



# 2024

ANNUAL REPORT

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## ABOUT ASTI



### CORPORATE OVERVIEW

**ASTI Holdings Limited** (“ASTI” or “the Group”), listed on the mainboard of the Singapore Exchange, is a global leader in backend Semiconductor Tape & Reel packaging and Integrated Circuit Programming Services. As one of the largest independent providers in the world, we serve a broad spectrum of integrated device manufacturers, contract manufacturers and component distributors worldwide. On 6 June 2022, ASTI received a delisting notification from SGX-ST and trading in the Company’s securities was ceased on 5 July 2022 and trading will remain suspended until the completion of an exit offer.

### INTEGRATED SOLUTIONS AND SERVICES

With a robust and synergistic portfolio, the ASTI Group of companies delivers comprehensive, integrated solutions tailored to meet the diverse needs of our clients. Our extensive reach and capabilities position us as a trusted partner in the semiconductor industry.

### GLOBAL OPERATIONS

Headquartered in Singapore, ASTI operates 7 strategically located factories across Southeast Asia, Greater China and the United Kingdom. This expansive network ensures we remain close to our customers, facilitating efficient distribution and exceptional service across key markets in Asia and beyond.

For more information, please visit our website at [www.astigp.com](http://www.astigp.com).

# LETTER TO SHAREHOLDERS



## DEAR SHAREHOLDERS,

The financial year ended 31 December 2024 ("FY2024") was a challenging year for the Company. The current Board of Directors was appointed on 15 and 16 January 2024 and immediately commenced the process of catching up on its statutory reporting obligations. The Company prioritised the completion of the long-overdue Annual General Meeting ("AGM") for the financial year ended 31 December 2021 ("FY2021") which was successfully completed on 15 May 2024.

We completed our FY2021 AGM on 15 May 2024 and appointed our auditors, Forvis Mazars LLP at an Extraordinary General Meeting on the same day. We were able to complete the FY2022 AGM four months later, on 30 September 2024, which was followed by the holding of the FY2023 AGM on 28 February 2025. Our FY2024 AGM will be held on 15 August 2025. In total, we would have completed four AGMs and one EGM within a span of 15 months. The completion of these statutory reporting obligations required significant commitment, efforts and coordination from all our stakeholders. The Company is now on course to meet its statutory reporting timelines for the next financial year – a considerable feat given the significant deficiencies the Company faced at the start of the financial year.

The ongoing review of the Group's past corporate and business dealings of the Group has not produced any conclusive findings yet but it is evident that the legacy issues left behind by the former Board of Directors have led to additional costs, operational challenges and complexities in the current financial reporting period. Nevertheless, we have remained focused on ensuring transparency and restoring the Company's compliance and reporting obligations. We are now pleased to present the audited financial statements for the financial year ended 31 December 2024 ("FY2024").

For FY2024, the ASTI Group recorded revenue from continuing operations of S\$33.0 million, a decrease of S\$15.0 million or 31.3% from S\$48.0 million in FY2023. Net loss from continuing operations in FY2024 was S\$24.5 million, as compared to a loss of S\$3.4 million in FY2023. The loss in FY2024 is mainly due to impairment of loan from a subsidiary under liquidation, lower gross profit due to declined sales and high operating costs and impairment on property, plant and equipment.

As of 31 December 2024, the Group held cash and cash equivalents of S\$23.0 million and total equity of S\$33.7 million (S\$20.7 million and S\$36.2 million respectively as at the end of FY2023).

## OPERATIONAL HIGHLIGHTS

In FY2024, following the appointment of the new Board on 16 January 2024, the Company initiated a comprehensive restructuring programme aimed at enhancing operational efficiency, streamlining group activities, and aligning strategic initiatives to address prevailing market challenges.

A comprehensive review of corporate expenditures resulted in the implementation of broad cost-optimisation measures, leading to significant current and future cost savings.

The Company also reviewed and implemented its human resource optimisation strategy to better align with organisational objectives. These measures were conducted in accordance with applicable labor laws and with due consideration for affected employees.

As part of its continued cost optimisation strategy, the Company undertook further rationalisation of its operations by consolidating overhead functions across selected overseas subsidiaries. Loss-making entities were either liquidated or scaled down systematically, and capital allocation to persistently underperforming businesses was withdrawn. These decisive actions have contributed to a leaner operational structure and improved the Group's overall financial resilience.

These strategic actions have positioned the Company to operate more efficiently and effectively in a challenging economic landscape.

# LETTER TO SHAREHOLDERS

## OUTLOOK AND STRATEGY FOR FY2025 AND BEYOND

ASTI Holdings Limited has undertaken a comprehensive review of its strategic position amidst ongoing global challenges. The semiconductor industry, particularly the assembly, testing, and packaging segment, continues to face headwinds due to softening demand for standard Integrated Circuit chips, geopolitical tensions, and macroeconomic uncertainties. These factors have led to a more cautious approach from our customers, resulting in decreased sales orders and lower volumes. Consequently, we anticipate that our sales and profitability will be impacted in the near term.

In response to these challenges, the Group continues to implement several strategic initiatives aimed at enhancing operational efficiency and financial resilience.

Looking ahead, the Group remains cautiously optimistic about the long-term prospects of the semiconductor industry. We are committed to maintaining financial discipline while exploring new revenue streams and investment opportunities that align with our core competencies. Our focus will be on strengthening our core business, enhancing operational agility, and positioning ASTI for sustainable growth in the evolving market landscape. We believe that by implementing and executing the right strategies, we could be profitable in the coming years.

## APPRECIATION

On behalf of the Board of Directors, I would like to extend my heartfelt thanks to our management and staff for their dedication and contributions during these challenging times. We also deeply appreciate the continued support of our stakeholders including our customers, shareholders, business partners, and suppliers.

I am confident that our strong foundation and the resilience of our team will enable us to navigate these challenges and achieve our long-term goals.

Yours Sincerely,

Ng Yew Nam  
Chairman and Chief Executive Officer

## Disclaimer:

*The current Board of Directors as at the date of this report was reconstituted on 16 January 2024. Accordingly, none of the current directors were involved in any of the business and strategy of ASTI Holdings Limited (the "Company" or "ASTI", and together with its subsidiaries, the "Group") and its subsidiaries before 15 January 2024. Further, as set out in its announcement dated 24 January 2024, the Company is in the process of reviewing the corporate and business dealings and transactions of the Group under the previous Board of Directors, and there may be a possibility that findings from such review might not be consistent with the contents of this report.*



# FINANCIALS REVIEW

## STATEMENT OF PROFIT OR LOSS

### REVENUE

The Group registered a revenue of S\$33.0 million for the financial year ended 31 December 2024 ("FY2024"), a decrease of S\$15.0 million or 31.3% from S\$48.0 million in the previous year ended 31 December 2023 ("FY2023"), mainly due to lower revenue from the Backend Equipment Solution and Technologies segment as a result of the slowdown in the semiconductor industry.

### LOSS BEFORE TAX FROM CONTINUING OPERATIONS

Gross profit margin decreased from 18.7% to 11.5% due to higher fixed costs. Other income increased S\$1.1 million compared to FY2023 due to higher rental income, gain from disposal of property, plant and equipment and gain on disposal of other investment.

Marketing and distribution expenses decreased by S\$0.7 million or 58.3% due to lower business activities and costs cutting measures. There were no significant changes in administrative expenses.

Other losses of S\$3.3 million comprised mainly impairment of property, plant and equipment, disposal of property, plant and equipment and net foreign exchange losses.

Addition of loss allowance on financial assets of S\$16.1 million is mainly due to remeasurement of impairment of amount due from DGI, which is now not a subsidiary of the Group due to the Creditors' Voluntary Liquidation in 2024.

### LOSS BEFORE TAX

Overall, the Group reported a net loss before tax of S\$24.3 million in FY2024 compared to a loss of S\$3.0 million in FY2023.

