of Singapore's 60th birthday, Gardenia Singapore participated in "Project Sama Sama @ North West", officially launched by Mr Lawrence Wong, Prime Minister and Minister for Finance. The scheme supports eligible households with necessities, including daily fresh bread, to help them cope with the rising cost of living.
- Gardenia Singapore also supported many initiatives with a diverse range of partners, such as hospitals, health organisations, community support agencies, charities and social service agencies. These initiatives have benefited various groups, including low-income households, seniors, healthcare workers, migrant workers and the general public.

Operationally, Gardenia Singapore focused on optimisation and enhancing energy efficiency. Gardenia Singapore also partnered with a local polytechnic and an energy consultant to conduct a comprehensive energy efficiency assessment. Initiatives to improve energy efficiency were also introduced during the year.

In addition, Gardenia Singapore upholds rigorous food hygiene and workplace safety standards to ensure production in a clean and secure environment. For the 31st consecutive year, Gardenia Singapore maintained Grade A status under the Food Safety Excellence Scheme, overseen by the Singapore Food Agency.



Gardenia Singapore conducted a preschool outreach program across 25 schools, educating 2,500 children about the importance of healthy eating and the nutritional benefits of wholemeal bread.

For 2025, Gardenia Singapore is the No. 1 Best Selling Bread Brand in Singapore in terms of value and volume sales. It secured No. 1 status from NielsenIQ in three categories, namely, "White Bread", "Wholemeal Bread" and "Non-filled Bun Bread" for the period January to December 2025, reaffirming its leadership in the industry. Gardenia Singapore also received other awards from its partners:

- "Preferred Business Partner Award" by FairPrice in recognition of the strong collaboration and valued partnership, with Gardenia Singapore delivering a reliable supply of quality products.
- "Customer Favourite Brand 2025" award by DFI Retail Group, for delivering high-quality and customer-centric products.
- "Favourite Brands" award for the Bakery category by 7-Eleven, underscoring Gardenia Singapore's dedication to delivering trust-worthy and value-for-money products which consistently exceed consumers' expectations.

In 2026, Gardenia Singapore will pursue strategic initiatives that focus on consumer-centric innovation and engagement, operational excellence and supply chain resilience.

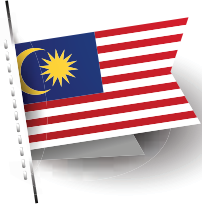
- Expansion of artisanal-inspired specialty loaves and single-serve buns to meet the needs of time-pressed consumers seeking quick, satisfying options.
- Refinement to product and price mix, supported by targeted marketing campaigns, that underscore value and relevance for the mass market.
- Leveraging on Gardenia's brand and extensive distribution network, the expansion into complementary food categories that capture new consumption occasions.
- Driving multi-generational engagement through integrated community initiatives that highlight product benefits, leverage strategic partnerships and foster brand loyalty.

With these priorities, Gardenia Singapore will be well-positioned to sustain growth, deepen its trading capabilities and strengthen its standing as the nation's leading packaged bread brand and a trusted household name.



OPERATIONAL REVIEW

BAKERY



MALAYSIA

Gardenia Bakeries (KL) Sdn Bhd,
Bakers Maison (M) Sdn Bhd,
Millif Industries Sdn Bhd,
Farmland Bakery (M) Sdn Bhd
("Gardenia Malaysia")

For 2025, Gardenia Malaysia sustained its leadership position in the bakery industry. This was achieved despite a slowdown in the fast-moving consumer goods market and competition from new entrants in the bread segment.

Building on its existing diversified portfolio, Gardenia Malaysia expanded its product range by launching new products with mass appeal that contributed to its growth.

- *Quickbites Cream Rolls* – 2 new flavours in the popular cream roll range, Durian and Strawberry, were added. These cream rolls combine *Gardenia's* high-quality soft rolls with premium-tasting fillings at affordable prices.
- *PUAZZ! Sambal Royale* – A two-piece savoury-filled bun, baked with *Gardenia's* signature Sambal Bilis, was introduced to enhance the *PUAZZ! Sambal Bilis* offerings.
- *NuMee Signature Tom Yum* – To expand its *NuMee* portfolio, the Tom Yum flavour was launched under the *Gardenia NuMee Signature Instant Noodle* range.

Gardenia Malaysia also drove product sales by engaging its consumers with strategic and effective marketing campaigns.

Supporting its branding was Gardenia Malaysia's high standards in food production, ensuring safe and high-quality products for consumers. All regulatory and quality certifications were maintained throughout the year, including certifications related to food safety, quality management, and compliance standards. During the year, additional projects enhancing energy efficiency and improving food safety were successfully implemented. Planning ahead, additional projects are currently in progress to further reduce long-term energy costs.



New products launched by Gardenia Malaysia in 2025.



OPERATIONAL REVIEW

BAKERY

Gardenia Malaysia also placed emphasis on its employees' well-being, organising various company-wide events to maintain a strong and cohesive team, ready to drive Gardenia Malaysia forward. These events included Gardenia All Stars 2025 – Lebih Fit Lebih Produktif, a health challenge; Gardenia All Stars Bowling Tournament; and Gardenia All Stars Breadventure, a treasure hunt.

Gardenia Malaysia continues to support and engage its community.

- Gardenia Bag-2-School, an annual initiative dedicated to supporting students from low-income families. Gardenia Malaysia provided school essentials to ease their preparation for the new school term and support their educational journey.
- Fuel Your Success Campaign, a UniTour programme launched by Gardenia Malaysia, is designed to motivate students to excel in their university life. This programme also featured appearances by Malaysian celebrity Najwa Latif, who shared her personal experiences and insights, as well as complimentary *Gardenia's* Ready-To-Eat products and discount coupons.
- Regular monthly donations of food products to support Muhibbah Food Bank, addressing food insecurity in the community.

As a testament to its strong position in the industry, Gardenia Malaysia was awarded the "Putra Brand Platinum Award (Foodstuff Category)" for 2025, the 16th consecutive year it has won the "Putra Brand Award" and the 7th consecutive year it has won the Platinum award.

While the year ahead remains uncertain, Gardenia Malaysia will continue to build on its efforts in 2026.

- Strengthening the Core – Gardenia Malaysia will seek to maintain its strength in the core bread and rolls range while growing its healthy bread, specialty bread, and cakes. Initiatives to further engage and support the younger generation will also be prioritised to fuel *Gardenia's* brand relevance.
- Operational Excellence – Gardenia Malaysia will continue to pursue operational improvements by streamlining processes, enhancing value generation and investing in its people to improve efficiency, profitability, and innovation.
- Expanding Capabilities – Gardenia Malaysia will look to work with strategic partners to open new growth opportunities.



Gardenia Malaysia was awarded "Putra Brand Platinum Award (Foodstuff Category)" for 2025, the 16th consecutive year it has won the "Putra Brand Award".



OPERATIONAL REVIEW

BAKERY



AUSTRALIA

Bakers Maison Australia Pty Ltd
("Bakers Maison")

In 2025, Bakers Maison maintained growth despite operating in a challenging environment. While the meal kit channel and quick service restaurants have seen a slowdown, Bakers Maison capitalised on opportunities in retail, food service and the growing tourism and travel channel markets.

To capture such opportunities, Bakers Maison invested strongly in product innovation. With over 50 new products developed, a dozen of which have been released to the market, the most significant introductions were:

- *Kit Kat Croissant*, developed in partnership with Nestle, was launched nationwide through a leading supermarket chain in October.
- 5 new items, such as round rolls, ciabatta rolls and continentals were developed for the airline channel and successfully launched in July.

Beyond its products, Bakers Maison has continued to build on its operational capabilities. Reorganisation of production and its workforce, adjustments to inventory holdings to improve service levels and the renewal of Safe Quality Food certifications were achieved during the year. These efforts have enabled Bakers Maison to increase production output and improve efficiency, positioning Bakers Maison well to support future growth. As a reflection of its efforts, Bakers Maison was ranked in the top 3 for the "Best Supplier of the Year 2025 Award", by their national distributors.



Kit Kat Croissant, developed in partnership with Nestle, was launched by Bakers Maison nationwide through a leading supermarket chain in October 2025.



Bakers Maison developed and launched 5 new items for the airline channel in 2025.



OPERATIONAL REVIEW

BAKERY

Bakers Maison engaged with key stakeholders to build a strong and inclusive company.

- To unlock new business opportunities, Bakers Maison participated in the Foodservice Expo in Melbourne in May and the Fine Food Show in Sydney in September. These events were attended by over 20,000 professionals, creating valuable connections in the industry.
- To support the community, Bakers Maison gave educational Christmas presents to the students of Broderick Gillawarna School and hosted a lunch for the teachers and carers to appreciate their invaluable contributions.
- To build a cohesive workforce, Bakers Maison continued its tradition of celebrating Harmony Day for the 13th year. The entire staff of Bakers Maison cooked dishes from their home countries to share a taste of their culture and strengthen bonding. International Women's Day was also celebrated.

Similar to 2025, the Australian economy is expected to experience modest growth in 2026. Leveraging on the successful implementation of operational improvements, Bakers Maison will look forward to accelerating retail channels and capturing additional opportunities in the tourism sector. Exports to New Zealand, which gained momentum in the latter part of 2025, will also be pursued. To further drive growth, Bakers Maison will continue to invest in product innovation and plans to launch several new products in the coming year.



To unlock new business opportunities, Bakers Maison participated in the Fine Food Show in Sydney.



To build a cohesive workforce, Bakers Maison celebrated International Women's Day.



OPERATIONAL REVIEW

BAKERY, DISTRIBUTION AND WAREHOUSING



THE PHILIPPINES

*Gardenia Bakeries (Philippines) Inc.,
Nutribaked Food Products Inc.,
Nutrimax Fresh-Baked Inc.,
Vitabread Food Products Inc.,
Gardenia (Philippines) Trading and
Distribution Corp.,
Phil Foods Properties Inc.,
Philfoods Fresh-Baked Products Inc.
("Gardenia Philippines")*

Gardenia Philippines maintained its market leadership in 2025. This is despite the industry being challenged by subdued household consumption, dampened consumer confidence, and natural disasters that have disrupted the country.

During the year, Gardenia Philippines executed various key initiatives to stimulate demand.

- **Enhancing Brand Visibility** – Through traditional and digital media, Gardenia Philippines engaged with the wider community through informative articles, seedings, and snackable content. Influencers also helped to engage niche audiences through relatable video content across different target markets.
- **Broadening Product Accessibility** – Gardenia Philippines capitalised on the growth of discounter stores in urban and rural areas, as well as the increase in supermarket and convenience store chains, to expand its reach. In addition, Gardenia Philippines increased its penetration by servicing more sari-sari stores and market stalls.
- **Increasing Product Awareness** – An integrated marketing program was executed to increase visibility for *Happy Mie*, *Coffee Smile*, *Delicia*, and *Beau & Belle*, emphasising the complementary nature of these products to its core bread portfolio. Additionally, to strengthen *Gardenia* health breads, the "Gardenia's Choices" campaign focused on building relevance among health-conscious consumers.
- **Encouraging Consumer Adoption** – Gardenia Philippines engaged in extensive product cross-bundling promotions and sampling activities to encourage trial and purchase conversion. Digital campaigns such as recipe videos, product information and target-market affinity-linked contents were executed to gain market relevance and highlight product versatility.
- **Improving Customer Experience** – Gardenia Philippines launched enhanced initiatives to ensure more effective customer transactions.

To further meet consumer preferences, Gardenia Philippines also introduced several products in 2025.

- *Neubake Hamburger Bun* was launched.
- 2 variants of the popular *Pocket Sandwich* in Cheese and Strawberry Pastillas, as well as 2 variants of *Fun Bun* in Ube and Chocolate, were relaunched. These products now come with Gardenia's Nutri+Plus Advantage.



New products launched by Gardenia Philippines in 2025.



OPERATIONAL REVIEW

BAKERY, DISTRIBUTION AND WAREHOUSING

Complementing these efforts, Gardenia Philippines implemented several operational projects to ensure it remains well-positioned for current and future business needs.

- Initiatives in distribution focused on promoting trucking flexibility, optimising routing load and improving trucking visibility and efficiency.
- Projects relating to recycling and reducing waste were carried out. This included partnering with waste management companies and introducing new technology.
- In addition to its existing solar panels, Gardenia Philippines further expanded its renewable energy use with new installations commencing operations in December 2025.
- Cross-functional sharing and continuous training across all departments were held to build expertise, improve knowledge sharing and standardise quality controls.

Beyond improvements, Gardenia Philippines remains dedicated to high standards of production for its consumers, maintaining all relevant certifications for food safety.

Community outreach remains integral to Gardenia Philippines' efforts towards sustainability. In 2025, Gardenia Philippines was involved in numerous initiatives to support and engage its community.

- Through the Daily Bread Nutrition Program, Gardenia Philippines donated millions of products to support charitable organisations, students, families and underserved communities.
- Gardenia Philippines' Quick Response Food Relief initiative provided immediate assistance to families affected by natural disasters and fire incidents, ensuring access to essential food during emergencies.
- Partnering with the Philippine Red Cross, the Nutrisyon at Kalinisan Para sa Maayos na Kinabukasan (Nutrition and Cleanliness for a Better Future) Program engaged thousands of students across 55 schools on healthy eating and hygiene practices.
- Expanding on its existing waste recovery program with schools and local government offices, product packaging plastics were recycled into school chairs and donated to public schools.
- Gardenia Philippines welcomed over 264,000 students and visitors to its plant tours.

In recognition of these contributions, Gardenia Philippines was awarded the Circle of Excellence Award for "CSR Company of the Year" at the Asia CEO Awards 2025.

The Philippine economy is expected to expand in 2026, although Gardenia Philippines' own growth is expected to be more moderate compared to previous years. Several key strategic focus areas ahead include:

- Maintaining its core strength in the bread segment, which remains its leading contributor.
- Building on the evolving preferences of consumers towards healthier choices. Beyond fibre and whole grains, consumers now look at digestive health, energy support, and natural ingredients. As consumers are actively embedding healthier choices into their daily routines, they will seek value, appreciating quality without the premium pricing. Gardenia Philippines will leverage its health bread portfolio to meet these preferences.
- Capturing opportunities in the growing snack market. As the snacking trend deepens, consumers now seek snacks that are not just convenient, but products that deliver satiety, energy, and functional benefits without sacrificing portability. Gardenia Philippines will strengthen its baked snack products as functional, filling, and convenience-first options. This includes maximising product distribution and reinforcing category relevance with improved nutrition and updated looks.



Gardenia Philippines' Quick Response Food Relief initiative provided immediate assistance to families affected by natural disasters and fire incidents, ensuring access to essential food during emergencies.



OPERATIONAL REVIEW

DISTRIBUTION AND WAREHOUSING



SINGAPORE

Ben Foods (S) Pte Ltd,
NCS Cold Stores (S) Pte Ltd,
QAF Fruits Cold Store Pte Ltd
("Ben Foods Group")

Ben Foods Group faced a tough trading environment that has continued into 2025. Throughout the year, Singapore's food and beverage sector faced soft consumer demand, although the retail market had some relief from government support measures. In addition, the regional markets remained challenging. For warehousing, demand remained strong with Ben Foods Group maintaining high occupancy rates during the year.

During 2025, Ben Foods Group focused on its key channels and core products, while maintaining operational stability and resilience. To maintain an attractive product portfolio, Ben Foods Group leveraged its proprietary brands to expand its product range.

- Under *Cowhead*, products such as flavoured popcorn and whipping cream were launched. A range of sourdough frozen bread such as bagels, ciabatta, raisin loaf and burger buns were also introduced.
- Under *Famland*, its product portfolio was expanded with the addition of a new range of frozen fruits.

Operationally, Ben Foods Group remains committed to its strict standards of food management. Relevant certifications for effective food and workplace safety, as well as environmental management, continued to be maintained.

Beyond its products and operations, Ben Foods Group also engaged with the community through the sponsorship of *Cowhead* products, such as:

- Gift from the Heart 2025 held by NTUC Food Drinks and Allied Workers Union
- Bloodmobile drive held by Church of the Immaculate Heart of Mary
- Blue Lip Campaign held by Pulmonary Hypertension Singapore
- Miles of Smiles 2025 Challenge Packs held by St Luke's ElderCare

These efforts underscore Ben Foods Group's commitment to delivering trusted quality and building strong, consumer-centric brands. This was reflected at the 2025 DFI Retail Group's Partners Awards, where Ben Foods Group received the "Customer Favourite Brand" accolade again for its proprietary brand, *Cowhead*. Ben Foods Group was also awarded the "Preferred Business Partner Award" by FairPrice, to recognise its strong partnership with FairPrice built on reliable supply, quality products and effective collaboration.

The year ahead is expected to remain challenging with continued pressure from higher operating costs and rising trade demands. Ben Foods Group will build on its existing competencies with purposeful initiatives to enable growth.

- With its strong position in the market, customer loyalty and attractive location, Ben Foods Group will seek to sustain high occupancy rates in its Warehousing business.
- Ben Foods Group will continue to rely on its diversified business model across Food Service, Retail, E-commerce, and Export channels to provide stability.
- New products under its proprietary brands will be launched to enhance its portfolio to meet consumer demand.
- Efforts in growing its e-commerce and vending machine business will be sustained to reduce reliance on brick-and-mortar businesses.
- Opportunities in its export markets will continue to be pursued.



OPERATIONAL REVIEW

DISTRIBUTION AND WAREHOUSING



New products launched by Ben Foods Group in 2025.



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SUSTAINABILITY REPORT

INTRODUCTION

About this Report

[GRI 2-1, 2-3]

QAF Limited (the “**Company**” or “**QAF**”) is pleased to present our ninth annual Sustainability Report (“**SR**”) covering our business operations for the period 1 January 2025 to 31 December 2025 (“**FY2025**”).

Reporting Scope

[GRI 2-1, 2-2, 2-6]

Unless otherwise stated, this Report covers the following entities, which are collectively referred to as the “**Group**”:

Entity	Location	Segment
QAF Limited	Singapore	Corporate Office (“ QAF HQ ”)
Gardenia Foods (S) Pte Ltd (“ Gardenia Singapore ”)	Singapore	Bakery
Gardenia Bakeries (Philippines) Inc. Philfoods Fresh-Baked Products Inc. Nutribaked Food Products Inc. Nutrimax Fresh-Baked Inc. Vitabread Food Products Inc. (collectively “ Gardenia Philippines ”)	Philippines	Bakery
Gardenia Bakeries (KL) Sdn Bhd* (“ Gardenia Bakeries KL ”, “ GBKL ” or “ GBKL JV ”) Bakers Maison (M) Sdn Bhd (“ Bakers Maison Malaysia ”) Millif Industries Sdn Bhd (“ Millif ”) (collectively “ Gardenia Malaysia ”)	Malaysia	Bakery
Farmland Bakery (M) Sdn Bhd (“ Farmland Malaysia ”)	Malaysia	Bakery
Bakers Maison Pty Ltd (“ Bakers Maison Australia ”)	Australia	Bakery
Ben Foods (S) Pte Ltd (“ Ben Foods Singapore ” or “ Ben Foods ”) NCS Cold Stores (S) Pte Ltd (“ NCS Cold Stores ”) QAF Fruits Cold Store Pte Ltd	Singapore	Distribution and Warehousing (“ D&W ”)

* GBKL is QAF's joint venture (“**JV**”). The Group has 50% interest in the ownership and voting rights of GBKL that is held through a wholly owned subsidiary.

Reporting Framework

[GRI 2-3]

This report is prepared with reference to the Global Reporting Initiative’s (“**GRI**”) Standards 2021, and we have applied the following principles to define the report content and quality of information:

- GRI Reporting Principles for defining report content: Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness
- GRI Reporting Principles for defining report quality: Balance, Clarity, Accuracy, Timeliness, Comparability and Reliability

GRI data was collected at a subsidiary level and where appropriate, has been aggregated to provide a group-level view. GRI Standards guide our reporting as it is a globally recognised framework that enables a standardised approach for businesses to report on critical sustainability issues; and encourages transparency and consistency in the data presented. The GRI content index relevant to this report can be found on pages 85 to 89.

This year, we continue to follow the recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”) in our climate reporting. Our TCFD disclosures can be found on pages 49 to 58.

This report is aligned with the reporting requirements of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Rules 711A and 711B.

Our last sustainability report was published in March 2025. We publish our sustainability reports annually and our reports for previous years are available on our website www.qaf.com.sg.

In accordance with SGX-ST Listing Rule 711B, our sustainability reporting process is subject to internal review. QAF does not currently conduct external assurance on our sustainability reporting, but intends to adopt external assurance in the coming years when it becomes mandatory.

Feedback

[GRI 2-3]

If you wish to provide feedback on our report, please send it to sustainability@qaf.com.sg.



SUSTAINABILITY REPORT

BOARD STATEMENT

[GRI 2-22]

The Board of Directors (“**the Board**”) is pleased to present QAF’s FY2025 Sustainability Report. This report provides an overview of the Group’s practices and performance related to our material environmental, social, and governance (“**ESG**”) factors, pursuant to the reporting requirements of SGX-ST Listing Rules 711A and 711B.

The Board maintains oversight over the management and monitoring of QAF’s material ESG factors and considers sustainability within the context of our business and strategy. As part of the Board’s oversight, we confirm that the previously identified material ESG factors continue to remain relevant to the Group for FY2025.

Our sustainability reporting disclosures are enhanced each year, to increase our alignment with the GRI Standards, International Sustainability Standards Board (“**ISSB**”) IFRS S2 requirements and SGX requirements on sustainability reporting. In FY2025, we introduced additional GRI disclosures for environmental and social indicators, and expanded our disclosure of industry-based metrics.

We continue to drive sustainability initiatives throughout our operations. As a food business, we prioritise product safety and quality. We seek to safeguard the health and well-being of consumers and employees, who remain key to our business. Our dedication to operational excellence is reflected in the formal recognitions and achievements received this year, highlighted on page 34 of this report.

The food industry continues to face heightened stakeholder expectations for transparency, responsible sourcing, and reduced environmental impact. Despite challenges such as supply chain management, policy shifts and evolving regulations, we remain committed to staying agile in navigating this dynamic business environment.

Looking ahead, we continue to create long-term value for our key stakeholders by strengthening our efforts to integrate ESG across our operations and aligning with international sustainability standards and frameworks.

The Board of Directors

QAF Limited





SUSTAINABILITY REPORT

QAF – AT A GLANCE

[GRI 2-1, 2-6]

QAF is a leading regional food company with core businesses in Bakery, and Distribution and Warehousing. We have extensive operations and distribution network across the Asia-Pacific region. We employ more than 10,000 people regionally and are listed on the Singapore Exchange Securities Trading Limited.

Our bakery operations manufacture branded packaged bread, bread-based snacks and specialty French-style frozen and par-baked breads and pastries. Our distribution and warehousing business is a leading importer and distributor of a wide range of regionally established food and beverage brands.

We are committed to enhancing shareholder value by pursuing a strategy of long-term sustainable growth and value creation. To achieve this, we actively engage with the communities in which we operate and aim to, amongst others, strengthen our market position and brand equity, while expanding the operations of our core businesses and distribution networks.





SUSTAINABILITY REPORT

AWARDS AND RECOGNITION

The Group has been awarded with the following recognitions during 2025:

- 1 QAF maintained its place in the Singapore Exchange's **Fast Track list** in recognition of its high corporate governance standards and good compliance track record.

- 2 Gardenia Philippines was ranked **No. 5** in the "**Prosple Philippines' Top 100 Employers**" list, specifically within the Research and Development ("R&D") and Manufacturing sector. This recognition emphasises the company's commitment to developing early career talent and establishing a positive and supportive environment for new graduates.

- 3 Gardenia Philippines was recognised as one of the **Circle of Excellence Awardees** for the "**CSR Company of the Year**" category at the Asia CEO Awards 2025. This award recognises the company's conscientious efforts and deep commitment to corporate social responsibility ("CSR") initiatives that generate measurable positive impacts to the Philippine community.

- 4 For 2025, Gardenia Singapore is the **No. 1 Best Selling Bread Brand** in Singapore in terms of value and volume sales. It has also secured **No. 1 status from NielsenIQ** in three categories, namely, "White Bread", "Wholemeal Bread" and "Non-filled Bun Bread" for the period January to December 2025.



- 5 At the FairPrice Partners Excellence Awards 2026, Gardenia Singapore received the "**Preferred Business Partner Award**", in recognition of the strong collaboration and valued partnership with FairPrice, by delivering a reliable supply of quality products throughout 2025.



- 6 Gardenia Singapore was awarded "**Customer Favourite Brand 2025**" award by DFI Retail Group for delivering high-quality and customer-centric products. Gardenia Singapore was also awarded the "**Favourite Brands**" award for the Bakery category by 7-Eleven in 2025. These accolades underscore the company's dedication to delivering trust-worthy and value-for-money products which consistently exceed consumers' expectations.



- 7 In 2025, Gardenia Singapore maintained its **Grade A status** for the 31st consecutive year under the Singapore Food Agency's Food Establishment Licensing Scheme which covers food hygiene and safety standards.

- 8 In Malaysia, Gardenia was awarded the "**Putra Brand Platinum Award (Foodstuff Category)**" for year 2025, the sixteenth consecutive year it has won the "Putra Brand Award" and the seventh consecutive year it has won the Platinum award.



- 9 Gardenia Bakeries KL ("GBKL") was also awarded a **Special Recognition Award** at the SEEK People & Purpose Excellence Awards 2025 organised by SEEK, a leading employment marketplace. The award recognises GBKL's performance in job ad engagement on JobStreet and is a testament to its strong employer brand and its continued success in attracting top talent across Malaysia. The award also reflects GBKL's deep commitment to nurturing a workplace where employees can thrive and grow.



- 10 At the 2025 DFI Retail Group's Partners Awards Dinner, Ben Foods Singapore received the "**Customer Favourite Brand**" accolade for its proprietary brand, *Cowhead*. This award reflects Ben Foods' continued commitment to delivering product quality and building a strong, consumer-centric brand.



- 11 Ben Foods Singapore was one of the recipients of the "**Preferred Business Partner Award**" in the FairPrice Partners Excellence Awards 2026. This award recognises Ben Foods' strong partnership with FairPrice, built on reliable supply, quality products, and effective collaboration.





SUSTAINABILITY REPORT

SUSTAINABILITY AT QAF – QAF’S 5 PILLARS

At QAF, we believe sustainable growth is key to both our long-term success and the well-being of the communities and environment in which we operate. To guide our efforts, QAF has been utilising the United Nations Sustainable Development Goals (“SDG”) 5Ps framework since FY2019, adapting it to fit our organisation’s context. This adaptation includes the addition of “Products and Process”.

The 5 key pillars of sustainability at QAF support us in addressing key environmental, economic, and social challenges in a transparent and measurable way. We outline below QAF’s 5 Pillars and describe how each contributes to our long-term vision for sustainable growth.



- 1) **Prosperity:** We look beyond financial success and encompass the ethical principles and governance frameworks that complement sustainable growth. We are committed to maintaining transparency and upholding high standards of integrity, guided by our robust business ethics and anti-corruption policies.
- 2) **Products and Process:** We prioritise food safety and quality, with stringent standard operating procedures and quality management systems in place to achieve compliance with food safety standards. We are also focused on promoting healthy lifestyles by offering diverse products that cater to various dietary preferences.
- 3) **Planet:** The Group is focused on reducing our environmental impact and is working towards building a circular economy that improves resource efficiency. Together with our efforts in recycling and waste reduction, we continue to implement energy efficient solutions.
- 4) **People:** The Group promotes a diverse and inclusive workforce focused on employee well-being. By investing in training, leadership development, and career advancement, we build a skilled and engaged workforce that drives the Group’s long-term success.
- 5) **Peace and Partnerships:** We actively engage our communities through community support projects and disaster relief work. Combined with strategic partnerships with non-governmental organisations (“NGOs”) and government bodies, we aim to make a positive impact on our communities.



SUSTAINABILITY REPORT

Our Approach towards Sustainable Growth

To strengthen our commitment to sustainable growth, the Group has identified two priority SDGs to focus our efforts. SDG 3 and SDG 12 were identified as the most relevant to our material topics.



Ensure healthy lives and promote well-being for all at all ages

As a food manufacturer, we are committed to delivering healthy products, advocating healthy consumption habits and encouraging healthy lifestyles among our consumers. We work with schools and various organisations to promote Nutrition, Health and Wellness education. Through innovation, we continue to improve on our portfolio that includes wholesome products with great taste.



Ensure sustainable consumption and production patterns

At QAF, we continue to improve the efficiency of our production and distribution operations.

Responsible consumption and production initiatives include adopting efficient resource management strategies, reducing food waste, exploring sustainably sourced and packaged products, and advocating for recycling within our operations.

Sustainability Governance

[GRI 2-9, 2-12, 2-13, 2-14, 2-17]

Governance provides the framework necessary for a resilient and sustainable future. It involves implementing strategies, policies, and practices that align with QAF's sustainability goals and support long-term value creation.

The Board assumes overall responsibility for the Group's sustainability direction and delegates the oversight over sustainability reporting to the Audit and Risk Committee ("ARC"), which reports directly to the Board.

The ARC is tasked with overseeing and providing recommendations to the Board on sustainability reporting and is responsible for the approval of material economic, environmental, social, and governance ("EESG") factors identified during the materiality assessment, as well as the review of the Group's sustainability policies, practices, performance, and targets, including climate-related matters, for the purpose of such reporting. For more information on the responsibilities of the ARC, refer to the Corporate Governance Report on pages 108 to 109.

Supporting the ARC is the Sustainability Working Group, which includes a Joint Group Managing Director and executives from QAF HQ. This group works closely with the business units to advance sustainability initiatives. The Sustainability Working Group formally reports to the ARC at each ARC meeting and provides both scheduled and ad-hoc updates between ARC meetings to keep the ARC apprised of developments and progress in the Group's sustainability journey. Collectively, the Sustainability Working Group assesses and manages climate-related risks and opportunities at the Group level, including the direction of appropriate mitigation actions.

To further strengthen the reporting process, QAF has engaged an independent consultant to assist the Group with this report.

To build sustainability competencies and keep informed of the latest sustainability trends and issues, all Board members have attended SGX-ST prescribed sustainability training course(s) offered by the Singapore Institute of Directors. Members of the Sustainability Working Group regularly attend sustainability training and workshops to stay updated on the latest developments in sustainability trends and reporting requirements.

Figure 1: QAF Sustainability governance structure





SUSTAINABILITY REPORT

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

Stakeholder Engagement

[GRI 2-16, 2-26, 2-29]

Stakeholders are individuals or groups who are impacted by or interested in our activities. Building strong relationships with our material stakeholders is vital to QAF as it ensures that our approach towards sustainable growth remains relevant and effective. We build and maintain close connections to attain a better understanding of alternative perspectives on key issues.

Key Stakeholders	Key Topics and Concerns	Engagement Methods ¹	Examples of Engagement Frequency
Employees 	Orientation for newly hired employees	Discussion of expectations and employee commitments	- Weekly, or prior to commencement of new employees at Gardenia Philippines - Prior to commencement of new employees at Gardenia Singapore (“GFS”), Farmland Malaysia and Bakers Maison Australia (“BMA”)
	Career progression/development	Training and career development initiatives	Periodically during the year
		Regular performance reviews	3-month and 5-month intervals for new hires and semi-annually for tenured employees at Gardenia Philippines 1-month, 3-month and 6-month intervals for new hires at BMA 3-month and 6-month intervals for new hires at Farmland Malaysia - Quarterly one on one discussions for existing employees at BMA - Annually for eligible employees
	Compensation and other benefits	Cross training for production staff at BMA	Ongoing for BMA
		Health and wellness related initiatives	- Quarterly “<i>Wellness Week</i>” event at Gardenia Philippines - Periodically during the year at BMA
		Mental health support, and mental health and well-being programmes	Periodically during the year at Gardenia Philippines and BMA
		Vaccination programmes	Periodically during the year at Gardenia Philippines and BMA

¹ Includes virtual engagements, where applicable.



SUSTAINABILITY REPORT

Key Stakeholders	Key Topics and Concerns	Engagement Methods ¹	Examples of Engagement Frequency
		Discussion of performance and achievements	- Annual performance reviews are held - Periodically during the year for Gardenia Philippines - Quarterly one on one conversations at BMA
		Virtual and social team building activities	- Periodically during the year for Gardenia Philippines - Quarterly for BMA
		Engagement with applicable trade unions	As and when required
		Livelihood training for employee dependents	Periodically during the year at Gardenia Philippines
	Sustainability Reporting	Materiality reviews	Annually
Shareholders 	Business and financial performance, strategy, and outlook	Release of financial results and other announcements, and other relevant disclosures through SGXNet and QAF's website	- Half-yearly results announcements - As and when required
		- Publish Annual Report - Annual General Meeting	Annually
		Extraordinary General Meeting(s), where necessary	As and when required
		Responding to questions raised through channel provided (info@qaf.com.sg)	Ongoing, as and when relevant questions/concerns are raised
Customers and Consumers 	Quality of products	- Participation in interactive roadshows held in conjunction with health promotion campaigns or initiatives - Participation in in-store promotions with health-related campaigns and initiatives	Periodically during the year
		- Customer satisfaction surveys - Customer feedback and internal feedback review meetings	- Periodically during the year for GFS - Daily monitoring of customer feedback and internal review meetings twice a year for GFS
	- Nutritional content of products - Availability/ accessibility of products	- Product packaging including nutritional panels and logos such as "Healthier Choice" logos - Digital Advertisements, Transit Ads, and marketing and sales promotions - Interaction between brands and customers via websites and social media platforms - Customer surveys	- Periodic product review to strengthen the "Healthier Choice" positioning of our Singapore products - Regular interaction throughout the year
	Customer and business partner relationships	Business reviews and updates with key customers/retailers	Periodically during the year for GFS and BMA



SUSTAINABILITY REPORT

Key Stakeholders	Key Topics and Concerns	Engagement Methods ¹	Examples of Engagement Frequency
Suppliers and Business Partners 	Supplier and business partner relationships	Supplier and business partner meetings	- Periodically during the year - Ongoing for BMA
	- Quality of materials supplied - On-time delivery of products	- Regular audits of factories - Audits by third parties and business partners	Periodically during the year
Government and Regulators 	Compliance with relevant rules and regulations	- Routine and ongoing communication and collaboration - Compliance with mandatory reporting requirements	As and when required
Local Communities 	Promote healthier lifestyles and raise awareness of the importance of food nutrition on overall mental and physical health	- Participation in interactive roadshows held in conjunction with healthy eating promotion campaigns or initiatives - Participation in health and wellness activities at schools, offices, supermarkets, communities and hospitals held in conjunction with promoting healthy eating - Educational plant tours at Gardenia Philippines showcasing our bread-making facility "Kusina ni Gardee" (Gardee's Kitchen) bread recipe digital videos and art cards on social media by Gardenia Philippines - Promotion of healthier lifestyles via social media platforms	Throughout the year
	Help improve the livelihoods and living quality of the local community	Activities to support philanthropic, community and charitable causes	Throughout the year
Industry Bodies 	Short and long-term interests of the industry body groups	Collaboration with industry bodies	Throughout the year for Gardenia Philippines

SUSTAINABILITY REPORT

Materiality Assessment

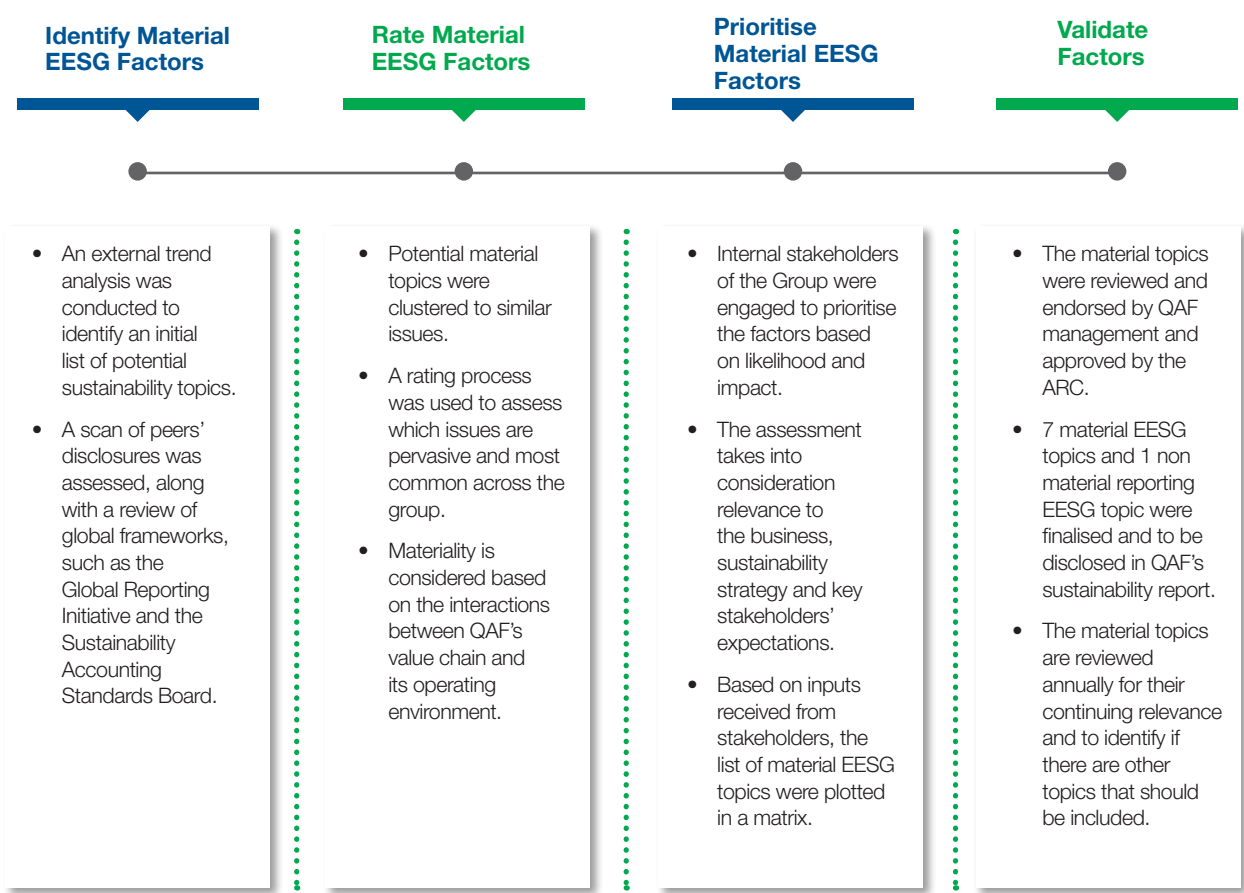
[GRI 2-29, 3-1]

QAF undertook a comprehensive four-step materiality assessment process in FY2022 which was reviewed again in FY2023. During this process, we engaged internal stakeholders to identify and assess the EESG topics of significance to the Group. This process takes into consideration Rule 711B(1) of the SGX-ST Listing Manual and draws guidance from certain GRI Standards.

The Board has reviewed the Group's material topics and concluded that the seven material EESG topics and one non-material reporting topic identified remained relevant in FY2025.

Our materiality methodology adopts a data-driven approach to evaluate our material stakeholders' perspectives. Guided by the GRI Materiality Principle, the materiality assessment comprised the following steps:

Figure 2: Overview of materiality assessment methodology





SUSTAINABILITY REPORT

Material Mapping and Topic Boundary

[GRI 3-2]

Guided by the GRI Standards and the SGX Practice Note 7.6 Sustainability Reporting Guide, the Group has identified the following material EESG topics. These are categorised into QAF's 5 Pillars. The table highlights the significance of these material topics in relation to the Group's business and its material stakeholders.

Alignment to 5Ps	Material Topic	Materiality to QAF	Key Stakeholder/s
Prosperity	Economic Performance 	Our financial performance is essential in delivering shareholder value and achieving long-term growth.	- Shareholders - Employees
	Governance and Ethics: Ethical and Fair Business Practices 	Our governance structure, business ethics, anti-corruption policies and procedures, and compliance with laws and regulations.	- Employees - Shareholders - Government and Regulators
	Governance and Ethics: Data Protection and Cybersecurity 	Promote governance in the management of cybersecurity.	- Consumers - Customers - Government and Regulators
Products and Processes	Consumer Health and Safety: Product Responsibility 	Commitment to food safety and quality to our customers.	Consumers
	Consumer Health and Safety: Promoting Healthy Eating and Lifestyles 	Helping consumers lead healthy lives by catering to consumers' varying nutritional needs, tastes and initiatives to help consumers understand the benefits of a healthy diet and lifestyle on wellness.	Consumers



SUSTAINABILITY REPORT

Alignment to 5Ps	Material Topic	Materiality to QAF	Key Stakeholder/s
Planet	Resource Management (comprising Energy Management, Waste Management and Water Management) 	Going beyond environmental compliance and running environmentally sustainable operations.	- Shareholders - Suppliers and Business Partners - Government and Regulators
People	Our People (comprising Occupational Health & Safety, Employee Training & Development) 	- Creating safe working environments. - Investing in developing skills capabilities of our workforce.	Employees

The Group has also identified a non-material EESG reporting topic that is relevant to QAF.

Alignment to 5Ps	Reporting Topic	Relevance to QAF	Stakeholder/s
Peace and Partnerships	Community Engagement 	Supporting economic development and creating positive social impact of the less fortunate and fostering strong ties within the communities in which we operate.	Local Communities



SUSTAINABILITY REPORT

PROSPERITY

This pillar encompasses our commitment to economic performance as well as stringent ethical and fair business practices. These are core to achieving organisational excellence and upholding strong corporate governance to support the Group's growth and deliver value to shareholders.

Economic Performance [Material topic]

[GRI 3-3]

Maintaining financial stability through strong economic performance while upholding our corporate governance principles. These efforts support the Group's strategic and sustainable long-term growth, positively impacting our shareholders and stakeholders.

Our economic performance is disclosed in the Chairman's Statement, Joint Group Managing Directors' Report and Financial Highlights as contained in our FY2025 Annual Report on pages 2 to 7 and is confirmed in the audited financial statements of the FY2025 Annual Report.

