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, and the Company's annual report for the financial year ended 30 June 2022 released on 12 October 2022.

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	(1,678)	322
Expansion of our overseas operations, including the initial investment and set up costs in Philippines	2,500	(568)	1,932
Developing new products and engaging in research and development	500	(165)	335
General working capital purposes	1,562	(1,562) [(a)]	-
	6,562	**(3,973)**	**2,589**

[(a)] *Net proceeds used for general working capital purposes are mainly in relation to payments to trade suppliers of approximately S$990,000 and staff salaries of approximately S$572,000.*

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
17 November 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**"). The Sponsor has not independently verified the contents of this announcement. This announcement has not been examined or approved by 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.