## STATEMENT OF FINANCIAL POSITION

### NON-CURRENT ASSETS

Non-current assets decreased by S\$10.9 million or 37.0% from S\$29.6 million in FY2023 to S\$18.7 million in FY2024 mainly due to the depreciation, impairment of property, plant and equipment, and disposal of investment in associates.

### CURRENT ASSETS

Current assets decreased by S\$2.2 million or 6.2% from S\$35.4 million in FY2023 to S\$33.2 million in FY2024. This was in line with the lower revenue resulting in lower trade receivables and inventories.

### CURRENT LIABILITIES

Current liabilities decreased by S\$4.3 million or 22.6% from S\$19.0 million in FY2023 to S\$14.7 million in FY2024. The decrease in trade and other payables was offset by the increase in loans and borrowings, reclassified from non-current liabilities.

### NON-CURRENT LIABILITIES

Non-current liabilities decreased from S\$9.8 million in FY2023 to S\$3.5 million in FY2024 mainly due to the classification of loans and borrowings from non-current to current.

### CASH FLOWS

Net cash flows generated from operating activities in FY2024 amounted to S\$4.8 million. This was mainly due to the operating cash flows before changes in working capital of S\$1.5 million, adjusted by changes in net working capital of S\$3.1 million. An amount of \$0.2 million was generated from the net receipts of interests and taxes.

Net cash flows generated from investing activities amounting to S\$1.6 million due to the purchase of property, plant and equipment offset by the proceeds from disposal of property, plant and equipment, disposal of other investment and net cash outflow on liquidation of DGI Group during the financial year.

Net cash flows used in financing activities amounting to S\$4.6 million was due to the repayment of loan and lease liabilities.

As a result of the above, cash and cash equivalents increased by S\$2.3 million in FY2024. Together with the effect of exchange rate changes, the cash and cash equivalents stood at S\$23.0 million as at 31 December 2024.

## BOARD OF DIRECTORS

**MR. NG YEW NAM, 55***Executive Chairman and Chief Executive Officer*

Mr. Ng was appointed as the Executive Director and Chief Executive Officer of ASTI Holdings Limited on 15 January 2024. He was appointed as the Executive Chairman of the board on 12 November 2024.

Mr. Ng is the Managing Director and Founder of iTrue Technologies Pte Ltd, leading the Company from its inception in 2005 until January 2024. Under his direction, iTrue Technologies specialised in automatic machine vision inspection for the Electronic and Passive Components Industries.

With strong business acumen and inspiring leadership, Mr. Ng played a pivotal role in securing numerous business accounts and cultivating a dedicated, high performing team. His critical thinking and foresight proved vital during challenging times, such as the 2008 global financial crisis and the COVID-19 pandemic, ensuring the Company's resilience and continued success.

In addition to his achievements at iTrue Technologies, Mr. Ng was appointed CEO of ASTI, where he was tasked with revitalising the Company and driving its business forward.

**MR. SOH POCK KHENG, 54***Executive Director and Chief Operating Officer*

Mr. Soh was appointed as the Executive Director of ASTI Holdings Limited on 15 January 2024.

He was redesignated from Executive Director to Executive Director and Chief Operating Officer of ASTI Holdings Limited on 6 May 2024.

Mr. Soh has a depth of experience in the electronics industry having spent more than 20 years in various disciplines ranging from development of acoustics products use in computing, consumer and communication application. He is a co-founder of two technology companies in Singapore and China.

**MR. WAN TAI FOONG, 56***Independent Non-Executive Director**Chairman, Audit Committee**Member, Nominating Committee**Member, Remuneration Committee*

Mr. Wan was appointed to the Board as a Independent Non-Executive Director on 12 November 2024 and is the Chairman of the Audit Committee. He is currently the Chief Executive Officer of Qi Capital Pte. Ltd, a boutique advisory firm that advises private corporates on M&A and fund raising transactions.

Mr. Wan has a career spanning over 20 years in investment banking, with varied, in-depth exposure and experience in all aspects of mergers and acquisitions, restructuring and fund-raising transactions in different sectors.

Mr. Wan was also on the board of other listed Companies before and is currently a Non-Executive and Lead Independent Director of New Toyo International Holdings Limited.

Mr. Wan holds a Bachelor of Commerce from Murdoch University, Western Australia and is a member of CPA Australia.

## BOARD OF DIRECTORS

### **MR. RAYMOND LAM KUO WEI, 48**

*Lead Independent Director  
Chairman, Remuneration Committee  
Member, Audit Committee  
Member, Nominating Committee*

Mr. Lam was appointed as the Independent Non-Executive Director of ASTI Holdings Limited on 16 January 2024. He was appointed as the Lead Independent Director on 12 November 2024.

Mr. Lam is the Chairman of the Remuneration Committee and a member of both the Audit Committee and Nominating Committee.

Mr. Lam is currently the Managing Director of RL Law LLC. He was admitted to the Singapore Bar in 2002 and admitted as a Solicitor in England & Wales in 2008. He is a Notary Public and a Commissioner For Oaths. Mr. Lam is a Fellow of the Chartered Secretaries Institute of Singapore and is the Immediate Past Chairman and member of its Management Council.

He is also an Independent Director of Nippecraft Limited and XMH Holdings Ltd.

### **MR. YAP ALVIN TSOK SEIN, 54**

*Independent Non-Executive Director  
Chairman, Nominating Committee  
Member, Audit Committee  
Member, Remuneration Committee*

Mr. Yap was appointed as the Independent Non-Executive Director of ASTI Holdings Limited on 16 January 2024. He is also the Chairman of the Nominating Committee and a member of both the Audit Committee and Remuneration Committee.

Mr. Yap, is currently a Director in Quan Advisors Pte Ltd, the Mergers & Acquisition (M&A) practice of the SCS-Invictus Financial Services Group, and has held various senior regional M&A and Commercial Finance roles in his previous positions. Mr. Yap graduated from the University of New South Wales Australia with a Bachelor of Commerce (Accounting) and a Bachelor of Laws. He is also a Chartered Accountant (Australia & New Zealand).



## KEY MANAGEMENT

**MR. TAN SZE LENG***Chief Financial Officer, ASTI Holdings Limited*

Mr. Tan joined the Group in May 2024. He oversees the Group's functions in accounting, finance, tax, corporate matters and investor relations. Prior to joining the Group, he was the Chief Financial Officer ("CFO") at Meta Health Limited from September 2022 to April 2024. Mr. Tan has over 20 years of professional experience in auditing, financial reporting, treasury, corporate fundraising and participated in various mergers and acquisitions activities. Mr. Tan obtained his Master of Business Administration from the Warwick Business School. He is a member of the Institute of Singapore Chartered Accountants, and a member of Institute of Valuers and Appraisers, Singapore (IVAS).

**MR. ONG YU HUAT***Senior Vice President, Telford Group*

Since beginning his career with Texas Instruments Singapore in 1986, Mr. Ong has held various key positions in manufacturing, purchasing, engineering and sales and marketing. Mr. Ong joined the Group in 1999. He holds a Bachelor of Science in Physics from the National University of Singapore.

**MR. GARY SMITH***Managing Director, Reel Service Ltd, Scotland*

Mr. Smith originally joined Reel Service in 1988 as Engineering Manager, then became Director of the Engineering for the Reel Service Group where he helped set up subsidiaries in Germany, Singapore, USA, Philippines and Israel. Prior to joining Reel Service, he spent 5 years working with Hughes Microelectronics (Now Raytheon) where he gained extensive knowledge and experience in Quality, Project and Process Engineering. In 2002 Mr. Smith set up his own company in Property Development & Project Management. Prior to starting back with Reel Service in August 2015, Mr. Smith was working with charity based Housing Associations dealing with Property Development & Maintenance.