Governance and Ethics: Ethical and Fair Business Practices [Material topic]

[GRI 2-15, 2-16, 2-25, 2-26, 2-27, 3-3]

Corporate Governance

Our corporate governance is guided by the Singapore Code of Corporate Governance. For more details, please refer to our Corporate Governance Report on pages 91 to 115 of our FY2025 Annual Report.

Anti-corruption

The Group prioritises ethical conduct, transparency, and the effective management of conflicts of interest. The Board maintains a zero-tolerance stance towards all forms of fraud, corruption and unethical behaviour. Our Code of Business Ethics emphasises our commitment to conducting business with integrity and the highest ethical standards, and compliance with relevant anti-bribery and anti-corruption laws. In addition to the Code of Business Ethics, certain entities within the Group have also implemented local policies tailored to their specific operational needs and jurisdictions.

Whistleblowing Policy

The ARC is responsible for oversight and monitoring of whistleblowing. The Group has put in place a Whistleblowing Policy that provides an avenue for our officers and employees to raise, in confidence, concerns regarding actual or suspected improprieties on financial reporting, corruption, bribery, fraud and other matters, directly to the Chairman of the ARC or the Group Legal Counsel.

Under the Whistleblowing Policy, whistleblowers raising genuine concerns in good faith are not at risk of losing their jobs or risk suffering from reprisal as a result, even if they are mistaken. We treat complaints in a confidential and sensitive manner. A complaint is only to be disclosed to persons in the Group on a need-to-know basis to carry out an investigation (subject to exceptions such as legal and regulatory requirements to disclose). The ARC considers the concerns raised, and, amongst others, if there are grounds for proceeding further with the case, may consult relevant persons from the Group as necessary, conduct its own investigation or review and/or instruct parties such as the internal or external auditors and lawyers to conduct further investigations or review.

Tax Governance

Strong tax governance and tax risk management are essential to good corporate governance.

Our Tax Governance Policy with respect to its Singapore-based operations has been approved by the Inland Revenue Authority of Singapore ("IRAS") under the Tax Governance Framework programme in May 2024. Through a strong corporate governance culture and practice, the Group is committed to ensure accurate, transparent and timely submission of tax returns. Business strategies pursued are supported by bona-fide commercial and economic circumstances, and in compliance with relevant tax laws. The Company's Joint Group Managing Director, assisted by the Chief Financial Officer and Tax Vice President, escalate tax matters based on the materiality threshold to the Board and ARC.

QAF continues to participate in the IRAS Goods and Services Tax ("GST") – Assisted Compliance Assurance Programme ("ACAP"). In recognition of its efforts in ensuring GST compliance and its commitment to incorporate GST risk management as part of good corporate governance, QAF was awarded a five-year "ACAP Premium" status from 2021 to 2026. A review process for renewal of the "ACAP Premium" status is in progress.

SUSTAINABILITY REPORT

Governance and Ethics: Data Protection and Cybersecurity [Material topic]

[GRI 3-3]

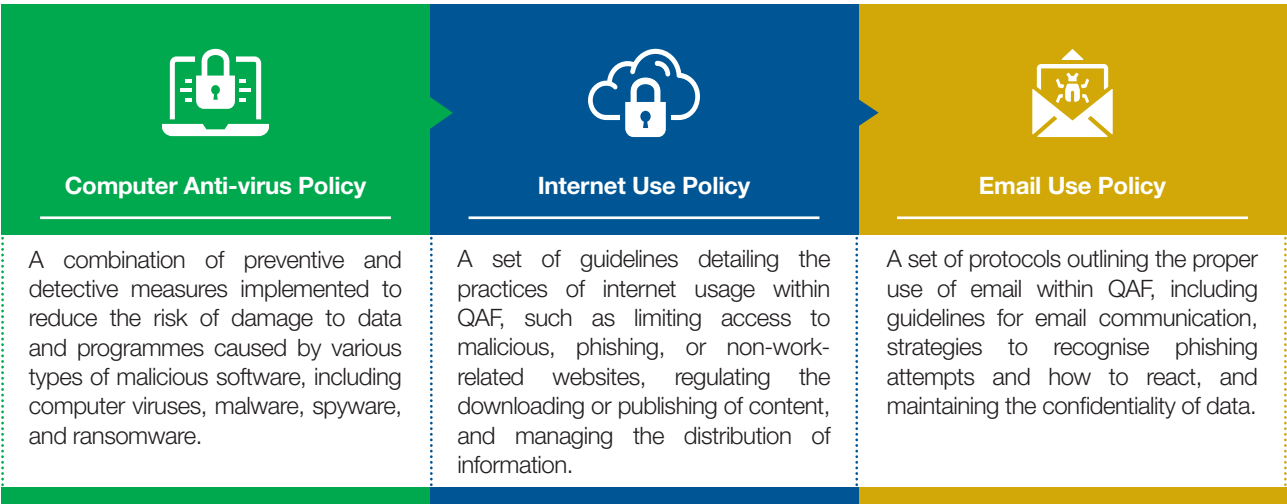
Data protection and cybersecurity are key areas of focus given the increasing frequency and complexity of cyber threats and data breaches globally. As we integrate more technology into our operations, the Group is dedicated to enhance our protective measures and preparedness to secure our data and guard against cyberattacks. We achieve this by focusing on three core pillars across the Group: Process (mitigation measures), Technology (system security), and People (cybersecurity awareness education).

Must-Know IT Policy

The Group has established a comprehensive IT policy, the “Must Know IT Policy”, which outlines the guidelines for the secure usage of email, internet, antivirus software, password protocols, personal data protection, and data and information classification. The policy also addresses the responsible and secure use of Generative AI tools to safeguard both individual and company information. This policy is easily accessible to all employees and is subject to regular reviews and updates.

Key features of QAF’s Group IT Policy are highlighted below in Figure 3.

Figure 3: Summary of QAF's Group IT Policy



Some of our best practices regarding data protection and cybersecurity are highlighted below.

Data Backup and Recovery

The Group recognises the critical need for reliable systems, data backup and recovery processes. This encompasses both on-site and off-site backups. Regular backup of essential data to secure storage and maintaining reliable backup procedures are vital for prompt data restoration in case of data loss, system malfunctions, or security breaches like ransomware attacks.

Our IT team conducts and validates technical restorations on a regular basis to confirm data availability and recoverability. Additionally, we perform IT disaster recovery exercises on key operational and financial systems and data.



SUSTAINABILITY REPORT

Incident Response Management

To build cyber resilience and enhance our ability to respond and recover effectively, we have standardised our cybersecurity incident response management at QAF since FY2023. This comprises of a Crisis Management Team and Cyber Incident Response Team, with defined roles and responsibilities, and an incident response process.

Since FY2024, our key business units have also formed their own Crisis Management Team and Cyber Incident Response Teams, and established their incident response processes.

In FY2025, we conducted online training and assessments on cyber incident response for the Crisis Management Teams and Cyber Incident Response Teams at selected business units. These exercises are aimed at improving preparedness, validating procedures, and strengthening organisational resilience against cyber threats.

Investing in People (the Human Firewall)

We recognise that our employees are crucial in combating cyber threats. To foster a culture of cybersecurity awareness and responsibility across the Group, we continuously educate our staff through various initiatives. These include:

- Distributing monthly newsletters on cyber-related news and tips to employees so that they are kept abreast of recent cyber incidents and best practices to identify, detect, protect, and respond to social engineering and email phishing.
- Conducting annual cybersecurity awareness training and assessment.
- Conducting annual simulated email phishing exercise to validate employees' preparedness and readiness.

Vulnerability Assessment and Penetration Testing

In FY2025, we conducted a vulnerability assessment and penetration testing for selected key business units.





SUSTAINABILITY REPORT

PRODUCTS AND PROCESS

“Products and Process” reflects our commitment to responsible product design and hygienic production processes to deliver safe, nutritious and quality products to our consumers. Furthermore, we actively advocate for healthy eating habits and active lifestyles among our consumers to support their health and well-being.

Consumer Health and Safety – Product Responsibility [Material topic]

[GRI 3-3, 416-1, 417-1]

Our Commitment to Food Safety and Quality

The Group is committed to producing food that is consistently of high quality and compliant with all relevant food safety standards. To achieve this, we adhere to stringent standard operating procedures and safe and hygienic production processes in line with the relevant food safety standards. Throughout the year, all our bakery facilities have maintained their internationally-recognised food quality and safety certifications, such as ISO, Food Safety System and Hazard Analysis and Critical Control Point (“**HACCP**”) certifications. Regular internal audits are also conducted to monitor adherence to quality management systems and food safety standards.

Our bakery operations’ systematic Quality Assurance programmes include periodic sampling and testing to monitor against the safety and quality standards of our raw materials specifications. Bakery staff involved in food handling periodically undergo training on food safety and hygienic practices.

The Group conducts periodic review on product labelling to check that information is updated with the latest regulatory requirements. This provides our consumers with correct product information, such as expiry dates, allergen declarations, ingredients and nutritional content.

Please refer to “Appendices: Certifications” section on page 83 for the Group’s quality and food safety certifications.

Key case studies

- 1) Gardenia Singapore continues to hold Grade A status for the 31st consecutive year under the Singapore Food Agency’s Food Establishment Licensing Scheme which covers food hygiene and safety standards. Relevant production employees attend Workforce Skills Qualification Food Safety Course, Food Hygiene & Allergen Training Courses and Food Safety & Hygiene Management workshops to stay updated on the latest safety and correct hygienic practices on food handling.
- 2) During the year, Farmland Malaysia launched a Food Safety Culture Awareness Programme themed “Building a Strong Food Safety Culture – Everyone’s Responsibility”, to reinforce employee knowledge and accountability on food safety. The programme consisted of foundational training, interactive sessions, weekly quizzes and informative talks by representatives from the Food Safety & Quality Division, Johor and specialised expertise from key service providers.



During the year, Farmland Malaysia launched a Food Safety Culture Awareness Programme to reinforce employee knowledge and accountability on food safety.



SUSTAINABILITY REPORT

Consumer Health and Safety – Promoting Healthy Eating and Lifestyles [Material topic]

[GRI 3-3]

Innovating and Developing Nutritious and Tasty Foods

The bakery units regularly review their product offerings to remain relevant with evolving consumer preferences and industry trends.

The Group's in-house R&D teams continuously develop new products, focusing on nutritional value, taste, shelf-life and compliance with local food safety and product labelling regulations. A dedicated team, including professional staff, baking technologists, food technologists, laboratory technicians and support staff, handles Gardenia's R&D and compliance tasks.

A selection of new or reformulated products launched by the Group in FY2025 is set out below.

Products newly launched or reformulated in FY2025		Key features of newly launched or reformulated products
Newly launched/reformulated in Singapore:		
	Gardenia Chocolate Malt Drink	A newly launched beverage certified as “ <i>Healthier Choice</i> ” by Health Promotion Board, Singapore (“ HPB ”), which is low in sugar and low in fat. The beverage is 25% lower in sugar than regular malted drinks and contains Prebiotic, Protein, Calcium and Vitamins B1, B6, B12 and D.
	Gardenia High Fibre White Bread	The reformulated bread now contains 3 times more fibre, 35% less sugar as compared to regular white bread, and added prebiotic to maintain digestive health.
	Gardenia Hokkaido Hi-Calcium Milk Bread	The reformulated bread now offers twice the calcium of the previous version. Calcium in two slices of bread is equivalent to a glass of full cream milk (250ml).
Re-formulated in the Philippines:		
	Gardenia Fun Bun	A ready-to-eat snack that now carries the Nutri+Plus Advantage logo, a registered trademark that signifies that the product contains vitamins and minerals that may assist in overall health.
		The bun is high in Iron, and the formula was enhanced with the addition of Zinc, Vitamin D3 and Vitamin E, which are nutrients that may help boost the immune system, offering a nutritious snack option for kids.

We prioritise promoting and offering healthier, accessible, and affordable eating choices for our consumers.

Cultivating Healthier Food Choices

We promote nutrition education and encourage healthy eating habits among our consumers. In the Philippines and Singapore, we collaborate with government agencies and educational institutions to encourage consumers to adopt dietary choices which are beneficial to their health, such as increasing wholegrains and fibre intake. To encourage consumers to create healthier meals at home, Gardenia Philippines and Singapore published recipe videos on its social media pages such as Facebook, Instagram and TikTok featuring delicious and healthy meals prepared using *Gardenia* loaves, buns and snacks.

Expanding Reach for Consumer Convenience

Operating fifteen factories across four countries, our products are able to reach consumers through a diverse distribution network including supermarkets, hypermarkets, convenience stores, mini marts, petrol kiosks, caterers, restaurants, hotels, hospitals, airlines, and schools. Our bakery operations deliver fresh bread to approximately 82,000 third-party outlets and through major e-commerce platforms. This extensive network enables consumers to have easy access to our healthier food offerings.



SUSTAINABILITY REPORT

Making Our Products Affordable

To maintain affordability for the lower income market, the Group's bakery operations offer selected product ranges, such as the *NeuBake* bread range in the Philippines, the *Super Value* bread range in Singapore, and the *Gardenia Bonanza Keluarga* in Malaysia. During the year, the product offering of the *NeuBake* bread range has been expanded with the launch of the *NeuBake Hamburger Buns* (330g) in selected stores.

We also run various retail promotions, including discounts, bundle deals, and value pack offers, throughout the year to provide savings for consumers.

Key case studies

1) Singapore

Gardenia Singapore has 14 wholemeal retail products, two of which includes "Low GI" loaves, as well as the newly launched "Lower in Sugar" chocolate malt drink, which are certified by HPB as "Healthier Choice". The "Healthier Choice" symbol is awarded to packaged food products that are healthier compared to other foods in the same category.

Gardenia Singapore worked with various organisations such as the Health Promotion Board, Singapore, Diabetes Singapore, National University Heart Centre, National Kidney Foundation, Tan Tock Seng Hospital, National Cancer Centre, Singapore Cancer Society, Children's Cancer Foundation, National University Cancer Institute and Singapore General Hospital to encourage consumers to increase their intake of wholegrains and adopt a low glycaemic index diet. This is done through sponsorship of events such as "3 High Day", "World Diabetes Day", "World Heart Month" and "World Cancer Day".

During the year, Gardenia Singapore extended its efforts to shape healthy habits among consumers at an early age through a preschool outreach programme reaching 25 schools and 2,500 children. The programme taught children about wholegrains, balanced nutrition and the "Healthier Choice" symbol through engaging activities and distribution of goodie bags, reinforcing the importance of adopting wholemeal options at home.



In 2025, Gardenia Philippines' factory tours were attended by more than 264,000 students from over 1,380 schools.

2) Philippines

In 2025, Gardenia Philippines' factory tours were attended by more than 264,000 students from over 1,380 schools. In addition, the "School Nutri-Tour" programme reached out to more than 142,000 students from 290 schools through an hour-long programme, which provided nutrition education, a sandwich recipe demonstration, physical activities and bread sampling for public and private school children.

Gardenia Philippines continued its "Corporate Wellness Movement" to support both private sector and government employees in achieving their health and wellness goals. This programme offered nutrition consultations conducted by registered Nutritionist-Dietitians through both in-person and video conference sessions. These complimentary workshops were attended by over 113,000 participants from over 280 offices in 2025.

Gardenia Philippines' "Community Wellness Programme" also visited over 830 barangays (or districts), reaching out to over 27,000 community members to educate them with practical information about healthy eating and the importance of reading nutrition labels.

3) Malaysia

In 2025, Gardenia Bakeries KL was one of the main sponsors for the national event, "Hari Sukan Negara 2025", or "National Sports Day 2025", organised by the Ministry of Youth and Sports Malaysia. Themed "Malaysia Active", the event which attracted approximately 10,000 participants aimed to encourage more participation in sports activities.

During the event, Gardenia Bakeries KL led a series of two-hour long exercise activities on the main stage such as Zumba, Cardio Combat and Fit Ball. Participants were each given a sample pack of *Gardenia Breakthru Bran & WheatGerm Bread* and a medal as a token of appreciation.



To encourage more participation in sports activities, at the "National Sports Day 2025" event which attracted approximately 10,000 participants, Gardenia Bakeries KL led a series of two-hour long exercise activities on the main stage.



SUSTAINABILITY REPORT

PLANET

This pillar underscores our dedication to environmental stewardship. It addresses our strategies for climate risk management and emphasises efficient resource management – focusing on water conservation, waste reduction, and energy optimisation. Through these efforts, we aim to reduce our ecological footprint and promote climate-friendly solutions in our operations.

Climate Risk Management and Reporting (TCFD disclosures)

In August 2025, the Singapore Exchange (“SGX”) introduced an updated roadmap for mandatory climate-related reporting, outlining a phased approach. Under this roadmap, QAF is required to align with the climate-related requirements set out in the IFRS Sustainability Disclosure Standards issued by the ISSB, by FY2030. These ISSB Standards build on the TCFD framework and establish comprehensive requirements for managing sustainability and climate-related risks and opportunities.

Recognising the importance of early preparation, QAF conducted a gap analysis in 2024 against the ISSB IFRS S1 and S2 requirements to identify areas for improvement. This analysis was reviewed in FY2025 and guides our phased approach to ensure readiness for full compliance by FY2030. Currently, we continue to report under the TCFD framework, which remains a globally recognised standard for climate-related financial disclosures. At the same time, we are addressing the areas identified in our ISSB gap analysis.

The following section provides an update on our progress under TCFD and outlines our current approach to identifying and managing key climate-related risks, while laying the foundation for future ISSB-aligned reporting.

TCFD Pillar	Recommended Disclosure	QAF's Approach	Report Section
Governance	a) Describe the Board's oversight of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate-related risks and opportunities.	The Board is ultimately responsible for the Company's reporting on climate-related risks and opportunities and approves the disclosures in the Annual and Sustainability Reports. Annually, the Board is apprised on climate-related assessments, issues, and updates to the climate risk register. For more details regarding the role of the Board, ARC and Sustainability Working Group in managing climate-related risks and opportunities, please refer to page 36 in the “Sustainability Governance” section.	Sustainability Governance
Strategy	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning. c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Identification of climate-related risks and opportunities In FY2023, QAF conducted its first climate risk assessment for operations located in Singapore, the Philippines, Malaysia, and Australia. The climate risk assessment provided an understanding of climate change impacts on our business strategy, operations, and financial position under different climate scenarios, and enabled the Group to assess its resilience across various time horizons to better prepare for future impacts. The assessment involved in-depth research into various climate-related physical and transition risks, categorising and assessing the relevance and impact of each risk to QAF. QAF adopted two climate scenarios and three time-horizons as part of the climate scenario analysis. The first scenario aligns with the 2015 Paris Agreement target of limiting global temperature rise to within 2°C above pre-industrial levels. The second scenario reflects a continuation of historical patterns in development. The analysis was conducted across short-term (by 2025), medium-term (by 2030), and long-term (by 2050) time horizons, which were selected based on our business operations and a landscape study on appropriate timeframes. The categorisation of risks was conducted in reference to QAF's Enterprise Risk Management (“ERM”) framework.	Climate-Risk Assessment



SUSTAINABILITY REPORT

TCFD Pillar	Recommended Disclosure	QAF's Approach	Report Section
Strategy	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning. c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	As a result of the assessment, QAF has recognised ten categories of high climate-related risks: five pertaining to transition risks and five relating to physical risks. Transition risks are anticipated to be impactful for QAF over the medium- and long-term time horizons, especially under the net zero scenario, where customer preferences and regulations shift towards a sustainable and low-carbon economy. Conversely, physical risks such as changes in precipitation and rising average temperatures are set to be more apparent under the business-as-usual ("BAU") scenario. Impact of climate-related risks and opportunities The use of qualitative climate scenario analysis offers QAF comprehensive insights into the potential impact of climate-related risks and opportunities across various assumptions, trends, pathways, and hypotheses. The impacts of both physical and transition risks to QAF's operations are further elaborated within the tables below on pages 53 to 56. To address these risks, the Group has implemented mitigation measures to reduce inherent risks and ensure business resilience, also detailed on pages 54 to 56. As part of ongoing efforts to enhance and optimise operations, QAF consistently reviews its mitigation strategies and adopts a forward-thinking management approach. For example, QAF is committed to minimising the effects of increased energy costs associated with greenhouse gas emissions by implementing energy-efficient technologies and optimising production processes. To address material physical risks, QAF Group is implementing flood protection measures and backup power sources at its most vulnerable sites to minimise disruption to production and operations. Contingency plans are being developed to diminish the risk of loss in production in the event of disruption at one or more locations. Additionally, QAF will also consider physical risk of current locations when evaluating any extension of current leased premises, and implementation of relevant measures when upgrading facilities. Currently, risk mitigation measures are not critical over the shorter term but are being evaluated for future implementation ahead of medium to long-term impacts. Nevertheless, QAF remains vigilant and will assess and modify its strategy as required.	Climate-Risk Assessment



SUSTAINABILITY REPORT

TCFD Pillar	Recommended Disclosure	QAF's Approach	Report Section
Strategy	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term. b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning. c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Integration of climate resilience into our strategy and operations We integrate climate resilience into the foundation of our corporate strategy and operations by proactively identifying climate-related risks and opportunities. The scenarios used are applicable to QAF for planning and decision-making purposes and will be revised regularly and whenever significant changes occur in our business. In 2024, we conducted a supplier climate risk assessment for key ingredients used in our bakery business to identify our 'business' climate resilience, including understanding how our operations can withstand and adapt to climate-related challenges, such as extreme weather events, supply chain disruptions, and regulatory changes. The findings and conclusions from this assessment remain relevant for FY2025, as the identified physical and transition risks, as well as the corresponding mitigation actions, continue to apply and inform our ongoing supplier risk management and climate resilience efforts. Please see the impacts of suppliers' physical and transition risks to QAF, as well as the Group's mitigation actions on page 55 for more details. The Group has developed mid-term targets as part of our strategy to broaden our climate mitigation planning. Please refer to the "Metrics and Targets" section on page 58 for more details.	Climate-Risk Assessment



SUSTAINABILITY REPORT

Climate-Risk Assessment

Aligning to our Group risk management processes, we conducted a climate scenario analysis across our entities. The following illustrates our risk assessment approach and scope of scenario analysis:

Risk Assessment Approach



Scenario Analysis

The Intergovernmental Panel on Climate Change (“IPCC”) identified potential future scenarios for climate change. A climate scenario describes a plausible trajectory for future levels of greenhouse gas (“GHG”) emissions. QAF conducted the analysis based on the following climate scenarios, which were mapped to the Representative Concentration Pathways (“RCP”) scenarios adopted by IPCC for physical risks and the Network for Greening the Financial System (“NGFS”) for transition risks.

Physical and Transition Climate Change Risk Assessment Scope					
Assessment Scope	- Physical Risk: Manifests from extreme weather events and longer-term shifts in climate - Transitional Risk: Manifests from the shift towards a low-carbon economy				
Scenarios	Net-Zero		BAU		
Time Horizons	Medium Term (2030)	Long Term (2050)	Short Term (2025)	Medium Term (2030)	Long Term (2050)
For physical risks and key assumptions	IPCC RCP 2.6		IPCC RCP 8.5		
	GHG emissions are strongly reduced, resulting in global average temperature increase of no greater than 2°C in an organised transition. ²		Minimal policies or actions are in place to support decarbonisation, GHG emissions continue to rise with continued high fossil fuel usage. Depicting implications of a future with higher physical risks. ²		
For transition risk and key assumptions	NGFS Net Zero Scenario		NGFS Nationally Determined Contributions Scenario (“NDCS”)		
	Assumes ambitious climate policies are introduced immediately. Net CO ₂ emissions to reach zero around 2050, with a chance of limiting global warming to below 1.5°C by the end of the century, with transition risks expected to be high. ³		Assumes that the moderate and heterogeneous climate ambition reflected in the conditional NDCs at the beginning of 2021 continues over the 21st century, with transition risks expected to be relatively low. ³		

² For more information please visit: Intergovernmental Panel on Climate Change, Topic 2 – Future Climate Changes, Risks and Impacts, https://ar5-syr.ipcc.ch/topic_futurechanges.php

³ For more information please visit: Network for Greening the Financial System Scenarios Portal, <https://www.ngfs.net/ngfs-scenarios-portal/explore/>



SUSTAINABILITY REPORT

Physical and Transition Risks

QAF focuses on high-risk factors in the following table but maintains firm commitment to review and monitor all recognised climate-related risks. The risks deemed as high under various scenarios are consolidated in the following table:

Scenario Risk and Category/Time Horizon	Net-Zero		BAU		
	Medium Term (2030)	Long Term (2050)	Short Term (2025)	Medium Term (2030)	Long Term (2050)
Physical Risks					
Acute: Change in precipitation (Increased intensity, frequency and/or duration of flooding)	✓	✓	✓	✓	✓
Acute: Extreme temperature spells	✓	✓		✓	✓
Acute: Extreme weather (Increased intensity, frequency and/or duration of storms)			✓	✓	✓
Chronic: Change in average temperature				✓	✓
Supplier physical risks*	✓			✓	✓
Transition Risks					
Market: Changes in customer behaviour	✓	✓			✓
Market: Uncertainty in market signals	✓	✓	✓		
Policy and Legal: Increased pricing of GHG emissions, Supplier transition risks		✓			
Reputation: Shifts in consumer preferences	✓	✓			
Technology: Costs to transition to lower emissions technology	✓				

* QAF, with core businesses in Bakery, and Distribution and Warehousing, relies on a diverse network of suppliers across different countries. However, these suppliers are exposed to climate-related risks both physical and transition-related, which can disrupt supply chains, increase production costs and have an indirect financial impact on QAF.

To address this, a desktop study was conducted in FY2024 to evaluate the climate risks faced by our key ingredient suppliers, taking into account the countries of origin of our raw materials. This assessment evaluated both the impact comprising of exposure and vulnerability, as well as the likelihood of the risk affecting QAF. This analysis was conducted for different time horizons and climate scenarios. The outcomes of this assessment remain relevant for FY2025, as there were no material changes to supplier profiles, sourcing geographies, or the nature of the identified climate-related physical and transition risks during the reporting year. The findings continue to inform the Group's supplier risk management and climate resilience approach.



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Additional details regarding the risks and QAF's strategy to mitigate these risks are presented below:

Risk and Category	Impact of Risk	Mitigation Actions
Physical Risks		
Acute: Change in Precipitation (Increased intensity, frequency and/or duration of flooding)	- Projected increase in frequency and intensity of extreme weather events in the medium and long term, especially in the Philippines, Malaysia and Singapore. - Costs associated to weatherproof facilities can become prohibitive.	- Evaluate installation of flood mitigation measures (i.e. barriers) at premises and assess backup energy supply in case of grid or utility disruption. - Ensure sufficient insurance coverage. - Develop and maintain operationally ready business continuity plans which may include ramping up production in alternative sites to mitigate production capacity loss.
Acute: Extreme temperature spells	- High or extreme temperatures can result in heatwaves, particularly in the Philippines in the medium to long term, and especially in the BAU scenario. - Heatwaves can result in decreased worker productivity and increased costs with higher cooling loads.	- Evaluate alternative architectural designs to enhance ventilation and airflows. - Monitor developments in Occupational Health and Safety standards and evaluation of technology targeted to improve operational comfort.
Acute: Extreme weather (Increased intensity, frequency and/or duration of storms)	- For the BAU scenario, in the medium and long term, floods are predicted to occur more often and with greater severity, potentially disrupting road access and resulting in factory shutdowns, particularly relevant to Manufacturing facilities in Malaysia and the Philippines. - Operational disruptions can result in significant decrease in revenue.	- Evaluate installation of flood mitigation measures (i.e. barriers) at premises and assess backup energy supply in case of grid or utility disruption. - Ensure sufficient insurance coverage. - Activation of business continuity plan.
Chronic: Change in average temperature	- Rising global temperatures will lead to an escalation in cooling requirements. In Malaysia and the Philippines, temperatures are expected to increase by an estimated 1.6 degrees, in the long term under the BAU scenario. - Production delays caused by affected infrastructure and lower productivity can result in significant revenue impact.	- Evaluate initiation or installation of energy-efficient or environmentally friendly cooling measures or systems. - Ongoing monitoring and evaluation of developments in Heating, Ventilation and Air Conditioning ("HVAC") technologies, with view to implement viable options.



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Risk and Category	Impact of Risk	Mitigation Actions
Supplier physical risks	- Acute and chronic physical risks, such as severe storms, droughts, and rising temperatures, may affect QAF's suppliers' raw material production and infrastructure over the medium to long term. - These factors could influence the availability and cost of key raw materials to QAF like flour, milk and gluten, potentially impacting suppliers' production and indirectly affecting QAF.	- Our supplier-focused study has enhanced our understanding of the risks associated with key raw materials and their market resilience. - Using the results of the study, QAF can strengthen its supply chain management. By maintaining a diversified supplier network and monitoring market conditions for price fluctuations, QAF is able to ensure smooth operations despite change in climate conditions.
Transition Risks		
Market: Changes in customer behaviour	Large segment of consumers committing to purchasing from 'sustainable' brands. This risk is especially prevalent in net zero scenario where businesses are expected to improve traceability and transparency, and potential revenue impact if customers' expectations are not met.	- Expand on range of products to accommodate variety of consumer preferences. - Close monitoring of sales results by product, conducting customer surveys to keep abreast of graduating shifts in consumer preferences. - Investment in branded retail consumer staple products to build customer loyalty.
Market: Uncertainty in market signals	- Greater investor scrutiny over supply chain ESG impacts. Investors expect companies to demonstrate decarbonisation efforts including value chain engagement. - Lack of investment in transition initiatives resulting in more limited access to capital due to decreased investor confidence.	- Focus on a continuous improvement approach to realise decarbonisation efforts. - Investment in green energy generation (i.e. solar) and energy reduction (efficient equipment and lighting).
Policy and Legal: Increased pricing of GHG emissions across the value chain, Supplier transition risks	- Carbon pricing policies in some countries may impact the agricultural sector in upstream supply chain, resulting in increased operational costs for suppliers procuring raw agricultural products. - Increase in fuel and energy costs incurred in manufacturing processes observed where carbon taxes are passed through. - Supplier transition risks, driven by global shifts toward sustainability and net-zero goals, could lead to increased costs for QAF's raw materials.	- Consider adopting viable lower emissions technology. - Reducing emissions throughout production processes through improving energy efficiency. - Close monitoring of current emissions to facilitate cost evaluation and future planning. - Explore green rebates and financing arrangements for adoption of new technologies. - Maintain a diversified supplier network and monitor market conditions for price fluctuations.



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Risk and Category	Impact of Risk	Mitigation Actions
Reputation: Shifts in consumer preferences	- Consumers shift away from traditional packaged food products. Packaged food companies are driven to expand product offerings to cater to shift in customer preferences. - Increase in capital expenditure for research and development to ensure accommodating shifts in consumer preferences will not compromise food quality and safety.	- Close monitoring of market and sales performance to ensure that products are aligned with the latest consumer trends and choices. - Review sourcing arrangements (including purchasing from locations closer to manufacturing facilities). - Reviewing equipment and energy requirements. - Review product development, particularly relating to sustainable packaging.
Technology: Costs to transition to lower emissions technology	Local policies necessitate QAF reduce emissions by purchasing more energy-efficient equipment.	- Ongoing monitoring of commercially available technologies. - Scheduling current asset replacement or deferral to reduce future transition costs associated with adopting new technology.

Opportunities

Our assessment in FY2023 revealed that the current landscape features minimal climate-related opportunities for early business adoption within the Group. In view of this, we continue to evaluate opportunities focusing on improvements to our existing processes, raw material sourcing, renewable energy and low-energy initiatives, as well as exploring emerging technologies related to sustainable packaging and advancements in the distribution industry.



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TCFD Pillar	Recommended Disclosure	QAF's Approach	Report Section
Risk Management	a) Describe the organisation's processes for identifying and assessing climate-related risks.	QAF's climate scenario analysis approach continues to mature. The Group adopts an integrated top-down risk review process that enables systematic identification and prioritisation of all material risks. Annually, we refresh and obtain board approval for our Group ERM policy and Corporate Governance Report. Various internal stakeholders were consulted during these assessments to secure diverse insights and perspectives.	Corporate Governance Report
	b) Describe the organisation's processes for managing climate-related risks.	Using QAF's existing risk parameters as a guide, physical and transition risks were assessed based on their 'Likelihood' and 'Impact' on QAF's businesses. 'Likelihood' measures the probability of a particular risk occurring, while 'Impact' evaluates the severity of its consequences on the Group if the risk materialises. A matrix combines these ratings to provide an overall risk assessment, which is then used to evaluate, prioritise, and mitigate each risk. The risk parameters outlined in the ERM framework have been used to evaluate climate-related risks in our scenario analysis.	
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	The ERM assessment is rolled into the Group ERM Policy which is approved by the ARC, which oversees its implementation. The ARC reviews key enterprise risks identified through the ERM process, along with the corresponding risk mitigation strategies. The Group recognises that climate-related risks can potentially impact the Group's assets, revenue, operations, supply chain, product design, and stakeholder engagement. QAF integrates various climate considerations into its broader enterprise decision-making processes under its revised Group ERM Policy. Climate change risk has been identified as one of QAF's top material risks. This shapes our approach to identifying, evaluating, and managing the risks and opportunities associated with climate change. More information can be found in our Corporate Governance Report on pages 105 to 106 of our FY2025 Annual Report.	



SUSTAINABILITY REPORT

TCFD Pillar	Recommended Disclosure	QAF's Approach	Report Section
Metrics and Targets	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Since FY2022, the Group has closely monitored and disclosed its energy consumption and Scope 1 and 2 GHG emissions, in line with the GHG Protocol Corporate Accounting and Reporting Standard (" GHG Protocol ") methodology. This can be found in the "Scope 1 and Scope 2 GHG Emissions" section on page 61.	Energy Management
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (" GHG ") emissions, and the related risks.	In FY2024, QAF has also conducted a preliminary Scope 3 emissions assessment in line with GHG Protocol and have identified material categories that are of relevance to our Group. We will continue to work on refining our data tracking and availability ahead of future disclosure.	Scope 1 and Scope 2 GHG emissions
	c) Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets.	We have engaged with the CEOs of our business units to set common, meaningful, and measurable climate-related targets. For our "Resource Management" material topic, we have set mid-term FY2030 targets to achieve a 4.5% reduction in energy consumption and a 1% reduction in mobile fuel consumption per metric tonne of sales volume, using FY2023 as the baseline year. These targets reinforce our commitment to emissions reductions. Moving forward, QAF remains dedicated to monitoring our performance and setting new targets to ensure accountability and effective management of identified issues.	



SUSTAINABILITY REPORT

Resource Management [Material topic]

[GRI 3-3]

We are committed to responsibly managing vital resources such as energy and water by continuously monitoring our practices. Our goal is to optimise energy consumption and waste generation, thereby minimising our environmental impact and contributing to a healthier planet.

Energy Management

[GRI 3-3]

The Group optimises our energy consumption to reduce our greenhouse gas emissions and operating expenses. This is achieved through regular monitoring of our energy usage and evaluating available energy efficiency solutions and renewable energy technology.

The Group's key energy management initiatives across its facilities include:

1) The implementation of solar technology to generate renewable energy.

- In 2017, the Group first implemented solar technology at Bakers Maison Australia to generate renewable energy.
- The Group has continued to expand its solar infrastructure and as of 31 December 2025, the Group has approximately 8,850 square metres ("sqm") (FY2024: 7,600 sqm) of solar panels in operation. Solar panels have been installed across our geographical locations in Singapore, Malaysia, the Philippines and Australia.
- In 1H 2024, Gardenia Philippines has commenced installation of approximately 1,250 sqm of solar panels at its factory in Cagayan de Oro. The solar panels started operations in December 2025.
- Gardenia Bakeries KL ("GBKL") also commenced installation of solar panels at two of its factories in 2H 2025. The solar panels are expected to become operational by 1H 2026.

2) Heat recovery system

- The Group has two heat recovery systems in use at our factories in Malaysia. The systems produce hot water directly from the condensers of the factory cooling system, instead of using electrical heaters to heat water separately. The hot water is used to clean the cream roll injectors and bread cooler conveyors.

3) Use of energy efficient technologies

- In 2H 2025, GBKL replaced its older and less energy-efficient air compressors with more energy-efficient inverter driven air compressors at one of its factories. GBKL also replaced its less energy-efficient blowers with more energy-efficient blowers at two of its wastewater treatment plants in December 2025.

- In FY2025, Bakers Maison Australia invested in a new cooling tower made of stainless steel. The investment was made to replace an existing unit which was highly corroded, to eliminate the issues of gas leaks and unnecessary release of greenhouse gases.

Bakers Maison Australia also upgraded its ventilation system to reduce the temperature inside its factory.

- Installation and use of LED lights and sensor activated lighting at the Group's factories, offices and warehouses.
- Utilising energy efficient technology such as inverter-type air-conditioning units with energy-saving features, enhancing cooling efficiency while minimising energy usage and the deployment of capacitor banks in electrical systems to improve power factor and reduce energy wastage.



The solar panels at Gardenia Philippines' factory in Cagayan de Oro started operations in December 2025.



SUSTAINABILITY REPORT

Performance

[GRI 302-1, 302-3, 305-1, 305-2, 305-4]

The Group closely monitors its energy consumption and Scope 1 and 2 GHG emissions, measured in line with the GHG Protocol Corporate Accounting and Reporting Standard (“**GHG Protocol**”) methodology. We have identified key climate metrics and targets as mentioned in “Climate Risk Management and Reporting (TCFD disclosures)” section. Our energy consumption and the corresponding Scope 1 and 2 GHG emissions disclosures are gathered from our operations as defined in the reporting scope on page 31.

The energy consumption of QAF Group (Bakery, GBKL JV, D&W and QAF HQ, as defined in the table on page 31) are presented into two categories – production and operations, and transport-related activities. Whilst we expect an increase in energy usage in the coming years due to our ongoing efforts to expand business volumes, we are committed to managing our energy consumption proactively, through solar power projects and energy efficiency initiatives.

The disclosure of energy intensity is presented on a per metric tonne (production volume) basis, given that production constitutes a substantial portion of our business. With the expected growth of our business, monitoring of intensity will provide insights to our energy efficiency performance.

Energy consumption and energy intensity (2024 and 2025)

Metric	Bakery		GBKL JV		D&W		QAF HQ		Total	
Year	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Production and operations										
Electricity consumption, non-renewable (MWh)	58,345.07	59,010.25	61,459.08	61,693.16	9,755.35	9,124.72	64.85	55.99	129,624.35	129,884.12
Electricity consumption, renewable (MWh)	568.71	449.93	286.42	190.90	478.55	491.59	–	–	1,333.68	1,132.42
Fuel consumption, stationary combustion (TJ)	194.61	208.53	237.96	238.03	–	–	–	–	432.57	446.56
Transport-related activities										
Fuel consumption, mobile combustion (TJ)	201.62	223.69	442.36	496.48	11.40	12.36	–	–	655.38	732.53
Total usage based on category										
Production and operations (TJ)	406.70	422.59	460.24	460.81	36.84	34.62	0.23	0.20	904.01	918.22
Transport-related activities (TJ)	201.62	223.69	442.36	496.48	11.40	12.36	–	–	655.38	732.53
Energy intensity (per metric tonne “MT” of production volume)										
Production volume (MT)	178,027.17	178,616.20	138,418.23	136,961.48	Not relevant		Not relevant		Not relevant	
Production and operations (TJ/MT)	0.00228	0.00237	0.00333	0.00336	Note		Note		Note	

Note: As production volume is not relevant in the context of Distribution and Warehousing segment and QAF HQ, disclosure of intensity cannot be provided.

The total energy consumption for QAF Group was 1,559.39 TJ for 2024 and 1,650.75 TJ for 2025, representing a 5.9% increase from the previous year. The increase was mainly driven by higher mobile fuel consumption resulting from increased number of trucks and routes, as well as an increase in the number of third-party outlets which we distribute our products to, in FY2025.

In our assessment of energy intensity, we focused on our Bakery segment and GBKL joint venture, which saw an increase of 3.9% and 0.9% respectively from the previous year. The increase in energy intensity for our Bakery segment was mainly driven by a change in product mix in Malaysia in FY2025. New product variants were launched whose production requirements are more energy intensive, hence requiring higher stationary fuel consumption and electricity usage. The increase was also due to the addition of a production line in the Philippines that uses air conditioning, as well as the introduction at our Australian plant of a new bread line, two new gas ovens and a new blast freezer.



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Scope 1 and Scope 2 GHG emissions (2024 and 2025)

Metric	Emission and Intensity Disclosure									
	Bakery		GBKL JV		D&W		QAF HQ		Total	
Year	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Production and operations										
GHG emissions – Scope 1 (tCO ₂ e)	24,900.21	24,116.91	17,788.94	17,801.27	2,243.52	1,136.78	–	–	44,932.67	43,054.96
GHG emissions – Scope 2 location-based (tCO ₂ e)	40,185.27	38,180.29	38,043.17	39,779.75	4,019.21	3,668.14	27.03	22.51	82,274.68	81,650.69
GHG emissions – Scope 2 market-based (tCO ₂ e)	–	37,708.36	–	39,779.75	–	3,668.14	–	22.51	–	81,178.76
GHG emissions – Total Scope 1 and 2 (location-based) (tCO ₂ e)	65,085.48	62,297.20	55,832.11	57,581.02	6,262.73	4,804.92	27.03	22.51	127,207.35	124,705.65
Transport-related activities										
GHG emissions – Scope 1 (tCO ₂ e)	15,169.49	16,813.58	33,233.93	37,305.28	857.50	928.89	–	–	49,260.92	55,047.75
Emissions by scope										
GHG emissions – Scope 1 (tCO ₂ e)	40,069.70	40,930.49	51,022.87	55,106.55	3,101.02	2,065.67	–	–	94,193.59	98,102.71
GHG emissions – Scope 2 location-based (tCO ₂ e)	40,185.27	38,180.29	38,043.17	39,779.75	4,019.21	3,668.14	27.03	22.51	82,274.68	81,650.69
GHG emissions – Scope 2 market-based (tCO ₂ e)	–	37,708.36	–	39,779.75	–	3,668.14	–	22.51	–	81,178.76
GHG emissions – Total Scope 1 and 2 (location-based) (tCO ₂ e)	80,254.97	79,110.78	89,066.04	94,886.30	7,120.23	5,733.81	27.03	22.51	176,468.27	179,753.40
GHG emissions intensity										
Production volume (MT)	178,027.17	178,616.20	138,418.23	136,961.48	Not relevant		Not relevant		Not relevant	
Production and operations – Total Scope 1 and 2 (location-based) (tCO ₂ e/MT)	0.366	0.349	0.403	0.420	Note		Note		Note	

Note: As production volume is not relevant in the context of Distribution and Warehousing segment and QAF HQ, disclosure of intensity cannot be provided.

