## UPDATE ON THE USE OF PROCEEDS FROM THE INITIAL PUBLIC OFFER

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, the Company's annual report for the financial year ended 30 June 2021 released on 13 October 2021, and the subsequent announcements dated 10 November 2021 in relation to the update on the use of the net proceeds raised from the IPO ("**Net IPO Proceeds**") and 14 February 2022 on the condensed interim financial statements of the Company for the 6-month period ended 31 December 2021.

The Board wishes to provide an update on the use of Net IPO Proceeds as at the date of this announcement:

| | 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 | (1,365) | 635 |
| Expansion of our overseas operations, including the initial investment and set up costs of Philippines | 2,500 | (268) | 2,232 |
| Developing new products and engaging in research and development | 500 | (165) | 335 |
| General working capital purposes | 1,562 | (186) [(a)] | 1,376 |
| | 6,562 | (1,984) | 4,578 |

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.

Save as disclosed in this announcement, none of the Directors, or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the above transaction, other than through their respective shareholdings of the Company.

**BY ORDER OF THE BOARD**

Ong Bee Chip
Managing Director
22 April 2022

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*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 (the "**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.*

*The contact person for the Sponsor is Ms Charmian Lim (Telephone: (65) 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.*