# GROUP FINANCIAL HIGHLIGHTS

## FINANCIAL YEAR ENDED 31 DECEMBER

Key Financial Data	FY2024 S\$'000	FY2023 S\$'000 (restated)	FY2022 S\$'000 (restated)
<b>Continuing operations</b>			
Group revenue	32,956	47,968	63,264
(Loss)/profit before income tax	(24,329)	(2,942)	7,078
(Loss)/profit after income tax	(24,526)	(3,429)	5,980
(Loss)/profit attributable to owners of the Company	(24,503)	(3,545)	5,992
EBITDA*	1,530	7,397	16,327
<b>At Year End</b>			
Shareholders' funds attributable to owners of Company	39,847	54,648	63,545
Total equity/Net assets	33,695	36,152	45,121
Total assets	51,862	64,957	82,262
<b>Per Share</b>			
Net (loss)/earnings (cent)**	(3.74)	(0.54)	0.92
Net Assets Value (cent)***	5.15	5.52	6.89

\* EBITDA means earnings before interest expense, interest income, tax, depreciation, amortisation, write off/(back) on allowances and impairment losses.

\*\* Earnings/(Loss) per share is based on the weighted average number of shares (excluding treasury shares).

\*\*\* Net assets per share is based on the number of issued shares (excluding treasury share) as at year end, net of non-controlling interests and intangible assets.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive:

Mr. Ng Yew Nam

*Executive Chairman and Chief Executive Officer*

Mr. Soh Pock Kheng

*Executive Director and Chief Operating Officer*

### Non-Executive:

Mr. Raymond Lam Kuo Wei

*Lead Independent Director*

Mr. Yap Alvin Tsok Sein

*Independent Non-Executive Director*

Mr. Wan Tai Foong

*Independent Non-Executive Director*

## AUDIT COMMITTEE

Mr. Wan Tai Foong

*(Chairman)*

Mr. Raymond Lam Kuo Wei

Mr. Yap Alvin Tsok Sein

## NOMINATING COMMITTEE

Mr. Yap Alvin Tsok Sein

*(Chairman)*

Mr. Raymond Lam Kuo Wei

Mr. Wan Tai Foong

## REMUNERATION COMMITTEE

Mr. Raymond Lam Kuo Wei

*(Chairman)*

Mr. Yap Alvin Tsok Sein

Mr. Wan Tai Foong

## COMPANY SECRETARIES

Ms. Lee Puay Lin Sharon

Mr. Lai Kuan Loong, Victor

## REGISTERED OFFICE

33 Ubi Avenue 3

#06-72 Vertex

Singapore 408868

Tel: (65) 8687 1566

## BUSINESS OFFICE

33 Ubi Avenue 3

#06-72 Vertex

Singapore 408868

Tel: (65) 8687 1566

## SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte Ltd

1 Harbourfront Avenue

Keppel Bay Tower #14-07

Singapore 098632

Tel: (65) 6536 5355

Fax: (65) 6536 1360

## INDEPENDENT AUDITOR

Forvis Mazars LLP

Public Accountants and Chartered Accountants

135 Cecil Street

#10-01

Singapore 069536

## AUDIT PARTNER-IN-CHARGE:

Mr. Lai Keng Wei

(Appointed from financial year ended 31 December 2022)

## PRINCIPAL BANKER

United Overseas Bank Limited

# CORPORATE GOVERNANCE REPORT

## Financial Year Ended 31 December 2024 ("FY2024")

The board of directors (the "**Board**" or "**Directors**") of ASTI Holdings Limited (the "**Company**" and together with its subsidiaries, collectively the "**Group**") is pleased to present this Corporate Governance Report ("**Report**") which outlines the corporate governance practices and procedures adopted by the Company with specific reference to the Principles and the Provisions of the Code of Corporate Governance 2018 (the "**Code**") and the Mainboard Rules ("**Listing Rules**") of the Listing Manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

As at the date of this Report, the Directors of the Company are:

- Mr Ng Yew Nam – Executive Chairman and Chief Executive Officer ("**CEO**") (Appointed on 15 January 2024)
- Mr Soh Pock Kheng – Executive Director and Chief Operations Officer ("**COO**") (Appointed on 15 January 2024)
- Mr Raymond Lam Kuo Wei – Lead Independent Director (Appointed on 16 January 2024)
- Mr Yap Alvin Tsok Sein – Independent Non-Executive Director (Appointed on 16 January 2024)
- Mr Wan Tai Foong – Independent Non-Executive Director (Appointed on 12 November 2024)

Unless otherwise indicated, all references to the Directors, the Board and Board Committees in this Report refer to the aforesaid current Directors.

This Report describes the corporate governance practices of the Company and the Group that are in place following the appointments of the aforesaid Directors in the financial year ended 31 December 2024 ("**FY2024**"). None of the aforesaid Directors were involved in the business, management, financial affairs and corporate governance practices of the Company and the Group in the financial year ended 31 December 2023 ("**FY2023**") or prior to their appointments\*. As set out in its announcement dated 24 January 2024, the Company is in the process of reviewing the corporate and business dealings and transactions of the Group under the previous Board of Directors, and there may be a possibility that findings from such review might not be consistent with the contents of this Report.

For FY2024, the Company has complied with the Principles as set out in the Code and the relevant Listing Rules and to the extent that there are deviations from the Provisions of the Code, explanations have been provided in this Report.

While it is always the objective of the current Board to ensure all the Provisions of the Code are followed strictly by the Group, however, in view of the current lean cost structure and financial position of the Group, there are situations and reasons where full compliance with the Provisions of the Code may not be feasible or may not be meaningful for the Group at this stage in time. In this regard, where there are areas of the current practices which deviate from the Provisions of the Code, appropriate explanations are provided accordingly, and how the practices the Company had adopted are consistent with the intent of the relevant Principle of the Code. The Company will continue to assess its needs and implement appropriate practices accordingly.

## BOARD MATTERS

### THE BOARD'S CONDUCT OF AFFAIRS

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

#### Provision 1.1

##### Board duties and responsibilities

The main role and responsibility of the Board is to provide effective leadership and oversee the business affairs of the Company and to set policies, strategies and goals for the Company and the Group. The Board also sets the tone for the Group where ethics and values are concerned.

The Board has direct responsibility for decision-making in respect of various specific matters, including:

1. Reviewing and approving Management's strategic and business plans, including understanding and questioning the assumptions upon which plans are based, and reaching an independent judgement as to the probability that the plans can be realised;

\* Mr Soh Pock Kheng was an independent contractor of the Company pursuant to a service agreement dated 7 September 2022. His service agreement ended on 23 September 2023



# CORPORATE GOVERNANCE REPORT

2. Approving the annual budget, material acquisitions and disposals of assets or investments, major funding proposals, and any other matters which requires the Board's or shareholders' approval pursuant to the Listing Rules, the Singapore Companies Act 1967 ("**Companies Act**") and other applicable rules and regulations;
3. Establishing a framework of prudent and effective controls which enables risks to be properly assessed and managed to safeguard shareholders' interests and the Group's assets;
4. Reviewing the financial performance of the Group and necessary reporting compliance of the Group with all applicable laws, rules and regulations;
5. Approving the nomination and appointment of Directors and appointment of key management personnel ("**KMP**") of the Company;
6. Identifying key stakeholder groups and recognising that their perceptions affect the Group's reputation;
7. Setting the Company's values and standards (including ethical standards) and ensuring that obligations to shareholders and other stakeholders are understood and met;
8. Assuming responsibility for corporate governance of the Group;
9. Considering sustainability issues as part of the strategic formulation of the Group; and
10. Performing such other functions as are prescribed by law or assigned to the Board in the Company's governing documents.

The Board has in place written terms of reference which clearly sets out the Board's responsibilities in accordance with the Code and Listing Rules.

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

## Conflict of Interests

All Directors of the Company are required to act objectively in the best interests of the Company as fiduciaries at all times. Every Director is required to promptly disclose any conflict of interest, whether direct or indirect, in relation to a transaction or proposed transaction with the Company as soon as is practicable after the relevant facts have come to his knowledge.

A Director who has an interest in a matter which may conflict with his duties to the Company must disclose his interests, recuse himself from the discussion and abstain from voting on the matter.