In 2024, the Group's GHG emissions were 94,193.59 tCO₂e for Scope 1 and 82,274.68 tCO₂e for Scope 2 location-based emissions. In 2025, Scope 1 emissions increased to 98,102.71 tCO₂e, representing a 4.2% increase from the previous year. This rise was primarily driven by higher fuel consumption from transport-related activities, consistent with trends observed in our energy consumption data. Meanwhile, Scope 2 location-based emissions decreased slightly to 81,650.69 tCO₂e, representing a 0.8% reduction from 2024.

Since 2H 2025, Nutrimax Fresh-Baked Inc. began procuring renewable electricity. This reduced market-based Scope 2 emissions by 1,263.29 tCO₂e, reflecting early progress toward integrating renewable energy across the Group's operations.

In our analysis of emissions intensity, we focused on the Bakery segment and the GBKL joint venture. The Bakery segment recorded a 4.6% decrease in emissions intensity, driven mainly by a higher proportion of cleaner electricity in its energy mix and a decrease in fugitive emissions. In contrast, GBKL joint venture saw a 4.2% increase in emissions intensity, primarily due to the updated Malaysia grid emission factor.



SUSTAINABILITY REPORT

Waste Management

[GRI 3-3, 306-2]

The Group is conscious of our environmental footprint, and we aim to better manage and reduce our waste through continuous improvement by reducing, reusing and recycling (“**3R**”) the by-products generated in our factories.

As part of the mandatory requirement of the National Environment Agency (Singapore) (“**NEA**”) for 3R Plans, the Group’s two key subsidiaries in Singapore, Gardenia Singapore and Ben Foods Singapore, have also submitted their mandatory packaging data and 3R plans to the NEA since 2022.

Reduce

The Group aims to reduce plastic and paper usage. We are exploring the reduction of plastic packaging thickness for some of our products. For example, Gardenia Singapore, a member of the Packaging Partnership Programme, started to reduce the packaging thickness for some *Gardenia* products since 2022. This initiative has resulted in a reduction of about 4,802 kg of plastic from FY2022 to FY2025. Gardenia Singapore plans to extend these reductions to more *Gardenia* products in FY2026.

Gardenia Singapore has also encouraged consumers to ‘go green’ by distributing reusable non-woven shopping bags and reusable sandwich boxes with purchase of selected *Gardenia* loaves.

The Group is transitioning to paperless transactions to reduce paper consumption and wastage.

Reuse

In addition to reducing the amount of food waste produced, the Group is also focusing on increasing its reuse. In FY2025, Bakers Maison Australia (“**BMA**”) donated approximately 188 tonnes of edible bread and pastry dough waste to local farmers. The waste is utilised as animal feed. The Group has diverted more than 15,000 tonnes of bread waste to fish meal in FY2025.

Since 2024, Gardenia Singapore has also commenced on a community project to provide market surplus bread every week to needy families who are beneficiaries of the following organisations, “Food from the Heart” and “ItsRainingRaincoats”.

Recycle

The Group aims to recycle the cardboard and plastic we use. We have set up recycling programmes where we collect corrugated board and plastic waste from some of our factories and warehouses, and send them to recycling plants. In FY2025, Ben Foods Singapore recycled approximately 84 tonnes of corrugated cardboard, 15 tonnes of plastic and 5 tonnes of paper. Since FY2017, BMA has been recycling the cardboard waste it generates. In FY2025, it recycled approximately 65 tonnes. To reduce cardboard usage, BMA also introduced reusable food grade plastic crates in its production facility instead of using cardboard cartons. Gardenia Philippines also continued their waste segregation processes to divert recyclable materials away from landfill, collecting over 264 tonnes of plastic in FY2025.

The Group is currently working towards collecting waste generation data from our operations.



SUSTAINABILITY REPORT

Key case studies

1) Philippines

Since FY2023, Gardenia Philippines, through its partner facility, started to recycle product packaging into school chairs, which are then donated to local schools. This innovative approach not only reduces packaging waste, but also provides school-going children with valuable classroom furniture. In FY2025, Gardenia Philippines partnered with local government units to broaden the impact of the plastic collection drives within local communities, resulting in an estimated collection of over 32 tonnes of plastics. More than 360 school chairs made from the recycled plastics have been donated to five schools. To-date, Gardenia Philippines has donated more than 650 school chairs.

2) Singapore

As part of its efforts to promote reuse of food waste through creative and meaningful upcycling initiatives, Gardenia Singapore supported the BreadCycle Challenge under the ignITE Skills Challenge – a national-level competition organised by the Institute of Technical Education (“ITE”) for secondary school students. Through this challenge, students showcased impressive creativity by transforming day-old bread into innovative, value-added products, including innovative skincare applications made from repurposed bread.



In FY2025, Gardenia Philippines donated more than 360 school chairs made from recycled plastics to five schools.

Water Management

[GRI 3-3, 303-2, 303-5]

Water is a fundamental resource in the food industry. As our bakery operations rely heavily on water for manufacturing, it is vital we monitor and manage our water consumption.

In 2025, the Group has expanded our disclosures to include water consumption.

Water Consumption (m ³) in 2025			
Bakery	GBKL JV	D&W	Total
347,043	291,075	24,844	662,962

To optimise water usage within their operations, Gardenia Philippines has invested in water conservation technologies such as installation of motion-sensor faucets in newly renovated restrooms. The Group's factory in Johor also harvests rainwater for toilet flushing.

In our operations, we discharge wastewater. We are committed to adhering to the applicable regulations and wastewater requirements of local authorities when discharging wastewater to the sewers. At our bakeries, oil interceptors and strainers are used to prevent oil, grease, or sludge from entering the sewers. The interceptors are inspected, cleaned, and regularly maintained. Where required by the local authorities, testing and monitoring of standard effluent parameters are performed at an accredited laboratory, and test reports are submitted to the respective local authorities. These tests encompass critical factors such as pH value, discharge temperature, oil and grease content, biological oxygen demand, and total suspended solids.



Gardenia Singapore supported the BreadCycle Challenge under the ignITE Skills Challenge – a national-level competition organised by the ITE for secondary school students to transform day-old bread into innovative, value-added products.



SUSTAINABILITY REPORT

PEOPLE

At QAF, we prioritise our people. Recognising that a healthy, safe, and fulfilled workforce is fundamental to the Group's success, we invest in our people and create a safe and inclusive working environment. We aim to keep our employees safe and well, with an environment that encourages them to stretch their potential. This creates a strong foundation to drive future performance.

Our People [Material Topic]

[GRI 2-7, 401-1, 405-1]

Total Employees by Employment Type and Region

Year	2024			2025		
Country	Full time contract	Part time contract	Total	Full time contract	Part time contract	Total
Philippines	4,539	–	4,539	4,501	249	4,750
Singapore	623	2	625	575	11	586
Malaysia	4,700	–	4,700	4,566	150	4,716
Australia	93	76	169	113	71	184
Total	9,955	78	10,033	9,755	481	10,236

Total Employees by Gender

Year	2024		2025	
Gender	Employees by gender	% of total employees by gender	Employees by gender	% of total employees by gender
Male	7,955	79.3%	7,994	78.1%
Female	2,078	20.7%	2,242	21.9%
Total	10,033	100.0%	10,236	100.0%

Total Employees by Age Group

Year	2024		2025	
Age group	Employees by age group	% of total employees by age group	Employees by age group	% of total employees by age group
Under 30 years old	2,987	29.8%	3,258	31.8%
30 to 50 years old	6,218	62.0%	6,188	60.5%
Over 50 years old	828	8.2%	790	7.7%
Total	10,033	100.0%	10,236	100.0%



SUSTAINABILITY REPORT

Total New Employee Hires and Employee Turnover by Region

Year	2025			
Country	New Employee Hires		Employee Turnover	
	New Employee Hires by Region	Rate of New Employee Hires by Region	Employee Turnover by Region	Rate of Employee Turnover by Region
Philippines	1,740	36.6%	1,484	31.2%
Singapore	66	11.3%	107	18.3%
Malaysia	908	19.3%	892	18.9%
Australia	93	50.5%	78	42.4%
Total	2,807	27.4%	2,561	25.0%

Total New Employee Hires and Employee Turnover by Gender

Year	2025			
Gender	New Employee Hires		Employee Turnover	
	New Employee Hires by gender	Rate of new Employee Hires by gender	Employee Turnover by gender	Rate of Employee Turnover by gender
Male	1,848	23.1%	1,881	23.5%
Female	959	42.8%	680	30.3%
Total	2,807	27.4%	2,561	25.0%

Total New Employee Hires and Employee Turnover by Age Group

Year	2025			
Age group	New Employee Hires		Employee Turnover	
	New Employee Hires by Age Group	Rate of new employee hires by Age Group	Employee Turnover by Age Group	Rate of Employee Turnover by Age Group
Under 30 years old	1,663	51.0%	1,361	41.8%
30 to 50 years old	1,120	18.1%	1,101	17.8%
Over 50 years old	24	3.0%	99	12.5%
Total	2,807	27.4%	2,561	25.0%



SUSTAINABILITY REPORT

Occupational Health and Safety (“OHS”)

[GRI 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6]

The Group is committed to creating a safe and inclusive workplace that supports the health and well-being of our employees. Maintaining a safe and high-quality working environment will minimise injury rates and lost workdays, mitigate adverse impacts on employee performance and disruptions to our operations.

To support this commitment, we have established OHS policies at all our bakeries and two major D&W subsidiaries, Ben Foods Singapore and NCS Cold Stores. Our OHS policies and procedures comply with the local OHS regulations of the respective countries in which we operate, and aim to reduce or minimise workplace hazards and occupational illnesses. We identify and assess work-related hazards and risks through a risk assessment conducted for new processes and activity at least once every 3 years. A hierarchy of controls is employed to manage potential hazards and reduce risks. The controls include Elimination (physically removing the hazard), Substitution (replacing the hazard), Engineering Controls (isolating people from the hazard), Administrative Controls (changing the way people work), and wearing of Personal Protective Equipment. Where required, our manufacturing facilities are also subject to audits or inspections by the local Safety and Health regulators or external vendors at least once every 3 years.

We have established Safety Committees which conduct meetings on a regular basis to discuss workplace hazards, injuries and any safety-related concerns. The committees discuss preventive and corrective actions for safety incidents and other necessary precautionary measures to prevent these incidents happening in the future. As an additional safeguard, employees can confidentially report safety concerns without fear of retaliation, in line with the Group’s Whistleblowing Policy.

We also provide OHS training for employees in areas such as Workplace Safety and Health, Occupational First Aid, Forklift Safety, Chemical Handling, Safe Driving, Fire Fighting, Emergency Response, Scaffold Awareness, Safety in Confined Spaces, and Safety when Performing Work at Height. Such training is conducted at least once every 2 years so that our employees are equipped with the knowledge to perform their duties in a safe manner and know how to respond effectively to emergencies or workplace accidents.

Some OHS initiatives implemented at our bakery facilities include:

- Employees working in areas with high noise levels are provided with hearing protection to reduce noise exposure. Production employees also undergo mandatory annual audiometric examinations to monitor their hearing health.
- Other Personal Protective Equipment, such as safety harness, safety shoes, gloves and goggles, are also provided for production employees.
- Chemical health risk assessments were also performed to assess the level of chemicals which our employees are exposed to, and to assess the effectiveness of personal protective equipment to reduce or eliminate employees’ risks of chemical exposure.

Key case studies

1) Philippines

- In FY2025, Gardenia Philippines conducted Basic Occupational Safety and Health (“**BOSH**”) training, which were attended by over 190 employees. This programme, which is a mandatory eight-hour training conducted monthly by in-house safety officers for all plant-based employees, covered topics such as safety behaviour awareness, personal protective equipment, accident investigation, material safe handling, machine and electrical safety, emergency preparedness, hazard identification, risk assessment and control, and ergonomics.



Gardenia Philippines organises monthly Basic Occupational Safety and Health training, which is a mandatory eight-hour training conducted by in-house safety officers for all plant-based employees.



SUSTAINABILITY REPORT

2) Singapore

- In recognition of their commitment to workplace safety, Gardenia Singapore and Ben Foods Singapore were accredited with BizSAFE Level 4 and BizSAFE Level 3 respectively by the Workplace Safety and Health Council.
- Gardenia Singapore organises an annual Road Safety Training to strengthen road safety awareness among all employees, promoting responsible behaviour and supporting a safer work environment.
- First aid kits are provided at all departments and Automated External Defibrillator machines are also placed within the company premises for emergency cardiac situations.
- As part of our Workplace Health and Safety initiative, we have organised 2 workshop sessions on Fire Safety.

Access to Healthcare Services

The Group prioritises the physical and mental health of our employees by providing employees with easy access to both occupational and non-occupational health services. In Singapore, Malaysia, and the Philippines, employees have access to panel clinics and are covered under the Group's hospital and medical insurance plans.

Supporting Employee well-being

Throughout the year, the Group also implemented various initiatives targeted at addressing employee well-being.

Key initiatives to support employees' physical well-being include:

Philippines

- Gardenia Philippines has an on-site clinic where employees can seek a consultation with the company physician. The company nurse is also available on day and night shifts. Gardenia Philippines also has an ambulance on standby, so that transport to medical facilities is readily available where necessary. Free flu vaccinations are also provided for employees.

- During the year, Gardenia Philippines launched Weight for Us (Departmental Weight Loss Team Challenge) to encourage employees to lose weight and become healthier. Monthly health infographics aligned with Department of Health materials were also circulated to employees.

Singapore

- Gardenia Singapore continued to organise complimentary health screening for all its employees. It also continued to distribute goodie bags comprising supermarket vouchers and food items, to all employees for Lunar New Year and Singapore's National Day celebrations to help staff defray the rising cost of living. In-house catering food and wholemeal bread are provided as complimentary meals to all staff. In addition, meal allowances are also provided to staff who are not based in offices.

Australia

- Bakers Maison Australia ("BMA") continued to offer free influenza vaccinations to all employees. BMA also continued to offer discounted fresh fruit and juices for employees via its onsite café, to support employee health & well-being.
- BMA administrative staff participated in a "Wellness Week" step challenge, clocking almost 1 million steps during one week. As a reward, all participants received a massage in the office from a qualified therapist.
- BMA celebrated International Harmony Day with a multicultural feast and a "Top Chef" competition, whereby all administrative, logistics and production staff brought home-cooked meals to share and celebrate their heritage and cultural background, driving inclusiveness and engagement across the team.



Bakers Maison Australia celebrated International Harmony Day with a multicultural feast and a "Top Chef" competition, driving inclusiveness and engagement across the team.



SUSTAINABILITY REPORT

Malaysia

- Gardenia Malaysia organised *Lebih Fit, Lebih Produktif*, a two-month health challenge. The programme aimed to cultivate healthier lifestyle habits for its employees through weight management, balanced nutrition and regular physical activity, while raising awareness on the long-term benefits of maintaining a healthy body and mind. This initiative not only helped boost focus, energy and workplace productivity, but also strengthened the bond between Gardenia Malaysia and its employees.
- Since September 2024, Farmland Malaysia have been organising bi-monthly badminton sessions which are open to all employees. This initiative is aimed at promoting physical activity, reducing stress and fostering stronger interpersonal bonds among employees. Starting from September 2025, futsal activities have been added to the ongoing sports initiatives.

Key initiatives to support employees' mental well-being include:

Philippines

- Gardenia Philippines continued to provide webinars focusing on improving one's mental health and well-being. It also implemented "Wellness Week" activities to educate and promote the positive effects of health and wellness within the workplace.

Singapore

- Since FY2023, Gardenia Singapore has been conducting Mental Wellness and Fatigue Management sessions every year to educate employees on the importance

of maintaining mental well-being and managing fatigue effectively. The sessions were facilitated by Concord Associates Pte Ltd. These sessions covered recognising signs of fatigue, managing workplace stress, building resilience, achieving work-life balance, incorporating practical techniques like mindfulness, breathing exercises, and time management. Interactive discussions and case studies encouraged collaboration and real-world application of strategies, particularly benefiting employees in high-pressure roles.

Australia

- To address mental health concerns, Bakers Maison Australia has an Employee Assistance Programme ("EAP") in place since FY2022. All employees have full day access to an EAP provider, Acacia. Acacia provides mental health support, coaching and advice on a range of personal issues. On "R U OK Day" in September, Bakers Maison Australia conducted presentations to share the importance of mental health to all employees, checking in on their mental well-being.

Malaysia

- In 2025, Farmland Malaysia organised a team bonding programme with the theme "*The True Superhero is Yourself*". The programme aimed to encourage teamwork and collaboration across different departments, improve communication, and build trust between team members. Through interactive activities and knowledge-sharing, participants strengthened their problem-solving skills and coordination. The event also highlighted the importance of mental well-being, encouraging employees to support one another and cultivate a positive, resilient workplace culture.



Gardenia Malaysia organised *Lebih Fit, Lebih Produktif*, a two-month health challenge aimed to cultivate healthier lifestyle habits for its employees.



SUSTAINABILITY REPORT

Employee Training and Development

[GRI 3-3, 404-1, 404-2, 404-3]

Employee competency is enhanced through continuous training. We believe in providing adequate training to empower our staff with the right skills and expertise to excel both professionally and personally. Our training programmes, organised to equip employees with essential technical and soft skills, are delivered by in-house trainers, subject matter experts, or external training providers.

In 2025, the Group recorded a notable increase in total and average training hours. Total training hours increased from 58,223 hours in 2024 to 85,851 hours in 2025, resulting in a higher average training hours per employee.

Average hours of Employee Training by Gender

Year	2024		2025	
Gender	Training Hours	Average Training Hours per Employee	Training Hours	Average Training Hours per Employee
Male	42,146	5.3	62,218	7.8
Female	16,077	7.7	23,633	10.5
Total	58,223	5.8	85,851	8.4

Percentage of employees receiving regular performance and career development reviews by Gender

Year	2024		2025	
Gender	Employees Receiving Performance review	% of total employees receiving a Performance Review	Employees Receiving Performance review	% of total employees receiving a Performance Review
Male	3,573	44.9%	3,575	44.7%
Female	1,531	73.7%	1,510	67.4%
Total	5,104	50.9%	5,085	49.7%

Training programmes conducted during the year include:

Philippines

- Gardenia Philippines has 3 main types of employee training programmes:
 - o The Building Blocks Training Programmes include training for new hires, soft skills development, and updates on government and regulatory requirements. Participation is mandatory for all employees.
 - o The Expert's Track Training Programmes is designed to develop specific functional or technical expertise of employees.
 - o The Leader's Track Training Programmes focuses on building the leadership capabilities of supervisors, senior supervisors, and assistant managers.
- Gardenia Philippines launched the Learning Management System (G-LEARN) for all departments and provided all employees with access to available programmes.
- Gardenia Philippines conducted Balanced Scorecard Training for first line, middle and top management.



SUSTAINABILITY REPORT

Malaysia

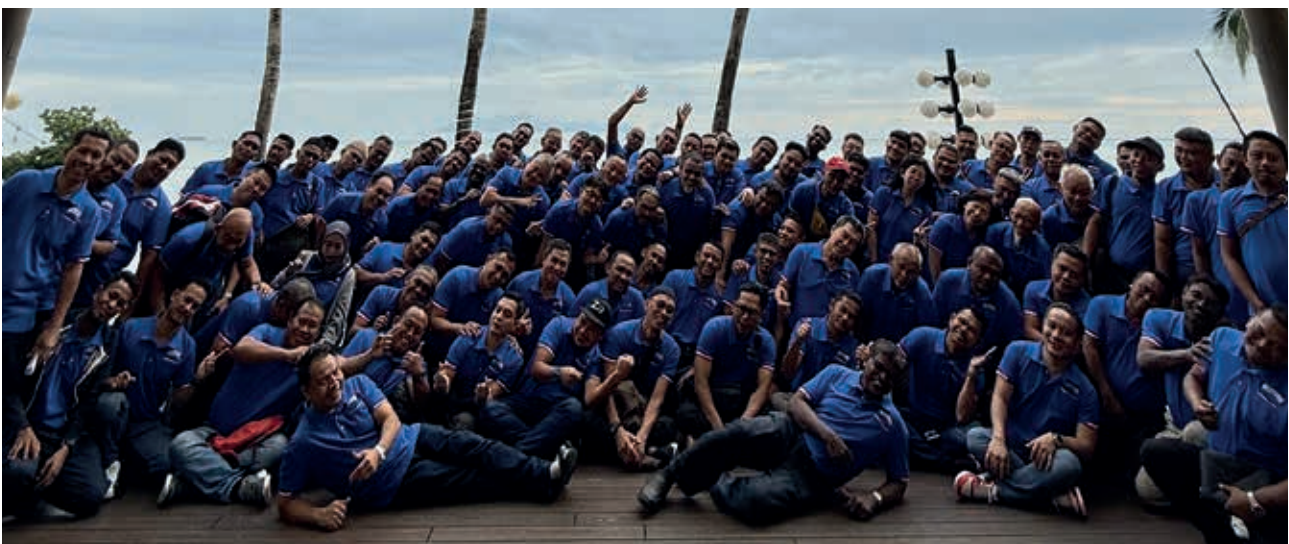
- Gardenia Malaysia organised a team building and bonding programme for more than 200 employees. The programme was conducted over four sessions in Pulau Pinang, Perak and Selangor:
 - o The first session aimed to strengthen teamwork, collaboration and employee engagement among the Sales Department. It also emphasised the development of supervisory and leadership skills to build cohesive, high-performing teams.
 - o The second session was attended by staff in the Production, Quality Assurance and Engineering Departments. The programme applied a lean manufacturing methodology aimed at preventing errors or mistakes in production. It focused on identifying the root causes of deviations and implementing effective action plans to address issues and prevent recurrence.
 - o The third and fourth sessions, brought together staff across Production, Research & Development, Quality Assurance, Human Resources, Finance & Administrative, Public Relations, and Engineering Departments. The programme focused on strengthening teamwork, collaboration, and employee bonding to foster a positive and inclusive workplace culture.

Singapore

- Gardenia Singapore employees attended courses related to Food Safety, First Aid, Mental Wellness and Fatigue Management, Workplace Safety, Road Safety, Fire Safety, Occupational First Aid and Operating of Scissor Lift.
- Employees from the Distribution & Warehousing business attended courses related to workplace safety and health, as well as operating of scissor lift.

Australia

- Bakers Maison Australia launched a Training and Development policy designed to identify and implement training and development requirements for all administrative staff, supervisors and managers across all departments.
- Selected Bakers Maison Australia employees attended trainings to hone their soft skills, for example:
 - o All Logistics Managers and key Production Supervisors took part in New Leader training.
 - o The Sales & Marketing team increased their knowledge with training on Growth Mindset and other personal development topics.
- Additionally, relevant IT, Finance, Demand & Sustainability and Sales staff were involved in comprehensive Tableau software & reporting training due to the implementation of the new software.



Gardenia Malaysia organised a team building and bonding programme for more than 200 employees.



SUSTAINABILITY REPORT

PEACE AND PARTNERSHIPS

QAF believes in creating positive social impact and fostering strong ties within the communities in which we operate. The Group actively engages in various community, philanthropic, and charitable efforts, as well as investing in the well-being of future generations. These initiatives demonstrate our ongoing dedication to creating lasting social good.

Supporting Philanthropic, Community and Charitable Causes

In FY2025, *Gardenia* products were donated by the Group to the community, benefitting more than 3.8 million households. Through these donations, we have supported charitable organisations, students, frontline workers, lower income groups, vulnerable individuals and migrant workers.

During the year, the key philanthropic, community and charitable causes which we contributed to include the following:

Key bread and other donation programmes



- Gardenia Philippines' Daily Bread Nutrition Programme, which donated more than 2.2 million packs of bread and other products to over 4,300 charitable organisations in various parts of the Philippines. The Gardenia Philippines' Nutrition Assistance Programme donated over 83,000 units of products to more than 3,900 public elementary school students.
- Gardenia Bakeries KL ("GBKL") provided breakfast to students sitting for the Sijil Pelajaran Malaysia examination. GBKL distributed over 36,000 units of *Gardenia* products to more than 6,000 students at over 30 schools. GBKL's Bag-2-School Programme, an annual programme to help under-privileged students prepare for the new school term by providing school essentials such as bags, has benefitted more than 1,500 students in FY2025.
- Gardenia Singapore donated over 72,000 *Gardenia* loaves and buns to the community. Beneficiaries include charitable organisations, students, frontline workers, lower income groups and vulnerable individuals.
- Ben Foods Singapore donated various *Cowhead* products to over 5,000 members of the community via community outreach initiatives. Beneficiaries include charitable organisations, lower income groups and vulnerable individuals.
- Bakers Maison Australia ("BMA") also contributed products to the Sydney French Open, helping raise over A\$27,000 for Redkite charity, an organisation supporting families facing childhood cancer. BMA also supported the Sister Act charity through donations, which helped the charity raise A\$12,000 on their fundraising night to support children living with kidney disease.



GBKL's Bag-2-School Programme, an annual programme to help under-privileged students prepare for the new school term by providing school essentials such as bags, has benefitted more than 1,500 students in FY2025.



SUSTAINABILITY REPORT

Disaster relief and recovery support for local communities



- Gardenia Philippines provided immediate food relief to Filipinos affected by natural disasters and fire incidents. Through its Quick Response programme, Gardenia Philippines distributed more than 138,000 units of *Gardenia* products to families and individuals affected by fires, floods and earthquakes in various parts of the Philippines.
- GBKL continued to collaborate with the Social Welfare Department to distribute more than 203,000 units of *Gardenia* products to the communities in affected areas and at the relief centres across Peninsular Malaysia.

Development of future generations through nurturing young talents

- GBKL offered internship positions to 20 local university students from various fields to equip them with real-life working experience so that they will be better prepared to join the workforce in the future. Gardenia Singapore also offered internship positions in the R&D department to four students from local polytechnics. The interns were provided with hands-on baking experience.

Support for an inclusive community



- Gardenia Singapore partnered with a wide range of social service agencies that empower persons with disabilities and special needs, such as The Purple Parade Ltd, Movement for the Intellectually Disabled of Singapore (“**MINDS**”), Cerebral Palsy Alliance, Society for the Physically Disabled (“**SPD**”), Singapore National Paralympic Council and St. Andrew’s Autism Centre to provide meaningful support for their community events, sporting activities and appreciation initiatives for educators and caregivers.

These contributions helped create enriching experiences that encouraged social interaction and personal growth for children, youth, and adults with diverse abilities.

- BMA continued its ongoing support for the local Broderick Gillawarna School for disabled primary school students, catering a lunch for all teachers and administration staff, as well as donating canteen equipment and gifts for every student at year end.



Gardenia Philippines provided immediate food relief to Filipinos affected by natural disasters and fire incidents.



GBKL collaborated with the Social Welfare Department to distribute more than 203,000 units of *Gardenia* products to the communities in affected areas and at the relief centres across Peninsular Malaysia.



SUSTAINABILITY REPORT

Promoting Public Awareness on Mental Health

As a brand integral to many households, Gardenia understands the significance of the family as a pillar of society. Amidst rising mental health challenges, we are dedicated to fostering public knowledge on maintaining mental health through our brand's educational outreach.

Examples of our initiatives conducted during the year include:

Supporting Teenage Mental Health

Gardenia Bakeries KL launched a UniTour Program called "Fuel Your Success One Bite at a Time", an initiative designed to motivate students to excel in various aspects of campus life, including time management, stress handling, and communication skills. The tour featured Malaysian celebrity Najwa Latif as the speaker for the "Fuel Your Success" series. During her sessions, Najwa shared her personal experiences and insights, motivating students to stay focused and resilient throughout their university journey. The programme benefited over 253,000 students from 10 university locations across Peninsular Malaysia. As part of the initiative, participating students received free samples of Gardenia's Ready-To-Eat products, such as QuickBites, PUZZ!, Twiggies, and many others.



Gardenia Bakeries KL launched a UniTour Program called "Fuel Your Success One Bite at a Time", an initiative designed to motivate students to excel in various aspects of campus life.

Supporting Seniors' Mental Health

To support mental well-being and raise awareness about mental health, Gardenia Singapore partnered with the Singapore Association for Mental Health, Institute of Mental Health, Mount Alvernia Hospital and Tan Tock Seng Hospital by sponsoring healthier wholemeal products for mental wellness outreach events. The events encouraged open conversations about mental health and holistic well-being within the community.

Caring for Our Environment

Since 2014, Gardenia Philippines has been actively engaged in tree planting activities. In 2025, employee volunteers planted over 3,000 seedlings.



In 2025, employee volunteers from Gardenia Philippines planted over 3,000 seedlings.



SUSTAINABILITY REPORT

PERFORMANCE SNAPSHOT AND TARGETS

[GRI 2-27, 205-3, 416-2, 417-2, 418-1, G4 FP5]

QAF acknowledges the importance of setting targets in-line with our strategic aims. The table below describes our Group's performance in relation to FY2025 targets for our material ESG topics, as well as outlines the short-term and medium-term Group targets we have set.



Short Term Targets (for FY2026)



Medium Term Targets (for FY2030)

FY2025 Targets	FY2025 Performance	Short/Medium-term Targets	Time horizon
Material ESG Topic: Governance and Ethics (Ethical and Fair Business Practices)			
Zero confirmed incidents of material corruption. GRI 205 defines "... Corruption includes practices such as bribery, facilitation payments, fraud, extortion, collusion, and money laundering"	Zero confirmed cases of material corruption.	Zero confirmed cases of material corruption. GRI 205 defines "... Corruption includes practices such as bribery, facilitation payments, fraud, extortion, collusion, and money laundering"	 
Material ESG Topic: Governance and Ethics (Data Protection and Cybersecurity)			
1. To conduct annual cybersecurity awareness training and assessment for QAF and all its subsidiaries.	1. Conducted annual cybersecurity awareness training and assessment for QAF and all its subsidiaries.	1. To continue annual cybersecurity awareness training and assessment for QAF and all its business units.	 
2. To conduct an annual simulated email phishing exercise for QAF and all its subsidiaries.	2. Conducted an annual simulated email phishing exercise for QAF and all its subsidiaries.	2. To continue an annual simulated email phishing exercise for QAF and all its business units.	 
3. Zero incidences of reportable regulatory breaches of customer privacy in the key geographical locations of Singapore, Malaysia, the Philippines and Australia.	3. Zero incidences of reportable regulatory breaches of customer privacy in the key geographical locations of Singapore, Malaysia, the Philippines and Australia.	3. Zero incidences of reportable regulatory breaches of customer privacy in the key geographical locations of Singapore, Malaysia, the Philippines and Australia.	 



SUSTAINABILITY REPORT

FY2025 Targets	FY2025 Performance	Short/Medium-term Targets	Time horizon
Material ESG Topic: Consumer Health and Safety (Product Responsibility)			
1. Maintain the percentage of total production volume manufactured in sites certified by an independent third-party according to internationally recognised food safety management system standards at 100% for Bakery segment.	1. Maintained the percentage of total production volume manufactured in sites certified by an independent third-party according to internationally recognised food safety management system standards at 100% for Bakery segment.	1. Maintain the percentage of total production volume manufactured in sites certified by an independent third-party according to internationally recognised food safety management system standards at 100% for Bakery segment.	 
2. Zero incidents of non-compliance with applicable laws and regulations relating to food safety of its Bakery products, resulting in a fine or penalty or regulatory warning.	2. Zero incidents of non-compliance with applicable laws and regulations relating to food safety of its Bakery products, resulting in a fine or penalty or regulatory warning.	2. Zero incidents of non-compliance with applicable laws and regulations relating to food safety of its Bakery products, resulting in a fine or penalty or regulatory warning.	 
3. Zero incidents of non-compliance with applicable laws and regulations relating to product information and labelling of its Bakery products, resulting in a fine or penalty or regulatory warning.	3. Zero incidents of non-compliance with applicable laws and regulations relating to product information and labelling of its Bakery products, resulting in a fine or penalty or regulatory warning.	3. Zero incidents of non-compliance with applicable laws and regulations relating to product information and labelling of its Bakery products, resulting in a fine or penalty or regulatory warning.	 



SUSTAINABILITY REPORT

FY2025 Targets	FY2025 Performance	Short/Medium-term Targets	Time horizon
Material ESG Topic: Consumer Health and Safety (Promoting Healthy Eating and Lifestyles)			
1. The Group plans to develop at least 1 new variant of healthier products such as wholemeal or multi-grain products. 2. Continue to conduct or support educational activities aimed at encouraging healthy eating habits among consumers.	1. Gardenia Singapore launched a chocolate malt drink certified as “<i>Healthier Choice</i>” by HPB and reformulated two bread products, which now contain more nutrients compared to the previous versions. Gardenia Philippines also re-launched the <i>Gardenia Fun Bun</i>, a nutritious snack option for kids. More information on these products can be found on page 47. 2. Gardenia Philippines conducted their “School Nutri-Tour” programme to educate students and also continued its “Corporate Wellness Movement” to support both private sector and government employees. Gardenia Singapore initiated a new preschool outreach programme to educate children on healthy eating habits. More information on these initiatives can be found on page 48.	1. The Group plans to develop at least 1 new variant of healthier products such as wholemeal or multi-grain products. 2. Continue to conduct or support educational activities aimed at encouraging healthy eating habits among consumers.	● ●



SUSTAINABILITY REPORT

FY2025 Targets	FY2025 Performance	Short/Medium-term Targets	Time horizon
Material ESG Topic: Resource Management			
1. Maintain no incidents of material non-compliance with the applicable regulations and wastewater requirements of the local authorities in respect to the water quality discharge.	1. There were no incidents of material non-compliance with the applicable regulations and wastewater requirements of the local authorities in respect to the water quality discharge.	1. Maintain no incidents of material non-compliance with the applicable regulations and wastewater requirements of the local authorities in respect to the water quality discharge.	● ●
2. Complete additional installations of solar energy at QAF Group facilities.	2. In 1H 2024, Gardenia Philippines has commenced installation of approximately 1,250 sqm of solar panels at its Cagayan de Oro plant. The solar panels started operations in December 2025. Gardenia Bakeries KL also commenced installation of solar panels at two of its factories in 2H 2025. The solar panels are expected to become operational by 1H 2026.	2. Complete additional installations of solar energy at QAF Group facilities. 3. Achieve a 4.5% reduction in energy consumption per metric tonne of sales volume by FY2030, with a baseline year of FY2023. 4. Achieve a 1% reduction in mobile fuel consumption per metric tonne of sales volume by FY2030, with a baseline year of FY2023.	● ● ● ●
Material ESG Topic: Our People			
<i>Employee Training and Development</i>			
1. QAF Group will maintain current level of training hours per employee whilst introducing new initiatives to increase overall hours.	1. QAF Group increased current level of training hours per employee via introducing new initiatives to increase overall hours.	1. QAF Group will maintain current level of training hours per employee whilst introducing new initiatives to increase overall hours.	●
2. Conduct yearly performance and career development review for eligible employees.	2. Conducted yearly performance and career development review for eligible employees.	2. Conduct yearly performance and career development review for eligible employees. 3. Achieve an average of 15 training hours for all employees (yearly).	● ● ●



SUSTAINABILITY REPORT

FY2025 Targets	FY2025 Performance	Short/Medium-term Targets	Time horizon
Material ESG Topic: Our People			
<i>Occupational Health and Safety</i>			
1. Bakers Maison Australia (“BMA”) will continue to run in-house first aid training, food safety refresher training and fire safety trainings. Monthly Workplace Health and Safety (“WHS”) committee meetings will be conducted to review safety concerns and near-miss incidents. 2. Gardenia Singapore will continue to organise Occupational First Aid training for its employees and refresher Food Hygiene/Hazard Control Plan and Food Allergy training for its production workers. It will continue to conduct Workplace Safety and Health training for different groups of employees and organise annual audiometric examination tests for production workers. 3. Gardenia Philippines will conduct Basic Occupational Safety and Health (“BOSH”) training for all newly hired employees as mandated by the labour and employment department of the Philippines.	1. BMA ran in-house first aid training, food safety refresher training and fire safety training. BMA also conducted monthly WHS committee meetings to review safety concerns and near-miss incidents. 2. Gardenia Singapore continued to organise Occupational First Aid training for its employees and refresher Food Hygiene/Hazard Control Plan and Food Allergy training for its production workers. It also conducted Workplace Safety and Health training for different groups of employees and organised annual audiometric examination tests for production workers. 3. Gardenia Philippines conducted BOSH training for all newly hired employees as mandated by the labour and employment department of the Philippines.	1. BMA will continue to run in-house first aid training, food safety refresher training and fire safety training. Monthly WHS committee meetings will be conducted to review safety concerns and near-miss incidents. 2. Gardenia Singapore will continue to organise Occupational First Aid training for its employees and refresher Food Hygiene/Hazard Control Plan and Food Allergy training for its production workers. It will continue to conduct Workplace Safety and Health training for different groups of employees and organise annual audiometric examination tests for production workers. 3. Gardenia Philippines will conduct BOSH training for all newly hired employees as mandated by the labour and employment department of the Philippines.	● ● ●



SUSTAINABILITY REPORT

FY2025 Targets	FY2025 Performance	Short/Medium-term Targets	Time horizon
Material ESG Topic: Our People			
<i>Occupational Health and Safety</i>			
4. Gardenia Bakeries KL (“GBKL”), Bakers Maison Malaysia (“BMM”) & Millif will continue to conduct in-house Emergency Preparedness, Fire Fighting and Hazard Identification, Risk Assessment and Risk Control training for Safety Committee Members and Emergency Response Team Members. We will also continue to organise Chemical Handling training and Hearing Conservation Programme for our different groups of operation staff. Additionally, annual audiometric tests will also be conducted for operation staff. 5. Farmland Malaysia will conduct quarterly WHS committee meetings to review and improve work health and safety practices. It will also conduct annual in-house emergency preparedness and fire-fighting drill. 6. Monthly WHS committee meetings will be held by Ben Foods Singapore (“BFS”) and NCS Cold Stores (“NCS”) to assess and enhance workplace health and safety practices. BFS and NCS will also conduct monthly fire safety inspections and two fire drills per year.	4. GBKL, BMM & Millif conducted in-house Emergency Preparedness, Fire Fighting and Hazard Identification, Risk Assessment and Risk Control training for Safety Committee Members and Emergency Response Team Members. We also continued to organise Chemical Handling training and Hearing Conservation Programme for our different groups of operation staff. Additionally, annual audiometric tests were also conducted for operation staff. 5. Farmland Malaysia conducted quarterly WHS committee meetings to review and improve work health and safety practices. It also conducted annual in-house emergency preparedness and fire-fighting drill. 6. Monthly WHS committee meetings were held by BFS and NCS to assess and enhance workplace health and safety practices. BFS and NCS also conducted monthly fire safety inspections and two fire drills per year.	4. GBKL, BMM & Millif will continue to conduct in-house Emergency Preparedness, Fire Fighting and Hazard Identification, Risk Assessment and Risk Control training for Safety Committee Members and Emergency Response Team Members. We will also continue to organise Chemical Handling training and Hearing Conservation Programme for our different groups of operation staff. Additionally, annual audiometric tests will also be conducted for operation staff. 5. Farmland Malaysia will conduct quarterly WHS committee meetings to review and improve work health and safety practices. It will also conduct annual in-house emergency preparedness and fire-fighting drill. 6. Monthly WHS committee meetings will be held by BFS and NCS to assess and enhance workplace health and safety practices. BFS and NCS will also conduct monthly fire safety inspections and two fire drills per year.	● ● ●



SUSTAINABILITY REPORT

APPENDICES

Definitions, Boundaries and Methodologies

[GRI 2-7, 302-1, 302-3, 303-5, 305-1, 305-2, 305-4, 401-1, 403-1, 416-2, G4 FP5]

Energy

- This report covers non-renewable electricity consumption (purchased electricity), renewable electricity consumption (solar generation) and non-renewable fuel consumption (natural gas, diesel and liquefied petroleum gas).
- Renewable energy use disclosed in this report corresponds to onsite renewable energy generation.
- Total energy consumption within the organisation is calculated in Joules and presented under the categories of 'production and operations' and 'transport-related activities'.
- The conversion factor used to convert kilowatt-hours (kWh) to terajoules (TJ) is 3.6e-6.
- Energy intensity is derived by taking total energy consumption from production and operations activities (in terajoules) divided by the total production volume (in MT). This offers a representation of energy efficiency specifically in our primary business activities. The production volume used for Bakery is 178,616.20 MT and for Gardenia Bakeries KL is 136,961.48 MT.
- As production volume is not relevant in the context of Distribution and Warehousing segment and QAF HQ, disclosure of intensity cannot be provided.

GHG Emissions

- The GHG emissions are reported in accordance with the guidelines outlined in the GHG Protocol Corporate Accounting and Reporting Standard. Our methodology employs the operational control approach, where we take responsibility for GHG emissions from operations under its direct control.
- Scope 1 emissions are calculated using emission factors and global warming potential rates from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, and the IPCC fifth Assessment Report. Gases included in fuel emissions calculation are carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). Scope 1 Industrial Process and Product Use ("IPPU") emissions include HFC/HCFC refrigerants use.
- Emission factors for Scope 2 (location-based) electricity emissions are sourced from the Energy Market Authority, Singapore (2024), the Australian National Greenhouse Accounts Factors (2025) for Australia, the Department of Energy, Philippines, and the IGES List of Grid Emission Factors, Version 11.6 for Malaysia.
- Market-based emissions refer to Scope 2 emissions calculated using contractual or supplier-specific emission factors and include the avoided emissions from off-site renewable energy procurement. A market-based method is adopted as it reflects the energy-procurement choices made by Nutrimax Fresh-Baked Inc.'s operations in the Philippines, in addition to the GHG emissions of the grids from which electricity is consumed. Conversion factors for Australia's Scope 2 (market-based) GHG emissions were obtained from the Australian National Greenhouse Accounts Factors 2025.
- Direct (Scope 1) and indirect (Scope 2) emissions are calculated in tonnes of CO₂ equivalent ("tCO₂e") and presented under the categories of 'production and operations' and 'transport-related activities'.
- Direct (Scope 1) and indirect (Scope 2) emissions are included in the calculation of the GHG emissions intensity.



