UPDATE ON THE USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFERING

The Board of Directors (the "**Board**" or "**Directors**") of OTS Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's offer document dated 8 June 2021 ("**Offer Document**") in relation to the Company's initial public offering ("**IPO**") and listing of its shares on the Catalist board of the Singapore Exchange Securities Trading Limited on 17 June 2021 and the subsequent update in the Company's annual report for the financial year ended 30 June 2021 released on 13 October 2021.

The Board wishes to provide an update on the use of the net proceeds raised from the IPO ("**Net IPO Proceeds**") as at the date of this announcement as follows:

	Amount allocated (S$' 000)	Amount utilised (S$' 000)	Balance (S$' 000)
Improvement and/or expansion of production efficiency and capacities, including the acquisition of new machineries and equipment	2,000	(966)	1,034
Expansion of our overseas operations, including the initial investment and set up costs in Philippines	2,500	(268)	2,232
Developing new products and engaging in research and development	500	(165)	335
General working capital purposes	1,562	(16) [(a)]	1,546
	6,562	(1,415)	5,147

Note:

(a) Net proceeds used for general working capital purposes are mainly payments to trade suppliers.

The use of the Net IPO Proceeds is in accordance with the intended use as disclosed in the Offer Document. The Company will make further announcements when the balances of the Net IPO Proceeds are materially disbursed.

BY ORDER OF THE BOARD

Ong Bee Chip
Managing Director
10 November 2021

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

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