## Provision 1.2

### Directors' Induction, Training and Development

The Company currently does not have a formal training programme for the Directors but on an ongoing basis, the Directors are provided with updates from professional advisers, the internal and external auditors, the Company Secretary and Management on relevant practices, new laws, rules and regulations that are relevant to the performance of their duties and responsibilities as Directors.

Newly appointed Directors will be provided with information about the Group, the relevant governing documents of the Company and contact particulars of senior members of Management. Procedures are in place whereby newly appointed Directors are informed of their terms of appointment, duties and obligations.

Directors who do not have prior experience as a director of a Singapore-listed company will attend the prescribed training courses as required under Listing Rule 210(5)(a).

# CORPORATE GOVERNANCE REPORT

## **Provision 1.3**

### **Matters Requiring Board Approval**

The Company has adopted and documented internal guidelines setting forth matters that require Board approval. The types of material transactions that require Board approval under such guidelines are listed below:

1. Approval of material investment and divestment proposals, acquisitions and disposals, and funding requirements;
2. Approval of announcements released via SGXNet, including financial results announcements;
3. Approval of corporate plans and budgets, annual and interim reports, financial statements, directors' statement and annual reports;
4. Issuances of shares and other securities, dividends and other returns to shareholders;
5. Authorisation of financing facilities and corporate guarantees;
6. Approval of corporate restructuring and changes in corporate business strategy and direction;
7. Appointment and cessation of Directors and KMP;
8. Convening of general meetings;
9. Interested party transactions; and
10. Any other matters as prescribed under the relevant legislations and regulations and the provisions of the Company's Constitution.

Apart from the matters that specifically require the Board's approval, the Board approves transactions exceeding certain threshold limits, while delegating authority for transactions below those limits to Management so as to optimise operational efficiency.

Management is responsible for the day-to-day operations of the Company and implementing the decisions of the Board. Where a subject has been reserved for the Board or a Board Committee's approval in its terms of reference, approval must be obtained before it is implemented.

## **Provision 1.4**

### **Board Committees**

The Board has delegated certain functions to various board committees, namely the Audit Committee (the "**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") (collectively, the "**Board Committees**"). Each of the Board Committees has its own written terms of reference and whose actions are reported to and monitored by the Board. The Board accepts that while the Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

A description of, among other things, composition and the written terms of reference of the respective Board Committees is set out in this Report.

# CORPORATE GOVERNANCE REPORT

## Provisions 1.5 and 1.6

### Board Processes and Meeting Attendance

Attendance at formal meetings by the Directors of the Company for the period from 16 January 2024 till end of the financial year ended 31 December 2024 are set out in the table below.

Directors	Membership	Board	AC	NC	RC	AGM**	EGM***
		Number of meetings attended					
Mr Chow Wai San <sup>1</sup>	Independent Non-Executive Chairman	2*	2*	2	2	2*	1
Mr Ng Yew Nam <sup>2</sup>	Executive Chairman & CEO	4*	3	2	2	2	1
Mr Soh Pock Kheng	Executive Director & COO	4	3	2	2	2	1
Mr Yap Alvin Tsok Sein	Independent Non-Executive Director	4	3	2*	2	2	1
Mr Raymond Lam Kuo Wei <sup>3</sup>	Lead Independent Director	4	3	2	2*	2	1
Mr Wan Tai Foong <sup>4</sup>	Independent Non-Executive Director	2	–	–	–	–	–
Number of meetings held in FY2024		4	3	2	2	2	1

\* Denotes Chairman.

\*\* The AGM for FY2021, which was held on 31 August 2023, was adjourned and reconvened on 15 May 2024. The AGM for FY2022 was held on 30 September 2024.

\*\*\* The EGM, held on 15 May 2024, was to approve the appointment of external auditors.

<sup>1</sup> Mr Chow Wai San was appointed as Independent Non-Executive Chairman of the Company on 16 January 2024 and retired at the conclusion of the Company's AGM held on 30 September 2024. Accordingly, he also ceased as Chairman of the AC and a member of the NC and RC on 30 September 2024.

<sup>2</sup> Mr Ng Yew Nam was appointed as an Executive Director and CEO of the Company on 15 January 2024. On 12 November 2024, he was appointed as Executive Chairman of the Board.

<sup>3</sup> Mr Raymond Lam Kuo Wei was appointed as an Independent Non-Executive Director of the Company on 16 January 2024. On 12 November 2024, he was appointed as Lead Independent Director of the Company and remains as the Chairman of the RC and member of the AC and NC.

<sup>4</sup> Mr Wan Tai Foong was appointed as an Independent Non-Executive Director of the Company, Chairman of the AC and a member of the NC and RC on 12 November 2024.

During the Company's meetings, Management will provide the Board with updates on the Group's business and operations and the financial performance for that period, and any other significant matters or issues that may have arisen. The Board is apprised of the progress of the Group's business and operations as well as the issues and challenges facing the Group.

Unless a Director is required to recuse himself from the deliberations and abstain from voting on any matter due to a potential conflict of interest, all Directors will participate in the discussions and deliberations at Board and Board Committee meetings. A Director who is not able to attend a Board or Board Committee meeting in person is permitted by the Company's Constitution to participate by way of telephone or video-conferencing.

Management will attend Board and Board Committee meetings to provide any other information required by the Board or the relevant Board Committee, and to answer any queries from the Directors. In addition to scheduled meetings, Management also regularly communicates with the Directors outside of formal Board and Board Committee meetings as appropriate through other means, such as electronic mail, telephone or video-conferencing, or separate physical meetings.

The Board and Board Committees may also make decisions by way of circular resolutions in writing in accordance with the Company's Constitution and the respective terms of references of the Board Committees. Management will, where required, provide any additional information required for the Directors to deliberate on the relevant matter before approving such written resolutions.

Where necessary, additional Board and Board Committee meetings are convened to address significant transactions or issues that arise. Board papers and related materials (including, where appropriate, relevant background or explanatory information, financial analysis and/or external reports) are provided to the Directors in advance of the relevant Board or Board Committee meetings.

# CORPORATE GOVERNANCE REPORT

The Board requires Directors to be able to commit sufficient time and attention to the affairs of the Board and their relevant Board Committees. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of the Company. More information on Directors' board representations is set out under Provision 4.5 of Principle 4 entitled "Board Membership", in this Report.

## **Provision 1.7**

### **Access to Management, Advisors and Information**

The Board has separate and independent access to Management, the internal and external auditors and the Company Secretary, and are entitled to request from Management and be provided with additional information as needed to make informed decisions.

The Board takes independent professional advice as and when necessary to enable it to discharge its responsibilities effectively. The Directors, whether as a group or individually, may also seek independent professional advice or engage subject-matter experts at the Company's expense in the course of discharging their duties.

### **Company Secretary**

The Company Secretary attends all Board and Board Committee meetings and is responsible for ensuring that Board and Board Committee procedures are followed. The Company Secretary advises the Board on governance and compliance matters and, together with other management staff, assists the Company with compliance with the applicable requirements, rules and regulations.

The appointment and the removal of the Company Secretary are subject to the approval of the Board.

### **Commitment to Sustainability**

The Board reviews the Company's performance, policies and practices in relation to material environmental, social and governance ("ESG") topics.

The Board, together with Management, considers ESG matters in its business strategy where applicable. The Board will assess opportunities and risks presented by material ESG topics, which helps the Board to determine the appropriate strategies, policies and practices that will provide the Company with the adaptability and flexibility to seize opportunities to deliver sustainable shared socioeconomic value and progress to key stakeholders, while being well-supported by sound risk management.

## **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.***

## **Provisions 2.1 to 2.3**

### **Board and Director Independence**

As at the date of this Report, there are 5 Directors on the Board, of which 3 are Independent Non-Executive Directors. There is a strong and independent element on the Board with Independent Non-Executive Directors comprising a majority of the Board, and no individual or small group of individuals dominate the Board's decision-making. The Company complies with Provisions 2.2 and 2.3 of the Code, which require Independent Directors and Non-Executive Directors to make up a majority of the Board.