SUSTAINABILITY REPORT

- Emission intensity is derived by taking total emissions from production and operations (in tCO₂e) divided by the total production volume (in MT). This offers a representation of emission efficiency specifically in our primary business activities.
- For FY2025 data, the production volume used for emission intensity calculation is similar to that used for energy intensity calculation, which is 178,616.20 MT for Bakery and 136,961.48 MT for GBKL.
- As production volume is not relevant in the context of Distribution and Warehousing segment and QAF HQ, disclosure of intensity cannot be provided.

Water Consumption

- Water consumption refers to the portion of water withdrawn by an organisation that is not returned to the environment during the reporting period and therefore is no longer available for use by the ecosystem or local community. It is typically calculated as: Water consumption = Water withdrawn – Water discharged.
- Total water discharged is assumed to be equal to total water withdrawn when water use is primarily for toilets, washing activities, water features, and irrigation, where most water is returned back into the environment rather than being consumed in products or processes.

GRI G4 FP5 (Percentage of production of volume manufactured in sites certified by an independent third party according to internationally recognised food safety management system standards)

- This report identifies the sites that have undergone third-party certification for internationally recognised food safety management system standards, considering the total production volume.
- The denominator is the total production volume of all the sites operated by the reporting organisation where products are manufactured.
- This report calculates the percentage in accordance with GRI G4 FP5 by dividing the production volume certified by an independent third party for internationally recognised food safety management system standards across all the Bakery entities of the reporting organisation where products are manufactured to get the percentage.

Occupational Health and Safety ("OHS")

- OHS Management Systems refers to a set of interrelated or interacting elements to establish an occupational health and safety policy and objectives, and to achieve those objectives. This definition is based on the International Labour Organization (ILO), Guidelines on Occupational Safety and Health Management Systems, ILO-OSH 2001, 2001.

Customer Health and Safety

- Incidents of non-compliance with regulations and/or voluntary codes concerns the direct health and safety impacts of products and services on customers.

Employees

- An individual who is in an employment relationship with the organisation. All employee data relates to the headcount as of 31 December 2025.
- New hires refer to external hires only and exclude internal movements such as transfers, promotions, conversions from contract to permanent roles, or inter entity transfers within the QAF Group. The annual new hire rate is calculated as the number of new hires in FY2025 divided by the total number of employees as of 31 December 2025.
- Employee turnover refer to all voluntary resignations, retirements and dismissals. The annual turnover rate is determined by the number of employee turnover in FY2025 divided by the total number of employees as of 31 December 2025.



SUSTAINABILITY REPORT

Policies for Material ESG Topics

Material ESG Topics	Applicable to which entity?	Name of policy/procedure/check sheet
Consumer Health and Safety: Product Responsibility	• Gardenia Singapore	• Food Safety & Quality Policy • Consumer Health and Safety Standard Operating Procedures (" SOP ")
	• Gardenia Philippines	• Good Manufacturing Practices (" GMP ") Agreement with plant-based employees
	• Gardenia Bakeries KL (" GBKL ") • Bakers Maison Malaysia (" BMM ") • Millif	• Food Safety Policy • GMP Systems Overview
	• Farmland Malaysia	• Food Safety Procedure • Food Safety Manual
	• Bakers Maison Australia	• Quality Assurance Good Hygiene Practices & GMP Check Sheet
	• Ben Foods Singapore	• New Products SOP • Listing SOP
Consumer Health and Safety: Promoting Healthy Eating and Lifestyles	• Gardenia Singapore	• Consumer Health and Safety SOP
	• GBKL	• New Product Development SOP
Resource Management (Energy Management)	• GBKL • BMM • Millif	• Energy Policy
	• Gardenia Philippines	• Energy Policy
	• Gardenia Singapore	• Energy Policy
	• Farmland Malaysia	• Energy & Sustainability Policy
Resource Management (Waste Management)	• Ben Foods Singapore • NCS Cold Stores	• Waste Management SOP
	• Farmland Malaysia	• Energy & Sustainability Policy • Waste Management SOP
	• Gardenia Philippines	• Waste Disposal Policy • Baking of Dough Waste Policy
	• GBKL • BMM • Millif	• Waste Disposal Policy
	• Gardenia Singapore	• Waste Management Policy
Resource Management (Water Management)	• Gardenia Philippines	• Water Policy
	• Gardenia Singapore	• Water Management & Trade Effluent Policy
Our People (Employee Training and Development)	• GBKL • BMM • Millif • Farmland Malaysia	• Training Policy
	• Gardenia Philippines	• Training and Development Policy
	• Gardenia Singapore	• Training and Development Policy
	• Bakers Maison Australia	• Training & Development Policy



SUSTAINABILITY REPORT

Material ESG Topics	Applicable to which entity?	Name of policy/procedure/check sheet
Our People (Occupational Health and Safety)	Bakers Maison Australia	- Work, Health & Safety Policy - Risk Management Policy and Procedure - Safety and Emergency (Freezer and Chiller Areas) - Monthly WHS Committee Meeting Policy & Procedure
	Gardenia Philippines	- Safety Manual - Emergency Action Plan
	Gardenia Singapore	- Workplace Safety and Health Policy - Work Injury Reporting Policy & Procedures
	- GBKL - BMM - Millif - Farmland Malaysia	Safety and Health Policy
	- Ben Foods Singapore - NCS Cold Stores	Safety and Health Policy

Certifications

[GRI 416-1]

Name of entity	Name of internationally recognised quality or food safety certification
- Gardenia Bakeries (Philippines) Inc. - Philfoods Fresh-Baked Products Inc. - Nutribaked Food Products Inc. - Nutrimax Fresh-Baked Inc. - Vitabread Food Products Inc.	- ISO 9001: 2015 Quality Management Systems - HACCP certification
Gardenia Foods (S) Pte Ltd	ISO 22000: 2018 – Food Safety Management System
- Gardenia Bakeries (KL) Sdn Bhd - Bakers Maison (M) Sdn Bhd - Millif Industries Sdn Bhd	- ISO 22000: 2018 – Food Safety Management System - HACCP certification
Farmland Bakery (M) Sdn Bhd	Food Safety System Certification FSSC22000 v5.1, Food Manufacturing
Bakers Maison Pty Ltd	- SQF Food Safety Code: Food Manufacturing Edition 9 - SQF Quality Code Edition 9
Ben Foods (S) Pte Ltd	- ISO 14001:2015 Receiving, Storage and Delivery of Frozen, Chilled, Dry food products, Alcoholic and other Beverages and Raw Meat Processing Operations - ISO 22000: 2018 – Receiving, Storage and Delivery of Frozen, Chilled, Dry food products, Alcoholic and other Beverages and Raw Meat Processing Operations
NCS Cold Stores (S) Pte Ltd	ISO 22000: 2018 – Receiving and storage of frozen and chilled food products



SUSTAINABILITY REPORT

Memberships and Initiatives

[GRI 2-28]

Location	Name of Memberships
Singapore	• GS1 Singapore Council • Singapore Manufacturers' Federation • Singapore Business Federation • Singapore Food Manufacturers' Association • Singapore Bakery & Confectionery Trade Association • Singapore National Employers Federation • International Association of Refrigerated Warehouses – World Food Logistics Organisation (IARW-WFLO) Warehouse Membership
Philippines	• Employers Confederation of the Philippines, Inc. • European Chamber of Commerce • Filipino-Chinese Bakers Association of the Philippines • Laguna International Industrial Park Association, Inc. • Makati Business Club • Philippine Association of National Advertisers • Philippine Marketing Association • People Management Association of the Philippines • Philippine Baking Industry Group • Philippine Chamber of Food Manufacturers, Inc. • Philippine Society for Talent Development
Malaysia	• Federation of Malaysian Manufacturers • SME Association of Malaysia (South Johor) • Malaysia External Trade Development Corporation
Australia	• Food Standards Australia New Zealand • New South Wales – Food Authority • Australian Institute of Food Science & Technology • Canterbury-Bankstown Council

Location	Name of External Initiative
Singapore	Packaging Partnership Programme
Philippines	Philippine Integrity Initiative



SUSTAINABILITY REPORT

GRI Context Index

Statement of use	QAF Limited has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location: Report section	Page No.
GRI 2: General Disclosures 2021	The organisation and its reporting practices		
	2-1 Organisational details	Annual Report 2025 (QAF Group), About this Report, Reporting Scope, QAF – At a Glance	8-9, 31, 33
	2-2 Entities included in the organisation's sustainability reporting	Reporting Scope	31
	2-3 Reporting period, frequency and contact point	About this Report, Reporting Framework, Feedback	31
	Activities and workers		
	2-6 Activities, value chain and other business relationships	Annual Report 2025 (Operational Review), Reporting Scope, QAF – At a Glance	18-28, 31, 33
	2-7 Employees	People, Definitions, Boundaries and Methodologies	64, 81
	Governance		
	2-9 Governance structure and composition	Annual Report 2025 (Board of Directors), Sustainability Governance, Annual Report 2025 (Corporate Governance Report)	10-15, 36, 91, 94-95
	2-10 Nomination and selection of the highest governance body	Annual Report 2025 (Corporate Governance Report)	94-95, 97-98
	2-11 Chair of the highest governance body	Annual Report 2025 (Board of Directors)	10
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance	36
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance	36



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GRI Standard	Disclosure	Location: Report section	Page No.
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance	36
	2-15 Conflicts of interest	Prosperity, Annual Report 2025 (Corporate Governance Report, Additional Information on Directors Seeking Re-Election)	43, 92, 114-115, 200-201
	2-16 Communication of critical concerns	Stakeholder Engagement, Prosperity	37-39, 43
	2-17 Collective knowledge of the highest governance body	Sustainability Governance	36
	2-19 Remuneration policies	Annual Report 2025 (Corporate Governance Report)	99-101
	2-20 Process to determine remuneration	Annual Report 2025 (Corporate Governance Report)	99-100
	Strategy, policies, and practices		
	2-22 Statement on sustainable development strategy	Board Statement	32
	2-25 Processes to remediate negative impacts	Prosperity	43
	2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Engagement, Prosperity	37-39, 43
	2-27 Compliance with laws and regulations	Prosperity, Products and Process, Performance Snapshot and Targets	43, 46, 74-75, 77-78
	2-28 Membership associations	Memberships and Initiatives	84
	Stakeholder engagement		
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, Materiality Assessment	37-39, 40
GRI 3: Material topics 2021	3-1 Process to determine material topics	Materiality Assessment	40
	3-2 List of material topics	Material Mapping and Topic boundary	41-42



SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location: Report section	Page No.
Material Topic: Economic performance			
GRI 3: Material topics 2021	3-3 Management of material topics	Prosperity	43
Material Topic: Governance and Ethics (Ethical and Fair Business Practices)			
GRI 3: Material topics 2021	3-3 Management of material topics	Prosperity	43
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Performance Snapshot and Targets	74
Material Topic: Governance and Ethics (Data Protection and Cybersecurity)			
GRI 3: Material topics 2021	3-3 Management of material topics	Prosperity	44-45
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Performance Snapshot and Targets	74
Material Topic: Consumer Health and Safety (Product Responsibility)			
GRI 3: Material topics 2021	3-3 Management of material topics	Products and Process	46
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Products and Process, Certifications	46, 83
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Performance Snapshot and Targets, Definitions, Boundaries and Methodologies	75, 81
GRI 417: Marketing and Labelling 2016	417-1 Requirements for product and service information and labelling	Products and Process	46
	417-2 Incidents of non-compliance concerning product and service information and labelling	Performance Snapshot and Targets	75
GRI G4: Food Processing Sector Disclosures	FP5 Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognised food safety management system standards	Performance Snapshot and Targets, Definitions, Boundaries and Methodologies	75, 81



SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location: Report section	Page No.
Material Topic: Consumer Health and Safety (Promoting Healthy Eating and Lifestyles)			
GRI 3: Material topics 2021	3-3 Management of material topics	Products and Process	47-48
Material Topic: Resource Management (comprising Energy Management, Waste Management and Water Management)			
GRI 3: Material topics 2021	3-3 Management of material topics	Planet	49-63
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Planet, Definitions, Boundaries and Methodologies	60, 80
	302-3 Energy intensity	Planet, Definitions, Boundaries and Methodologies	60, 80
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Planet, Definitions, Boundaries and Methodologies	61, 80-81
	305-2 Energy indirect (Scope 2) GHG emissions	Planet, Definitions, Boundaries and Methodologies	61, 80-81
	305-4 GHG emissions intensity	Planet, Definitions, Boundaries and Methodologies	61, 80-81
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Planet	63
	303-5 Water consumption	Planet, Definitions, Boundaries and Methodologies	63, 81
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Planet	62
Material Topic: Our People (comprising Occupational Health and Safety, Employee Training and Development)			
GRI 3: Material topics 2021	3-3 Management of material topics	People	64-70
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	People, Definitions, Boundaries and Methodologies	65, 81
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	People, Definitions, Boundaries and Methodologies	66-68, 81
	403-2 Hazard identification, risk assessment, and incident investigation	People	66-68
	403-3 Occupational health services	People	66-68
	403-4 Work participation, consultation, and communication on occupational health and safety	People	66-68
	403-5 Worker training on occupational health and safety	People	66-68
	403-6 Promotion of worker health	People	66-68



SUSTAINABILITY REPORT

GRI Standard	Disclosure	Location: Report section	Page No.
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	People	69
	404-2 Programmes for upgrading employee skills and transition assistance programmes	People	69-70
	404-3 Percentage of employees receiving regular performance and career development reviews	People	69
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	People, Annual Report 2025 (Corporate Governance Report)	64, 94-95





CORPORATE GOVERNANCE REPORT

(AS AT 16 MARCH 2026)

In this Corporate Governance Report, QAF Limited (“**QAF**” or the “**Company**”) describes its corporate governance practices for the financial year ended 31 December 2025 (“**FY2025**”) with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (“**Code**”). This report makes cross-references to certain sections of the Annual Report such as information on the directors of the Company (“**Directors**”) on pages 10 to 15 and our sustainability approach on pages 29 to 90. For completeness, this report should be read in conjunction with the other reports and information in the Annual Report.

The Company recognises the importance of sound corporate governance practices. It focuses on the substance and objective of the Principles underpinning the Code’s Provisions whilst pursuing its corporate objectives and strategy of long-term sustainable growth and value creation. Where there were variations in the Company’s corporate governance practices from the Provisions, explanation as to how the Company’s practices were consistent with the intent of the Principle in question is provided in the relevant paragraph of this report.

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.*

(1) Provisions 1.1, 1.3, 1.4 and 1.5

The Board of Directors of QAF (“**Board**”) is responsible for overall corporate governance, strategic direction and formulation of broad policies to oversee the business performance and affairs of QAF and its subsidiaries (the “**Group**”), with a view to achieving long-term success for the Company. The Board also provides leadership, reviews the performance of Management, and has oversight of the proper conduct of the Group’s business including the framework for the Group’s system of internal controls and risk management. Please also refer to the Company’s Sustainability Report found on pages 29 to 90 of the Annual Report which sets out the Board’s Statement, other information on the Company’s sustainability approach as well as information on the Group’s Code of Business Conduct.

The functions of the Board are carried out by the Board or delegated by it to various Board Committees. The Board has in place the following Board Committees: Audit & Risk Committee, Nominating Committee and Remuneration Committee. The members of these Committees are set out in the Corporate Information page of the Annual Report.

Each Committee has written terms of reference including the authority to examine issues relevant to its terms of reference and to approve and/or make recommendations to the Board for consideration. A summary of the terms of reference and the activities of the Committees are more particularly described in other sections of this report. The implementation of the long-term vision and strategy for the Company as formulated by the Board is tasked to the executive Directors. Management works with, and is accountable to, the Board. In its review of the performance of Management, the Nominating Committee and the Remuneration Committee will, as the case may be, consider several factors such as those set out on pages 98 to 101 of this report under Principle 5 “Provisions 5.1 and 5.2” and Principle 7 “Provisions 7.1 and 7.3”.



CORPORATE GOVERNANCE REPORT

(AS AT 16 MARCH 2026)

During FY2025, the Board and the Audit & Risk Committee held two scheduled meetings in connection with the review of the Group's financial results announcements. The Company's practice is to hold additional Board and Committee meetings and discussions, whether by physical or electronic means or a combination of both, as and when circumstances warrant. Where a Director faces conflicts of interest, he shall recuse himself from discussions and decisions on the relevant matter. The FY2025 attendance and participation of the Directors at the scheduled Board and Committee meetings as well as the Company's Annual General Meeting ("**AGM**") in April 2025, is set out below:

	Board	Audit & Risk Committee	Nominating Committee	Remuneration Committee	AGM
Number of meetings held in FY2025	2	2	1	1	1
Name of Director	Number of meetings attended in FY2025				
Lam Sing Chung	2	N/A	1	1	1
Philip Yeo Liat Kok	1	N/A	1	1	1
Lin Kejian	2	N/A	N/A	N/A	1
Michael Darren Hewat	2	N/A	N/A	N/A	1
Dawn Pamela Lum ⁽¹⁾	1	1	1	1	1
Norman Ip	2	2	N/A	N/A	1
Chee Teck Kwong Patrick	2	2	N/A	N/A	1
Lian Hwee Peng Rebecca ⁽²⁾	1	1	N/A	N/A	1
Aw Syee Chia ⁽³⁾	1	N/A	N/A	N/A	1
Loh Wee Lee	2	N/A	N/A	N/A	1
Foo Kwee Joen Junie ⁽⁴⁾	–	N/A	N/A	N/A	N/A
Basil Chan ⁽⁵⁾	1	1	N/A	N/A	N/A
Tan Chuan Lye ⁽⁶⁾	1	1	N/A	N/A	N/A
John Martin Miller ⁽⁷⁾	1	N/A	N/A	N/A	N/A

(1) Ms Dawn Pamela Lum ceased to be a Director, a member of the Audit & Risk Committee and Chairman of the Nominating Committee and the Remuneration Committee with effect from 25 April 2025.

(2) Dr Lian Hwee Peng Rebecca ceased to be a Director and a member of the Audit & Risk Committee with effect from 16 July 2025.

(3) Mr Aw Syee Chia ceased to be a Director with effect from 16 July 2025.

(4) Ms Foo Kwee Joen Junie was appointed as a Director and Chairperson of the Nominating Committee and the Remuneration Committee with effect from 16 June 2025.

(5) Mr Basil Chan was appointed as a Director and a member of the Audit & Risk Committee with effect from 16 July 2025.

(6) Mr Tan Chuan Lye was appointed as a Director and a member of the Audit & Risk Committee with effect from 16 July 2025.

(7) Mr John Martin Miller was appointed as a Director with effect from 16 July 2025.

The other directorships and principal commitments held by the Directors have not compromised the time and attention devoted by them to the discharge of their duties to the Company. Please also refer to the disclosures under Principle 4 "Provision 4.5" at page 98 of this report.



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(2) *Provision 1.2*

Newly-appointed Directors of the Company are given orientation including briefings to familiarise them with the business and operations of the Group. They are furnished with information on their fiduciary and other general duties and obligations, and on the Company's governance framework, policies and/or processes.

Directors are provided the opportunity to develop and maintain their skills and knowledge on areas relevant to their duties as directors of a public-listed company and to their roles on Board Committees, such as those organised by the Singapore Institute of Directors, Accounting and Corporate Regulatory Authority and/or the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Company funds and makes arrangements for the Directors to attend such training. Management (with the assistance of external consultants, where considered appropriate) furnishes the Directors with information pertinent to the Group's business, including information to keep them apprised of material issues and developments, both locally and in other jurisdictions, relevant to the Group's businesses, changes in laws, listing rules or accounting matters and regulatory and compliance issues. In addition, Directors are at liberty to request for further explanations, briefings or information as and when required.

(3) *Provisions 1.6 and 1.7*

Management provides Directors with periodic management financial information relating to the Group as well as information on material matters and issues being dealt with by Management. Board papers are prepared for each meeting of the Board and are normally circulated at least five days in advance of each meeting to allow sufficient lead time for Directors to review the items tabled at the meetings. Management is required to supply the Board with papers containing adequate information pertaining to the agenda (including, where applicable, budgets, forecasts and analyses) to assist the Directors' review of the issues to be considered at Board meetings and to facilitate discussion at such meetings. Directors are at liberty to request from Management additional information as needed to make an informed decision and to discharge their responsibilities.

The Directors have separate and independent access to relevant Management and the Company Secretary. The Company Secretary attends all Board meetings and her responsibilities include checking that board procedures are followed, applicable rules and regulations, including the SGX-ST listing rules and the Code, are complied with and that minutes of meetings are fairly recorded. The Company Secretary is also tasked with handling information flow within the Board and its Committees. The Constitution of the Company provides that the Company Secretary shall be appointed and may be removed by the Directors.

If Directors, whether as a group or individually, in furtherance of their duties need independent professional advice, assistance is available to help them obtain such advice at the Company's expense.



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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.

(1) *Provisions 2.1, 2.2, 2.3 and 2.4*

The Board currently comprises 11 Directors, eight of whom are, in the Board's judgement, independent. Our independent Directors are Mr Philip Yeo Liat Kok (who is Vice-Chairman of the Board), Mr Norman Ip, Mr Chee Teck Kwong Patrick, Mr Loh Wee Lee, Ms Foo Kwee Joen Junie, Mr Basil Chan, Mr Tan Chuan Lye and Mr John Martin Miller. A majority of the Board comprises (a) independent Directors, namely, eight out of 11; and (b) non-executive Directors, namely, nine out of 11.

The independence of each Director is reviewed annually by the Nominating Committee (with the relevant Nominating Committee member abstaining in respect of himself/herself). In its deliberation on the independence of Directors in respect of FY2025, the Nominating Committee took into account, amongst others, each independent Director's confirmation of his or her independence based on the applicable provisions of the SGX-ST Listing Manual (the "**Listing Manual**") and the Code. Under the Listing Manual, a director is not independent if (a) he is or has, in the current or last three financial years, been employed by the company or any of its related corporations; or (b) he has an immediate family member who is or has, in the current or last three financial years, been employed by the company or any of its related corporations, and whose remuneration is or was determined by the remuneration committee of the company; or (c) he has been a director for an aggregate period of more than nine years, whether before or after listing (such director may continue to be considered independent until the conclusion of the next annual general meeting of the issuer). These disqualifying provisions did not apply to any of our independent Directors for FY2025. The Nominating Committee also considered the principle-based definition of "independence" in the Code (set out in Provision 2.1), which states that an independent director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company. The Board is of the view that the Board has an appropriate level of independence and that the size of the Board and the Board Committees is also appropriate.

For the selection, appointment and re-appointment of Directors, the Board has a Board Diversity Policy that covers diversity factors such as skills & experience, age and gender for the purpose of enhancing Board effectiveness and in the context of the needs and future plans of the Group. Certain information on the diversity of the Company's Board (including Alternate Director) for FY2025 is set out below.

The Board does not intend pursuant to the Board Diversity Policy to appoint persons as Directors by reason of their gender or age as token representatives on the Board or simply to meet quotas. In the Board's view, the fundamental principle is that the candidate must be of the right fit, taking into account the needs and future plans of the Group's businesses, and must meet the relevant needs and vision of the Board and Company at the material time. The pursuit of quotas, if any, and targets should take this overriding principle into account. Under the Board Diversity Policy, the Nominating Committee shall, in this context, review annually the relevant targets for promoting Board diversity and make its recommendations with accompanying plans and timelines for consideration and approval by the Board. The Nominating Committee shall also undertake an annual review of the Board's composition with such policy in mind (including succession planning), review key selection criteria as well as different channels for sourcing candidates, and to report and make recommendations to



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the Board accordingly. With respect to the following elements of diversity, the Company's targets in the context of the Board Diversity Policy are as follows:

In respect of skills & experience, as disclosed in 2023 in the Company's FY2022 Annual Report, the Company's target was to appoint by FY2026 at least one more Director with experience relevant to our business and future plans, for example in the food industry or a related industry. Business opportunities and threats are constantly evolving and a diverse combination of in-depth skills & experience, such as extensive relevant experience in the food industry or a related industry, would enhance the quality and effectiveness of the Board and its performance. This target took into consideration the pre-existing skillsets and experience of Board members. As to the Company's progress towards this target, in FY2023, the Company appointed Mr Michael Darren Hewat to the Board as Joint Group Managing Director. Mr Hewat has experience in the food including distribution industry, having been chief executive officer of the Group's Primary Production business prior to its disposal. In FY2024, the Company appointed an independent Director, Mr Loh Wee Lee, who has experience with a major Pan-Asian retail group which offers a wide range of products. In FY2025, the Company appointed an independent Director, Mr John Martin Miller, who has extensive experience in the food industry, having held senior positions with Danone and Nestlé.

In respect of age, the Company had also in its FY2022 Annual Report, disclosed its target of having over the subsequent three years (i.e. 2023 to 2026) a mix of both younger and more senior Directors, with heavier emphasis being on depth of experience, track record and business and other networks. In light of this principle, the Company's objective is to have a Board with Directors of ages ranging from below 50 to above 70, with majority of the Directors within the age group of 51 and above. The Company currently meets this target.

In respect of gender, the Company had disclosed its target of maintaining a Board with female representation of at least 25% for the subsequent three years (i.e. 2023 to 2026). Whilst this target was met for FY2023 and FY2024, the percentage of female representation on the Board (including Alternate Director) reduced to 17% in view of the retirement of Ms Dawn Pamela Lum on 25 April 2025 and the resignation of Dr Lian Hwee Peng Rebecca on 16 July 2025, even though Ms Foo Kwee Joen Junie was appointed on 16 June 2025 as a member of the Board and replaced Ms Dawn Pamela Lum as Chairperson of the Nominating Committee and Remuneration Committee. While the Board recognises the importance of gender diversity, the Board does not intend to appoint persons as Directors by reason of their gender, simply to meet quotas. The selection criteria for Directors remains based on the fundamental principle that the candidate must be of the right fit and must meet the relevant needs and vision of the Board and Company at the material time. The Board will continue to assess the composition of the Board on the basis of the foregoing principle, with gender diversity as an important consideration.

Taking into consideration the above, the Nominating Committee believes that the Board comprises Directors who as a group have an appropriate balance and mix (as well as breadth and depth) of skills, knowledge and experience, and diversity of thought and background, so as to foster constructive debate and avoid "groupthink". Board members have diverse backgrounds, skillsets and experience (including extensive and in-depth corporate experience and strategic thinking), which are essential and/or valuable for decision-making. Further information on our Directors is found in the section of the Annual Report entitled "Board of Directors" at pages 10 to 15.



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(2) Provision 2.5

The non-executive and/or independent Directors communicate at Board Committee meetings and as and when necessary, without the presence of Management. They are also provided with the opportunity annually to meet without Management's presence. They provide feedback to Management of their views including on the Group's operations and processes, from time to time. The independent Directors of the Company may communicate periodically without the presence of the other Directors as and when they see the need for issues to be discussed separately from the entire Board.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

(1) Provisions 3.1 and 3.2

Provision 3.1 of the Code states that "The Chairman and the Chief Executive Officer ("CEO") are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making". The Chairman and the Joint Group Managing Directors of the Company are separate persons. The Board believes that the Company has not varied from Provision 3.1. Mr Lam Sing Chung is the non-executive Chairman of the Board. Mr Lam Sing Chung and one of the Joint Group Managing Directors, Mr Lin Kejian, are immediate family members. The Board had considered that whilst Mr Lam Sing Chung and Mr Lin Kejian are immediate family members, the Vice-Chairman, Mr Philip Yeo Liat Kok, as well as Joint Group Managing Director, Mr Michael Darren Hewat, are not relatives of either of them. Mr Lin Kejian focuses on the strategic direction of the Group. Whilst Mr Hewat also focuses on the Group's strategic direction, oversight of the Group's affairs is handled by him. In addition, Mr Lam Sing Chung and Mr Lin Kejian, together, do not comprise a majority of the Board. On this basis, no single Director of the Company has unfettered powers to make decisions on behalf of the Board. The Nominating Committee and the Board consider that, in the circumstances, there is sufficient balance of power and accountability, the capacity of the Board for independent decision making is not prejudiced and the Company's practice is consistent with the intent of Principle 3 of the Code.

(2) Provision 3.3

Provision 3.3 of the Code provides that "The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. 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". Our Chairman, Mr Lam Sing Chung, is not an independent Director. In February 2023, the Company announced the appointment of Mr Philip Yeo Liat Kok as Vice-Chairman of the Board. He is an independent Director. With the appointment of an independent Vice-Chairman, the Board considered that it was no longer necessary to have a lead independent director. Whilst we may have varied from Provision 3.3, our Vice-Chairman, who is an independent Director, would be an alternative channel of communication for shareholders. Further, our Chairman and his son, Mr Lin Kejian, do not comprise a majority of the Board. On this basis, no single Director of the Company has unfettered powers to make decisions on behalf of the Board. The Nominating Committee and the Board consider that in the circumstances, the Company's practice is consistent with the intent of Principle 3 of the Code.



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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.*

(1) *Provisions 4.1 and 4.2*

The Nominating Committee currently comprises Ms Foo Kwee Joen Junie (chairperson), Mr Lam Sing Chung and Mr Philip Yeo Liat Kok, the independent Vice-Chairman of the Board. The majority of the Nominating Committee, including the chairperson, are independent Directors.

Under its written terms of reference, the Nominating Committee is empowered, *inter alia*, to review and make recommendations to the Board on the following matters:

- (a) setting up and implementation of procedures to facilitate a formal and transparent process for the appointment of new directors;
- (b) the suitability of the directors due for re-election and re-nomination each year;
- (c) the independence of each director;
- (d) the training needs of the Board members; and
- (e) the process and criteria for the evaluation of the performance and effectiveness of the Board as a whole, and ascertain whether any aspects of the Board's oversight can be strengthened and improved.

In addition, the Nominating Committee is responsible for making recommendations to the Board on relevant matters relating to, amongst others, the review of succession plans for Directors and key management personnel, the process and criteria for evaluation of the performance of the Board, its Board Committees and Directors, and Board diversity (as further elaborated under the sections above relating to Principle 2 and Provisions 2.1, 2.2, 2.3 and 2.4).

(2) *Provision 4.3*

As part of the selection process for the appointment of new Directors, the Nominating Committee reviews the composition of the Board, taking into account, amongst others, the need to refresh Board membership progressively, the requirement under the Listing Manual and the Code for independent directors, whether the candidate is of the right fit taking into consideration the needs and future plans of the Group's businesses and the Board, as the case may be, and whether the candidate meets or is expected to meet the relevant needs and vision of the Board and Company at the material time. With respect to the need for Board diversity in matters such as skillsets, experience and expertise, gender and age so as to enhance the Board's effectiveness, please refer to the sections above relating to Principle 2 and Provisions 2.1, 2.2, 2.3 and 2.4. The Nominating Committee typically identifies and searches for candidates through various contacts and recommendations (including proposals and recommendations of substantial shareholders and Board members). The Nominating Committee's recommendation is subject to the Board's approval.



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In deciding the Directors who are to stand for re-election, the Nominating Committee evaluates the performance and contribution of each Director to the effectiveness of the Board and considers the need for progressive renewal of the Board. The review parameters for evaluating each Director include attendance, preparedness, candour and participation at Board/Committee meetings, professional skills, knowledge and experience relevant to management or operation of the business, entrepreneurial business skills and regional investment experience.

(3) *Provision 4.4*

The independence of each Director, including whether there is a change to the independent status previously accorded to the relevant Directors, is reviewed annually and as and when circumstances require by the Nominating Committee. For the Nominating Committee's review on the independence of Directors in FY2025, please refer to the above sections relating to Principle 2 and Provisions 2.1, 2.2, 2.3 and 2.4.

(4) *Provision 4.5*

The Nominating Committee is assisted by the Legal Department of the Company in providing new Directors with information on their duties and obligations as Directors (please refer to the sections above relating to Principle 1 and Provision 1.2). The Nominating Committee evaluates the performance of the Directors annually, as described under the sections below relating to Principle 5 and Provisions 5.1 and 5.2.

The Directors' board representations (if any) in other listed companies and other principal commitments are set out in pages 10 to 15 and pages 196 to 205 of the Annual Report. The Board takes the view that such other listed company board representations have not compromised any of the relevant Directors' ability to carry out and discharge his/her duties adequately. The number of directorships in other listed companies held by each of the Directors (if any) does not give rise to material concerns and the Board considers the experience that the Directors may have in other listed companies to be an asset.

BOARD PERFORMANCE

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

Provisions 5.1 and 5.2

The Nominating Committee recommends to the Board the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole and of each Board Committee separately as well as the contribution of the Chairman of the Board and each individual Director.

The Nominating Committee believes that in evaluating the Board's effectiveness, both quantitative and qualitative criteria are to be taken into account from a long-term perspective. Criteria considered by the Nominating Committee include the pursuit of the Group's strategy of long-term sustainable growth and value creation to enhance shareholder value; the financial performance of the Group including by reference to revenue growth, EBITDA and profitability; financial position and returns to shareholders; any business opportunities introduced by the Board; readiness of the Board to redefine and modify corporate strategies in a changing business environment; and its ability to lend support to Management in steering the Group towards the objectives set.



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The Nominating Committee has established a formal evaluation process for assessing the Board as a whole, the Board Committees and individual Directors. For FY2025, no external facilitator was engaged. Each Director was requested to complete an evaluation form to assess the effectiveness of the Board in key areas including board composition, procedures, strategy, performance and training. The Nominating Committee also undertook an evaluation of the Board Committees based on, amongst others, certain assessment criteria recommended by the Singapore Institute of Directors. Information on the contributions and performance of individual Directors including on Board Committees was collated, incorporating any comments of the Directors by way of self-assessment, and reviewed by the Nominating Committee. In its evaluation of individual Directors, the Nominating Committee considered, amongst others, the specific criteria set out under the sections above relating to Principle 4 and Provision 4.3 and the sections below relating to Principle 7 and Provisions 7.1 and 7.3. The results of the evaluation exercise were reviewed by the Nominating Committee and reported to the Board with recommendations where applicable. When deliberating on the performance of a particular Director who is also a member of the Nominating Committee, that member abstains from the decision-making.

REMUNERATION MATTERS

Procedures for Developing Remuneration Policies/Level and Mix of Remuneration/Disclosure on Remuneration

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

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.*

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.*

(1) Provisions 6.1 to 6.4

The Remuneration Committee currently comprises Ms Foo Kwee Joen Junie (chairperson), Mr Lam Sing Chung and Mr Philip Yeo Liat Kok. All of them are non-executive Directors and the majority, including the chairperson, are independent Directors.

Under its written terms of reference, the Remuneration Committee, amongst others, shall assist the Board in the review of the framework for remuneration of the Board and key management personnel, set up procedures to facilitate a process by which the remuneration of executive Directors is determined and adopt the criteria by which their performance and contribution is to be assessed in an objective and fair manner. Remuneration includes salary, discretionary bonuses and other benefits such as Central Provident Fund (“CPF”) contributions. The Remuneration Committee shall also review service contracts to be entered into between the Company and an executive Director or other key management personnel of the Company, including the provisions relating to remuneration, the duration of appointment and early termination, to ascertain that such service contracts do not provide for excessively long periods of employment or onerous removal clauses. No remuneration consultant was engaged by the Company in FY2025.



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The Remuneration Committee reviews and makes recommendations to the Board on the remuneration packages of the Directors and key management personnel (who are not also Directors). Any Director who has an interest in the matter in question is required to abstain from participating in the decision-making.

(2) *Provisions 7.1 and 7.3*

The Remuneration Committee's review and recommendations to the Board on the remuneration packages of the executive Directors and key management personnel (who are not also Directors) are undertaken with the objective of ensuring that their remuneration is competitive and sufficient to attract, retain and motivate committed and loyal persons of the required calibre, skills and integrity to provide good stewardship over the Company and to oversee the Group successfully. For FY2025, the Remuneration Committee determined that the factors to be taken into account for this purpose include the individual performance and contribution of the employee to the Group, performance of the Group and prevailing market remuneration where applicable. With respect to individual performance and contribution, considerations include where applicable, technical knowledge, skills, experience, understanding of the Group's strategic objectives (including expanding its distribution business), steering the Group towards meeting such objectives, leadership and other skillsets, risk management, motivating and guiding management teams in the execution of projects, the extent to which the individual is accountable and responsible for other employees and whether the individual is a team player. Performance of the Group is not considered based on a single year in isolation, but over a period of time, to encourage focus on long-term sustainable growth and value creation over short-termism. Consideration is also given to the scale of the Group's operations (including Gardenia Bakeries (KL) Sdn Bhd, the Group's Malaysian joint venture), which span several countries and generated revenue of approximately S\$987 million in FY2025.

For FY2025, a total of five executives (who are not also Directors) were considered by the Company to be key management personnel within the definition of the Code (i.e. the chief executive officer and other persons having authority and responsibility for planning, directing and controlling the activities of the company).

The remuneration of the Company's executive Directors and key management personnel (who are not also Directors) (such executive Directors and key management personnel shall collectively be known as "**KMP**") generally comprises two components. One component is fixed in the form of a base salary. The other component is variable in the form of discretionary bonus (determined taking into consideration the factors set out above). In addition, the KMP receive certain benefits such as car benefits. The Company does not have any employees' share incentive plan to avoid short-termism. None of the KMP's remuneration is tied solely and specifically to the profitability of the Company or the Group. KMP receive remuneration as employees of the Company and do not receive directors' fees or other remuneration from the Company or its subsidiaries.

The long-term interests of the Company and its risk policies are therefore taken into account in structuring and determining remuneration. Board endorsement is sought for the remuneration packages of the KMP.



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In FY2025, the Company did not have contractual provisions to reclaim incentive components of remuneration from KMP in exceptional circumstances, including misstatement of financial results or misconduct resulting in financial loss to the Company. However, the executive Directors owe fiduciary, statutory as well as contractual duties to the Company and the key management personnel (who are not also Directors) owe contractual duties to the Company. The Company considered that it may avail itself of the relevant remedies against the KMP in the event of breach of their relevant duties. Further, none of the KMP's remuneration is tied solely and specifically to the profitability of the Company or the Group, as explained above.

(3) *Provision 7.2*

For Directors' fees for FY2025, non-executive Directors are to be paid a basic fee for Board membership and an additional fee for serving on Committees as per the fee structure set out below:

Board Membership (base fee)	S\$40,000
Board Chairman	Nil as our Chairman has elected not to receive fees
Audit & Risk Committee	
Chairperson	S\$30,000
Other members	S\$20,000
Nominating/Remuneration Committee	
Chairperson	S\$20,000
Other members	S\$15,000

In the interest of maintaining the objectivity and independence of the non-executive Directors, the Company has applied a cash-based fixed fee generally at a rate considered comparable with those that are adopted by a majority of other SGX-ST listed companies with similar market capitalisation.

Directors' fees are subject to approval by the shareholders of the Company as a lump sum at each AGM of the Company and accordingly, shareholders may vote on the total FY2025 remuneration of non-executive Directors at the AGM to be held on 24 April 2026. The total Directors' fees, subject to shareholders' approval, payable for FY2025, as well as the breakdown payable to each non-executive Director, is set out in the section below relating to Provisions 8.1 and 8.3.

(4) *Provisions 8.1 and 8.3*

Provision 8.1 of the Code provides, *inter alia*, that the amount and breakdown of remuneration of individual directors and the chief executive officer paid by the company and its subsidiaries are to be disclosed. In view of the SGX-ST listing rules, such disclosure is mandatory.

Provision 8.1 of the Code also provides that the remuneration of at least the top five key management personnel (who are not directors or the chief executive officer, and who are to be named) are to be disclosed in bands no wider than S\$250,000, on a "comply or explain" basis.



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Please refer to the tabulation below for information on the remuneration of the KMP for FY2025:

Key Management Personnel	Remuneration/ Remuneration Band ⁽¹⁾	Fixed Salary	Variable Bonus	Other Benefits ⁽¹⁾
		Breakdown of remuneration by percentage		
Michael Darren Hewat	S\$1,327,575	76.6%	11.8%	11.6%
		Number of Key Management Personnel (other than Directors)		
Key Management Personnel (other than Directors) ⁽²⁾	S\$500,000 – S\$750,000	1		
	S\$250,000 – S\$500,000	3		
	Below S\$250,000	1		
Aggregate remuneration of key management personnel (including executive Directors)	S\$3,240,000 ⁽³⁾			
(1) Includes, where applicable, employer’s CPF contribution, car benefits, accommodation, air passage benefits, leave encashment and sign-on bonus.				
(2) Includes one executive who became a KMP and one executive who ceased employment during FY2025.				
(3) Figures are rounded to the nearest thousand.				

In considering the disclosure of remuneration of the Company's key management personnel (who are not also Directors) in the manner set out in Provision 8.1 of the Code, the Remuneration Committee considered, amongst others, the importance of maintaining the cohesion, spirit of teamwork and morale prevailing among senior management executives of the Group, the competitive industry conditions and the sensitive and confidential nature of employees' remuneration. The Group's competitors include groups that are unlisted and who do not publish details of the remuneration of its key executives.

The Company is of the view that its corporate governance practice for FY2025 in relation to remuneration disclosure is consistent with the intent of Principle 8. Although the Company has varied from Provision 8.1 to the extent that the names and breakdown of remuneration of its key management personnel (who are not also Directors) are not disclosed, the Company has in respect of its five key management personnel (who are not also Directors) disclosed their FY2025 remuneration in band(s) of S\$250,000 and sufficient information to ascertain their aggregate remuneration. The Company has also provided information on its remuneration policy including criteria for assessment of performance and the relationship between remuneration, performance and value creation (see the sections above relating to Principle 7 and Provisions 7.1 and 7.3). The Company therefore believes that, taken as a whole, the disclosures provided are meaningful and sufficiently transparent in giving an understanding of the remuneration of the KMP.