The NC assists the Board to assess the independence of each Director in accordance with the guidance in the Code and the Listing Rules, as well as the disclosure of his other appointments and commitments, personal circumstances, and his conduct in the discharge of his duties.

Based on the Code, the NC considers an "independent director" as 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. Each Independent Director is also required to complete, on an annual basis, a Confirmation of Independence form based on Principle 2 of the Code for the NC's review and recommendation to the Board.

As at the date of this Report, the NC had reviewed the independence of each of the current Independent Non-Executive Directors and is satisfied that they are independent. The Board concurs with the NC's assessment. Each Independent Non-Executive Director had abstained from deliberating on his respective independence.



# CORPORATE GOVERNANCE REPORT

When the Board was reconstituted on 12 November 2024, Mr Ng Yew Nam was appointed as Executive Chairman of the Board and Mr Raymond Lam Kuo Wei was appointed as the Lead Independent Director. The NC had reviewed the composition of the Board and is satisfied that the Board, with a majority of Independent Directors and the Lead Independent Director, provides independent and objective judgment on the corporate affairs of the Group.

The Board believes that the Executive Chairman and CEO has acted and will continue to act at all times in the best interest of shareholders as a whole and will strive to protect and enhance long-term shareholder value and the financial performance of the Group.

When necessary, led by the Lead Independent Director, the Independent Directors will meet periodically without the presence of Management. The Lead Independent Director will provide feedback to the Chairman after such meetings as appropriate.

## Tenure of Independent Directors

As at the date of this Report, none of the Directors, independent or executive, have served for more than nine years.

## Provision 2.4

### Board Composition and Size

Directors	Board Membership	Committee Membership		
		Audit	Remuneration	Nominating
FY2024				
Mr Chow Wai San <sup>1</sup>	Independent Non-Executive Chairman	Chairman	Member	Member
Mr Ng Yew Nam <sup>2</sup>	Executive Chairman & CEO	–	–	–
Mr Soh Pock Kheng	Executive Director & COO	–	–	–
Mr Yap Alvin Tsok Sein	Independent Non-Executive Director	Member	Member	Chairman
Mr Raymond Lam Kuo Wei <sup>3</sup>	Lead Independent Director	Member	Chairman	Member
Mr Wan Tai Foong <sup>4</sup>	Independent Non-Executive Director	Chairman	Member	Member

<sup>1</sup> Mr Chow Wai San was appointed as Independent Non-Executive Chairman of the Company on 16 January 2024 and retired at the conclusion of the Company's AGM held on 30 September 2024. Accordingly, he also ceased as Chairman of the AC and a member of the NC and RC on 30 September 2024.

<sup>2</sup> Mr Ng Yew Nam was appointed as an Executive Director and CEO on 15 January 2024. On 12 November 2024, he was appointed as Executive Chairman of the Board.

<sup>3</sup> Mr Raymond Lam Kuo Wei was appointed as an Independent Non-Executive Director of the Company on 16 January 2024. On 12 November 2024, he was appointed as Lead Independent Director of the Company and remains as the Chairman of the RC and member of the AC and NC.

<sup>4</sup> Mr Wan Tai Foong was appointed as an Independent Non-Executive Director of the Company, Chairman of the AC and a member of the NC and RC on 12 November 2024.

The size and composition of the Board are reviewed from time to time by the NC which strives to ensure that the size of the Board is conducive to effective decision-making and that the Board has an appropriate balance of Independent Directors.

As a group, the Directors bring with them a broad range of industry knowledge, expertise and experiences in areas such as accounting, law, business and management. The diversity of the Directors' experiences allows for the useful exchange of ideas and views and for effective decision-making. Key information regarding the Directors is set out in "Board of Directors and Key Management" and "Appendix 1: Disclosure of Information on Directors Seeking Re-Election" of this Annual Report.

Taking into account the scope and nature of the current operations of the Group, the Board considers that the current board size of 5 Directors is appropriate to facilitate decision-making.

## Board Diversity

In accordance with Listing Rule 710A(1), the Board has adopted a Board Diversity Policy. The Board recognises that a diverse Board will enhance the decision-making process by utilising a variety of skills, industry and business experiences, gender, age and other distinguishing qualities of the members of the Board.

# CORPORATE GOVERNANCE REPORT

The Board, supported by the NC, reviews the Board's diversity. The Board comprises members across diverse backgrounds, with professional skills and experiences in a wide range of fields including legal, finance, investment and corporate management. As such, the Board is of the view that there is diversity in its composition.

The final decision on selection of Directors will be based on merit against the objective criteria set and after giving due regard for the benefits of diversity on the Board. The NC will review the setting of targets for various aspects of diversity but the fundamental principle is that the candidate must be of right fit and meet the relevant needs and vision of the Company. Diversity will be considered in determining the optimum composition of the Board as a whole.

The Board was reconstituted on 16 January 2024 and 12 November 2024. Given the size and scope of the current operations of the Group, the Board considers that the current board size of 5 Directors is appropriate to facilitate decision-making. No diversity targets had been set as at the date of this Report. As and when there is a need for Board renewal, the Board will abide by the Board Diversity Policy in its search of the new Director candidate.

## **Provision 2.5**

### **Meeting of Independent Directors without Management**

When required, the Independent Directors may meet without the presence of the Executive Directors and Management. Since their appointment to the Board, the Independent Directors had discussions and informal meetings without the presence of Management to discuss matters such as the Group's financial performance, corporate governance initiatives, board processes and the Group's operational processes.

## **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.***

## **Provision 3.1 and 3.2**

### **Chairman and Chief Executive Officer**

As at the date of this Report, Mr Ng Yew Nam is the Executive Chairman of the Board and CEO of the Company. He assumes responsibility for the following:

1. Leading the Board to ensure its effectiveness on all aspects of its role;
2. Setting the agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues;
3. Promoting a culture of openness and encouraging Board members to engage Management in constructive debate on various matters including strategic issues and business plans;
4. Encouraging constructive relations within the Board and between the Board and Management;
5. Facilitating the effective contribution of all Directors;
6. Ensuring effective communication with shareholders;
7. Overseeing the day-to-day management of the affairs of the Group in accordance with the business plans, approved budgets, policies, practices, procedures and values adopted by the Board;
8. Communicating with the Board on a regular basis to review key developments, issues, opportunities and concerns;
9. Implementing the strategies and policies approved by the Board; and
10. Providing timely updates, reports and information on the Group's business operations to the Board.

All major proposals by the Executive Chairman and CEO are discussed and reviewed by the Board and Board Committees, and recommended to the Board for its approval.

# CORPORATE GOVERNANCE REPORT

## **Provision 3.3**

### **Lead Independent Director**

Following the reconstitution of the Board on 12 November 2024, the Chairman of the Board is not an Independent Director. Mr Raymond Lam Kuo Wei was appointed as the Lead Independent Director of the Company on 12 November 2024 to provide leadership in situations where the Chairman is conflicted. He is also available to shareholders in situations where communication with the Executive Chairman and CEO has failed to resolve their concerns or issues or where such communication is inappropriate or inadequate.

## **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.***

## **Provisions 4.1 and 4.2**

As at the date of this Report, the NC, which was reconstituted on 12 November 2024, comprises the following three Directors, all of whom are Independent Non-Executive Directors.

Mr Yap Alvin Tsok Sein – Chairman  
Mr Wan Tai Foong – Member  
Mr Raymond Lam Kuo Wei – Member

The composition of the NC is in accordance with the Code, which requires the NC to comprise at least three Directors, the majority of whom, including the NC Chairman, are independent. The Lead Independent Director is also a member of the NC.

## **Terms of Reference of the NC**

The NC's key roles and responsibilities, which are described in its terms of reference, include the following:

1. Review Board succession plans for the Directors, CEO and KMP of the Company;
2. Development of a process and criteria for evaluation of the performance of the Board, the Board Committees and Directors;
3. Review of training and professional development programmes for the Board;
4. Review the appointment and re-appointment of Directors;
5. Evaluate and determine the independence of the Independent Directors; and
6. Evaluate whether a Director, with multiple board representations, is able to and has been adequately carrying out his duties as Director of the Company.

No Director, including the members of the NC, is involved in discussions concerning his own re-appointment or independence. The NC's recommendations are submitted to the Board for endorsement.

## **Provisions 4.3 and 4.4**

### **Procedure for Selection and Appointment of New Directors**

The selection and appointment of new Directors is based primarily on merit, with due and conscious consideration for the benefits of diversity. The NC, in consultation with Management and the Board, considers various aspects of diversity to address gaps and to maintain an appropriate range and balance of skills, experience, independence and knowledge of Directors, diversity representation on the Board and other relevant factors against the current and future needs of the Board.

Prospective Board candidates are sourced through recommendations from Board members, business associates, advisors, professional bodies and other industry players. These candidates are then reviewed by the NC.

# CORPORATE GOVERNANCE REPORT

The criteria for assessing the suitability of any candidate are determined by the NC. The NC, in evaluating the suitability of the candidate, will take into account his/her qualifications, business and related experience and ability to contribute effectively to the Board. The NC will also determine if the candidate would be able to commit time to his/her appointment having regard to his/her other Board appointments and principal commitments, and his/her independence. Recommendations of the NC are then put to the Board for consideration.

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

## Retirement and Re-election of Directors

The Company's Constitution requires all Directors to submit themselves for re-nomination and re-election at least once every three years; and at least one-third of the Directors for the time being to retire from office by rotation. New Directors appointed during the year are subject to retirement and re-election at the following annual general meeting ("**AGM**") of the Company.

In its deliberation on the nomination of retiring Directors for re-election, the NC takes into consideration the Directors' contribution and performance during the year. No Director is involved in the deliberation and recommendation in respect of his own nomination for re-election.

At the forthcoming AGM, Mr Soh Pock Kheng and Mr Raymond Lam Kuo Wei are retiring pursuant to Regulation 89 of the Company's Constitution. The retiring Directors will be seeking re-election at the Company's forthcoming AGM. Pursuant to Listing Rule 720(6), information relating to the Directors seeking re-election is disclosed in the section "Appendix 1: Disclosure of Information on Director Seeking Re-Election" of this Report.

## Alternate Directors

Consistent with the principle that each Director is expected to be able to, and to adequately, carry out his duties as a Director, the Board does not encourage the appointment of alternate directors. As at the date of this Report, no alternate director was appointed to the Board.

## NC's Determination of Director Independence

The NC is charged with determining the independence of the Directors as well as the relationships or circumstances which would deem a Director not to be independent.

As noted under the section on Principle 2 under "Board Independence", the NC assesses annually whether a Director is independent in accordance with the guidance in the Code and the Listing Rules. To facilitate this process, Directors are required to disclose, among other things, their relationships 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 Directors' independent business judgement in the best interests of the Company. An Independent Director shall notify the NC immediately, if as a result of a change in circumstances, he no longer meets the criteria for independence. The NC shall review the change in circumstances and make its recommendations to the Board.

## Provision 4.5

### Board Representations

In FY2024, the NC had adopted internal guidelines that each Director should hold no more than 5 listed company board representations. Where a Director has multiple board representations, the NC will determine if the Director has been able to devote sufficient time and attention to the Company's affairs and if he has been adequately carrying out his duties as a Director. Such assessment is performed on an annual basis or from time to time when the need arises.



# CORPORATE GOVERNANCE REPORT

## BOARD PERFORMANCE

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

### Provisions 5.1 and 5.2

The NC has adopted an annual performance evaluation exercise for (a) the Board as a whole; (b) each of the Board Committees; and (c) each of the Directors. The aforesaid performance evaluations are carried out with questionnaires and the results are collated and anonymised. The findings are then analysed and discussed by the NC and reported to the Board.

The aforesaid annual performance evaluation exercises provide a platform for the Board members to exchange feedback on the strengths and shortcomings of the Board, Board Committees and each Director, with a view to strengthening the effectiveness of the Board. Areas where the Board's performance and effectiveness could be enhanced and recommendations for improvement will be discussed by the Board and, where appropriate, implemented. The NC had conducted the aforesaid performance evaluations for FY2024.

## REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

**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.**

### Provisions 6.1 to 6.3

As at the date of this Report, the RC, which was reconstituted on 12 November 2024, comprises the following three Directors, all of whom are Independent Non-Executive Directors:

Mr Raymond Lam Kuo Wei – Chairman  
Mr Yap Alvin Tsok Sein – Member  
Mr Wan Tai Foong – Member

The composition of the RC is in accordance with the Code, which requires the RC to be made up entirely of Non-Executive Directors.

### Terms of Reference of the RC

The terms of reference of the RC include the review and recommendation of the following matters by the RC to the Board:

1. Review and recommend to the Board for endorsement, a general framework of remuneration for the Board and KMP. The framework covers all aspects of remuneration, including but not limited to director's fees, salaries, allowances, bonuses, the grant of shares and share options and benefits in kind;
2. Review and recommend to the Board, the specific remuneration packages for each Director;
3. Review the level and mix of remuneration and benefits, policies and practices of the Company, including any long-term incentive schemes. The performance of the Company and that of individual employees would be considered by the RC in undertaking such reviews;
4. Implement and administer the Company's share option plan, if any; and
5. Review the Group's obligations arising in the event of termination of the Executive Directors' and KMP's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

No Director, including the members of the RC, is involved in discussions concerning his own remuneration. The RC's recommendations are submitted to the Board for endorsement.

# CORPORATE GOVERNANCE REPORT

## Remuneration Framework

Broadly, the remuneration policy and framework for fixing Directors' fees, Executive Directors and KMP remuneration adopted by the Company are designed with a view to paying competitive remuneration to attract, retain and motivate the Directors to provide good stewardship of the Company and the KMP to successfully manage the Company for the long-term.

The Non-Executive Directors do not have service contracts or consultancy arrangements with the Company. They are paid Directors' fees based on a structured fee framework reflecting the responsibilities and time commitment of each Director. The fee framework comprises a base fee, and additional fees for holding appointment as Chairman of the Board, Chairman/member of Board Committees or Lead Independent Director. The annual quantum of Directors' fees to be paid is also reviewed by the RC and the Board before submission to shareholders for approval at the Company's AGM.

The RC also reviews the remuneration packages of the Executive Directors and KMP and submits its recommendations to the Board for endorsement. The RC will look at the total remuneration provided which comprises a fixed salary, variable bonus and/or other benefits. The variable bonus component is linked to the performance of the Group and the achievement of specific key performance indicators set for the individual. The RC ensures that there is a strong correlation between bonuses payable, and the achievement and performance of the Group and individual staff.

### Provision 6.4

#### RC Access to Expert Professional Advice

The RC may, in reviewing the remuneration of Directors and KMP, seek advice from external professional consultants as and when it deems necessary. The expenses incurred from such advice is borne by the Company.

In FY2024, the RC appointed remuneration consultants, Willis Towers Watson Consulting (Singapore) Pte. Ltd. ("**WTW**"), to undertake a compensation benchmarking exercise as the Board was newly appointed and the Company's remuneration framework under the former RC and former Board did not provide sufficient details or rationale for how Directors' fees/remuneration was assessed and derived. The compensation benchmarking exercise by the remuneration consultants provided the RC and the Board with a sound basis for the recommendation of remuneration that is fair and reasonable.

## LEVEL AND MIX OF REMUNERATION

***Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.***

### Provisions 7.1 to 7.3

The Company's remuneration framework is designed to encourage behaviours that contribute to the Group's long-term success while keeping remuneration competitive to attract, to retain and to motivate employees. Remuneration is commensurate with the performance of the Company, an employee's business unit or function, individual performance and contributions, competencies and alignment of behaviour to Company values. The remuneration package consists of fixed pay, variable bonus and/or benefits.