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Subject to the approval of shareholders at the AGM, the fees payable to the non-executive Directors of the Company who served in FY2025 are set out below:

Name of Director		Directors' Fees
Lam Sing Chung	Chairman and member of the Board Member of Nominating Committee Member of Remuneration Committee	Elected not to receive Directors' fees
Philip Yeo Liat Kok	Vice-Chairman and member of the Board Member of Nominating Committee Member of Remuneration Committee	S\$70,000
Dawn Pamela Lum	Member of the Board Chairman of Nominating Committee Chairman of Remuneration Committee Member of Audit & Risk Committee	S\$31,944 (Pro-rated for period 1.1.2025 to 25.4.2025)
Norman Ip	Member of the Board Chairman of Audit & Risk Committee	S\$70,000
Chee Teck Kwong Patrick	Member of the Board Member of Audit & Risk Committee	S\$60,000
Lian Hwee Peng Rebecca	Member of the Board Member of Audit & Risk Committee	S\$32,581 (Pro-rated for period 1.1.2025 to 16.7.2025)
Aw Syee Chia	Member of the Board	S\$21,720 (Pro-rated for period 1.1.2025 to 16.7.2025)
Loh Wee Lee	Member of the Board	S\$40,000
Foo Kwee Joen Junie	Member of the Board Chairperson of Nominating Committee Chairperson of Remuneration Committee	S\$43,333 (Pro-rated for period 16.6.2025 to 31.12.2025)
Basil Chan	Member of the Board Member of Audit & Risk Committee	S\$27,581 (Pro-rated for period 16.7.2025 to 31.12.2025)
Tan Chuan Lye	Member of the Board Member of Audit & Risk Committee	S\$27,581 (Pro-rated for period 16.7.2025 to 31.12.2025)
John Martin Miller	Member of the Board	S\$18,387 (Pro-rated for period 16.7.2025 to 31.12.2025)
Total		S\$443,127



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(5) Provision 8.2

The Group did not employ any person who is an immediate family member of a Director, the Joint Group Managing Directors or substantial shareholder of the Company, and whose remuneration exceeded S\$100,000 for FY2025.

Mr Lin Kejian, the Joint Group Managing Director, had elected not to receive remuneration. Mr Lin Kejian is an immediate family member of Mr Lam Sing Chung.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

Provisions 9.1 and 9.2

The Board is overall responsible for the governance of risk. To assist the Board in carrying out its responsibility of overseeing the Company's risk management framework and policies, the Audit & Risk Committee, with the assistance of internal and external auditors and Management, assumes the responsibility of the risk management function. Management reviews regularly the Group's business and operational activities to identify areas of significant risks as well as appropriate measures to control and mitigate these risks. Management reviews significant policies and procedures and highlights significant matters to the Audit & Risk Committee.

The Board has determined the nature and extent of the significant risks that the Company is willing to take to achieve its strategic objectives and value creation. It has determined that the following approval thresholds shall apply, and shall be observed by Management:

- (a) Major transactions (as defined in the Listing Manual) require Board approval. Generally, under the Listing Manual, major transactions are acquisitions or disposals of assets or the provision of financial assistance where the 20% threshold, based on the prescribed benchmarks, are exceeded. Examples are where the net profit attributable to the relevant asset exceeds 20% of the Group's net profit and where the aggregate value of the consideration for the asset exceeds 20% of the market capitalisation of the Company;
- (b)
 - (i) Interested person transactions of value below 3% of the latest audited consolidated net tangible assets ("**NTA**") of the Group require the approval of the Audit & Risk Committee; and
 - (ii) Interested person transactions of value equal to or more than 3% of the latest audited consolidated NTA of the Group require Audit & Risk Committee and Board approval;
- (c) Investments or divestments with a value more than 10% of the market capitalisation of the Company require Board approval; and
- (d) Any matter which the Management considers to be material for deliberation by the Board.

For each of (a) to (d) above, shareholders' approval shall also be sought where required by law or the Listing Manual.



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The Group's financial performance and operations are influenced by a wide range of risk factors, and some of these risks are not within the Group's control. There may also be risks that are either presently unknown or not currently assessed as significant, which may later prove to be material. The Group aims to mitigate these risks through appropriate risk management strategies and internal controls and has updated its Group Enterprise Risk Management ("**ERM**") Policy and performed its annual Group Risk Assessment based on its ERM framework. The key categories of risks faced by the Group's continuing operations and the mitigation strategies in place, which are not listed in their order of significance, as at 31 December 2025 are summarised as follows:

Risk	Risk Description	Key Mitigation Strategies
Foreign Exchange	Fluctuations in foreign exchange rates	The Group accepts that operating across multiple geographical locations exposes itself to foreign exchange risks relating to both foreign currency transactions and translation of its financial results. It considers any additional risk and cost associated with introducing any hedging strategy. Typical mitigation strategies in place across the Group include borrowings in local overseas markets.
Climate Change	Longer-term shifts in climate patterns, variable and prolonged adverse weather conditions	Climate change and unforeseen weather events are increasing, thereby creating future uncertainty and heightening risk across industries. The specific consequences of climate events and their mitigation is dealt with individually within the Group ERM framework and disclosed through the Group's reporting of its Sustainability Report on pages 29 to 90 of this Annual Report.
Commodity	- Input costs linked to commodities such as wheat, oil and gas - Commodity price volatility impacting long-term cost structure - Inflationary or increasing price trends	The Group mitigates this exposure through its core business in branded retail consumer staple products. Branding allows pricing flexibility for the Group to manage its revenue against changing input costs.
Supply Chain	- Increasing cost, disruption or unavailability of resources - Lack of adequate capacity in key transportation and logistics infrastructure due to supply chain interruptions	- Business units are encouraged to have various transport and logistics options available to mitigate any interruption of a single channel. - Building of raw material inventory ahead of anticipated interruptions is a key strategy. - Business units are encouraged to incorporate logistics into their business continuity plans ("BCPs").
Catastrophic Loss	A major disaster causing damage to the Group's facilities limiting its ability to sustain operations	- The Group takes insurance in relation to facility loss. - Business units are required to develop BCPs to guide their operations and mitigate any loss of production in the event of an interruption.



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Risk	Risk Description	Key Mitigation Strategies
Information Technology	- Suboptimal IT strategy for operations - Failure of IT systems and infrastructure - Lapses in cybersecurity and data protection - Poor response times and functionality that lower productivity	- The Group mitigates its IT risk by employing professional staff to oversee its IT systems. - Regular maintenance and replacement of core infrastructure before end of life. - Systematic backup and restoration procedures are employed and tested on a systemic basis. - Cybersecurity risks are mitigated by physical measures, and the training and testing of staff to identify potential infiltrations. - Cybersecurity incident response plans to track and remedy any cases.
Macro-Economic	Adverse changes in broad economic conditions (eg. high interest rates, economic recessions, liquidity crisis) may negatively impact the Group's financial performance	- Macro-economic conditions determine the overall profitability of most industries. The Group's consumer staple products reduce its exposure as compared to other businesses. - Prudent cash management and maintaining a portfolio of unutilised bank facilities mitigate any unforeseen financial stresses caused by external factors.
Political	- Adverse policies and actions by foreign governments - Potential threat of conflict	- The Group's operations that span across multiple countries reduce concentration risk. - Business units monitor ongoing local political developments. - Building of relationships with key stakeholders to minimize potential impacts.
Reputation	- Negative publicity from social media or customer complaints - Staff grievances - Public and social opinions of the Group's environmental impact	- Whistleblowing Policy for both internal and external parties to report any possible wrongdoings. - Business units actively monitor social media for any public feedback and opinion.
Infectious Disease	- Shutdown or disruption of operations - Cost increases - Limited access to resources - Impact on economic and market conditions	Experience from Covid-19 has been incorporated into current operations, policies and BCPs to address impacts from any future occurrence (see sections on Commodity, Macro-Economic and Supply Chain).
Industry	- Changes to industry dynamics - Competition from new market entrants - Relative pricing power of suppliers or consumers - Emergence of substitute products	- The Group closely monitors its competitive landscape. - Continued investment in its brands builds customer loyalty and defends against any market threats. - Business units are encouraged to have various transport and logistics options available to ensure cost efficiency and adaptability.
Engineering	- Equipment failure resulting in disruption to operations - Failure to complete upgrades and facility construction on time	- All business units apply preventative maintenance on equipment. - Inventory of key spares is employed. - Strategic replacement of key plants is undertaken before expected failure.



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Further, in performing its function, the Audit & Risk Committee met with internal and external auditors, reviewed the audit plans of both internal and external auditors and the assistance given by Management to the auditors, to assess sufficiency of coverage in terms of the scope of audit. Audit findings and recommendations in respect of FY2025 were presented to the Audit & Risk Committee for discussion. The following key audit matter in respect of FY2025 was presented by the external auditor, Ernst & Young LLP (“E&Y”), to the Audit & Risk Committee for consideration and action:

Key audit matter	How Audit & Risk Committee reviewed this matter and what decision was made
Impairment of investment in joint venture	- Audit & Risk Committee considered and is satisfied with the valuation methodology and reasonableness of key assumptions used to estimate the recoverable amount of the investment in joint venture. - The assessment of the recoverable amount of the investment in joint venture was a key area of focus for E&Y. This item was included as a key audit matter in its audit report for FY2025. Please refer to page 121 of this Annual Report.

The review of the Group’s internal controls and risk management systems is a continuing process. The internal controls (including in respect of the financial, operational, compliance and information technology controls) and risk management systems as adopted by the Group are designed to manage rather than eliminate the risk of failure to achieve key business objectives. Part of the Group’s business is located in regional countries which are challenging with different control environments to operate in and where laws, practices and cultures differ from those in Singapore. The internal controls and risk management systems are designed to provide reasonable, but not absolute, assurance as to material financial, operational, compliance and information technology risks. No such system can provide absolute assurance against the occurrence of material errors and other situations not currently within the contemplation or beyond the control of the Board and/or Management including matters arising from human and/or system errors, poor judgement in decision making, corruption, fraud or other irregularities. Management continues to review and look at areas of improvement.

Based on the internal controls and risk management systems established and maintained by the Group, the work performed by the internal and external auditors and consultant(s), reviews performed by Management and relevant Board Committees, the assurances of the senior management of the various business units and the assurances of the personnel referred to below and where applicable having regard to the matters above, the Board is of the opinion that in respect of FY2025:

- (a) the financial records of the Group have been properly maintained and the financial statements give a true and fair view of the Group’s operations and financials; and
- (b) the Group’s internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective as at 31 December 2025 to address the financial, operational, compliance and information technology risks which the Group considers relevant and material to its current business operations.

The Board had received assurances from the Joint Group Managing Directors, Chief Financial Officer and Group Financial Controller of the Company confirming the matters in (a) above and from the Joint Group Managing Directors, Chief Financial Officer, Group Financial Controller, the Head of Internal Audit and relevant executive(s) of the Company confirming the matters in (b) above. The Audit & Risk Committee concurs with the Board’s opinion.



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AUDIT COMMITTEE

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

(1) *Provisions 10.1, 10.2 and 10.3*

The Audit & Risk Committee currently comprises four non-executive independent Directors, namely Mr Norman Ip (chairman), Mr Chee Teck Kwong Patrick, Mr Basil Chan and Mr Tan Chuan Lye.

At least two members, including the Audit & Risk Committee chairman, have recent and relevant accounting or related financial management expertise or experience. The Company's Audit & Risk Committee chairman, Mr Norman Ip, is a Chartered Accountant by training and has experience in senior management, C-suite and directorship roles in listed entities, including on audit and/or risk committees. Mr Chee Teck Kwong Patrick is a commercial lawyer by training and has many years of experience as an independent director and as chairman and member of the audit committee of other listed entities. Mr Basil Chan has over 40 years of experience in audit, finance and general management, including in former C-suite roles in listed and multinational companies. He has strong corporate governance, accounting and audit expertise, with extensive involvement in the committees of the Singapore Institute of Directors and the Institute of Singapore Chartered Accountants. Mr Tan Chuan Lye has more than 20 years of experience in audit, risk management and governance, including in senior roles in international banks and as a former Risk Consulting Partner at KPMG Singapore. He currently chairs and/or is a member of the audit and risk committees of other entities.

None of the members of Audit & Risk Committee was appointed to the Committee within two years of the date he/she ceased to be a partner or director of E&Y (if applicable), or holds any financial interest in E&Y.

The Audit & Risk Committee performs the functions set out in the Companies Act 1967 (the "**Companies Act**") and the Code relating to audit committees. It has written terms of reference which sets out its authority and duties. Its responsibilities include:

- To review at least annually the independence and objectivity of the external auditors, taking into consideration the non-audit services provided to the Company
- To make recommendations to the Board on the appointment or re-appointment, terms of engagement and remuneration of the external auditors
- To review the effectiveness of the external audit function and the audit plans of the Company's external auditors
- To review and discuss with the external auditors their annual audit report including key audit matters
- To review and discuss with the external auditors, *inter alia*, the assistance given by the Group's officers to the external auditors and the findings arising from their audit including their evaluation of the Group's internal controls
- To review the significant financial reporting issues and judgements so as to obtain reasonable assurance as to the integrity of the financial statements of the Company and the consolidated financial statements of the Group before making recommendations to the Board



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- To review the assurance provided to the Board by the management (including the Group Managing Director(s) and chief financial officer or their equivalent) on the financial records and financial statements
- To oversee Management in the implementation of the risk management framework of the Group
- To review interested person transactions pursuant to the Listing Manual
- To review and report to the Board at least annually on the adequacy and effectiveness of the internal controls and risk management system of the Group with respect to financial, operational, compliance and IT risks, and the internal audit function
- To review the Group's sustainability policies, practices, performance and targets
- To review the effectiveness of the internal audit function, the independence of the Head of Internal Audit, scope of work of the internal auditor and periodic findings of the internal auditors
- To review whether the internal audit function is adequately resourced, the qualifications and experience of the internal auditor and whether the Head of Internal Audit has appropriate standing within the Company to enable performance of the internal audit function
- To review policies and procedures for detecting fraud and whistle-blowing policy, and arrangements that are in place by which employees and officers of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or any other matters.

The Audit & Risk Committee is empowered by its terms of reference to investigate any matter within its terms of reference. It is also given full access to and the co-operation of the Management, including the internal auditors, and has full discretion to invite the external auditors, any Director and executive officer to attend its meetings.

(2) *Provisions 10.4 and 10.5*

As at 31 December 2025, the Group employs a qualified and experienced internal audit manager as the Head of Internal Audit, who oversees the internal audit programme for the Group with the assistance of an external professional audit firm which is contracted to perform the relevant field work. The Head of Internal Audit is a member of the Institute of Singapore Chartered Accountants (ISCA), the Institute of Internal Auditors (IIA), the Information Systems Audit and Control Association (ISACA) and the Association of Certified Fraud Examiners. The primary reporting line of the Head of Internal Audit is to the Audit & Risk Committee, with administrative reporting to the Joint Group Managing Directors. The Audit & Risk Committee reviews and approves the annual internal audit plan proposed by the Head of Internal Audit. The internal auditors perform their work in accordance with the International Professional Practices Framework set by the IIA and report independently their findings and recommendations to the Audit & Risk Committee. The Audit & Risk Committee's terms of reference provide for it to review and approve the appointment, termination and remuneration of the Head of Internal Audit. The internal audit function has unfettered access to all the Company's documents, records, properties and personnel, including the Audit & Risk Committee, and has appropriate standing within the Company. In FY2025, the Head of Internal Audit carried out audits on selected significant business units in the Group. His summary of major findings and recommendations and Management's related responses were discussed at the Audit & Risk Committee meetings. The Audit & Risk Committee ensures that procedures are in place to follow up on the recommendations by the Head of Internal Audit in a timely manner and to closely monitor any outstanding issues. From its review of the internal audit function for FY2025, the Audit & Risk Committee is of the view that the internal audit function is independent, effective and adequately resourced.



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The Company appoints E&Y which is a firm registered with the Accounting and Corporate Regulatory Authority to conduct audit on its financial statements. The Company also engages E&Y for audit of its Singapore-incorporated subsidiaries and member firms of E&Y for its significant foreign incorporated subsidiaries and associated company/joint venture. The Company is in compliance with Rules 712 and 715 of the Listing Manual in relation to the appointment of its audit firms for the Group.

Prior to the annual re-appointment of the external auditor, its independence is reviewed by the Audit & Risk Committee. E&Y has confirmed to the Committee that it is independent within the meaning of the Singapore Accountants (Public Accountants) Rules and the requirements of the Companies Act. E&Y has informed the Committee that it has evaluated its independence and, *inter alia*, that it has policies and procedures in place to safeguard its independence. The fees for audit and non-audit services in FY2025 amounted to approximately S\$942,000 and S\$113,000, respectively. E&Y had also confirmed to the Audit & Risk Committee that the non-audit services provided during FY2025 have not impaired its independence. The amount of non-audit fees received by E&Y from the Company and its controlled entities do not exceed 50% of the total annual audit fees received by E&Y from the Company and its controlled entities. E&Y has further confirmed that it is not aware of any relationships between E&Y and the Company that, in its professional judgement, may reasonably be thought to bear on its independence. Taking into account the foregoing, the Audit & Risk Committee is of the opinion that the non-audit fees paid to the auditors for FY2025 would not compromise the independence of E&Y and the Audit & Risk Committee recommended to the Board the re-appointment of the external auditor for FY2026 (subject to shareholders' approval).

The Audit & Risk Committee meets with the Head of Internal Audit and the external auditor, without the presence of Management, at least annually.

SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

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

(1) Provisions 11.1 and 11.2

The Company is committed to treating its shareholders fairly and equitably. It believes in timely corporate disclosure as prescribed in Appendix 7.1 (Corporate Disclosure Policy) of the Listing Manual. Material information with respect to the Group is released to shareholders via SGXNET and not to a selected group only, pursuant and subject to the SGX-ST listing rules. Emphasis has been placed on further enhancing the level and quality of disclosures in the Company's announcements (including results announcements and the annual report). This includes providing a balanced and understandable assessment of the Group's performance and prospects (for example, competitive landscape and significant trends).

Communication is made principally through:

- annual reports to shareholders issued before the AGM. The annual report, which contains the notice of AGM, includes key relevant information about the Company and the Group including a review of the Group's major operations and its general outlook, disclosures required by the Companies Act, the Listing Manual and the Accounting Standards;
- financial announcements on the financial performance of the Group for the period in question;



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- circulars for extraordinary general meetings (“**EGM**”) where applicable;
- announcements and disclosures released via SGXNET; and
- the Company’s website at www.qaf.com.sg at which shareholders can access information on the Group.

The full annual report of the Company is made available to shareholders.

In line with the Company’s sustainability efforts and as permitted by the Companies Act and the SGX-ST listing rules, the Company makes annual reports and circulars of the Company available to shareholders by way of electronic communications via posting these documents on the Company’s website. Shareholders may however request for a printed copy of such documents by submitting a request form to the Company’s share registrar. Further, printed copies of the notice of AGM/EGM, proxy form and such request forms will be sent to shareholders. The notice of AGM/EGM is also advertised in a local newspaper as required by the Company’s Constitution.

Shareholders are entitled to vote at general meetings in person or by proxy in accordance with the Company’s Constitution or applicable law. Resolutions are tabled separately on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are “bundled” (if any), the Company will explain the reasons and material implications in the notice of meeting pursuant to the relevant requirements. Each item of special business included in the notice of the meeting is accompanied by a statement regarding the effect of the proposed resolution in respect of such business. At each general meeting, the procedure for voting is explained to shareholders by the scrutineer and/or the polling agent appointed by the Company.

The Company implements electronic poll voting for resolutions tabled at an AGM and/or EGM. This entails shareholders being invited to vote on each of the resolutions by poll, using an electronic voting system (instead of voting by show of hands), thereby allowing all shareholders present or represented at the meeting to vote on a one share, one vote basis. Votes cast for, or against, each resolution are made known to shareholders at the meeting. The total number and percentage of votes cast for or against the resolutions are also announced after the meetings via SGXNET pursuant and subject to requirements of the SGX-ST listing rules.

(2) *Provision 11.3*

All members of the Board as at the date of the AGM attended the AGM of the Company in FY2025. The external auditors were also present to address shareholders’ queries, if any, about the conduct of audit and the preparation and content of the auditors’ report.

(3) *Provision 11.4*

Under the Company’s Constitution, a shareholder may appoint up to two proxies to attend and vote on his/her behalf at the meeting through proxy forms deposited with the Company at least 72 hours before the meeting. A member who is a “relevant intermediary” may appoint more than two proxies at the AGM. “Relevant intermediary” includes certain corporations holding licenses for the provision of custodial services for securities and the CPF Board in respect of purchases of shares on behalf of CPF investors.

The Company’s Constitution permits voting in absentia by appointment of proxy.



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(4) *Provision 11.5*

The Company Secretary prepares minutes of general meetings that include substantive and relevant comments or queries from shareholders relating to the agenda of the meetings, and responses from the Board and Management. In FY2025, the Company published minutes of general meetings of shareholders on its corporate website as required by the SGX-ST listing rules. The Company will continue to publish minutes of general meetings of shareholders on its corporate website where required by the prevailing SGX-ST listing rules. Consistent with the intent of Principle 11, shareholders have a right to attend general meetings either in person or by proxy, and, subject to applicable laws, they may exercise their right to speak or raise relevant questions, and vote, and have the opportunity to communicate their views on various matters affecting the Company. Given prevailing SGX-ST listing rules, the Company will either publish its replies to substantial and relevant written questions raised by shareholders prior to an AGM or respond to such questions at the relevant AGM. Further, shareholders, including those who did not attend the relevant general meeting, have a statutory right to be furnished copies of minutes of general meetings in accordance with Section 189 of the Companies Act. The Company is therefore of the view that, consistent with the intent of Principle 11, as between themselves, shareholders are treated fairly and equitably by the Company.

(5) *Provision 11.6*

The Company does not have a formal policy on the payment of dividends (and to that extent its practice varies from Provision 11.6 of the Code which states that a “company has a dividend policy”). However, consistent with Provision 11.6, the Company has communicated to shareholders that this is to maintain flexibility to support the growth of the Group. The Company is of the view that a fixed dividend policy can hinder a long-term sustainable growth strategy. Although there is no formal dividend policy, the Board considers the sustainability of dividends to be paid based on the Group’s balance sheet, cash generating capability and performance over several years, after setting aside appropriate capital expenditure needed for the businesses. The Company aims to pay consistent and steady dividends having regard, amongst others, to the long-term nature of the Group’s business, the financial strength of the Group’s balance sheet and the Company’s strategy of value creation to enhance shareholder value. In line with the strategy of value creation to enhance shareholder value, balanced by the Company’s prudent capital management policy, the Board has decided to recommend a final dividend of S\$0.04 per share for FY2025. Together with the interim S\$0.01 dividend paid in 2025, the total dividend for FY2025 would amount to S\$0.05 per share (total of approximately S\$28.8 million). Dividends recommended or declared for payment are announced on SGXNET. The Company pays dividends in a timely manner after they have been declared or approved at the AGM, as the case may be. If the QAF Limited Scrip Dividend Scheme is applied to any dividend, the payment date will be in compliance with the SGX-ST listing rules (that is, the payment date will be not more than 35 market days after the relevant record date). The Company is accordingly of the view that it gives its shareholders a balanced and understandable assessment of its position on a dividend policy, as well as on the Company’s performance, financial position and prospects through its disclosures in its results and other announcements and its annual report, and its practice is consistent with the intent of Principle 11.



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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.*

(1) *Provision 12.1*

Shareholder meetings are the principal forum for dialogue and interaction with shareholders including soliciting and understanding their views. Subject to applicable laws and/or rules in relation to these meetings, shareholders are given the opportunity to air their views and ask Directors and/or Management relevant questions regarding the Company and the Group.

The Company has also designated certain personnel to attend to communications with shareholders and, as a matter of policy, Management engages with shareholders from time to time on relevant matters including where individual shareholders reach out to provide feedback or seek clarification on matters relating to the Group's business. Shareholders may provide feedback through the Company's designated email address, info@qaf.com.sg, as listed on the Company's corporate website. Where any material information arising from such queries is proposed to be disclosed, the Company releases the information on SGXNET pursuant to the SGX-ST listing rules, so that such information is available to all shareholders.

(2) *Provisions 12.2 and 12.3*

The Company has an investor policy which encourages shareholders to regularly communicate with it including through the Company's designated email address, info@qaf.com.sg, as listed on the Company's corporate website. The Company's objective is to encourage constructive comments and exchange of views so that it may take into account or address such comments and concerns when preparing its results announcements and annual report. In addition, where necessary, the Company may issue announcement(s) in response to comments and concerns raised, so that the information is available to all shareholders.

MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

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

(1) *Provision 13.1*

The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups. This is done by the different business units on an ongoing basis (for example, with their suppliers, customers and the local community in which they operate) as such matters have to be tailored to their differing needs, and on an annual basis in conjunction with the Company's preparations for sustainability reporting.

(2) *Provision 13.2*

The Company's Sustainability Report at pages 29 to 90 discloses its strategy and key areas of focus in relation to the management of stakeholder relationships during FY2025.

(3) *Provision 13.3*

The Company maintains a current corporate website (www.qaf.com.sg) to communicate and engage with its stakeholders.



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FY2025 Interested Person Transactions

Name of Interested Person	Nature of Relationship	Aggregate value of all interested person transactions entered into during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920 of the Listing Manual) (\$S'000)	Aggregate value of all interested person transactions conducted under Shareholders' Mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than \$100,000) (\$S'000)
Salim Group – Purchase of raw materials including flour	See Note ⁽¹⁾	N.A.	17,269
Salim Group – Purchase of finished products (electricity and vegetables)	See Note ⁽¹⁾	N.A.	2,439
Austral Dairy Group Sdn. Bhd. – Sale of products (cheese)	Entity in which Mr Lam Sing Chung, Ms Rachel Liem Yuan Fang and her immediate family member have an interest	N.A.	1,843
Austral Dairy Group Sdn. Bhd. – Purchase of finished products (processed cheese)	Entity in which Mr Lam Sing Chung, Ms Rachel Liem Yuan Fang and her immediate family member have an interest	N.A.	3,072
The French Farm Company – Purchase of finished products (milk)	Entity in which Mr Lin Kejian has an interest	N.A.	297
Recharge of staff costs to Mr Lam Sing Chung	Director and controlling shareholder of the Company	151	N.A.
TOTAL		151	24,920

Note:

(1) Salim Group refers to Mr Anthoni Salim and the group of companies controlled by him or, if the context requires, Mr Anthoni Salim. Mr Anthoni Salim is an immediate family member of Mr Lam Sing Chung.



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Save as may be disclosed in the Annual Report including the Appendix relating to the proposed renewal of the interested person transactions mandate, there were no material contracts entered into by the Company or its subsidiaries involving the interests of any Director or controlling shareholder of the Company which were still subsisting at the end of FY2025, or if not then subsisting, entered into since the end of FY2024.

Dealings in Securities

The Company has internal guidelines on dealings in the shares of the Company by key executives of the Group. The guidelines are issued to all Directors of the Company and the relevant executives of the Group before the start of each prohibition period to remind them to refrain from dealing in the shares of the Company on short term considerations, and to refrain from any dealings during the period commencing one month prior to the release of each of the half-yearly and full year financial results of the Group.

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DIRECTORS' STATEMENT

The directors have pleasure in presenting their statement together with the audited financial statements of QAF Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position of the Company for the financial year ended 31 December 2025.

Opinion of the directors

In the opinion of the directors,

- (i) the accompanying statements of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of the financial performance of the business, changes in equity and cash flows of the Group for the year ended on that date, and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors of the Company

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

Lam Sing Chung	(Chairman)
Philip Yeo Liat Kok	(Vice-Chairman)
Lin Kejian	(Joint Group Managing Director)
Michael Darren Hewat	(Joint Group Managing Director)
Norman Ip	
Chee Teck Kwong Patrick	
Loh Wee Lee	
Foo Kwee Joen Junie	
Basil Chan	
Tan Chuan Lye	
John Martin Miller	
Rachel Liem Yuan Fang	(Alternate director to Lam Sing Chung)

Based on information recorded in the register kept by the Company pursuant to Section 164 of the Companies Act 1967 of Singapore (the "Act"), particulars of interests of directors of the Company who held office at the end of the financial year in the shares of the Company or its related corporations are as follows:

Names of directors	Direct interest			Deemed interest		
	At 1.1.2025	At 31.12.2025	At 21.1.2026	At 1.1.2025	At 31.12.2025	At 21.1.2026
Number of shares in QAF Limited						
Lam Sing Chung	–	–	–	178,524,884	178,524,884	178,524,884
Lin Kejian	5,391,600	6,126,600	7,579,500	219,657,011	219,657,011	219,657,011
Michael Darren Hewat	32,894	32,894	32,894	–	–	–
Rachel Liem Yuan Fang	432,900	432,900	432,900	–	–	–

Save as disclosed above, no director who held office at the end of the financial year had an interest in any shares or debentures or rights or options over the shares in the Company or in any related corporations of the Company, either at the beginning of the financial year, or at the end of the financial year.



DIRECTORS' STATEMENT

Directors of the Company (cont'd)

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

Options

No options were granted by the Company or its subsidiaries during the financial year to subscribe for unissued shares of the Company or its subsidiaries. No shares were issued during the financial year by the Company by virtue of the exercise of options to take up unissued shares of the Company. There were no unissued shares of the Company under option as at 31 December 2025.

Audit & Risk Committee

The Audit & Risk Committee is tasked with performing the functions specified in the Act in respect of audit committees. The Corporate Governance Report contains information relating to the responsibilities of the Audit & Risk Committee.

Auditor

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

On behalf of the board of directors:

Lin Kejian
Director

Michael Darren Hewat
Director

Singapore
16 March 2026



INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

Independent auditor's report to the members of QAF Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of QAF Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the statements of financial position of the Group and the Company as at 31 December 2025, the consolidated statement of changes in equity, the consolidated income statement, consolidated statement of comprehensive income and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 of Singapore (the "Act") and Singapore Financial Reporting Standards (International) (SFRS(I)) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

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

Key audit matters

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

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



INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

Independent auditor's report to the members of QAF Limited (cont'd)

Key audit matters (cont'd)

Impairment of investment in joint venture

The Group has an investment in joint venture which amounted to \$59.7 million as of 31 December 2025. Note 20 to the financial statements provides information on the contractual agreement with the partner of the joint venture. During the year, the Group recognised a net reversal of impairment loss of \$8.7 million.

Management assessed the recoverable amount of the investment in joint venture based on the value-in-use approach which required the use of certain key assumptions, in particular the revenue growth rates, discount rate and terminal growth rate. This requires management to exercise judgement in making the impairment assessment and make a number of assumptions in the underlying cash flow projections which are subject to significant estimation uncertainty. As such, we determined this to be a key audit matter.

How our audit addressed the key audit matter

As part of our audit procedures, we reviewed management's identification of indicators of impairment in the joint venture. We assessed the valuation methodology and the reasonableness of key assumptions used to estimate the recoverable amount of the investment in joint venture. The key assumptions include the forecast revenue growth rates, discount rate and terminal growth rate. We considered the robustness of management's budgeting process by comparing the actual financial performance against previously forecasted results and evaluated the forecast revenue growth rates by comparison to recent and actual performance and available external market data. We involved our internal valuation specialists to independently develop expectations of the discount rate and terminal growth rate for reasonableness. We reviewed management's sensitivity analysis in relation to how reasonable changes in the key assumptions could impact the estimation of recoverable amount.

We also reviewed the adequacy of disclosures set out in Note 20 to the financial statements.

Other information

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

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

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



INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

Independent auditor's report to the members of QAF Limited (cont'd)

Responsibilities of management and directors for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

Independent auditor's report to the members of QAF Limited (cont'd)

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming express an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Philip Ng Weng Kwai.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

16 March 2026



CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 \$'000	2024 \$'000
Revenue	3	633,596	636,107
Costs and expenses			
Costs of materials		335,162	334,088
Staff costs	4	129,086	124,249
Amortisation and depreciation	5	27,633	26,661
Repairs and maintenance		14,873	14,124
Utilities		18,678	20,631
Advertising and promotion		7,935	9,636
Other operating expenses		66,541	71,212
Total costs and expenses		(599,908)	(600,601)
Profit from operating activities	6	33,688	35,506
Finance costs	7	(1,261)	(2,008)
Exceptional items	8	–	6,403
Share of profits of joint venture		15,371	4,734
Profit before tax		47,798	44,635
Income tax expense	9	(7,515)	(9,957)
Profit after tax		40,283	34,678
Attributable to:			
Owners of the parent		39,839	34,704
Non-controlling interests		444	(26)
		40,283	34,678
Earnings per ordinary share:			
– Basic and diluted	10	6.9 cents	6.0 cents

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



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	2025 \$'000	2024 \$'000
Profit after tax	40,283	34,678
Other comprehensive income:		
<u>Items that will not be reclassified subsequently to profit or loss:</u>		
Actuarial loss on defined benefit plans	(149)	(167)
<u>Items that may be reclassified subsequently to profit or loss:</u>		
Currency translation arising on consolidation	(2,608)	4,307
Share of other comprehensive income of joint venture	2,226	2,684
Other comprehensive income for the year, net of tax	(531)	6,824
Total comprehensive income for the year	39,752	41,502
Total comprehensive income attributable to:		
Owners of the parent	39,370	41,592
Non-controlling interests	382	(90)
	39,752	41,502

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



STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

		Group		Company	
	Note	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
ASSETS					
Current assets					
Inventories	11	57,578	58,228	–	–
Trade receivables	12	92,191	89,609	–	–
Other receivables	13	12,481	11,835	10,825	36,464
Tax recoverable		7,681	7,323	–	–
Cash and cash equivalents	14	214,055	209,403	164,198	156,300
Assets classified as held for sale	15	–	3,586	–	–
		<u>383,986</u>	<u>379,984</u>	<u>175,023</u>	<u>192,764</u>
Non-current assets					
Property, plant and equipment	16	202,313	213,140	3,140	3,179
Right-of-use assets	17	16,321	18,383	94	112
Investment in subsidiaries	18	–	–	47,682	103,586
Advances to subsidiaries	19	–	–	113,918	127,885
Investment in joint venture	20	59,659	48,168	–	–
Intangibles	21	97	114	72	77
Deferred tax assets	22	6,252	4,491	–	–
		<u>284,642</u>	<u>284,296</u>	<u>164,906</u>	<u>234,839</u>
Total assets		<u>668,628</u>	<u>664,280</u>	<u>339,929</u>	<u>427,603</u>

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



STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Company	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
LIABILITIES					
Current liabilities					
Trade payables	23	65,120	61,089	76	54
Other payables	24	47,097	49,964	3,120	107,720
Short-term borrowings	25	3,200	5,188	–	–
Long-term borrowings – current portion	26	1,562	4,716	–	–
Lease liabilities – current portion	17	2,338	3,682	76	93
Income tax payable		4,809	4,510	638	691
		<u>124,126</u>	<u>129,149</u>	<u>3,910</u>	<u>108,558</u>
Non-current liabilities					
Other payables	24	8,714	8,580	843	1,517
Long-term borrowings	26	–	1,703	–	–
Lease liabilities	17	16,055	16,677	24	29
Deferred tax liabilities	22	7,430	7,132	1,539	1,239
		<u>32,199</u>	<u>34,092</u>	<u>2,406</u>	<u>2,785</u>
Total liabilities		<u>156,325</u>	<u>163,241</u>	<u>6,316</u>	<u>111,343</u>
Net assets		<u>512,303</u>	<u>501,039</u>	<u>333,613</u>	<u>316,260</u>
CAPITAL AND RESERVES					
Share capital	27	277,043	277,043	277,043	277,043
Reserves	28	233,244	222,637	56,570	39,217
Equity attributable to owners of the parent		510,287	499,680	333,613	316,260
Non-controlling interests		<u>2,016</u>	<u>1,359</u>	<u>–</u>	<u>–</u>
Total equity		<u>512,303</u>	<u>501,039</u>	<u>333,613</u>	<u>316,260</u>

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



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Attributable to owners of the parent				Non-controlling interests \$'000	Total equity \$'000	
		Share capital \$'000	Capital reserve \$'000	Revenue reserve \$'000	Foreign currency translation reserve \$'000			Total \$'000
Balance at 1 January 2025		277,043	(1,511)	249,029	(24,881)	499,680	1,359	501,039
Total comprehensive income for the year								
Net profit for the year		–	–	39,839	–	39,839	444	40,283
<u>Other comprehensive income for the year:</u>								
– Currency translation arising on consolidation		–	–	–	(2,533)	(2,533)	(75)	(2,608)
– Actuarial (loss)/gain on defined benefit plans		–	–	(162)	–	(162)	13	(149)
– Share of other comprehensive income of joint venture		–	–	–	2,226	2,226	–	2,226
Other comprehensive income for the year, net of tax		–	–	(162)	(307)	(469)	(62)	(531)
Total comprehensive income for the year		–	–	39,677	(307)	39,370	382	39,752
Transactions with owners in their capacity as owners								
<u>Contributions by and distributions to owners</u>								
Capital contribution by non-controlling interest		–	–	–	–	–	431	431
Dividends	29	–	–	(28,763)	–	(28,763)	(156)	(28,919)
Total transactions with owners in their capacity as owners		–	–	(28,763)	–	(28,763)	275	(28,488)
Balance at 31 December 2025		277,043	(1,511)	259,943	(25,188)	510,287	2,016	512,303

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



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Attributable to owners of the parent				Non-controlling interests	Total equity	
		Share capital	Capital reserve	Revenue reserve	Foreign currency translation reserve			
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance at 1 January 2024		277,043	(1,511)	243,189	(31,870)	486,851	1,631	488,482
Total comprehensive income for the year								
Net profit/(loss) for the year		–	–	34,704	–	34,704	(26)	34,678
<u>Other comprehensive income for the year:</u>								
– Currency translation arising on consolidation		–	–	–	4,305	4,305	2	4,307
– Actuarial loss on defined benefit plans		–	–	(101)	–	(101)	(66)	(167)
– Share of other comprehensive income of joint venture		–	–	–	2,684	2,684	–	2,684
Other comprehensive income for the year, net of tax		–	–	(101)	6,989	6,888	(64)	6,824
Total comprehensive income for the year		–	–	34,603	6,989	41,592	(90)	41,502
Transactions with owners in their capacity as owners								
<u>Contributions by and distributions to owners</u>								
Dividends	29	–	–	(28,763)	–	(28,763)	(182)	(28,945)
Total transactions with owners in their capacity as owners		–	–	(28,763)	–	(28,763)	(182)	(28,945)
Balance at 31 December 2024		277,043	(1,511)	249,029	(24,881)	499,680	1,359	501,039

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



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	2025 \$'000	2024 \$'000
Cash flows from operating activities:		
Profit before tax	47,798	44,635
Adjustments for:		
Amortisation and depreciation	27,633	26,661
Loss/(gain) on disposal of property, plant and equipment	1,284	(53)
Interest expense	1,261	2,008
Share of profits of joint venture	(15,371)	(4,734)
Impairment loss on assets classified as held for sale	–	1,907
Impairment loss charged/(written-back) on property, plant and equipment	608	(553)
Allowance for receivables charged and bad debts written off, net	764	695
Interest income	(7,015)	(7,347)
Exchange differences	(1,626)	8,780
Operating profit before working capital changes	55,336	71,999
(Increase)/decrease in trade and other receivables	(6,343)	8,726
Decrease/(increase) in inventories	491	(8,460)
Increase/(decrease) in trade and other payables	8,002	(1,638)
Cash from operations	57,486	70,627
Interest paid	(1,325)	(2,070)
Interest received	7,015	7,347
Income tax paid	(9,967)	(10,649)
Net cash from operating activities	53,209	65,255
Cash flows from investing activities:		
Purchase of property, plant and equipment	(17,796)	(19,338)
Proceeds from disposal of property, plant and equipment	791	304
Purchase of intangibles	(20)	–
Dividends received from joint venture	6,153	5,881
Net cash used in investing activities	(10,872)	(13,153)

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



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	2025 \$'000	2024 \$'000
Cash flows from financing activities:		
Dividends paid during the year	(28,763)	(28,763)
Dividends paid to non-controlling interests	(156)	(182)
Proceeds from borrowings	–	1,188
Repayment of borrowings	(6,409)	(19,689)
Payment of lease liabilities	(3,934)	(3,689)
Deposit for subscription in share capital of a subsidiary by a non-controlling interest	–	431
Net cash used in financing activities	(39,262)	(50,704)
Net increase in cash and cash equivalents	3,075	1,398
Cash and cash equivalents at beginning of year	209,403	215,677
Effect of exchange rate changes on cash and cash equivalents	1,577	(7,672)
Cash and cash equivalents at end of year (Note 14)	<u>214,055</u>	<u>209,403</u>

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. GENERAL

Corporate information

QAF Limited (the “Company”) is a public limited liability company, which is incorporated and domiciled in Singapore. The registered address and principal place of business of QAF Limited is 150 South Bridge Road, #09-03 Fook Hai Building, Singapore 058727.

The principal activities of the Company are those of an investment holding and management company. The principal activities of the Group consist of the manufacture and distribution of bread, bakery and confectionery products; provision for warehousing logistics for food items; trading and distribution of food and beverages.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements of the Group and the statement of financial position of the Company have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)).

The consolidated financial statements have been prepared on a historical cost basis, except as disclosed in the material accounting policy information below.

The consolidated financial statements are presented in Singapore dollars (SGD or \$) and all values in the tables are rounded to the nearest thousand (\$'000) as indicated.

2.2 Adoption of new and amended standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and amended standards which are effective for annual financial periods beginning on or after 1 January 2025. The adoption of these standards did not have any material effect on the financial performance or position of the Group.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Annual Improvements to SFRS(I)s – Volume 11	1 January 2026
SFRS(I) 18: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
SFRS(I) 19: <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to SFRS(I) 19: <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

Except for the below, the directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

SFRS(I) 18: Presentation and Disclosure in Financial Statements

SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements. SFRS(I) 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to SFRS(I) 1-7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

SFRS(I) 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. SFRS(I) 18 will apply retrospectively.