#### Performance-based Compensation

In reviewing the remuneration packages of individual Directors, the RC ensures that the remuneration of the Executive Directors is commensurate with their performance and that of the Company. The RC also takes into account their contributions as well as the financial performance conditions, which include both quantitative and qualitative targets to be achieved during the year.

The remuneration packages of the Executive Directors comprise primarily a mix of a fixed component, a variable component and benefits to align Management remuneration with the interests of shareholders and other stakeholders, and to link rewards to corporate and individual performance so as to promote the long-term sustainability Group.

The Executive Directors do not receive Directors' fees. The remuneration packages of Mr Ng Yew Nam, Executive Chairman and CEO of the Company, and Mr Soh Pock Kheng, Executive Director and COO of the Company, are reviewed and recommended to the Board by the RC and endorsed by the Board.

# CORPORATE GOVERNANCE REPORT

## Remuneration of Non-Executive Directors

The RC reviews the Directors' fees paid to Non-Executive Directors, which is based on a structured fee framework pursuant to a compensation benchmarking exercise undertaken by remuneration consultants in FY2024, to ensure that it is appropriate to the level of contribution and responsibilities and takes into consideration the challenging circumstances of the Company.

## Long-term Incentive Scheme

When appropriate, the RC will look into implementing appropriate long-term incentive plans to encourage alignment of Management's interests with that of shareholders.

## DISCLOSURE ON REMUNERATION

**Principle 8: The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.**

### Provision 8.1

## Remuneration of Directors and KMP

### FY2024

For FY2024, based on the recommendations in WTW's compensation benchmarking report, the RC had recommended to the Board an amount of S\$252,000 as Directors' fees for FY2024, to be paid quarterly in arrears. The Board concurred with the RC that the proposed Directors' fees for FY2024 was appropriate, taking into consideration the compensation benchmarking performed by WTW, higher litigation and reputational risks, additional work performed for the resolution of the Company's issues for FY2022, FY2023 and FY2024 in a single financial year, and the responsibilities and obligations of the Directors in navigating the Company in its current challenging circumstances. This was tabled at the Company's AGM on 30 September 2024 and was duly approved by the shareholders of the Company.

Below is the breakdown of the directors' remuneration for FY2024:

Directors	Remuneration	Directors' Fees	Fixed Salary	Bonus	Share-Based Compensation	Benefits & Allowance	Total
	(S\$)	(%)	(%)	(%)	(%)	(%)	(%)
For FY2024							
Mr Anthony Loh Sin Hock <sup>1</sup>	70,711	–	99%	–	–	1%	100%
Mr Ng Yew Nam	409,284	–	71%	23% <sup>2</sup>	–	6%	100%
Mr Soh Pock Kheng	409,317	–	71%	23% <sup>2</sup>	–	6%	100%
Mr Chow Wai San	77,488 <sup>3</sup>	100%	–	–	–	–	100%
Mr Yap Alvin Tsok Sein	68,330	100%	–	–	–	–	100%
Mr Raymond Lam Kuo Wei	69,286 <sup>4</sup>	100%	–	–	–	–	100%
Mr Wan Tai Foong	12,227 <sup>5</sup>	100%	–	–	–	–	100%

<sup>1</sup> The remuneration for Mr Anthony Loh Sin Hock is in respect of his role as Acting CEO from 1 January 2024 to 15 January 2024 and CFO from 1 January 2024 to 15 April 2024.

<sup>2</sup> Bonus paid/payable to the Executive Directors of the Company for FY2024.

<sup>3</sup> The remuneration for Mr Chow Wai San is prorated in respect of his role as Independent Non-Executive Chairman, Chairman of the AC and a member of the NC and RC from 16 January 2024 to 30 September 2024.

<sup>4</sup> The remuneration for Mr Raymond Lam Kuo Wei is in respect of role as Independent Director from 16 January 2024 to 31 December 2024, as well as his role as Lead Independent Director from 12 November 2024 to 31 December 2024.

<sup>5</sup> The remuneration for Mr Wan Tai Foong is prorated in respect of his role as Independent Non-Executive Director, Chairman of the AC and a member of the NC and RC from 12 November 2024 to 31 December 2024.

# CORPORATE GOVERNANCE REPORT

## FY2025

The RC had recommended to the Board an amount of S\$205,088 as Directors' fees for the financial year ending 31 December 2025 ("FY2025"). The Board concurred with the RC that the proposed Directors' fees for FY2025 was appropriate, taking into consideration the higher litigation and reputational risks, additional work performed for the resolution of the Company's issues for FY2023, FY2024 and FY2025 in a single financial year, and the responsibilities and obligations of the Directors in navigating the Company in the current challenging business environment, the level of contributions, responsibilities and obligations of the Directors. This was tabled at the Company's AGM on 28 February 2025 and was duly approved by the shareholders of the Company.

## Remuneration of KMP

The breakdown of remuneration paid (in remuneration bands) to KMP (who are not Directors or the CEO) is as follows:

Name of Key Management Personnel	Fixed Salary	Variable Bonus	Allowance	Others	Total
<b>For FY2024</b>					
<b>Below S\$250,000</b>					
Mr Tan Sze Leng <sup>2</sup>	85%	14%	N.A.	1%	100%
Mr Larry Lim <sup>1</sup>	89%	N.A.	2%	9%	100%
Mr Ong Yu Huat	81%	13%	4%	2%	100%
Mr Gary Smith	90%	N.A.	6%	4%	100%

<sup>1</sup> Mr Larry Lim, President of Telford Group, retired on 30 June 2024.

<sup>2</sup> Mr Tan Sze Leng was appointed as the Company's CFO on 6 May 2024.

The aggregate remuneration paid to KMP in FY2024 was S\$671,000. There were no termination, retirement or post-employment benefits provided for in the employment contracts with the Directors, CEO or KMP.

Mr Kho Cheow Wah, who was appointed as Director of Corporate Administration of the Company in August 2024, is the brother-in-law of the Company's Executive Director and COO, Mr Soh Pock Kheng.

## Provision 8.2

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

In FY2024 and as at the date of this Report, save for Mr Ng Yew Nam and Mr Soh Pock Kheng, who are substantial shareholders of the Company, there are no employees who are substantial shareholders of the Company or immediate family members of a Director, the CEO or a substantial shareholder, and whose remuneration exceeds S\$100,000.

## Provision 8.3

### Employee Share Option Scheme

The Company currently does not have any employee share option scheme in place. Shareholders' approval was previously obtained for the implementation of the employee share option scheme in 2001 and the employee share option scheme had expired on 22 May 2011. There are no outstanding share options granted under the expired employee share option scheme.



# CORPORATE GOVERNANCE REPORT

## 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.***

#### **Provision 9.1**

##### **Implementation and Monitoring of Risk Management and Internal Control Systems**

The Board and the AC are responsible for the governance of risk by ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets. They also determine the nature and extent of the significant risks which the Board is willing to take in achieving strategic objectives.

Management is responsible for designing, implementing and monitoring the risk management and internal control systems of the Group. The Board is assisted by the AC, which conducts reviews of the adequacy and effectiveness of the Group's internal controls and risk management systems with the assistance of the internal auditors of the Group. The reviews consider the Group's business and operational environment in order to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks.

The internal control system provides reasonable assurance against material financial misstatements or loss and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulation and best practices and the identification and management of business risks.

##### **Risk Management Policies and Processes**

In FY2024, the AC appointed Baker Tilly TFW LLP as the Company's internal auditors. The Company's internal auditors review material internal controls as part of the Internal Audit Plan to provide independent assurance to the AC and the Board on the adequacy, effectiveness and integrity of the Group's internal controls and risk management systems.

The Company's internal auditors provide their findings to the AC after conducting internal audits in accordance with the Internal Audit Plan. If any non-compliance or internal control weaknesses are noted during the audit, the corresponding recommendations and Management's responses are reported to the AC.