The amendments will have impact on disclosure in the financial statements but not on the measurement or recognition of any items in the Group's financial statements.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of consolidation and business combinations

(a) ***Basis of consolidation***

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

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

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

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

If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or revenue reserve, as appropriate.

(b) ***Business combinations***

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

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Basis of consolidation and business combinations (cont'd)

(b) *Business combinations (cont'd)*

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in accordance with SFRS(I) 9 *Financial Instruments* either in profit or loss or as change to other comprehensive income. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another SFRS(I).

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2.13. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

2.5 Foreign currencies

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

Transactions arising in foreign currencies during the year are translated into functional currencies at rates closely approximating those ruling on the transaction dates. Foreign currency monetary assets and liabilities at the end of the reporting period are translated into functional currency at exchange rates ruling at the end of the reporting period. All exchange differences arising from such translations are included in the profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Exchange differences arising from long-term inter-company balances which are effectively part of the net investments are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Foreign currencies (cont'd)

For inclusion in the consolidated financial statements, all assets and liabilities of foreign entities are translated into Singapore dollars at the exchange rates ruling at the end of the reporting period and the results of foreign entities are translated into Singapore dollars at the average exchange rates for the year. Exchange differences due to such currency translations are included in foreign currency translation reserve. On disposal of a foreign entity, such foreign currency translation reserve is recognised in profit or loss.

Goodwill and fair value adjustments arising from the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

2.6 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment loss. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs are included in the profit or loss. When assets are sold or retired, their cost and accumulated depreciation are removed from the statement of financial position and any gain or loss resulting from their disposal is included in the profit or loss.

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

2.7 Leases

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

Group as a lessee

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

Right-of-use assets

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

		%
Leasehold land and buildings	–	4 – 50
Office equipment	–	20 – 33 ⅓
Motor vehicles	–	20 – 33 ⅓



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Leases (cont'd)

Group as a lessee (cont'd)

Right-of-use assets (cont'd)

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to section 2.15 *Impairment of non-financial assets*.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the remaining lease payments to be made. The lease payments include fixed payments less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

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

Short-term leases and leases of low-value assets

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

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.8 Depreciation

Depreciation is not provided for freehold land due to its unlimited useful life and for construction-in-progress until it is completed and put into use.

Depreciation is calculated so as to write-off the cost of other property, plant and equipment on a straight-line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose are:

		%
Freehold buildings	–	2 – 2 ½
Leasehold properties	–	1 ⅔ – 6
Leasehold improvements	–	2 – 20
Plant and machinery	–	5 – 33 ⅓
Furniture, fittings and office equipment	–	7 ½ – 40
Motor vehicles	–	10 – 33 ⅓

The useful life and depreciation method are reviewed annually to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment. They are adjusted prospectively, if appropriate.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2.9 Subsidiaries

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

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.10 Investment in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its joint venture is accounted for using the equity method.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment separately.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.10 Investment in joint ventures (cont'd)

The profit or loss reflects the Group's share of the results of operations of the joint venture. Distributions received from joint venture reduce the carrying amount of the investment. Any change in other comprehensive income of those investees is presented as part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture.

The financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, and then recognises the loss within Share of profits of joint venture in the profit or loss.

Upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.11 Transactions with non-controlling interests

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

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial assets

Initial recognition and measurement

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

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

Trade receivables, which generally have 30-60 days terms, are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Investments in debt instruments

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

(i) *Amortised cost*

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

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

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

(iii) *Fair value through profit or loss*

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.12 Financial assets (cont'd)

Subsequent measurement (cont'd)

Investments in equity instruments

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

Derecognition

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

2.13 Intangibles

(i) *Goodwill*

Goodwill represents the excess of the fair value of the consideration given over the fair value of the acquirer's interest in the identifiable net assets. Goodwill which is assessed as having no continuing economic value is written-off immediately to the profit or loss.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

(ii) *Trademarks*

Trademarks are stated at cost less accumulated amortisation and impairment loss. The useful lives of trademarks are assessed to be either finite or indefinite. Trademarks with finite lives are amortised on a straight-line basis over the estimated economic useful lives of 20 years and assessed for impairment whenever there is an indication that the trademark may be impaired. The amortisation period and the amortisation method for trademarks with finite useful lives are reviewed at least at each financial year-end. The amortisation expense on trademarks with finite lives is recognised in profit or loss through the "amortisation and depreciation" line item.

(iii) *Other intangible assets*

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.13 Intangibles (cont'd)

(iii) Other intangible assets (cont'd)

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

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

2.14 Inventories

Raw materials, consumables, finished goods, work-in-progress and spare parts are stated at the lower of cost and net realisable value. Cost is primarily determined on a weighted average basis or first-in-first-out basis for certain subsidiaries, and includes all costs in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity.

Net realisable value is the price at which the inventories can be realised in the normal course of business after allowing for the costs of realisation and, where appropriate, the cost of conversion from the existing state to a finished condition. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories to adjust the carrying value of inventories to the lower of cost and net realisable value.

2.15 Impairment of non-financial assets

Goodwill

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- Represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- Is not larger than a segment based on either the Group's primary or the Group's secondary reporting format.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.15 Impairment of non-financial assets (cont'd)

Goodwill (cont'd)

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated are tested for impairment annually and whenever there is an indication that the unit may be impaired, by comparing the carrying amount of the unit, including the goodwill, with the recoverable amount of the unit. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Other assets

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Assets that have an indefinite useful life and are not subject to amortisation or depreciation are tested annually for impairment.

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

Reversal of impairment losses recognised in prior years is recorded when there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years. The reversal is recorded in the profit or loss.

2.16 Impairment of financial assets

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.16 Impairment of financial assets (cont'd)

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

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

For debt instruments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. In addition, the Group considers that there has been a significant increase in credit risk when the contractual payments are more than 30 days past due.

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

2.17 Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

De-recognition

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.18 Provisions

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

Provisions are reviewed at each end of the reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.19 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.20 Assets classified as held for sale

Assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

2.21 Revenue recognition

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

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

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied. The goods may be sold with a right of return and with retrospective volume discounts based on the aggregate sales over a period of time.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of the estimated volume discounts and adjusted for expected returns. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.21 Revenue recognition (cont'd)

The Group recognises the expected volume discounts payable to customer where consideration have been received from customers and refunds due to expected returns from customers as refund liabilities. Separately, the Group recognises a related asset for the right to recover the returned goods, based on the former carrying amount of the good less expected costs to recover the goods, and adjusts them against cost of sales correspondingly.

At the end of each reporting date, the Group updates its assessment of the estimated transaction price, including its assessment of whether an estimate of variable consideration is constrained. The corresponding amounts are adjusted against revenue in the period in which the transaction price changes. The Group also updates its measurement of the asset for the right to recover returned goods for changes in its expectations about returned goods.

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

Interest income is recognised on effective interest rate method.

Dividend income is recorded gross in profit or loss in the accounting period in which the Group's right to receive payment is established.

Deferred income represents revenue collected but not earned as at end of reporting period. It is recognised as income in profit or loss when the revenue recognition criteria has been met.

2.22 Income taxes

Current tax

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

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

Deferred tax

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.22 Income taxes (cont'd)

Deferred tax (cont'd)

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

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

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

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

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

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.22 Income taxes (cont'd)

Sales tax

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

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

2.23 Borrowing costs

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

2.24 Employee benefits

(i) *Defined contribution plans*

As required by law, the Group's companies in Singapore make contributions to the state pension scheme, the Central Provident Fund ("CPF"). Certain of the Group's companies outside Singapore make contributions to their respective countries' pension scheme. Such contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.

(ii) *Defined benefit plan*

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.24 Employee benefits (cont'd)

(ii) *Defined benefit plan (cont'd)*

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognised as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognised immediately in other comprehensive income in the period in which they arise. Remeasurements are recognised in revenue reserve within equity and are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognised as a separate asset at fair value when and only when reimbursement is virtually certain.

(iii) *Employee entitlements*

Liabilities for paid annual leave and sick leave are recognised and measured as the amount unpaid at the end of the reporting period at current pay rates in respect of employees' services up to that date.

A liability for long service leave is recognised, on the basis of an estimation of the present value of the future cash outflows to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates that match, as closely as possible, the estimated future cash outflows.

2.25 Segment information

For management purposes, the Group is organised into operating segments based on their products and services. The management of the Company regularly reviews the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 36, including the factors used to identify the reportable segments and the measurement basis of segment information.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.26 Contingencies

A contingent liability is:

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

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

2.27 Significant accounting estimates and judgements

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

Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management is of the opinion that there is no instance of application of judgement which is expected to have a significant impact on the amounts recognised in the consolidated financial statements, apart from those involving estimations described below.

Key sources of estimation uncertainty

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.27 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(i) Impairment of investment in joint venture

The Group assesses whether there are any indicators of impairment for the investment in joint venture at each reporting date. When there is objective evidence, the Group estimates the recoverable amount of the joint venture and determines if an impairment loss should be recognised.

Estimating the recoverable amount requires management to make an estimate of the expected future cash flows to be generated by the joint venture and determine a suitable discount rate to calculate the present value of those cash flows. Forecasts of future cash flows are based on management's estimate of the expected revenue growth.

During the year, the Group recognised a net non-cash reversal of impairment of \$8,700,000 (2024: \$1,200,000 impairment) on the Group's investment in joint venture.

The carrying amount of the investment in joint venture as at 31 December 2025 is \$59,659,000 (2024: \$48,168,000).

(ii) Provision for expected credit losses of trade receivables

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

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 12.

The carrying amount of trade receivables as at 31 December 2025 is \$92,191,000 (2024: \$89,609,000).

(iii) Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets, other than goodwill are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value-in-use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.27 Significant accounting estimates and judgements (cont'd)

Key sources of estimation uncertainty (cont'd)

(iv) Income taxes

The Group operates in various countries and is subject to different tax jurisdictions. Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amount of the Company's and the Group's income tax payable as at 31 December 2025 was \$638,000 (2024: \$691,000) and \$4,809,000 (2024: \$4,510,000) respectively. The carrying amount of the Group's tax recoverable as at 31 December 2025 was \$7,681,000 (2024: \$7,323,000). The carrying amount of the Company's deferred tax liabilities as at 31 December 2025 was \$1,539,000 (2024: \$1,239,000). The Group's deferred tax assets and deferred tax liabilities as at 31 December 2025 was \$6,252,000 (2024: \$4,491,000) and \$7,430,000 (2024: \$7,132,000) respectively.

3. REVENUE

Revenue for the Group includes the invoiced value of goods sold and services rendered, less returns, discounts and goods and services tax, and excludes sales between Group companies.

	Group	
	2025 \$'000	2024 \$'000
Sale of goods	611,803	614,980
Rental income from storage and warehousing facilities	4,838	4,881
Royalty income	7,142	6,783
Interest income from:		
– Fixed deposits with financial institutions	6,595	7,104
– Others	420	243
Other income	2,798	2,116
	<u>633,596</u>	<u>636,107</u>

The Group has determined that disaggregation of revenue using operating segments and geographical markets meets the disclosure objective in SFRS(I) 15.114. Information regarding operating segments is disclosed in Note 36.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. STAFF COSTS

	Group	
	2025 \$'000	2024 \$'000
Staff costs (including Executive Directors):		
– salaries, wages and other related costs	119,143	115,120
– contribution to defined contribution plans	9,943	9,129
	<u>129,086</u>	<u>124,249</u>

5. AMORTISATION AND DEPRECIATION

	Note	Group	
		2025 \$'000	2024 \$'000
Depreciation of property, plant and equipment	16	23,446	22,690
Depreciation of right-of-use assets	17	4,150	3,936
Amortisation of intangibles	21	37	35
		<u>27,633</u>	<u>26,661</u>

6. PROFIT FROM OPERATING ACTIVITIES

	Note	Group	
		2025 \$'000	2024 \$'000
Profit from operating activities is stated after charging/(crediting):			
Audit fees:			
– Auditor of the Company		693	646
– Member firms of the auditor of the Company		249	240
– Other auditor		11	2
Non-audit fees:			
– Auditor of the Company		74	139
– Member firms of the auditor of the Company		39	35
Fees and remuneration for the directors of the Company:			
– fees and remuneration		1,751	2,359
– Contribution to defined contribution plans		–	12
Provision for retirement benefits charged	24(b)	1,429	1,190
Distribution and transportation expense		16,614	16,135
Professional fees		1,997	1,854
Operating lease expense		18,226	16,119
Foreign currency translation (gain)/loss		(735)	8,812
Allowance for inventories charged and inventories written off, net		545	179
Allowance for trade receivables charged	12	435	641
Allowance for other receivables charged	13	307	19
Bad debts written off		22	35
Loss/(gain) on disposal of property, plant and equipment		1,284	(53)
Impairment loss on assets classified as held for sale		–	1,907
Impairment loss charged/(written-back) on property, plant and equipment		<u>608</u>	<u>(553)</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. FINANCE COSTS

	Group	
	2025 \$'000	2024 \$'000
Interest expense on borrowings	383	1,118
Interest expense on lease liabilities	878	890
	<u>1,261</u>	<u>2,008</u>

8. EXCEPTIONAL ITEMS

	Group	
	2025 \$'000	2024 \$'000
Final insurance payments for consequential loss and damage to stock, property, plant and equipment arising from the severe flooding in Peninsular Malaysia	–	6,481
Write-back of stock write-off and impairment loss on property, plant and equipment arising from the severe flooding in Peninsular Malaysia	–	973
Expenses incurred in relation to the severe flooding in Peninsular Malaysia	–	(1,051)
	<u>–</u>	<u>6,403</u>

9. INCOME TAX EXPENSE

	Note	Group	
		2025 \$'000	2024 \$'000
Income tax expense/(credit) on the profit for the year:			
– current tax		9,685	10,416
– deferred tax		(1,867)	113
		<u>7,818</u>	<u>10,529</u>
Over provision in respect of prior years:			
– current tax		(295)	(367)
– deferred tax		(8)	(205)
		<u>(303)</u>	<u>(572)</u>
Income tax expense recognised in profit or loss		<u>7,515</u>	<u>9,957</u>
Deferred tax related to other comprehensive income:			
– actuarial loss on defined benefit plans	22	<u>(50)</u>	<u>(56)</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9. INCOME TAX EXPENSE (CONT'D)

The income tax expense on the results of the Group differ from the amount of tax determined by applying the Singapore statutory tax rate of 17% (2024: 17%) to the profit before tax due to the following factors:

	Group	
	2025 \$'000	2024 \$'000
Profit before tax	47,798	44,635
Tax expense at statutory tax rate of 17% (2024: 17%)	8,126	7,588
Adjustments:		
Income not subject to tax	(3,171)	(2,476)
Expenses not deductible for tax purposes	523	1,943
Tax reliefs, rebates and incentives	(117)	(114)
Deferred tax assets not recognised	210	48
Effect of different tax rates in foreign jurisdictions	2,449	3,716
Over provision in respect of prior years, net	(303)	(572)
Others	(202)	(176)
Income tax expense recognised in profit or loss	<u>7,515</u>	<u>9,957</u>

The Group has unutilised tax losses of approximately \$2,304,000 (2024: \$1,725,000), which subject to the provisions of relevant local tax legislation and agreement with the relevant tax authorities, can be carried forward and utilised to set off against future taxable profits. The potential tax benefit arising from such unutilised tax losses has not been recognised in the financial statements due to the uncertainty of recoverability.

The expiry date of the Group's unutilised tax losses is as follows:

	Group	
	2025 \$'000	2024 \$'000
1 to 4 years	1,503	1,446
No expiry date	801	279
	<u>2,304</u>	<u>1,725</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

10. EARNINGS PER ORDINARY SHARE ("EPS")

The calculation of earnings per ordinary share is based on the following figures:

	Group	
	2025 \$'000	2024 \$'000
Group's earnings used for the calculation of EPS:		
Earnings for the financial year attributable to owners of the Company	39,839	34,704
Number of shares used for the calculation of:		
Basic and diluted EPS		
Weighted average number of ordinary shares in issue	575,268	575,268

Basic and diluted earnings per share are calculated on the Group's earnings for the financial year attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the year.

11. INVENTORIES

	Group	
	2025 \$'000	2024 \$'000
Raw materials	13,525	14,191
Finished goods	24,312	23,514
Spare parts and consumables	12,368	12,258
Goods-in-transit	7,373	8,265
Total inventories at lower of cost and net realisable value	57,578	58,228

The carrying value of inventories includes inventories determined by the following cost methods:

	Group	
	2025 \$'000	2024 \$'000
First-in-first-out	23,734	20,095
Weighted average	33,844	38,133
	57,578	58,228
Inventories are stated after deducting allowance of	820	1,437

Inventories recognised as expense during the year approximate the costs of materials disclosed in the consolidated income statement.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

12. TRADE RECEIVABLES

	Group	
	2025 \$'000	2024 \$'000
Trade receivables		
– third parties	83,443	81,224
– joint venture	9,586	9,410
	93,029	90,634
Less: Allowance – third parties	(838)	(1,025)
	<u>92,191</u>	<u>89,609</u>

At the end of the reporting period, approximately 2% (2024: 2%) of the Group's trade receivables are secured by deposits received, bank guarantees and credit insurances.

An ageing analysis of receivables that are past due but not impaired:

	Group	
	2025 \$'000	2024 \$'000
Less than 3 months	26,777	30,489
3 months to 6 months	2,581	1,506
6 months to 12 months	595	212
More than 12 months	167	–
	<u>30,120</u>	<u>32,207</u>
Receivables that are impaired:		
Gross amount	838	1,025
Less: Allowance	(838)	(1,025)
	<u>–</u>	<u>–</u>

Trade receivables that are determined to be impaired at the end of the reporting period relate to debtors that are in financial difficulties and have defaulted on payments.

Movement in the allowance for trade receivables based on lifetime ECL are as follows:

	Group	
	2025 \$'000	2024 \$'000
At 1 January	1,025	689
Charge for the year (Note 6)	435	641
Written-off	(614)	(302)
Currency realignment	(8)	(3)
At 31 December	<u>838</u>	<u>1,025</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. OTHER RECEIVABLES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Non-financial assets				
Prepayments	2,901	3,352	173	130
Sales tax receivable	1,127	2,004	30	40
	<u>4,028</u>	<u>5,356</u>	<u>203</u>	<u>170</u>
Financial assets				
Sundry deposits	1,962	2,264	35	48
Staff advances and loans	101	63	100	60
	<u>2,063</u>	<u>2,327</u>	<u>135</u>	<u>108</u>
Sundry debtors	6,770	4,236	1,215	1,169
Less: Allowance	(380)	(84)	–	–
	<u>6,390</u>	<u>4,152</u>	<u>1,215</u>	<u>1,169</u>
Amounts due from subsidiaries				
– interest bearing	–	–	4,569	–
– non-interest bearing	–	–	6,203	35,843
Less: Allowance	–	–	(1,500)	(826)
	<u>–</u>	<u>–</u>	<u>9,272</u>	<u>35,017</u>
	<u>8,453</u>	<u>6,479</u>	<u>10,622</u>	<u>36,294</u>
	<u>12,481</u>	<u>11,835</u>	<u>10,825</u>	<u>36,464</u>

Receivables that are impaired:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Gross amount	380	84	1,500	826
Less: Allowance	(380)	(84)	(1,500)	(826)
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>

Movement in the allowance for other receivables based on 12-month ECL are as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	84	127	826	4,573
Charge/(written back) for the year (Note 6)	307	19	665	(3,747)
Written-off	–	(61)	–	–
Currency realignment	(11)	(1)	9	–
At 31 December	<u>380</u>	<u>84</u>	<u>1,500</u>	<u>826</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. OTHER RECEIVABLES (CONT'D)

Staff loans are unsecured, non-interest bearing and repayable over 6 years from the date the loan is granted.

The non-interest bearing amounts due from subsidiaries are unsecured and repayable upon demand. The interest bearing amounts due from subsidiaries are unsecured, bear interest at rates ranging from 2.85% to 6.02% (2024: Nil) per annum and are repayable upon demand. The amounts due from subsidiaries are to be settled in cash.

14. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash and bank balances	43,019	60,030	5,868	17,558
Fixed deposits with financial institutions	171,036	149,373	158,330	138,742
	<u>214,055</u>	<u>209,403</u>	<u>164,198</u>	<u>156,300</u>

Fixed deposits are placed for varying periods depending on the immediate cash requirements of the Group and the Company, and earn interest at the respective short-term deposit rates. The weighted average effective interest rates as at 31 December 2025 for the Group and Company were 3.77% and 3.92% (2024: 4.54% and 4.72%) per annum respectively.

15. ASSETS CLASSIFIED AS HELD FOR SALE

As at 31 December 2024, certain plant and equipment and related spare parts of a subsidiary involved in the bakery segment located in Singapore, had been classified as held for sale due to the subsidiary's intention to sell these assets. During the year, these assets were reclassified back to property, plant and equipment and inventories, as the assets no longer met the criteria to be classified as held for sale. These assets were subsequently sold before the end of the financial year ended 31 December 2025.

The classes of assets classified as held for sale as at 31 December were as follows:

	Group	
	2025 \$'000	2024 \$'000
Plant and equipment	–	2,972
Inventories	–	614
	<u>–</u>	<u>3,586</u>

In 2024, an impairment loss of \$1,907,000 was recognised to write down the carrying amount of the assets to their net realisable value.

The impairment had been recognised in the income statement under the line item "Other operating expenses".



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. PROPERTY, PLANT AND EQUIPMENT

	Freehold land \$'000	Freehold buildings \$'000	Leasehold properties \$'000
Group			
Cost:			
At 1.1.2024	15,359	8,814	110,735
Currency realignment	(72)	(233)	1,540
Additions	–	–	152
Disposals	–	(4)	(270)
Transfers between categories	–	–	–
At 31.12.2024 and 1.1.2025	15,287	8,577	112,157
Currency realignment	(416)	197	(1,512)
Additions	–	–	130
Disposals	–	–	(4)
Reclassification from assets held for sale	–	–	–
Transfers between categories	–	–	(71)
At 31.12.2025	14,871	8,774	110,700
Accumulated depreciation and impairment loss:			
At 1.1.2024	–	2,170	53,476
Currency realignment	–	(54)	226
Charge for the year (Note 5)	–	206	2,315
Disposals	–	(1)	(244)
Transfer between categories	–	–	–
Reversal of impairment loss	–	–	–
At 31.12.2024 and 1.1.2025	–	2,321	55,773
Currency realignment	–	59	(483)
Charge for the year (Note 5)	–	200	2,301
Disposals	–	–	(1)
Reclassification from assets held for sale	–	–	–
Transfer between categories	–	–	(60)
Impairment loss	–	–	–
At 31.12.2025	–	2,580	57,530
Net carrying amount:			
At 31.12.2025	14,871	6,194	53,170
At 31.12.2024	15,287	6,256	56,384



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Leasehold improvements \$'000	Plant and machinery \$'000	Furniture, fittings and office equipment \$'000	Motor vehicles \$'000	Construction- in-progress \$'000	Total \$'000
42,814	291,993	19,138	22,629	1,567	513,049
137	3,655	36	36	(49)	5,050
1,894	10,635	1,371	2,057	2,927	19,036
(2,027)	(22,253)	(604)	(1,036)	–	(26,194)
536	727	236	(5)	(1,494)	–
43,354	284,757	20,177	23,681	2,951	510,941
(540)	(6,901)	(697)	(1,186)	(60)	(11,115)
913	9,752	989	1,564	2,420	15,768
(62)	(15,272)	(557)	(1,321)	–	(17,216)
–	13,104	–	–	–	13,104
1,265	1,099	1,644	16	(3,953)	–
44,930	286,539	21,556	22,754	1,358	511,482
28,192	180,914	15,417	19,674	–	299,843
59	1,506	15	12	–	1,764
2,325	15,353	1,314	1,177	–	22,690
(1,943)	(22,129)	(599)	(1,027)	–	(25,943)
4	(70)	71	(5)	–	–
(525)	(28)	–	–	–	(553)
28,112	175,546	16,218	19,831	–	297,801
(585)	(5,467)	(563)	(1,048)	–	(8,087)
2,334	16,071	1,492	1,048	–	23,446
(56)	(13,239)	(526)	(1,319)	–	(15,141)
–	10,542	–	–	–	10,542
(306)	(493)	850	9	–	–
–	608	–	–	–	608
29,499	183,568	17,471	18,521	–	309,169
15,431	102,971	4,085	4,233	1,358	202,313
15,242	109,211	3,959	3,850	2,951	213,140



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

16. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Leasehold office and improvements \$'000	Furniture, fittings and office equipment \$'000	Motor vehicles \$'000	Total \$'000
Company				
Cost:				
At 1.1.2024	4,996	793	302	6,091
Additions	60	2	–	62
Disposals	(191)	(23)	(287)	(501)
At 31.12.2024 and 1.1.2025	4,865	772	15	5,652
Additions	114	38	–	152
Disposals	(10)	(71)	–	(81)
At 31.12.2025	4,969	739	15	5,723
Accumulated depreciation:				
At 1.1.2024	1,865	666	291	2,822
Charge for the year	122	26	3	151
Disposals	(191)	(22)	(287)	(500)
At 31.12.2024 and 1.1.2025	1,796	670	7	2,473
Charge for the year	148	25	3	176
Disposals	(10)	(56)	–	(66)
At 31.12.2025	1,934	639	10	2,583
Net carrying amount:				
At 31.12.2025	3,035	100	5	3,140
At 31.12.2024	3,069	102	8	3,179

In 2024, the Group performed a reassessment of the property, plant and equipment that were damaged by flood and impaired in 2021. As a result, a reversal of impairment of \$553,000 was recognised.

17. RIGHT-OF-USE ASSETS

Group as a lessee

The Group has lease contracts for certain office premises, factories, warehousing/trading facilities, office equipment and motor vehicles used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17. RIGHT-OF-USE ASSETS (CONT'D)

Group as a lessee (cont'd)

Set out below are the carrying amounts of right-of-use assets recognised and the movement during the period:

	Leasehold land and building \$'000	Office equipment \$'000	Motor vehicles \$'000	Total \$'000
Group				
At 1.1.2024	16,361	222	573	17,156
Additions	1,130	128	3,935	5,193
Disposals	–	(37)	–	(37)
Charge for the year (Note 5)	(1,814)	(79)	(2,043)	(3,936)
Currency realignment	7	–	–	7
At 31.12.2024 and 1.1.2025	15,684	234	2,465	18,383
Additions	1,889	135	278	2,302
Disposals	(7)	(30)	(15)	(52)
Charge for the year (Note 5)	(1,971)	(85)	(2,094)	(4,150)
Currency realignment	(162)	–	–	(162)
At 31.12.2025	15,433	254	634	16,321

	Leasehold land and building \$'000	Office equipment \$'000	Total \$'000
Company			
At 1.1.2024	234	47	281
Charge for the year	(157)	(12)	(169)
At 31.12.2024 and 1.1.2025	77	35	112
Additions	124	17	141
Disposals	(7)	(12)	(19)
Charge for the year	(127)	(13)	(140)
At 31.12.2025	67	27	94



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17. RIGHT-OF-USE ASSETS (CONT'D)

Group as a lessee (cont'd)

Set out below are the carrying amounts of lease liabilities and the movement during the period:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	20,359	18,918	122	291
Additions	2,302	5,193	141	–
Accretion of interest	878	890	7	10
Payments	(4,812)	(4,579)	(149)	(179)
Disposals	(71)	(39)	(21)	–
Currency realignment	(263)	(24)	–	–
At 31 December	18,393	20,359	100	122
Current	2,338	3,682	76	93
Non-current	16,055	16,677	24	29
At 31 December	18,393	20,359	100	122

The maturity analysis of lease liabilities is disclosed in Note 33(b).

The following are the amounts recognised in profit or loss:

	Group	
	2025 \$'000	2024 \$'000
Depreciation of right-of-use assets	4,150	3,936
Interest expense on lease liabilities	878	890
Expense relating to short-term leases and cancellable leases (included in other operating expenses)	18,226	16,119
Total amount recognised in profit or loss	23,254	20,945

The Group had total cash outflow for leases of \$23,038,000 in 2025 (2024: \$20,698,000).

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

18. INVESTMENT IN SUBSIDIARIES

	Company	
	2025 \$'000	2024 \$'000
Unquoted equity shares, at cost	52,574	108,673
Less: Impairment loss	(4,892)	(6,092)
Deposit for share capital subscription of a subsidiary	–	1,005
	<u>47,682</u>	<u>103,586</u>

During the year, Hamsdale International Pte Ltd and Oxdale International Pte Ltd reduced their issued and paid-up share capital by 49,999,999 ordinary shares or \$49,999,999 and 5,696,137 ordinary shares or \$5,696,137 respectively, by way of returning the capital to the Company.

Consequently, the Company wrote off the cost of investment amounting to \$1,408,000, of which \$1,200,000 is against impairment loss recognised in prior years, to carry the investment in Oxdale International Pte Ltd at its recoverable amount.

Details of subsidiaries are set out in Note 37(a).

Movement in the impairment loss are as follows:

	Company	
	2025 \$'000	2024 \$'000
At 1 January	6,092	1,602
Charge for the year	–	4,490
Written-off	(1,200)	–
At 31 December	<u>4,892</u>	<u>6,092</u>

19. ADVANCES TO SUBSIDIARIES

The advances to subsidiaries, which are to be settled in cash, are unsecured and non-interest bearing. These advances have no fixed terms of repayment and no repayments are expected within the next 12 months.

20. INVESTMENT IN JOINT VENTURE

The Group has 50% interest in the ownership and voting rights of Gardenia Bakeries (KL) Sdn Bhd (“GBKL”) that is held through a subsidiary. This joint venture is incorporated in Malaysia. The Group jointly controls the venture with the remaining shareholder under a contractual agreement which requires unanimous consent for all major decisions over the relevant activities. Pursuant to the original shareholders’ agreement, under certain specified circumstances if the objective to list GBKL is not achieved by March 2028 and there is no acquisition by one shareholder of the shares of the other in accordance with the agreement, GBKL shall be wound up and the agreement shall terminate.

The shareholders’ agreement was revised during the year. Subject to the terms and conditions of the revised shareholders’ agreement, it has been clarified that by reason only of listing not being achieved by the aforesaid date, GBKL is not required to be wound up or to cease to carry on business. With this clarification, GBKL may continue business as usual in these circumstances.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. INVESTMENT IN JOINT VENTURE (CONT'D)

As a consequence of this clarification, the Group has reviewed its impairment assessment for its investment in GBKL. Accordingly, taking into account the overall market outlook, GBKL's estimated future trading performance, currency movements between the Singapore Dollar and Malaysian Ringgit and interest rates, the valuation of its investment in the joint venture has been recalculated, resulting in a net non-cash reversal of \$8.7 million for 2025, out of the total quantum of \$15.7 million of impairment adjustments that had been made. The recoverable amount of the investment was determined based on cash flow projections approved by management. Key assumptions include the revenue growth rates and discount rate. The post-tax discount rate is 9.5% (2024: 9.5%). The net non-cash reversal of impairment amounting to \$8.7 million (2024: \$1.2 million impairment charge) is recognised as part of the Group's share of profits of joint venture.

Details of the joint venture are set out in Note 37(b).

Summarised financial information in respect of GBKL based on its financial statements, and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

	2025 \$'000	2024 \$'000
Inventories	21,523	22,345
Trade and other receivables	40,965	35,942
Tax recoverable	–	569
Cash and cash equivalents	6,282	12,504
Current assets	68,770	71,360
Property, plant and equipment	99,569	99,812
Total assets	168,339	171,172
Current liabilities	(89,183)	(95,594)
Deferred tax liabilities	(8,241)	(8,524)
Other non-current liabilities	(10,958)	(14,134)
Total liabilities	(108,382)	(118,252)
Net assets	59,957	52,920
Proportion of the Group's ownership	50%	50%
Group's share of net assets	29,978	26,460
Net fair value uplift on identifiable assets	12,595	13,934
Goodwill on acquisition	24,089	23,477
Less: Accumulated impairment loss	(7,003)	(15,703)
Carrying amount of the investment	59,659	48,168



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. INVESTMENT IN JOINT VENTURE (CONT'D)

Summarised statement of comprehensive income

	2025 \$'000	2024 \$'000
Revenue	435,762	412,502
Interest income	134	163
Amortisation and depreciation	(18,328)	(18,025)
Operating expenses	(398,481)	(377,002)
Interest expense	(1,327)	(1,797)
Profit before tax	17,760	15,841
Income tax expense	(4,418)	(3,974)
Profit after tax	13,342	11,867
Other comprehensive income	4,452	5,368
Total comprehensive income	17,794	17,235

Dividends of \$6,130,000 were declared and paid by GBKL to the Group during the year (2024: \$5,870,000).

21. INTANGIBLES

	Group				Company		
	Trademark \$'000	Intellectual property \$'000	Software \$'000	Total \$'000	Trademark \$'000	Software \$'000	Total \$'000
Cost:							
At 1.1.2024	2,750	130	132	3,012	7,150	132	7,282
Currency realignment	–	(8)	–	(8)	–	–	–
At 31.12.2024 and 1.1.2025	2,750	122	132	3,004	7,150	132	7,282
Additions	–	–	20	20	–	20	20
Currency realignment	–	2	–	2	–	–	–
At 31.12.2025	2,750	124	152	3,026	7,150	152	7,302
Accumulated amortisation and impairment loss:							
At 1.1.2024	2,750	77	33	2,860	7,150	33	7,183
Amortisation for the year (Note 5)	–	13	22	35	–	22	22
Currency realignment	–	(5)	–	(5)	–	–	–
At 31.12.2024 and 1.1.2025	2,750	85	55	2,890	7,150	55	7,205
Amortisation for the year (Note 5)	–	12	25	37	–	25	25
Currency realignment	–	2	–	2	–	–	–
At 31.12.2025	2,750	99	80	2,929	7,150	80	7,230
Net carrying amount:							
At 31.12.2025	–	25	72	97	–	72	72
At 31.12.2024	–	37	77	114	–	77	77

Trademark, intellectual property and software with finite lives are amortised on a straight-line basis over their useful lives of 20, 10 and 5 years respectively.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22. DEFERRED TAXATION

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
At 1 January	2,641	2,478	1,239	958
Recognised in profit or loss	(1,875)	(92)	300	281
Recognised in other comprehensive income (Note 9)	(50)	(56)	–	–
Currency realignment	462	311	–	–
At 31 December	<u>1,178</u>	<u>2,641</u>	<u>1,539</u>	<u>1,239</u>

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Represented by:				
– Deferred tax assets	(6,252)	(4,491)	–	–
– Deferred tax liabilities	<u>7,430</u>	<u>7,132</u>	<u>1,539</u>	<u>1,239</u>
	<u>1,178</u>	<u>2,641</u>	<u>1,539</u>	<u>1,239</u>

The movement in the Group's deferred tax assets and liabilities during the year are as follows:

	Property, plant and equipment \$'000	Employee benefits \$'000	Others \$'000	Total \$'000
Deferred tax assets				
At 1 January 2024	(32)	3,030	966	3,964
Recognised in profit or loss	(2)	130	577	705
Recognised in other comprehensive income	–	56	–	56
Currency realignment	<u>(2)</u>	<u>(16)</u>	<u>(216)</u>	<u>(234)</u>
At 31 December 2024 and 1 January 2025	(36)	3,200	1,327	4,491
Recognised in profit or loss	119	61	1,898	2,078
Recognised in other comprehensive income	–	50	–	50
Currency realignment	<u>1</u>	<u>(242)</u>	<u>(126)</u>	<u>(367)</u>
At 31 December 2025	<u>84</u>	<u>3,069</u>	<u>3,099</u>	<u>6,252</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

22. DEFERRED TAXATION (CONT'D)

	Property, plant and equipment \$'000	Deferred income \$'000	Others \$'000	Total \$'000
Deferred tax liabilities				
At 1 January 2024	5,893	486	63	6,442
Recognised in profit or loss	11	(115)	717	613
Currency realignment	88	–	(11)	77
At 31 December 2024 and 1 January 2025	5,992	371	769	7,132
Recognised in profit or loss	246	(114)	71	203
Currency realignment	110	–	(15)	95
At 31 December 2025	6,348	257	825	7,430

The movement in the Company's deferred tax liabilities during the year are as follows:

	Deferred income \$'000	Unremitted income \$'000	Property, plant and equipment \$'000	Total \$'000
At 1 January 2024	486	428	44	958
Recognised in profit or loss	(115)	393	3	281
At 31 December 2024 and 1 January 2025	371	821	47	1,239
Recognised in profit or loss	(114)	403	11	300
At 31 December 2025	257	1,224	58	1,539

Unrecognised temporary differences relating to investments in subsidiaries

At the end of the reporting period, no deferred tax liability (2024: \$Nil) has been recognised for taxes that would be payable on the undistributed earnings of certain of the Group's subsidiaries as the Group has determined that undistributed earnings of its subsidiaries will not be distributed in the foreseeable future.

Such temporary differences for which no deferred tax liability has been recognised aggregate to \$34,283,000 (2024: \$34,825,000). The deferred tax liability is estimated to be \$5,142,000 (2024: \$5,224,000).



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. TRADE PAYABLES

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Trade payables:				
– third parties	64,819	60,775	76	54
– joint venture	301	314	–	–
	<u>65,120</u>	<u>61,089</u>	<u>76</u>	<u>54</u>

24. OTHER PAYABLES

(a) Other payables

	Note	Group		Company	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
<i>Payable within one year:</i>					
Accrued staff related expenses		15,337	15,784	1,575	1,929
Accrued operating expenses		17,120	19,904	371	383
Sundry creditors		12,181	11,124	489	464
Sales tax payable		1,746	1,984	5	2
Amounts due to subsidiaries		–	–	1	104,268
Amounts due to joint venture		39	38	5	–
Deferred income		674	674	674	674
Deposit for share capital of a subsidiary by a non-controlling interest		–	456	–	–
		<u>47,097</u>	<u>49,964</u>	<u>3,120</u>	<u>107,720</u>
<i>Payable after one year:</i>					
Provision for retirement benefits	24(b)	7,850	7,028	–	–
Deferred income		864	1,552	843	1,517
		<u>8,714</u>	<u>8,580</u>	<u>843</u>	<u>1,517</u>

The amounts due to subsidiaries are unsecured, non-interest bearing, repayable upon demand and are to be settled in cash.

The amounts due to joint venture are unsecured, non-interest bearing, repayable upon demand and are to be settled in cash.

Deferred income mainly relates to royalty income received in advance due to the renewal of the licensing agreement between the Company and its joint venture in 2016.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. OTHER PAYABLES (CONT'D)

(a) *Other payables (cont'd)*

Movement in deferred income are as follows:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Balance at beginning of year	2,226	2,936	2,191	2,865
Currency realignment	(1)	(25)	–	–
Released to profit or loss	(687)	(685)	(674)	(674)
Balance at end of year	<u>1,538</u>	<u>2,226</u>	<u>1,517</u>	<u>2,191</u>

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Represented by:				
– payable within one year	674	674	674	674
– payable after one year	<u>864</u>	<u>1,552</u>	<u>843</u>	<u>1,517</u>
Balance at end of year	<u>1,538</u>	<u>2,226</u>	<u>1,517</u>	<u>2,191</u>

(b) *Provision for retirement benefits*

Some of the Group's subsidiaries in the Philippines and Malaysia maintain partial funded, non-contributory defined benefit plans covering all regular full-time employees. The benefits are based on the years of service and compensation of the employees. The manner of payment is lump sum, payable on retirement.

	Group	
	2025 \$'000	2024 \$'000
Benefit liability		
Fair value of plan assets	(3,698)	(4,061)
Present value of benefit obligation	<u>11,548</u>	<u>11,089</u>
	<u>7,850</u>	<u>7,028</u>

Changes in the fair value of plan assets are as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of year	4,061	2,816
Employer contribution	–	1,170
Interest income	228	206
Actual return on plan assets less interest income	(38)	(46)
Benefits paid	(214)	(119)
Currency realignment	<u>(339)</u>	<u>34</u>
Balance at end of year	<u>3,698</u>	<u>4,061</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. OTHER PAYABLES (CONT'D)

(b) *Provision for retirement benefits (cont'd)*

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Group	
	2025 %	2024 %
Cash and cash equivalents	25	8
Philippines government bonds	74	83
Others	1	9
	<u>100</u>	<u>100</u>

Changes in the present value of defined benefit obligation are as follows:

	Group	
	2025 \$'000	2024 \$'000
Balance at beginning of year	11,089	9,800
Interest cost	620	579
Past service cost	—	20
Current service cost	809	591
Actuarial (gains)/losses due to:		
Changes in financial assumptions	(193)	120
Changes in demographic assumptions	34	(159)
Experience adjustments	320	216
Benefits paid	(223)	(131)
Currency realignment	(908)	53
Balance at end of year	<u>11,548</u>	<u>11,089</u>

The following table summarises the components of retirement benefits cost recognised in profit or loss:

	Group	
	2025 \$'000	2024 \$'000
Net benefit expense (recognised within staff costs):		
Current service cost	809	591
Past service cost	—	20
Interest cost	392	373
	<u>1,201</u>	<u>984</u>

The cost of retirement benefit plans and the present value of the benefit obligation are determined using actuarial valuation.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

24. OTHER PAYABLES (CONT'D)

(b) *Provision for retirement benefits (cont'd)*

The principal actuarial assumptions used in determining retirement benefit cost and obligation are shown below:

	Group	
	2025 %	2024 %
Discount rate	4.70 – 6.57	6.07 – 6.16
Salary increase rate	5.00 – 8.00	5.00 – 8.00

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

	Increase/ (decrease) in basis points	Effect on present value of benefit obligation \$'000
2025		
Discount rate	+25	(191)
	-25	221
Salary increase rate	+25	209
	-25	(183)
2024		
Discount rate	+25	(183)
	-25	212
Salary increase rate	+25	199
	-25	(175)

The Group expects to contribute \$Nil (2024: \$Nil) to the defined benefit plans in 2026.

The average duration of the defined benefit obligation at the end of the reporting period is 8.0 years (2024: 8.5 years).

25. SHORT-TERM BORROWINGS

	Group	
	2025 \$'000	2024 \$'000
Short-term bank loans:		
– unsecured	3,200	5,188

The Group's short-term bank loans are interest bearing at rates of 3.33% to 3.36% (2024: 4.61% to 5.26%) per annum.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

26. LONG-TERM BORROWINGS

	Effective interest rate per annum %	Maturities	Group	
			2025 \$'000	2024 \$'000
Loans from banks	5.69 – 6.38	2026	1,562	6,419
Less: Current portion			(1,562)	(4,716)
Non-current portion of loans			–	1,703

Loans from banks, denominated in Philippine Peso, are unsecured, bear floating interest rates ranging from 5.69% to 6.38% (2024: 5.69% to 6.99%) per annum and are repayable in instalments till 2026.

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

	1 Jan 2025 \$'000	Cash flows \$'000	Non-cash changes		31 Dec 2025 \$'000
			Acquisition \$'000	Foreign exchange movement and others \$'000	
Short-term borrowings	5,188	(1,988)	–	–	3,200
Loans from banks	6,419	(4,421)	–	(436)	1,562
Lease liabilities	20,359	(3,934)	2,302	(334)	18,393
Total	31,966	(10,343)	2,302	(770)	23,155

	1 Jan 2024 \$'000	Cash flows \$'000	Non-cash changes		31 Dec 2024 \$'000
			Acquisition \$'000	Foreign exchange movement and others \$'000	
Short-term borrowings	17,556	(12,621)	–	253	5,188
Loans from banks	12,449	(5,880)	–	(150)	6,419
Lease liabilities	18,918	(3,689)	5,193	(63)	20,359
Total	48,923	(22,190)	5,193	40	31,966



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

27. SHARE CAPITAL

	Group and Company			
	2025		2024	
	No. of shares	\$'000	No. of shares	\$'000
Issued and fully paid:				
At 1 January and 31 December	575,268,440	277,043	575,268,440	277,043

The holders of the above ordinary shares are entitled to receive dividends as and when declared or paid by the Company as the case may be. All the issued and fully paid ordinary shares carry one vote per share without restrictions and have no par value.

28. RESERVES

	Group		Company	
	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000
Capital reserve	(1,511)	(1,511)	–	–
Revenue reserve	259,943	249,029	56,570	39,217
Foreign currency translation reserve	(25,188)	(24,881)	–	–
	233,244	222,637	56,570	39,217

	Company	
	2025	2024
	\$'000	\$'000

Analysis of movement in the reserves of the Company:

Revenue reserve

At 1 January	39,217	47,243
Net profit for the year	46,116	20,737
Dividends	(28,763)	(28,763)
At 31 December	56,570	39,217

Capital reserve

Capital reserve represents the consideration in excess of net book value on acquisition of non-controlling interest of subsidiaries.

Foreign currency translation reserve

The foreign currency translation reserve represents currency translation arising from the translation of assets and liabilities of foreign subsidiaries for inclusion in the consolidated financial statements and exchange differences arising from the Group's net investment in a foreign operation.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

29. DIVIDENDS

	Group and Company	
	2025 \$'000	2024 \$'000
Interim tax-exempt (one-tier) dividend of 1 cent per share in respect of the financial year ended 31 December 2025	5,753	–
Final tax-exempt (one-tier) dividend of 4 cents per share in respect of the financial year ended 31 December 2024	23,010	–
Interim tax-exempt (one-tier) dividend of 1 cent per share in respect of the financial year ended 31 December 2024	–	5,753
Final tax-exempt (one-tier) dividend of 4 cents per share in respect of the financial year ended 31 December 2023	–	23,010
	<u>28,763</u>	<u>28,763</u>

The directors have recommended that a final tax-exempt (one-tier) dividend of 4 cents per share, amounting to approximately \$23,010,000, be paid in respect of the financial year ended 31 December 2025. The dividend will be recorded as liability in the statement of financial position of the Company and Group subject to approval of the shareholders at the Annual General Meeting of the Company.

There is no income tax consequence (2024: \$Nil) attached to the dividends to the shareholders proposed by the Company but not recognised as a liability in the financial statements.

30. COMMITMENTS

(a) Capital commitments not provided for in the financial statements:

	Group	
	2025 \$'000	2024 \$'000
Expenditure contracted in respect of property, plant and equipment	4,330	3,723
Share of joint venture's capital commitments in relation to property, plant and equipment	806	1,110
	<u>5,136</u>	<u>4,833</u>
(b) Operational trade commitments	<u>13,784</u>	<u>6,493</u>

(c) In the ordinary course of its business, the Company, as the holding company, has indicated its intention to certain of its subsidiaries to continue to provide necessary financial support to these subsidiaries.

31. CONTINGENT LIABILITIES (UNSECURED)

	Company	
	2025 \$'000	2024 \$'000
Guarantees issued for bank facilities granted to subsidiaries	<u>8,590</u>	<u>8,460</u>

The amounts of bank facilities utilised by subsidiaries as at end of reporting period is \$Nil (2024: \$Nil).

No material losses are expected to arise from the above contingencies.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

32. RELATED PARTY TRANSACTIONS

- (a) In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions took place during the financial year on terms agreed by the parties concerned:

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Management fee income from subsidiaries	–	–	360	360
Royalty income from subsidiaries	–	–	16,084	16,232
Royalty income from joint venture	6,468	6,109	6,468	6,109
Dividend income from subsidiaries	–	–	31,413	8,453
Purchase of goods from joint venture	3,676	2,706	–	–
Sales of goods to joint venture	64,492	61,422	–	–
Dividend income from joint venture	6,130	5,870	–	–
Purchase of goods from a company in which Mr Lam Sing Chung, Ms Rachel Liem Yuan Fang and her immediate family member have an interest	3,072	2,731	–	–
Sales of goods to a company in which Mr Lam Sing Chung, Ms Rachel Liem Yuan Fang and her immediate family member have an interest (Proceeds of the sales is covered by the personal guarantee by Mr Lam Sing Chung of up to \$1,000,000)	1,843	3,003	–	–
Recharging of staff costs to Mr Lam Sing Chung	151	106	151	106
Purchase of goods from a company in which Mr Lin Kejian has an interest	297	111	–	–
Sales of goods to Mr Lam Sing Chung	104	89	–	–

- (b) Compensation of key management personnel

	Group	
	2025 \$'000	2024 \$'000
Salaries, wages and other related costs	3,163	3,278
Contribution to defined contribution plans	79	71



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk and foreign currency risk.

It is, and has been throughout the current and previous financial year, the Group's policy not to hold or issue derivative financial instruments for trading purposes.

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

(a) **Credit risk**

Credit risk is the risk that entities and individuals will be unable to meet their obligations to the Group resulting in financial loss to the Group. It is the Group's policy to enter into transactions with a diversity of creditworthy parties to mitigate any significant concentration of credit risk. The Group ensures that sales of products and services are made to customers with appropriate credit history and has internal mechanisms to monitor the granting of credit and management of credit exposures. The Group has made allowances, where necessary, for potential losses on credits extended.

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

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days, when they fall due, which are derived based on the Group's historical information.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

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

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) **Credit risk (cont'd)**

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the debtors to settle the receivables. The Group has identified the gross domestic product (GDP) and the unemployment rate of the countries in which it sells goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

- The carrying amount of each class of financial assets recognised in the statements of financial position; and
- A nominal amount of \$8,590,000 (2024: \$8,460,000) relating to corporate guarantees provided by the Company for bank facilities granted to subsidiaries, of which, the amounts utilised by subsidiaries as at the end of the reporting period were \$Nil (2024: \$Nil).

Information regarding credit enhancements for trade receivables is disclosed in Note 12.

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the industry sector and country profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group			
	2025		2024	
	\$'000	% of total	\$'000	% of total
By industry:				
Bakery	59,767	65	58,686	65
Distribution and warehousing	32,424	35	30,923	35
	<u>92,191</u>	<u>100</u>	<u>89,609</u>	<u>100</u>
By country:				
Singapore	34,740	38	34,984	39
Philippines	35,804	39	34,936	39
Malaysia	10,232	11	10,408	12
Australia	8,735	9	7,870	9
Other countries	2,680	3	1,411	1
	<u>92,191</u>	<u>100</u>	<u>89,609</u>	<u>100</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) *Liquidity risk*

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is to maintain sufficient liquid financial assets and have an adequate amount of committed credit facilities.

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

	2025				2024			
	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000	1 year or less \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
Group								
Financial assets:								
Trade and other receivables	100,644	–	–	100,644	96,088	–	–	96,088
Cash and cash equivalents	215,548	–	–	215,548	210,943	–	–	210,943
Total undiscounted financial assets	316,192	–	–	316,192	307,031	–	–	307,031
Financial liabilities:								
Trade and other payables	109,797	–	–	109,797	108,395	–	–	108,395
Borrowings	4,775	–	–	4,775	10,037	1,730	–	11,767
Lease liabilities	2,985	8,784	12,930	24,699	4,493	8,593	14,133	27,219
Total undiscounted financial liabilities	117,557	8,784	12,930	139,271	122,925	10,323	14,133	147,381
Total net undiscounted financial assets/ (liabilities)	198,635	(8,784)	(12,930)	176,921	184,106	(10,323)	(14,133)	159,650

	2025			2024		
	1 year or less \$'000	Over 1 year \$'000	Total \$'000	1 year or less \$'000	Over 1 year \$'000	Total \$'000
Company						
Financial assets:						
Other receivables	10,622	–	10,622	36,294	–	36,294
Cash and cash equivalents	165,672	–	165,672	157,831	–	157,831
Advances to subsidiaries	–	113,918	113,918	–	127,885	127,885
Total undiscounted financial assets	176,294	113,918	290,212	194,125	127,885	322,010
Financial liabilities:						
Trade and other payables	2,517	–	2,517	107,098	–	107,098
Lease liabilities	78	25	103	96	31	127
Total undiscounted financial liabilities	2,595	25	2,620	107,194	31	107,225
Total net undiscounted financial assets	173,699	113,893	287,592	86,931	127,854	214,785



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its loans, borrowings and fixed deposits with financial institutions.

The Group's policy is to manage interest cost using a mix of fixed and floating rate debts.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates, with all other variables held constant, of the Group's profit after tax.

Loans and fixed deposits denominated in	Increase/ decrease in basis points	Effect on profit after tax	
		2025 \$'000	2024 \$'000
Singapore Dollar	+ 50	33	36
Singapore Dollar	-50	(33)	(36)
Australian Dollar	+ 50	573	519
Australian Dollar	-50	(573)	(519)
Malaysian Ringgit	+ 50	36	26
Malaysian Ringgit	-50	(36)	(26)
Philippine Peso	+ 50	(18)	(25)
Philippine Peso	-50	18	25

(d) **Foreign currency risk**

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities, primarily Singapore Dollar (SGD), Malaysian Ringgit (MYR), Philippine Peso (Peso) and Australian Dollar (AUD). The foreign currencies in which these transactions are denominated are mainly AUD. As at the end of the reporting period, the Group's net exposure to AUD (mainly relating to receivables, payables and cash and cash equivalents) amounted to \$138,244,000 (2024: \$133,251,000).

The Group is also exposed to currency translation risk arising from its net investments in foreign operations, including Malaysia, the Philippines and Australia. The Group's net investments in Malaysia, the Philippines and Australia are not hedged as currency positions in MYR, Peso and AUD are considered to be long-term in nature.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) *Foreign currency risk (cont'd)*

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the AUD exchange rate (against SGD), with all other variables held constant, of the Group's profit after tax and equity.

	2025		2024	
	Profit after tax \$'000	Equity \$'000	Profit after tax \$'000	Equity \$'000
AUD – strengthened 1% (2024: 1%)	1,131	–	1,284	–
– weakened 1% (2024: 1%)	(1,131)	–	(1,284)	–

34. CLASSIFICATION OF FINANCIAL INSTRUMENTS

	Group		Company	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial assets measured at amortised cost				
Trade receivables	92,191	89,609	–	–
Other receivables	8,453	6,479	10,622	36,294
Cash and cash equivalents	214,055	209,403	164,198	156,300
Advances to subsidiaries	–	–	113,918	127,885
	<u>314,699</u>	<u>305,491</u>	<u>288,738</u>	<u>320,479</u>
Financial liabilities measured at amortised cost				
Trade payables	65,120	61,089	76	54
Other payables	44,677	47,306	2,441	107,044
Short-term borrowings	3,200	5,188	–	–
Long-term borrowings	1,562	6,419	–	–
	<u>114,559</u>	<u>120,002</u>	<u>2,517</u>	<u>107,098</u>

35. FAIR VALUE OF ASSETS AND LIABILITIES

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

Management has determined that the carrying amounts of cash and cash equivalents, current trade and other receivables, current trade and other payables, current bank loans and non-current floating rate loans based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are repriced frequently.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. SEGMENTAL REPORTING

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

- (i) Bakery – Manufacture and distribution of bread, confectionery and bakery products
- (ii) Distribution and warehousing – Trading and distribution of food and beverage products and provision for warehousing logistics for food items
- (iii) Investments and others – Investment holding and other activities

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

	Bakery \$'000	Distribution and warehousing \$'000	Investments and others \$'000	Adjustments and Eliminations \$'000	Consolidated \$'000
2025					
Revenue and expenses					
Revenue from external customers	448,851	163,553	7,142	–	619,546
Other revenue from external customers	6,707	286	42	–	7,035
Inter-segment revenue	676	1,317	16,444	(18,437)	–
	<u>456,234</u>	<u>165,156</u>	<u>23,628</u>	<u>(18,437)</u>	<u>626,581</u>
Unallocated revenue					7,015
Total revenue					<u>633,596</u>
Segment EBITDA	48,213	7,042	8,199	–	63,454
Amortisation and depreciation	(23,608)	(3,684)	(341)	–	(27,633)
Segment EBIT	<u>24,605</u>	<u>3,358</u>	<u>7,858</u>	<u>–</u>	<u>35,821</u>
Unallocated revenue					7,015
Unallocated expenses					(9,148)
Profit from operating activities					33,688
Finance costs					(1,261)
Share of profits of joint venture	15,371	–	–	–	15,371
Profit before tax					47,798
Income tax expense					(7,515)
Profit after tax					<u>40,283</u>
Timing of transfer of goods or services					
At a point in time	455,543	159,018	40	–	614,601
Over time	623	4,840	13,532	–	18,995
	<u>456,166</u>	<u>163,858</u>	<u>13,572</u>	<u>–</u>	<u>633,596</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. SEGMENTAL REPORTING (CONT'D)

	Bakery \$'000	Distribution and warehousing \$'000	Investments and others \$'000	Adjustments and Eliminations \$'000	Consolidated \$'000
2024					
Revenue and expenses					
Revenue from external customers	448,488	166,375	6,783	–	621,646
Other revenue from external customers	6,707	335	72	–	7,114
Inter-segment revenue	773	1,263	16,592	(18,628)	–
	<u>455,968</u>	<u>167,973</u>	<u>23,447</u>	<u>(18,628)</u>	<u>628,760</u>
Unallocated revenue					7,347
Total revenue					<u>636,107</u>
Segment EBITDA	58,235	8,083	316	–	66,634
Amortisation and depreciation	(22,692)	(3,628)	(341)	–	(26,661)
Segment EBIT	<u>35,543</u>	<u>4,455</u>	<u>(25)</u>	<u>–</u>	<u>39,973</u>
Unallocated revenue					7,347
Unallocated expenses					(11,814)
Profit from operating activities					35,506
Finance costs					(2,008)
Exceptional items					6,403
Share of profits of joint venture	4,734	–	–	–	4,734
Profit before tax					44,635
Income tax expense					(9,957)
Profit after tax					<u>34,678</u>
Timing of transfer of goods or services					
At a point in time	455,137	161,848	113	–	617,098
Over time	526	4,893	13,590	–	19,009
	<u>455,663</u>	<u>166,741</u>	<u>13,703</u>	<u>–</u>	<u>636,107</u>



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. SEGMENTAL REPORTING (CONT'D)

	Bakery \$'000	Distribution and warehousing \$'000	Investments and others \$'000	Consolidated \$'000
2025				
Assets and liabilities				
Segment assets	329,432	95,956	169,648	595,036
Investment in joint venture	59,659	–	–	59,659
Total assets	389,091	95,956	169,648	654,695
Deferred tax assets				6,252
Tax recoverable				7,681
Total assets per consolidated statement of financial position				668,628
Segment liabilities	97,222	37,900	4,202	139,324
Income tax payable				4,809
Deferred tax liabilities				7,430
Bank borrowings				4,762
Total liabilities per consolidated statement of financial position				156,325
Other segment information				
Expenditure for non-current assets	14,618	999	171	15,788
Impairment loss charged	608	–	–	608
Allowance for inventories charged and inventories written off, net	524	21	–	545
Allowance for receivables charged and bad debts written off, net	315	449	–	764



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. SEGMENTAL REPORTING (CONT'D)

	Bakery \$'000	Distribution and warehousing \$'000	Investments and others \$'000	Consolidated \$'000
2024				
Assets and liabilities				
Segment assets	346,344	96,167	161,787	604,298
Investment in joint venture	48,168	–	–	48,168
Total assets	394,512	96,167	161,787	652,466
Deferred tax assets				4,491
Tax recoverable				7,323
Total assets per consolidated statement of financial position				664,280
Segment liabilities	97,954	36,847	5,191	139,992
Income tax payable				4,510
Deferred tax liabilities				7,132
Bank borrowings				11,607
Total liabilities per consolidated statement of financial position				163,241
Other segment information				
Expenditure for non-current assets	16,950	2,025	61	19,036
Impairment loss charged/(written back), net	1,354	–	–	1,354
Allowance for inventories (written back)/ charged and inventories written off, net	(299)	478	–	179
Allowance for receivables charged and bad debts written off, net	146	549	–	695

Geographical information

	Revenue		Non-current assets	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Philippines	270,110	271,050	72,635	77,591
Singapore	228,270	231,357	46,368	52,280
Malaysia	77,033	74,240	80,328	81,259
Australia	48,911	48,589	19,400	20,507
Other countries	9,272	10,871	–	–
	633,596	636,107	218,731	231,637

Non-current assets information presented above consist of property, plant and equipment, right-of-use assets and intangibles as presented in the consolidated statement of financial position.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. SUBSIDIARIES AND JOINT VENTURE

(a) *The subsidiaries as at 31 December 2025 are:*

	Name of company (Country of incorporation)	Principal activities (place of business)	Percentage of equity held by the Group	
			2025 %	2024 %
	Bakery			
(1)	Gardenia Foods (S) Pte Ltd (Singapore)	Manufacture and distribution of bread and bakery products (Singapore)	100	100
(1)	Farmland Central Bakery (S) Pte Ltd (Singapore)	Purchasing agent of bread, confectionery and bakery products (Singapore)	100	100
(2)	Millif Industries Sdn Bhd (Malaysia)	Manufacture of bread spread, pastry and confectionery fillings, and related products (Malaysia)	100	100
(2)	Gardenia Bakeries (Philippines) Inc (Philippines)	Manufacture and distribution of bread, confectionery and bakery products (Philippines)	100	100
(2)	Farmland Bakery (M) Sdn Bhd (Malaysia)	Manufacture of bread, confectionery and bakery products (Malaysia)	100	100
(2)	Bakers Maison Australia Pty Ltd (Australia)	Manufacture of confectionery and bakery products (Australia)	100	100
(2)	Bakers Maison (M) Sdn Bhd (Malaysia)	Manufacture of bread, confectionery and bakery products (Malaysia)	100	100
(3)	Yuka Food Industries Sdn Bhd (Malaysia)	Manufacture of snack and confectionery products (Malaysia)	70	70
(2)	Philfoods Fresh-Baked Products Inc (Philippines)	Manufacture of bread, confectionery and bakery products (Philippines)	40 [^]	40 [^]
(2)	Phil Foods Properties Inc (Philippines)	Investment holding (Philippines)	40 [^]	40 [^]



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. SUBSIDIARIES AND JOINT VENTURE (CONT'D)

(a) *The subsidiaries as at 31 December 2025 are (cont'd):*

	Name of company (Country of incorporation)	Principal activities (place of business)	Percentage of equity held by the Group	
			2025 %	2024 %
	Bakery (cont'd)			
(2)	Nutribaked Food Products Inc (Philippines)	Manufacture of bread, confectionery and bakery products (Philippines)	100	100
(2)	Nutrimax Fresh-Baked Inc (Philippines)	Manufacture of bread, confectionery and bakery products (Philippines)	100	100
(2)	Vitabread Food Products Inc (Philippines)	Manufacture of bread, confectionery and bakery products (Philippines)	100	100
	Distribution and warehousing			
(1)	Ben Foods (S) Pte Ltd (Singapore)	Trading and distribution of food and beverage products (Singapore)	100	100
(1)	NCS Cold Stores (S) Pte Ltd (Singapore)	Operation of warehousing logistics (Singapore)	100	100
(1)	QAF Fruits Cold Store Pte Ltd (Singapore)	Operation of cold storage warehouse (Singapore)	74	74
(1)	Shinefoods Pte Ltd (Singapore)	Agency and distribution of food and beverage products (Singapore)	100	100
(1)	Straits Foods (S) Pte Ltd (Singapore)	Trading of food products (Singapore)	100	100
(1)	Ben Foods Export Private Limited (Singapore)	Wholesale of food products (Singapore)	100	100
(2)	Gardenia (Philippines) Trading and Distribution Corp (Philippines)	Distribution, trading, selling, import and export of food and non-food products on wholesale basis (Philippines)	100	100
#	QAF Australia Trading Pty Ltd (Australia)	Trading and distribution of food and beverage products (Australia)	100	100



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. SUBSIDIARIES AND JOINT VENTURE (CONT'D)

(a) *The subsidiaries as at 31 December 2025 are (cont'd):*

	Name of company (Country of incorporation)	Principal activities (place of business)	Percentage of equity held by the Group	
			2025 %	2024 %
	Investments and others			
(1)	Gardenia International (S) Pte Ltd (Singapore)	Investment holding (Singapore)	100	100
(1)	Gardenia Investments Pte Ltd (Singapore)	Investment holding (Singapore)	100	100
(1)	Hamsdale International Pte Ltd (Singapore)	Investment holding (Singapore)	100	100
(1)	Oxdale International Pte Ltd (Singapore)	Investment holding (Singapore)	100	100
(1)	Oxdale Investments Pte Ltd (Singapore)	Investment holding (Singapore)	100	100
(1)	Bakers Maison Pte Ltd (Singapore)	Investment holding (Singapore)	100	100
(1)	Bonjour Bakery Pte Ltd (Singapore)	Investment holding (Singapore)	100	100
(2)	Bakers Maison Pty Ltd (Australia)	Investment holding (Australia)	100	100
	Dormant corporations			
*	Farmland Trading Singapore Pte Ltd (Singapore)	Dormant	100	100
*	Master Cut Butchery Pte Ltd (Singapore)	Dormant	100	100
*	Gardenia Hong Kong Limited (Hong Kong)	Dormant	100	100
#	Benfood International Trade (Shanghai) Co Ltd (People’s Republic of China)	Dormant	100	100



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. SUBSIDIARIES AND JOINT VENTURE (CONT'D)

(b) *The joint venture as at 31 December 2025 is:*

	Name of company (Country of incorporation)	Principal activities (place of business)	Percentage of equity held by the Group	
			2025 %	2024 %
(2)	Gardenia Bakeries (KL) Sdn Bhd (Malaysia)	Manufacture of bakery products (Malaysia)	50	50

Held by Gardenia Bakeries (KL) Sdn Bhd

	Name of company (Country of incorporation)	Principal activities (place of business)	Percentage of equity held by the Group	
			2025 %	2024 %
(2)	Gardenia Sales & Distribution Sdn Bhd (Malaysia)	Distribution of bakery products. The Company has ceased its operations on 1 April 2024 (Malaysia)	50	50
(2)	Everyday Bakery & Confectionery Sdn Bhd (Malaysia)	Property investment	50	50

Notes

* Audit not required under the laws in the country of incorporation

Not material to the Group and not required to be disclosed under SGX Listing Rule 717

^ The Group has determined that it has control over these entities as they have the power to direct the relevant activities of these entities

Audited by:

(1) Ernst & Young LLP, Singapore

(2) Audited by member firms of EY Global in the respective countries

(3) Moore Stephens Associates PLT (Johor)



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. SUBSIDIARIES AND JOINT VENTURE (CONT'D)

(c) *Interest in subsidiaries with material non-controlling interest (NCI)*

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

Name of subsidiary	Principal place of business	Proportion of ownership interest held by non-controlling interest %	Profit allocated to NCI during the reporting period \$'000	Accumulated NCI at the end of reporting period \$'000	Dividends paid to NCI \$'000
2025:					
QAF Fruits Cold Store Pte Ltd	Singapore	26	165	1,336	156
2024:					
QAF Fruits Cold Store Pte Ltd	Singapore	26	162	1,327	182

(d) *Summarised financial information about subsidiaries with material NCI*

Summarised financial information including consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised balance sheets

	QAF Fruits Cold Store Pte Ltd	
	2025 \$'000	2024 \$'000
Current		
Assets	1,825	1,598
Liabilities	(723)	(743)
Net current assets	1,102	855
Non-current		
Assets	9,432	9,631
Liabilities	(5,396)	(5,384)
Net non-current assets	4,036	4,247
Net assets	5,138	5,102

Summarised statement of comprehensive income

	QAF Fruits Cold Store Pte Ltd	
	2025 \$'000	2024 \$'000
Revenue	2,902	2,963
Profit before tax	721	806
Income tax expense	(85)	(185)
Profit after tax	636	621
Other comprehensive income	—	—
Total comprehensive income	636	621



NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. SUBSIDIARIES AND JOINT VENTURE (CONT'D)

(d) Summarised financial information about subsidiaries with material NCI (cont'd)

Other summarised information

	QAF Fruits Cold Store Pte Ltd	
	2025 \$'000	2024 \$'000
Net cash flows from operating activities	1,148	1,287
Acquisition of significant property, plant and equipment	260	163

38. CAPITAL MANAGEMENT

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

Management monitors capital based on a gearing or net debt-to-equity ratio. The net debt-to-equity ratio is calculated as net debt divided by shareholders' funds. Net debt is calculated as bank borrowings and lease liabilities less cash and cash equivalents. Shareholders' fund relates to equity attributable to owners of the parent. There were no changes to the Group's approach to capital management during the year.

	Group	
	2025 \$'000	2024 \$'000
Net cash	(190,900)	(177,437)
Shareholders' funds	510,287	499,680
Net debt-to-equity ratio	(0.37) times	(0.36) times

The Group is also required by certain banks to maintain certain financial ratios, including gross debt-to-equity ratios and current ratios.

39. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors dated 16 March 2026.



MAJOR PROPERTIES

The major properties of the Company and/or its principal subsidiaries as at 31 December 2025 are set out below.

Brief description of property/location	Use	Tenure of land
150 South Bridge Road #09-01 to #09-04 and #10-02 Fook Hai Building Singapore	Office Use	99-year lease from 18 January 1972



SHAREHOLDING STATISTICS

AS AT 16 MARCH 2026

Class of Shares	:	Ordinary Shares
Number of Ordinary Shares	:	575,268,440
Number of Ordinary Shareholders	:	6,077
Number of Treasury Shares	:	Nil
Number of Subsidiary Holdings*	:	Nil
Voting Rights	:	One vote per share for poll voting

* As defined by the SGX-ST Listing Manual

Analysis of Shareholders by Size of Shareholdings

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	446	7.33	14,541	0.00
100 – 1,000	899	14.78	646,909	0.11
1,001 – 10,000	2,993	49.20	14,881,856	2.59
10,001 – 1,000,000	1,724	28.34	75,085,888	13.05
1,000,001 and above	21	0.35	484,639,246	84.25
	<u>6,077</u>	<u>100.00</u>	<u>575,268,440</u>	<u>100.00</u>

Based on information available to the Company as at 16 March 2026, approximately 29.35% of the total number of issued shares in the capital of the Company is held by the public and Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

Twenty Largest Shareholders

Name of Shareholder	No. of Shares	%
1 RAFFLES NOMINEES (PTE.) LIMITED	399,057,096	69.37
2 CITIBANK NOMINEES SINGAPORE PTE LTD	23,541,193	4.09
3 DBS NOMINEES (PRIVATE) LTD	18,568,132	3.23
4 TOH TIONG WAH	4,771,825	0.83
5 UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	4,026,481	0.70
6 TAN KONG KING	4,000,000	0.70
7 OCBC NOMINEES SINGAPORE PRIVATE LIMITED	3,559,429	0.62
8 LEE FOOK KHUEN	3,509,157	0.61
9 HSBC (SINGAPORE) NOMINEES PTE LTD	3,242,323	0.56
10 CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	3,153,106	0.55
11 TEH KIU CHEONG @ TEONG CHENG @ CHENG CHIU CHANG	2,056,585	0.36
12 PHILLIP SECURITIES PTE LTD	1,839,127	0.32
13 TAN PENG KIM	1,830,032	0.32
14 DB NOMINEES (SINGAPORE) PTE LTD	1,747,784	0.30
15 OCBC SECURITIES PRIVATE LIMITED	1,660,957	0.29
16 TEO SOO BENG	1,643,589	0.29
17 IFAST FINANCIAL PTE LTD	1,351,732	0.23
18 MOOMOO FINANCIAL SINGAPORE PTE. LTD.	1,340,077	0.23
19 ONG TONG YANG @ WONG TONG YANG	1,330,097	0.23
20 ABN AMRO CLEARING BANK N.V.	1,228,200	0.21
	<u>483,456,922</u>	<u>84.04</u>



SHAREHOLDING STATISTICS

AS AT 16 MARCH 2026

Substantial Shareholders

Name of Substantial Shareholder	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Lam Sing Chung	–	–	178,524,884 ⁽²⁾	31.03	178,524,884	31.03
Lin Kejian	7,649,000	1.33	219,657,011 ⁽³⁾	38.18	227,306,011	39.51
Tian Wan Enterprises Company Limited	100,005,306	17.38	–	–	100,005,306	17.38
Tian Wan Equities Company Limited	116,099,623	20.18	–	–	116,099,623	20.18
Tian Wan Holdings Group Limited	98,757,516	17.17	79,767,368 ⁽⁴⁾	13.87	178,524,884	31.03
Tian Wan Capital Limited	58,594,391	10.19	–	–	58,594,391	10.19

Notes:

(1) Based on 575,268,440 Shares as at 16 March 2026.

(2) Mr Lam Sing Chung is deemed to have an interest in the Shares owned by Tian Wan Holdings Group Limited, Tian Wan Capital Limited and J&H International Limited.

(3) Mr Lin Kejian is deemed to have an interest in the Shares owned by Tian Wan Enterprises Company Limited, Tian Wan Equities Company Limited and ISI Investments Company Limited.

(4) Tian Wan Holdings Group Limited is deemed to have an interest in the Shares owned by Tian Wan Capital Limited and J&H International Limited.



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Name/age	Mr Lam Sing Chung, 78	Mr Philip Yeo Liat Kok, 79	Ms Foo Kwee Joen Junie, 58
Job Title	Chairman, Non-executive, Non-independent Director Nominating Committee (Member) Remuneration Committee (Member)	Vice-Chairman, Non-executive, Independent Director Nominating Committee (Member) Remuneration Committee (Member)	Non-executive, Independent Director Nominating Committee (Chairperson) Remuneration Committee (Chairperson)
Country of Principal residence	Singapore	Singapore	Singapore
Date of Appointment	11 October 2003	1 November 2022	16 June 2025
Date of Last Re-Appointment (if applicable)	26 April 2024	27 April 2023	Not applicable
Board's comments on re-election (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	Upon the recommendation of the Nominating Committee, the Board recommends the re-appointment of these directors, taking into account, amongst others, the following: • Mr Lam Sing Chung: his performance and contribution to the effectiveness of the Board including long-term vision for the Group, entrepreneurial business skills, significant experience in overseeing businesses and strong industry knowledge, and taking into account that he is a controlling shareholder of the Company. • Mr Philip Yeo Liat Kok: his extensive global experience and network, public and private sector experience including leadership and senior roles in a variety of industries and market sectors, and his experience as a director of SGX-listed companies including as chairman and member of various board committees. • Ms Foo Kwee Joen Junie: her experience, credentials and qualifications. For more information on the evaluation undertaken by the Nominating Committee, please refer to Principle 4: Board Membership and Principle 5: Board Performance on pages 97 to 99 of the Corporate Governance Report.		
Whether appointment is executive, and if so, the area of responsibility	Non-executive	Non-executive	Non-executive



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Mr Basil Chan, 75	Mr Tan Chuan Lye, 68	Mr John Martin Miller, 68
Non-executive, Independent Director Audit & Risk Committee (Member)	Non-executive, Independent Director Audit & Risk Committee (Member)	Non-executive, Independent Director
Singapore	Singapore	Switzerland
16 July 2025	16 July 2025	16 July 2025
Not applicable	Not applicable	Not applicable
Upon the recommendation of the Nominating Committee, the Board recommends the re-appointment of these directors, taking into account, amongst others, the following: • Mr Basil Chan and Mr Tan Chuan Lye: their experience, credentials and qualifications. • Mr John Martin Miller: his experience in the food industry, credentials and qualifications. For more information on the evaluation undertaken by the Nominating Committee, please refer to Principle 4: Board Membership and Principle 5: Board Performance on pages 97 to 99 of the Corporate Governance Report.		
Non-executive	Non-executive	Non-executive



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Name/age	Mr Lam Sing Chung, 78	Mr Philip Yeo Liat Kok, 79	Ms Foo Kwee Joen Junie, 58
Professional Qualifications	Diploma in Business Studies from the South East London Technical College of United Kingdom	Bachelor of Applied Science (Industrial Engineering), Honorary Doctor of Engineering (D.Eng.), University of Toronto, Canada Honorary Doctor of Medicine, Karolinska Institutet, Sweden Master of Science (Systems Engineering), University of Singapore Master of Business Administration, Harvard University, USA Honorary Doctor of Science, Imperial College London Honorary Doctor of Letters, National University of Singapore Honorary Doctor of Letters, Nanyang Technological University Honorary Doctor of Law, Monash University, Australia Honorary Fellow, King's College London	Bachelor of Arts with Honours in Japanese Studies, National University of Singapore Postgraduate Diploma in International Marketing, University of Strathclyde Singapore Institute of Directors – Fellow, Senior Accredited Director
Working experience and occupation(s) during the last 10 years	Established entrepreneur with investments in a wide range of businesses Chairman of Board of Directors, QAF Limited (2021 – present) Vice-Chairman of Board of Directors, QAF Limited (2003 – 2021)	Chairman, Economic Development Innovations Singapore Pte Ltd (2013 – Present) Chairman, SPRING (Standards, Productivity and Innovation for Growth) Singapore (2007 – 2018) Special Advisor for Economic Development, Prime Minister's Office (2007 – 2011)	CEO, Methodist Welfare Services (2018 – 2023) Head, Global Corporates and MNCs, Corporate Banking, Asia Oceania, MUFG Bank, Ltd (2010 – 2018)
Shareholding interest in the Company and its subsidiaries	Approximately 31.03% shareholding interest in the Company	Nil	Nil



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Mr Basil Chan, 75	Mr Tan Chuan Lye, 68	Mr John Martin Miller, 68
Bachelor of Science (Economics) Honours degree majoring in Business Administration, University of Wales Institute of Science & Technology, UK Institute of Chartered Accountants in England and Wales – Fellow Institute of Singapore Chartered Accountants – Fellow Singapore Institute of Directors – Fellow	Master of Business Administration, Brunel University, United Kingdom Institute of Singapore Chartered Accountants – Fellow Association of Chartered Certified Accountants – Fellow	Bachelor of Arts (in General Studies), University of Durham, United Kingdom Master of Arts (Research), University of Durham, United Kingdom
Managing Director, MBE Corporate Advisory Pte Ltd (2003 – Present)	Adjunct Associate Professor, NUS Business School, National University of Singapore (2016 – 2024) Partner, Risk Consulting, KPMG Singapore (2008 – 2015)	Senior Vice President for Africa and Pakistan, Nestlé S.A. (2015 – 2018)
Nil	Nil	Nil



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Name/age	Mr Lam Sing Chung, 78	Mr Philip Yeo Liat Kok, 79	Ms Foo Kwee Joen Junie, 58
Relationship (including immediate family relationships) with an existing director, existing executive officer, the Company and/or substantial shareholder of the Company or of any of its principal subsidiaries	Mr Lam Sing Chung is the father of Mr Lin Kejian, Joint Group Managing Director of the Company. Mr Lam Sing Chung's alternate director is his daughter, Ms Rachel Liem Yuan Fang.	None	None
Conflict of interest (including any competing business)	Please see Appendix to this Annual Report and Corporate Governance Report – Interested Person Transactions for FY2025 at pages 114 to 115 of this Annual Report.	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company?	Yes	Yes	Yes
Other Principal Commitments including directorships:	<i>The term “principal commitments” includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments.</i>		
For the past 5 years	Directorships in certain companies in the QAF Group including its joint venture	Director, JobTech Pte Ltd (2017 – 2025) Director, iGlobe Sapphire Pte Ltd (2012 – 2025) Director, City Developments Limited (2009 – 2025) Director, iGlobe Platinum Fund Limited (2009 – 2024) Director, AbAsia Biolabs Pte Ltd (2020 – 2023)	Director, SG Her Empowerment Limited (2022 – 2025) President, Singapore Council of Women's Organisations (2020 – 2024) Director, Singapore Art Museum (2018 – 2024) Member, Council for Board Diversity (2018 – 2024)



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Mr Basil Chan, 75	Mr Tan Chuan Lye, 68	Mr John Martin Miller, 68
None	None	None
None	None	None
Yes	Yes	Yes
Director, AEM Holdings Ltd (2006 – 2021) Director, Global Invacom Group Limited (2012 – 2020) Director, Memories Group Pte Ltd (formerly known as Memories Group Limited) (de-listed from the Official List of the SGX-ST on 18 January 2023) (2017 – 2023)	Audit Committee Member (non-Board Member), Agency for Science, Technology & Research (2017 – 2025) Director, Isetan (Singapore) Limited (de-listed from the Official List of the SGX-ST on 19 September 2024) (2019 – 2024) Director, All Saints Home (2016 – 2024)	Part-time Independent Consultant, QAF Limited (Feb 2022 – Jan 2023) Director, Little Mandarins Language Centre Pte. Ltd. (2019 – 2021)



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Name/age	Mr Lam Sing Chung, 78	Mr Philip Yeo Liat Kok, 79	Ms Foo Kwee Joen Junie, 58
		Director, AtumRa Therapeutics Pte Ltd (2019 – 2023) Director, onSponge Pte Ltd (2018 – 2022) Director, Baiterek National Managing Holding JSC, Kazakhstan (2013 – 2022) Director, Kerry Logistics Network Limited (2013 – 2021)	Board Appointment Services & Mentorship Committee, Singapore Institute of Directors, Member (2015 – 2016), Deputy Chairperson (2016) and Chairperson (2018 – 2023) Member, Advisory Council, National University of Singapore, Faculty of Arts and Social Sciences (2017 – 2022) Director, Singapore Institute of Management Group Limited (2019 – 2021)
Present	Directorships in private enterprises in which he has invested Directorships in certain companies in the QAF Group	Chairman, Indofood Agri Resources Ltd Chairman, Tessellation Holdings Ltd (“Tessellation”) Director, Determinant Holding Private Limited (a subsidiary of Tessellation) Director, Quaternion Holdings Private Limited (a subsidiary of Tessellation) Director, Sunway Berhad Chairman, Advanced MedTech Holdings Pte Ltd Chairman, Economic Development Innovations Singapore Pte Ltd (“EDIS”) Director, Fusionopolis Ventures Pte Ltd (a subsidiary of EDIS)	Independent Non-Executive Director and Audit Committee Chairperson, QBE Insurance (Singapore) Pte Ltd Director, Cru Asia Limited Director, Agency for Integrated Care Pte Ltd Immediate Past President, Singapore Council of Women’s Organisations Chairperson, Singapore Kindness Movement Member, Chapters Coordinating Committee, Singapore Institute of Directors Trustee and Treasurer, SIM Trust



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Mr Basil Chan, 75	Mr Tan Chuan Lye, 68	Mr John Martin Miller, 68
	Director, Singapore Repertory Theatre Ltd (2013 – 2024) Member of Audit & Risk Committee, Integrated Health Information System Pte Ltd (2020 – 2022)	
Director, Grand Banks Yachts Limited Director, Broadway Industrial Group Limited Director, Nera Telecommunications Ltd Director, Memories (2022) Pte Limited Managing Director, MBE Corporate Advisory Pte Ltd	Director, Berjaya Sompo Insurance Berhad Director, First REIT Management Limited Director, Heeton Holdings Limited Director, Kingsmen Creatives Ltd Director, Meranti Power Pte Ltd Director, Science Centre Board Director, Sompo Insurance Singapore Pte Ltd Director, Synapxe Pte Ltd Chairman of the Board of Trustees, The Brash Trust Member of the Asia Advisory Board, EFG Bank AG Member of the School Advisory Committee, Crescent Girls' School	None



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Name/age	Mr Lam Sing Chung, 78	Mr Philip Yeo Liat Kok, 79	Ms Foo Kwee Joen Junie, 58
		Director, Biopolis Ventures Pte Ltd (a subsidiary of EDIS) Chairman, St. Joseph's Institution Philanthropic Fund for the Lasallian Mission Ltd. Chairman, iGlobe Partners (II) Pte Ltd Chairman, Hexagon Development Advisors Pte Ltd Chairman, MTIC Holdings Pte Ltd Chairman, Accuron Technologies Limited ("Accuron") Chairman, Singapore Aerospace Manufacturing Pte Ltd (a subsidiary of Accuron) Director, ScaleUp Bio Pte Ltd	
Responses to questions (a) to (k) under Appendix 7.4.1 of the SGX Listing Manual	Negative Confirmation	Negative Confirmation	Negative Confirmation



ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

(APPENDIX 7.4.1, SGX-ST LISTING MANUAL READ WITH RULE 720(6))

Mr Basil Chan, 75	Mr Tan Chuan Lye, 68	Mr John Martin Miller, 68
Please see Note (2) below	Negative Confirmation	Negative Confirmation

Notes:

- (1) Information in this section is as of 16 March 2026.
- (2) In respect of questions (j)(i) and (j)(iv) under Appendix 7.4.1 of the SGX-ST Listing Manual for Mr Basil Chan:
- (i) Mr Chan was a non-executive independent director of Stratech Systems Limited and was not involved in the day-to-day operations of the company. In 2006, he was interviewed by the Commercial Affairs Department ("CAD") as a member of the board. From his understanding at that time, the investigation pertained to an inadvertent misstatement in an announcement regarding the outcome of a legal case brought by a former director. As far as Mr Chan is aware, the matter has been closed and no charges were made against any director.
 - (ii) Mr Chan was a non-executive independent director of AEM Holdings Limited which announced in May 2007 that seven of its employees (including its Chief Executive Officer) were under investigation by the Corrupt Practices Investigation Bureau ("CPIB") and Mr Chan assisted the CPIB in their investigation. Mr Chan was appointed to the Board on 8 March 2006 and these events occurred prior to his appointment. The then Chief Executive Officer was eventually charged and convicted for corruption.
 - (iii) Mr Chan was a non-executive independent director of Lindeteves-Jacoberg Limited and was not involved in the day-to-day operations of the company. In May 2007, after he stepped down from the board, he attended as a witness to assist CAD to investigate an insider trading transaction by another director. He was asked about the timeline relating to when the board was informed of certain events. He was not involved in the insider trading allegations, as he held no shares in the company.



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at William Pickering Ballroom, Level 2, PARKROYAL COLLECTION Pickering, 3 Upper Pickering Street, Singapore 058289 on Friday, 24 April 2026 at 11.00 a.m. (Singapore time) to transact the following business:

Ordinary Business

1. To receive and adopt the Directors' Statement and audited financial statements for the financial year ended 31 December 2025 and auditors' report thereon. **(Resolution 1)**
2. To declare a final tax-exempt (one-tier) dividend of S\$0.04 per ordinary share in respect of the financial year ended 31 December 2025. **(Resolution 2)**
3. To re-elect Mr Lam Sing Chung retiring under Regulation 102 of the Company's Constitution. **(Resolution 3)**
4. To re-elect Mr Philip Yeo Liat Kok retiring under Regulation 102 of the Company's Constitution. **(Resolution 4)**
5. To re-elect Ms Foo Kwee Joen Junie under Regulation 112 of the Company's Constitution. **(Resolution 5)**
6. To re-elect Mr Basil Chan under Regulation 112 of the Company's Constitution. **(Resolution 6)**
7. To re-elect Mr Tan Chuan Lye under Regulation 112 of the Company's Constitution. **(Resolution 7)**
8. To re-elect Mr John Martin Miller under Regulation 112 of the Company's Constitution. **(Resolution 8)**
9. To approve Directors' fees of up to S\$443,127 for the financial year ended 31 December 2025 (FY2024: S\$423,333). **(Resolution 9)**
10. To re-appoint Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 10)**

Special Business

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

General mandate to issue shares

11. That authority be and is hereby given to the Directors of the Company to:
 - (a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or
 - (ii) make or grant offers, agreements or options (collectively "**instruments**") that might or would require shares to be issued during the continuance of this authority or thereafter, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,



NOTICE OF ANNUAL GENERAL MEETING

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

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

Provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued shares of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (2) below), and provided further that where shareholders of the Company are not given the opportunity to participate in the same on a *pro rata* basis, then the shares to be issued (including shares to be issued in pursuance of instruments made or granted pursuant to this Resolution) shall not exceed twenty per cent (20%) of the total number of issued shares of the Company excluding treasury shares and subsidiary holdings (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of the total number of issued shares of the Company excluding treasury shares and subsidiary holdings shall be based on the total number of issued shares in the capital of the Company excluding treasury shares and subsidiary holdings at the time this Resolution is passed, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities;
 - (ii) new shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with the Listing Manual of the SGX-ST; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares,provided further that adjustments in accordance with sub-paragraphs (2)(i) and (ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution; and
- (3) (unless revoked or varied by the Company in general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

(Resolution 11)



NOTICE OF ANNUAL GENERAL MEETING

Authority to issue shares under the QAF Limited Scrip Dividend Scheme

12. That the Directors of the Company be and are hereby authorised to allot and issue from time to time such number of new ordinary shares in the Company as may be required to be allotted and issued under the QAF Limited Scrip Dividend Scheme, on such terms and conditions as may be determined by the Directors and to do all acts and things which they may in their absolute discretion deem necessary or desirable to carry the same into effect.

(Resolution 12)

Renewal of Interested Person Transactions Mandate

13. That:
- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the SGX-ST ("**Chapter 9**"), for the Company and its subsidiaries and associated companies which are considered to be "**entities at risk**" under Chapter 9, or any of them, to enter into any of the transactions falling within the types of interested person transactions as set out in the Appendix dated 27 March 2026 to the Annual Report (the "**Appendix**"), provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions as set out in the Appendix (the "**IPT Mandate**");
 - (b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier; and
 - (c) the Directors of the Company be and are hereby authorised to do all acts and things as they may in their discretion deem necessary, desirable or expedient in the interests of the Company to give effect to the renewal of the IPT Mandate and/or this Ordinary Resolution.

(Resolution 13)

By Order of the Board

Soh Chai Lih
Company Secretary

Singapore, 27 March 2026



NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes to Resolutions:

- (i) Ordinary Resolutions 3 and 4 are to re-elect Mr Lam Sing Chung and Mr Philip Yeo Liat Kok, respectively, who are retiring by rotation pursuant to the Constitution of the Company.

Certain information on these Directors is found in the sections of the Annual Report entitled “Board of Directors” and “Additional Information on Directors Seeking Re-Election”.

- (ii) Ordinary Resolutions 5, 6, 7 and 8 are to re-elect Ms Foo Kwee Joen Junie, Mr Basil Chan, Mr Tan Chuan Lye and Mr John Martin Miller pursuant to Regulation 112 of the Company’s Constitution.

Certain information on these Directors is found in the sections of the Annual Report entitled “Board of Directors” and “Additional Information on Directors Seeking Re-Election”.

- (iii) Ordinary Resolution 9. Please refer to the sections of the Annual Report entitled “Corporate Governance Report – Remuneration Matters – *Principle 7, Provision 7.2*” and “Corporate Governance Report – Remuneration Matters – *Principle 8, Provisions 8.1 and 8.3*” for information on the proposed fees for non-executive Directors for FY2025.

- (iv) **Special Business:** Ordinary Resolution 11, if passed, will empower the Directors to, *inter alia*, issue shares and/or make or grant instruments, and issue shares in pursuance of such instruments. The aggregate number of shares that may be issued (including shares issued in pursuance of instruments) will be subject to a limit of 50% of the total number of issued shares of the Company excluding treasury shares and subsidiary holdings (if any), with a sub-limit of 20% for issues other than on a *pro rata* basis to shareholders of the Company. The 50% limit and the 20% sub-limit shall be calculated based on the total number of issued shares of the Company excluding treasury shares and subsidiary holdings (if any) at the time Ordinary Resolution 11 is passed, after adjusting for, *inter alia*, new shares arising from the conversion or exercise of any convertible securities and any subsequent bonus issue, consolidation or subdivision of shares. The authority will continue until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier (unless such authority is revoked at a general meeting).

- (v) **Special Business:** Ordinary Resolution 12, if passed, will authorise the Directors to issue shares in the capital of the Company pursuant to the QAF Limited Scrip Dividend Scheme (as approved by shareholders in 2006 and as modified from time to time pursuant to such Scheme) to shareholders who, in respect of a qualifying dividend, elect to receive scrip in lieu of part or all of the cash amount of that qualifying dividend. The authority will continue until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier (unless such authority is revoked at a general meeting). Authority sought under Ordinary Resolution 12 is in addition to the general authority to issue shares sought under Ordinary Resolution 11.

- (vi) **Special Business:** Ordinary Resolution 13 relates to the renewal of the IPT Mandate, which was last renewed at the Annual General Meeting of the Company on 25 April 2025, authorising the Company and its subsidiaries and associated companies (if any) which are considered to be “entities at risk” under Chapter 9 of the Listing Manual of the SGX-ST to enter into interested person transactions, information of which is set out in the Appendix to the Annual Report.

Meeting Notes:

1. The Annual General Meeting (“AGM”, which expression shall include any adjournment thereof where applicable) is being convened, and will be held, in a wholly physical format. Please bring along your NRIC/passport so as to enable the Company to verify your identity. **There will be no option for shareholders to attend, speak and vote at the AGM via virtual meeting technology.**
2. Printed copies of this Notice of Annual General Meeting, and the Proxy Form and Request Form, will be sent to shareholders by post. This Notice is also published on the Company’s corporate website at the URL <https://www.qaf.com.sg/company-announce/> and the SGXNET website at the URL <https://www.sgx.com/securities/company-announcements>.

Voting by proxy

3. (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member’s proxy form appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. If no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of the shareholdings and the second named proxy shall be deemed to be an alternate to the first named proxy.



NOTICE OF ANNUAL GENERAL MEETING

- (b) A member of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's proxy form appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form. In relation to a relevant intermediary who wishes to appoint more than two (2) proxies, it should annex to the proxy form the list of proxies, setting out, in respect of each proxy, the name, address, NRIC/passport number and proportion of shareholding (number of shares, class of shares and percentage) in relation to which the proxy has been appointed. If the relevant information is not specified, the first named proxy shall be deemed to represent 100 per cent of the shareholdings. For the avoidance of doubt, a CPF Agent Bank who intends to appoint CPF/SRS investors as its proxies shall comply with this Note.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

4. Persons who hold shares of the Company through relevant intermediary(ies) (as defined in paragraph 3 above) including CPF and SRS investors who wish to attend, speak and vote at the AGM may do so if they are duly appointed as proxies by their respective relevant intermediary(ies), CPF Agent Banks or SRS Operators, and **should contact their respective relevant intermediary(ies), CPF Agent Banks or SRS Operators** as soon as possible if they have any queries regarding such appointment as proxies.
5. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.
6. The instrument appointing a proxy or proxies must be submitted in the following manner:
 - (a) if sent by post, be received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or
 - (b) if sent by email, be received at srs.proxy@boardroomlimited.com,

in each case, **no later than 11.00 a.m. on 21 April 2026 (being 72 hours before the time appointed for the AGM)**. Completion and return of the instrument appointing a proxy shall not preclude a member from attending, speaking and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the AGM in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument of proxy, to the AGM.

7. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for the AGM, as certified by The Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the time appointed for the AGM.

Submission of questions in advance of the AGM

8. Members may submit questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the Meeting, in advance of the AGM in the following manner:
 - (a) if sent by post, be received by the Company at 150 South Bridge Road, #09-03 Fook Hai Building, Singapore 058727; or
 - (b) if sent by email, be received by the Company at AGM2026qns@qaf.com.sg.

The Company will require the following details when questions are submitted: (i) full name of individual/corporate member and, in the case of a corporate member, full name of its corporate representative; (ii) email address; (iii) NRIC/passport number of individual member/corporate representative; and (iv) the manner in which shares in the Company are held (e.g. via CDP, CPF or SRS).

All questions submitted must be received by the Company by **11.00 a.m. on 9 April 2026** (the **"Cut-Off Time"**).

The Company intends to publish its responses to substantial and relevant questions from members (received by such deadline and in accordance with the relevant requirements herein) on its corporate website and on SGXNET by **18 April 2026**. The Company will respond to any subsequent clarifications sought or follow-up questions received after the Cut-Off Time in respect of substantial and relevant matters, prior to or at the AGM. Where there are substantially similar questions, the Company may consolidate such questions; consequently, not all questions will be individually addressed.



NOTICE OF ANNUAL GENERAL MEETING

Access to documents

9. The electronic copy of the Company's Annual Report may be accessed as follows:

- (a) visit the Company's website at www.qaf.com.sg; and
- (b) under "**Investor Relations**", click on "**Annual Reports**" and then click on "**Read**" under "**2025 Annual Report**".

You will need an internet browser and PDF reader to view these documents.

10. This Notice of AGM is to be read in conjunction with the Company's Annual Report for FY2025 and proxy form. All references to dates and times are to dates and times in Singapore.

Personal Data Privacy & Other Matters:

By attending, speaking or voting at the AGM, submitting questions in advance of the AGM and/or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at, the AGM, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data, as contained in any communication from or on behalf of the member in relation to the AGM (including but not limited to questions sent in advance of the AGM and proxy forms), by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM and the preparation and compilation of the attendance lists, minutes, questions submitted and the answers thereto for disclosure and publication before, at or after (as the case may be) the AGM and/or on SGXNET and the Company's website (including publication of names of the shareholders/proxies/representatives asking questions) and other documents relating to the AGM, and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules including the code of corporate governance, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that all information submitted is true and accurate, and where the member discloses the personal data of the member's proxy(ies), representative(s) and/or any other party to the Company (or its agents or service providers), the member has obtained the prior consent of such party(ies) for the collection, use and disclosure by the Company (or its agents or service providers) of their personal data for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

IMPORTANT NOTICE

This Annual Report has been prepared without regard to the objectives, financial situation and/or needs of any specific persons. For the avoidance of doubt, it does not constitute or form any part of any offer, recommendation, invitation, inducement or solicitation to enter into any transaction including to buy, subscribe for or dispose of any securities in the Company. Where there are any forward-looking statements as to future matters including projections, if any, on the Group's anticipated future performance, please note that actual future performance, outcomes and results may differ materially from those expressed or implied in such forward-looking statements (if any) as a result of, inter alia, known and unknown risks, uncertainties, bases and assumptions including matters beyond the Group's control. Forward-looking statements are typically identified by words such as "will", "may", "could", "shall", "should", "believes", "estimates", "anticipates", "expects", "predicts", "targets", "projects", "contemplates", "plans", "intends", "potential", "goal", "objective", "seeks", "considers" and other similar words or expressions. Undue reliance should not be placed on any such forward-looking statements, which are based on current views on, amongst others, future events, trends and developments. There can be no assurance that such statements will be realised or prove to be correct. **Save as may be required by any applicable Singapore law, the Company assumes no obligation to update or revise or publicise any statements, whether because of new information, circumstances, future events or otherwise. If the Company updates one or more forward-looking statements, no inference should be drawn that the Company will make additional updates with respect to those or other forward-looking statements. The inclusion of any statement in this Annual Report does not constitute an admission by the Company or any other person that the events or circumstances described in such statement are material. Where in doubt on any of the above matters, please seek independent professional advice.**



Company Registration No: 195800035D

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#09-03 Fook Hai Building
Singapore 058727
Tel: (65) 6538 2866
Fax: (65) 6538 6866
Email: info@qaf.com.sg
Website: www.qaf.com.sg



APPENDIX TO ANNUAL REPORT 2025 DATED 27 MARCH 2026

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

This Appendix is circulated to Shareholders of QAF Limited (the “**Company**”) together with the Company’s Annual Report for FY2025 and may be accessed at the Company’s corporate website at the URL <https://www.qaf.com.sg/company-announce/> and the SGXNET website at the URL <https://www.sgx.com/securities/company-announcements>. The purpose of this Appendix is to provide information to the Shareholders relating to the proposed renewal of the IPT Mandate to be tabled at the Annual General Meeting of the Company to be held, in a wholly physical format, at William Pickering Ballroom, Level 2, PARKROYAL COLLECTION Pickering, 3 Upper Pickering Street, Singapore 058289, on 24 April 2026 at 11.00 a.m.. **There will be no option for members to attend, speak and vote via virtual meeting technology.**

If shares in the Company held through The Central Depository (Pte) Limited (“**CDP**”) have been sold or transferred, the Shareholder or investor (as the case may be) need not forward the Notice of Annual General Meeting and the Proxy Form to the purchaser or transferee, as arrangements will be made by CDP for these documents to be sent to the purchaser or transferee. If shares in the Company represented by physical share certificate(s) have been sold or transferred, the Shareholder should immediately forward the Notice of Annual General Meeting and the Proxy Form to the purchaser or transferee or the bank, stockbroker or other agent through whom the sale or transfer was effected for onward notification to the purchaser or transferee.

Capitalised terms appearing on the cover of this Appendix have the same meanings as defined herein.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Appendix.



QAF LIMITED

(Incorporated in the Republic of Singapore on 3 March 1958)
(Company Registration No. 195800035D)

APPENDIX TO THE ANNUAL REPORT IN RELATION TO THE PROPOSED RENEWAL OF THE IPT MANDATE

DEFINITIONS

In this Appendix, the following definitions shall apply throughout unless the context otherwise requires:

“2025 AGM”	:	Annual general meeting of the Company held on 25 April 2025
“2026 AGM”	:	Annual general meeting of the Company to be held on 24 April 2026
“Annual Report”	:	Annual report of the Company for FY2025
“Appendix”	:	This appendix dated 27 March 2026 to the Annual Report
“approved exchange”	:	A stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual
“associate”	:	(a) In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means: (i) his immediate family (that is, the person’s spouse, child, adopted-child, step-child, sibling and parent); (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and (b) In relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Audit & Risk Committee”	:	The audit and risk committee of the Company for the time being
“Austral”	:	Has the meaning ascribed to it in Section 2.3 of this Appendix
“Board”	:	The board of Directors of the Company for the time being

“Companies Act”	:	The Companies Act 1967 of Singapore as amended or modified from time to time
“Company”	:	QAF Limited
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly 15% or more of the total voting rights in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or (b) in fact exercises control over the Company
“Directors”	:	The directors of the Company for the time being
“entity at risk”	:	(a) The listed company; (b) A subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or (c) An associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company
“FY”	:	Financial year ended or ending 31 December
“Group”	:	The Company and its subsidiaries
“immediate family”	:	In relation to a person, means the person’s spouse, child, adopted child, step-child, sibling and parent
“Interested Persons”	:	Has the meaning ascribed to it in Section 2.3 of this Appendix
“IPT” or “Interested Person Transactions”	:	Transactions between an entity at risk within the meaning of Chapter 9 of the Listing Manual and any of the Interested Persons which fall within the scope of the IPT Mandate
“IPT Mandate” or “Interested Person Transactions Mandate”	:	The general mandate pursuant to Chapter 9 of the Listing Manual for the Company and its subsidiaries and associated companies which are considered to be “entities at risk” under Chapter 9 of the Listing Manual, or any of them, to enter into any of the transactions falling within the types of interested person transactions as set out in this Appendix, provided that such transactions are made on normal commercial terms and in accordance with the review procedures for such interested person transactions
“Latest Practicable Date”	:	16 March 2026, being the latest practicable date prior to the issue of this Appendix

“Listing Manual”	:	The listing manual of the SGX-ST, as amended or modified from time to time
“Notice of Annual General Meeting”	:	The Notice of Annual General Meeting of the Company dated 27 March 2026 convening the 2026 AGM
“NTA”	:	Net tangible assets
“Salim Group”	:	Mr Anthoni Salim and the group of companies controlled by him or, if the context requires, Mr Anthoni Salim
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Means: (a) where the Depository is named in the register of members of the Company as the holder of Shares, a Depositor in respect of the number of Shares standing to the credit of his name in the Depository Register; and (b) in any other case, a person whose name appears on the register of members maintained by the Company pursuant to Section 190 of the Companies Act and/or any other applicable law
“Shares”	:	Ordinary shares in the capital of the Company
“Substantial Shareholder”	:	A person who has an interest in one or more voting shares in a company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares in the company
“S\$” or “\$” and “cents”	:	Singapore dollars and cents, respectively
“%” or “per cent”	:	Percentage or per centum

The terms “Depositor”, “Depository” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore.

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

Any reference in this Appendix to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual or any modification thereof and used in this Appendix shall have the meaning assigned to it under the Companies Act, the Listing Manual or any modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and date in this Appendix is a reference to Singapore time and date, respectively, unless otherwise stated. Any reference to currency set out in this Appendix is a reference to S\$ unless otherwise stated.

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

Rajah & Tann Singapore LLP has been appointed as the Singapore legal adviser to the Company in relation to the proposed renewal of the IPT Mandate.

QAF LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 195800035D)

Board of Directors

Lam Sing Chung (*Chairman, Non-Independent, Non-Executive Director*)
Philip Yeo Liat Kok (*Vice-Chairman, Independent, Non-Executive Director*)
Lin Kejian (*Joint Group Managing Director, Executive Director*)
Michael Darren Hewat (*Joint Group Managing Director, Executive Director*)
Norman Ip (*Independent, Non-Executive Director*)
Chee Teck Kwong Patrick (*Independent, Non-Executive Director*)
Loh Wee Lee (*Independent, Non-Executive Director*)
Foo Kwee Joen Junie (*Independent, Non-Executive Director*)
Basil Chan (*Independent, Non-Executive Director*)
Tan Chuan Lye (*Independent, Non-Executive Director*)
John Martin Miller (*Independent, Non-Executive Director*)
Rachel Liem Yuan Fang (*Alternate Director to Lam Sing Chung*)

Registered Office

150 South Bridge Road
#09-03 Fook Hai Building
Singapore 058727

27 March 2026

To: The Shareholders of **QAF Limited**

Dear Shareholders

1. INTRODUCTION

The purpose of this Appendix is to provide Shareholders with information relating to the proposed renewal of the IPT Mandate, which is referred to in Ordinary Resolution 13 set out in the notice convening the 2026 AGM to be held on 24 April 2026.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Appendix.

2. THE PROPOSED RENEWAL OF THE IPT MANDATE

2.1 Existing IPT Mandate

At the 2025 AGM, the Shareholders had approved the renewal of the IPT Mandate to authorise the entry by the Company and its entities at risk (as defined in Rule 904(2) of the Listing Manual) into any of the transactions falling within certain types of interested person transactions as set out in the IPT Mandate. Particulars of the IPT Mandate were set out in the appendix circulated to Shareholders together with the annual report of the Company for FY2024.

The IPT Mandate was expressed to take effect until the conclusion of the then next annual general meeting of the Company, namely, the 2026 AGM which is scheduled to be held on 24 April 2026. Accordingly, Shareholders' approval is being sought for the renewal of the IPT Mandate at the 2026 AGM.

2.2 Chapter 9 of the Listing Manual

Chapter 9 of the Listing Manual governs transactions by a listed company, as well as transactions by its subsidiaries and associated companies that are considered to be entities at risk, with the listed company's interested persons. The purpose is to guard against the risk that interested persons could influence the listed company, its subsidiaries or associated companies to enter into transactions with interested persons that may adversely affect the interests of the listed company or its shareholders.

Under Chapter 9 of the Listing Manual, where a listed company or any of its subsidiaries or any of its associated companies which are controlled by the listed group and its interested person(s) (other than a subsidiary or associated company that is listed on the SGX-ST or an approved exchange) proposes to enter into transactions with the listed company's interested persons, the listed company is required to make an immediate announcement, or to make an immediate announcement and seek its shareholders' approval if the value of the transaction is equal to or exceeds certain financial thresholds. In particular:

- (a) where the value of such transaction is equal to or exceeds 3% of the latest audited consolidated NTA of the listed company and its subsidiaries and is less than 5% of the latest audited consolidated NTA of the listed company and its subsidiaries, an immediate announcement is required;
- (b) where the value of such transaction is equal to or exceeds 5% of the latest audited consolidated NTA of the listed company and its subsidiaries, an immediate announcement and shareholders' approval is required;
- (c) if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the latest audited consolidated NTA of the listed company and its subsidiaries, the listed company must make an immediate announcement of the latest transaction and all future transactions entered into with that same interested person during that financial year; and
- (d) if the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 5% or more of the latest audited consolidated NTA of the listed company and its subsidiaries, an immediate announcement must be made and shareholders' approval must be obtained in respect of the latest and all future transactions entered into with that interested person during that financial year.

In the event the latest audited consolidated NTA of the listed company and its subsidiaries is negative, the listed company is required to consult the SGX-ST on the appropriate benchmark to calculate the relevant thresholds, which may be based on its market capitalisation.

Based on the provisions of the Listing Manual, the rules as to making announcements and seeking shareholders' approval referred to above do not apply to transactions below S\$100,000. However, while transactions below S\$100,000 are not normally aggregated under the relevant provisions of the Listing Manual, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction.

For Shareholders' information, the audited consolidated NTA of the Group as at 31 December 2025 amounted to approximately S\$510.19 million. 3% and 5% of such audited consolidated NTA of the Group amounts to approximately S\$15.31 million and S\$25.51 million, respectively.

Chapter 9 of the Listing Manual permits a listed company, however, to seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials (but not in respect of the purchase or sale of assets, undertakings or businesses) that may be carried out with the listed company's interested persons. Transactions conducted under a general mandate are not subject to the rules on making announcements and seeking shareholders' approval referred to above.

Under the Listing Manual:

- (i) an "entity at risk" means:
 - (1) the listed company;
 - (2) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange; or
 - (3) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company;
- (ii) an "interested person" means a director, chief executive officer or controlling shareholder of the listed company or an associate of any such director, chief executive officer or controlling shareholder. The SGX-ST may deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into,
 - (1) a transaction with an entity at risk, and
 - (2) an agreement or arrangement with an interested person in connection with that transaction;
- (iii) an "associate":
 - (1) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
 - (aa) his immediate family (that is, the person's spouse, child, adopted-child, step-child, sibling and parent);
 - (bb) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
 - (cc) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and
 - (2) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more;
- (iv) an "approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual;

- (v) an “interested person transaction” means a transaction between an entity at risk and an interested person; and
- (vi) a “transaction” includes:
 - (1) the provision or receipt of financial assistance;
 - (2) the acquisition, disposal or leasing of assets;
 - (3) the provision or receipt of goods or services;
 - (4) the issuance or subscription of securities;
 - (5) the granting of or being granted options; and
 - (6) the establishment of joint ventures or joint investments,

whether or not in the ordinary course of business, and whether or not entered into directly or indirectly (for example, through one or more interposed entities).

2.3 Background

The Group is principally engaged in the businesses of bakery and distribution and warehousing. For its bakery business, the Group, including its joint venture(s), manufactures and distributes bread and bakery products in Singapore, Malaysia, the Philippines and Australia. For its distribution and warehousing business, the Group undertakes wholesale distribution of a range of third-party and proprietary-branded processed food and beverage products, and provides logistics operations including distribution and warehousing.

As at the Latest Practicable Date, Mr Lam Sing Chung, Chairman of the Board, has a shareholding interest of approximately 31.03% in the Company and is a Controlling Shareholder of the Company. Mr Lin Kejian, Joint Group Managing Director of the Company, is the son of Mr Lam Sing Chung and is also a Controlling Shareholder of the Company with a shareholding interest of approximately 39.51% in the Company as at the Latest Practicable Date.

The Group may from time to time enter into transactions with Mr Lam Sing Chung, Mr Lin Kejian and/or their respective associates (“**Interested Persons**”) in the ordinary course of business. Such transactions include the purchase of products and raw materials from, as well as the sale of products to, certain parties which are Interested Persons.

The transactions entered into in FY2025 with Interested Persons pursuant to the IPT Mandate are set out on page 114 of the Annual Report in the section entitled “FY2025 Interested Person Transactions”. Please refer to the aforesaid section for more information. For example, the Group purchased raw materials such as flour from the Salim Group¹. The Salim Group is an Interested Person as Mr Anthoni Salim is the brother of Mr Lam Sing

¹ Based on public information, the Salim Group is an Indonesian conglomerate with interests in various businesses, including interests in First Pacific Company Limited (“**First Pacific**”), an investment management and holding company with principal business interests relating to telecommunications, consumer food products, infrastructure and natural resources, which is listed on the Hong Kong Stock Exchange; PT Indofood Sukses Makmur Tbk (“**PT ISM**”), which is in food manufacturing including production and processing of raw materials and listed on the Indonesia Stock Exchange; Indofood Agri Resources Ltd. (“**IndoAgri**”), a diversified and vertically integrated agribusiness group which is listed on the SGX-ST; and Gallant Venture Ltd., an Indonesia-focused group with core businesses in property development, industrial parks, utilities and resort operations which is listed on the SGX-ST. PT ISM and IndoAgri are subsidiaries of First Pacific.

Chung. The aggregate value of the flour purchased amounted to approximately S\$17.27 million, being more than 3% (that is, approximately 3.46%) of the then latest audited consolidated NTA of the Group. As such, pursuant to the IPT Mandate, approval from the Audit & Risk Committee was obtained for FY2025 purchases of flour from the Salim Group that were in excess of the said 3% threshold. In addition, the Group sold cheese in bulk to, and purchased processed cheese from, Austral Dairy Group Sdn Bhd (“**Austral**”). Austral is an Interested Person as it is an entity in which Mr Lam Sing Chung, Ms Rachel Liem Yuan Fang and her immediate family member have an interest. The aggregate value of the cheese sold and purchased amounted to approximately S\$1.84 million and S\$3.07 million respectively, each being less than 3% (that is approximately 0.37% and 0.61%, respectively) of the then latest audited consolidated NTA of the Group.

2.4 Rationale for and Benefits of the Renewal of the IPT Mandate

The Group envisages that the Interested Person Transactions will occur with some degree of frequency and could arise at any time and from time to time. Such transactions are recurring transactions and are part of the day-to-day operations of the Group.

The renewal of the IPT Mandate, if approved by the Shareholders, will enable the Group, in the ordinary course of business, to undertake such transactions in a more expeditious manner. It will also enhance the Group’s ability to pursue business opportunities which may be time-sensitive and frequent in nature and will allow the Group to conduct its business efficiently by eliminating the need to convene separate general meetings from time to time to seek Shareholders’ approval as and when potential Interested Person Transactions arise. The IPT Mandate will reduce the expenses involved with the convening of general meetings on an *ad hoc* basis and allow manpower resources and time to be channelled towards attaining other corporate objectives.

2.5 Classes of Interested Persons

The IPT Mandate will apply to the Interested Persons in relation to the types of transactions set out in Section 2.6 below. The associates of the Interested Persons who will have dealings under the IPT Mandate include the Salim Group, which is controlled by Mr Anthoni Salim, who is Mr Lam Sing Chung’s brother.

2.6 Types of Transactions under the IPT Mandate

The types of transactions contemplated under the IPT Mandate are as follows:

- (a) the purchase of products and raw materials; and
- (b) the sale of products.

The types of products and/or raw materials covered under the IPT Mandate will be those which are transacted by the Group in its ordinary course of business with the Interested Persons in connection with the latter’s ordinary course of business. Such transactions include for example, the purchase of flour and may also include wheat-related raw materials, such as wheat bran and wheat germ, from the Salim Group, and finished products such as vegetables and electricity² from the Salim Group and processed cheese from Austral.

2 As announced by the Company on 23 December 2024, electricity falls within the definition of ‘products’ under the IPT Mandate and the Company had in such announcement provided information on past electricity purchases by its Gardenia Singapore subsidiary from the Salim Group. For electricity purchases from the Salim Group for FY2025, please refer to page 114 of the Annual Report in the section entitled “FY2025 Interested Person Transactions”.

2.7 Review Procedures under the IPT Mandate

The Group maintains a register of Interested Person Transactions and the following review procedures are implemented by the Company:

2.7.1 Review Procedures

- (a) When purchasing products and/or raw materials from an Interested Person, quotations from at least two (2) other unrelated third party vendors for similar quantities and/or quality will be obtained (whenever possible or available) for comparison to ascertain whether the price and terms offered by the Interested Person are fair and reasonable and competitive compared to those offered by such other unrelated third party vendors. In determining whether the price and terms offered by the Interested Person are fair and reasonable, pertinent factors, including but not limited to quality, track record, specification compliance, delivery time, experience and expertise, and where applicable, terms offered to third parties, preferential rates, discounts or rebates accorded for bulk purchases, may also be taken into consideration.

In the event that such competitive quotations cannot be obtained (for instance, if there are no unrelated third party vendors providing or selling a similar type of product or raw material or if the unrelated third party vendor(s) is not able to meet the Group's specifications or in cases of urgency), an Executive Director (other than an Interested Person) or the Audit & Risk Committee (as the case may be depending on the approval threshold as set out in Section 2.7.2 below) will determine whether the price and terms offered by the Interested Person are fair and reasonable. In determining the transaction price payable to the Interested Person for such products and/or raw materials, pertinent factors, including but not limited to quality, track record, specification compliance, delivery time, experience and expertise, reliability and/or efficiency of the seller, strategic considerations, and where applicable, terms offered to third parties, preferential rates, discounts or rebates accorded for bulk purchases, may also be taken into consideration.

- (b) When selling products to an Interested Person, the pricing or fees for the products are to be carried out at the prevailing market rates or prices of the products, on terms no more favourable to the Interested Person than the usual commercial terms extended to unrelated third parties (including, where applicable, preferential rates, discounts and/or rebates accorded to corporate customers or for bulk purchases) or otherwise in accordance with applicable industry norms.

In the event that prevailing market rates or prices are not available (for instance due to the nature of the product to be sold or if there are no other customers for similar products or if the unrelated third party customer(s) is not able to meet the Group's specifications or in cases of urgency), the transaction prices will, where applicable, (i) be in accordance with the Group's usual business practices and pricing policies, consistent with the usual margin of the Group for the same or substantially similar type(s) of transaction with unrelated third parties, or (ii) in certain cases (for example, waste disposal or technical expertise) be determined by reference to factors including but not limited to track record, specification compliance, quantity, volume, duration of contract, strategic considerations, reliability and/or efficiency of the purchaser, extent of cost recovery, industry norms and where applicable, preferential rates, discounts or rebates accorded for bulk purchases, may also be taken into consideration.

2.7.2 Approval Thresholds

The following approval thresholds shall be adopted in respect of the Interested Person Transactions:

	Value of Interested Person Transaction(s)	Approving Authorities <i>(each having no interest, direct or indirect, in the Interested Person Transaction)</i>
1.	An Interested Person Transaction the value of which is equal to or exceeds S\$100,000, ⁽¹⁾ but less than 3% of the latest audited consolidated NTA of the Group from time to time ⁽²⁾	Executive Director or such senior executive of the Group as may be designated by the Audit & Risk Committee from time to time If an Executive Director or relevant senior executive of the Group is himself interested in an Interested Person Transaction, the Interested Person Transaction will be reviewed and approved by another Executive Director or senior executive (each having no interest, direct or indirect, in the Interested Person Transaction)
2.	(i) Where the value of an Interested Person Transaction, when aggregated with the value of all previous Interested Person Transactions of the same kind in the same financial year, is equal to or exceeds 3% of the latest audited consolidated NTA of the Group from time to time⁽²⁾, such Interested Person Transaction and all future Interested Person Transactions of the same kind during the financial year in question, Provided That any Interested Person Transaction below S\$100,000 in value does not require approval and shall be disregarded for aggregation purposes (ii) An Interested Person Transaction the value of which is equal to or exceeds 3% of the latest audited consolidated NTA of the Group from time to time⁽²⁾	Audit & Risk Committee Audit & Risk Committee

Notes:

- (1) Based on the existing provisions of the Listing Manual.
- (2) Based on the audited consolidated financial statements of the Group for FY2025, 3% of the latest audited consolidated NTA of the Group would be approximately S\$15.31 million.

The approving authorities may request for additional information pertaining to the transaction under review as they deem fit.

2.7.3 Interested Audit & Risk Committee Member to Abstain

In the event that a member of the Audit & Risk Committee (where applicable) is interested (directly or indirectly) in any Interested Person Transaction, he or she will abstain from reviewing that particular transaction. Approval of that transaction will accordingly be undertaken by the remaining members of the Audit & Risk Committee.

2.7.4 Periodic Review by Audit & Risk Committee

The Audit & Risk Committee will review all Interested Person Transactions (including transactions with Interested Persons the values of which are below S\$100,000) on a quarterly basis to ascertain whether the established review procedures for the Interested Person Transactions have been complied with and the relevant approvals have been obtained.

The Audit & Risk Committee will also review the established review procedures of the Interested Person Transactions and determine if such review procedures continue to be adequate in ensuring that the Interested Person Transactions are conducted on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders. If the Audit & Risk Committee is of the view that the review procedures have become inappropriate or insufficient to meet such objectives, the Company will seek a fresh mandate from its Shareholders based on new review procedures for the Interested Person Transactions.

2.8 Excluded Transactions

The IPT Mandate will not cover any transaction with an Interested Person that is below S\$100,000 in value, as the provisions of Chapter 9 of the Listing Manual provide that any such transaction is to be disregarded although the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction.

Transactions between the Group and the Interested Persons which do not fall within the ambit of the IPT Mandate shall be subject to the relevant provisions of Chapter 9 of the Listing Manual, or other applicable provisions of the Listing Manual, if any.

2.9 Validity Period of the Renewed IPT Mandate

If approved by Shareholders at the 2026 AGM, the renewed IPT Mandate will take effect from the passing of the ordinary resolution relating thereto at the 2026 AGM (Ordinary Resolution 13 in the Notice of Annual General Meeting), and will (unless revoked or varied by the Company in general meeting) continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.

Approval from Shareholders will be sought for the renewal of the IPT Mandate at the 2026 AGM and at each subsequent annual general meeting of the Company, subject to satisfactory review by the Audit & Risk Committee of its continued application to transactions with the Interested Persons.

2.10 Disclosure

Disclosure will be made in the Company's Annual Report of the aggregate value of the transactions conducted with Interested Persons pursuant to the IPT Mandate during the relevant financial year, and in the annual reports for the subsequent financial years that the IPT Mandate continues in force, in accordance with the requirements and form set out in Chapter 9 of the Listing Manual.

2.11 Directors' and Substantial Shareholders' Interests

As at the Latest Practicable Date, the direct and deemed interests of the Directors and Substantial Shareholders in the Shares of the Company, based on information recorded in the register of Directors' shareholdings and the register of Substantial Shareholders maintained by the Company and/or information received by the Company from the Director(s), are as follows:

	Direct Interests		Deemed Interests	
	No. of Shares	Percentage of Shareholding ⁽¹⁾	No. of Shares	Percentage of Shareholding ⁽¹⁾
Directors				
Lam Sing Chung	—	—	178,524,884 ⁽²⁾	31.03%
Philip Yeo Liat Kok	—	—	—	—
Lin Kejian	7,649,000	1.33%	219,657,011 ⁽³⁾	38.18%
Michael Darren Hewat	32,894	0.01%	—	—
Norman Ip	—	—	—	—
Chee Teck Kwong Patrick	—	—	—	—
Loh Wee Lee	—	—	—	—
Foo Kwee Joen Junie	—	—	—	—
Basil Chan	—	—	—	—
Tan Chuan Lye	—	—	—	—
John Martin Miller	—	—	—	—
Rachel Liem Yuan Fang	432,900	0.08%	—	—
Substantial Shareholders (other than Directors)				
Tian Wan Enterprises Company Limited	100,005,306	17.38%	—	—
Tian Wan Equities Company Limited	116,099,623	20.18%	—	—
Tian Wan Holdings Group Limited	98,757,516	17.17%	79,767,368 ⁽⁴⁾	13.87%
Tian Wan Capital Limited	58,594,391	10.19%	—	—

Notes:

- (1) Based on 575,268,440 Shares as at the Latest Practicable Date. Percentages have been rounded to two decimal places.
- (2) Mr Lam Sing Chung is deemed to have an interest in the Shares owned by Tian Wan Holdings Group Limited, Tian Wan Capital Limited and J&H International Limited.
- (3) Mr Lin Kejian is deemed to have an interest in the Shares owned by Tian Wan Enterprises Company Limited, Tian Wan Equities Company Limited and ISI Investments Company Limited.
- (4) Tian Wan Holdings Group Limited is deemed to have an interest in the Shares owned by Tian Wan Capital Limited and J&H International Limited.

2.12 Statement by the Audit & Risk Committee

The Audit & Risk Committee having considered, *inter alia*, the terms of the IPT Mandate, confirms that the review procedures for determining the transaction prices of the Interested Person Transactions as set out in Section 2.7 of this Appendix have not changed since the last shareholder approval for the IPT Mandate at the 2025 AGM. The Audit & Risk Committee is also of the view that such review procedures for determining the transaction prices of the Interested Person Transactions, when taken as a whole and if applied consistently, are sufficient to ensure that the Interested Person Transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. However, should the Audit & Risk Committee subsequently no longer be of this opinion, the Company will revert to the Shareholders for a fresh mandate based on new review procedures for transactions with the Interested Persons.

3. DIRECTORS' RECOMMENDATION

The Directors of the Company (save for the Directors referred to below), having considered, amongst other things, the rationale for and benefits of the renewal of the IPT Mandate, the review procedures and the role of the Audit & Risk Committee, are of the opinion that the proposed renewal of the IPT Mandate is in the interests of the Company. Accordingly, the Directors (save for the Directors referred to below) recommend that Shareholders **vote in favour** of the ordinary resolution in respect of the proposed renewal of the IPT Mandate at the 2026 AGM.

Mr Lam Sing Chung and Mr Lin Kejian (being the Interested Persons) abstain from making any recommendation.

As different Shareholders might have different investment objectives, Shareholders should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers if they require specific advice in relation to the proposed renewal of the IPT Mandate.

4. ABSTENTION FROM VOTING

Rule 919 of the Listing Manual requires that interested persons must not vote on a shareholders' resolution approving any mandate in respect of any interested person transactions. Mr Lam Sing Chung and Mr Lin Kejian (being Interested Persons) will abstain, and shall procure that their respective associates abstain, from voting on the ordinary resolution relating to the proposed renewal of the IPT Mandate to be tabled at the 2026 AGM (Ordinary Resolution 13 in the Notice of Annual General Meeting), and the Company will disregard any votes cast by Mr Lam Sing Chung and Mr Lin Kejian (and their respective associates) in respect of their holdings of Shares on Ordinary Resolution 13.

5. DIRECTORS' RESPONSIBILITY STATEMENT

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

6. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 150 South Bridge Road, #09-03 Fook Hai Building, Singapore 058727, during normal business hours from the date of this Appendix up to and including the date of the 2026 AGM:

- (a) the Constitution of the Company; and
- (b) the Annual Report of the Company for FY2025.

Yours faithfully,
For and on behalf of the Board of Directors of
QAF Limited

Michael Darren Hewat
Joint Group Managing Director