The system is intended to provide reasonable but not absolute assurance against material misstatements or loss, and to safeguard assets and ensure maintenance of proper accounting records, reliability of financial information, compliance with relevant legislation, regulations and best practices, and the identification and containment of business risks. The effectiveness of the risk management and internal control systems and procedures is to be monitored and reviewed at least annually by the AC and the Board.

The Board also recognises that an effective internal control system will not preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss. The Board will continue its risk assessment, which is an on-going process, with a view to improve the Group's internal control system.

#### **Provision 9.2**

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

The Board and the AC had reviewed, with the assistance of the internal auditors and external auditors, the adequacy and effectiveness of the Group's current internal controls, including financial, operational, compliance and information technology controls, and risk management systems.

For FY2024, the Board has received written assurances from the Executive Chairman and CEO and the CFO that, to the best of their knowledge and belief:

- (a) the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (b) the Group's current risk management and internal control systems to address the key financial, operational, compliance and information technology risks affecting the operations are adequate and effective to meet the needs of the Group in its current business environment.

# CORPORATE GOVERNANCE REPORT

Management will also continue to review and strengthen the Group's control environment and devote resources and expertise towards improving its internal policies and procedures to maintain a high level of governance and internal controls.

Based on the internal controls established following the reconstitution of the Board on 16 January 2024, work performed by the current internal and external auditors, reviews performed by Management and the various Board Committees and the written assurances, the Board, with the concurrence of the AC, is of the opinion that based on the work done from 16 January 2024 to date and subject to the ongoing review of the corporate and business dealings and transactions of the Group under the former Board, the Group's current internal controls and risk management systems, to the best of their knowledge and belief, were adequate and effective to address financial, operational and compliance risks, including information technology risks, which the Company considers relevant and material to its operations.

## AUDIT COMMITTEE

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

### **Provisions 10.1 to 10.3**

As at the date of this Report, the AC comprises the following three Directors, all of whom are Independent Directors:

Mr Wan Tai Foong – Chairman  
Mr Yap Alvin Tsok Sein – Member  
Mr Raymond Lam Kuo Wei – Member

The Board is of the view that the AC members, having accounting and related financial management expertise and experience, are appropriately qualified to discharge their responsibilities. Majority of the members of the AC have years of experience in accounting or related financial management expertise to discharge their responsibilities.

The external auditors provide regular updates and periodic briefings to the AC on changes to accounting standards and other regulatory updates to enable the AC to keep abreast of such changes and their corresponding impact on the financial statements, if any.

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

### **Terms of Reference of the AC**

The duties of the AC as set out in its terms of reference include:

1. Reviewing the financial reporting issues and judgements so as to ensure the integrity of financial statements, and of announcements on the Company's financial performance and recommend changes;
2. Overseeing and reviewing the adequacy and effectiveness of the Company's risk management function;
3. Overseeing Management in establishing the risk management framework of the Company;
4. Reviewing and reporting to the Board at least annually on the adequacy and effectiveness of the Company's risk management and internal controls;
5. Determining the Group's levels of risk tolerance and risk policies;
6. Reviewing the adequacy, effectiveness, independence, scope and results of the Company's internal audit function;
7. Reviewing the scope and results of the external audit, and the independence and objectivity of the external auditors;
8. Reviewing assurance from the CEO and CFO (or equivalent personnel) on the financial records and financial statements;
9. Recommending to the Board the appointment, re-appointment and removal of the external auditors, and its remuneration and terms of engagement;
10. Ensuring that the Company has programmes and policies in place to identify and prevent fraud;
11. Overseeing the establishment and operation of the whistleblowing process in the Company;

# CORPORATE GOVERNANCE REPORT

12. Reviewing all interested person transactions and related party transactions; and
13. Undertaking such other functions and duties as may be required by the Board under the Code, statute or the Mainboard Rules (where applicable).

## Key Audit Matters

The Company's external auditors, Forvis Mazars LLP ("**Forvis Mazars**"), has issued a qualified opinion on the audited financial statements of the Group and the Company for FY2024 due to two matters which remain unresolved during the course of the audit of the financial statements for FY2024 – Interests in and amount due from an associate, EoCell Limited ("**EoCell**") and the Company's interests in and amount due from a subsidiary Dragon Group International Limited ("**DGI**"). For more details, please refer to the Independent Auditors report on page 40 of this annual report.

The AC considered the report from the external auditors, including their findings on the significant risks and audit focus areas. Significant matters that were discussed with the Management and the external auditors have been included as Key Audit Matters ("**KAM**") in the audit report for FY2024 in pages 42 and 43 of this annual report. In assessing the KAM, the AC took into consideration the approach and methodology applied as well as the reasonableness of the estimates and key assumptions used. The AC concluded that the Management's accounting treatment and estimates in the KAM were appropriate.

## Provision 10.4

### Authority of the AC

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

### External Auditors

At the Company's AGM held on 28 February 2025, shareholders had approved the reappointment of Forvis Mazars as the Company's external auditors.

The Company has complied with Listing Rule 712 in that Forvis Mazars is registered with the Accounting and Corporate Regulatory Authority. The AC is satisfied that the resources and experience of Forvis Mazars, the audit engagement partner and the team assigned to the audit of the Group are adequate to meet their audit obligations, given the size, nature, operations and complexity of the Group.

The Group has engaged Forvis Mazars to audit its Singapore-incorporated subsidiary. The audit firms engaged for the Company's significant foreign-incorporated subsidiaries are disclosed on pages 87 to 89. Accordingly, the Company is in compliance with Rule 715 and 716 of the Listing Manual.

The AC assesses the external auditors based on the requirements of the Listing Rules, and reviews the nature and value of all non-audit services provided to the Group as well as other factors such as the performance and quality of its audit and the independence and objectivity of the external auditors, and recommends its appointment/re-appointment to the Board. Fees paid or payable by the Group to external auditors for non-audit services for FY2024 amounted to S\$9,000. The percentage of non-audit related fees over audit fees was 3.8%.

In accordance with Listing Rule 1207(6), the audit fees paid and/or payable to Forvis Mazars and their network firms for their services for the FY2024 financial statements is S\$229,000. The external auditors have also confirmed their independence in this respect. Based on the review, the AC is of the opinion that Forvis Mazars is independent for the purpose of the Group's statutory audit.

The Company confirms that it is in compliance with Listing Rules 712, 715 and 716 in relation to the appointment of audit firms for the Group.

The AC and the Board have recommended the nomination of Forvis Mazars for re-appointment at the Company's forthcoming AGM.

# CORPORATE GOVERNANCE REPORT

## Internal Auditors

The AC approves the appointment, removal, evaluation and fees of the Group's outsourced internal audit function. In FY2024, the AC and Board had appointed Baker Tilly Consultancy (Singapore) Pte. Ltd. as the Company's internal auditors.

Baker Tilly is an independent member of Baker Tilly International, one of the world's 10 largest accounting and business advisory network. The internal audit engagement partner and the team assigned to the internal audit of the Group have relevant qualifications and experience in internal controls advisory, risk management services, compliance audit and sustainability reporting.

The internal auditors report directly to the AC on internal audit matters and to Management on administrative matters. The internal auditors plan their internal audit in consultation with, but independent of, the Management. The internal audit plan is submitted to the AC for approval prior to implementation. The internal auditors have unfettered access to the AC, the Company's documents, records, properties and personnel.

## Resource and Standing of Internal Audit Function

The AC approves the Internal Audit Plan annually and reviews the adequacy and effectiveness of the Group internal audit function. The AC ensures the adequacy of the internal audit function by examining the scope of the internal auditors' work, the quality of their reports, their qualifications and training, their relationship with the external auditors and their independence of the areas reviewed.

Baker Tilly is staffed with professionals with relevant qualifications and experience and executes its internal audit engagement in accordance with internal audit methodology which is aligned with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors. The AC is satisfied that the internal auditors meet the requisite standards, are effective, adequately resourced, are independent and have appropriate standing within the Group.

## Provision 10.5

### Meeting with External Auditors and Internal Auditors

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

For the audit of the financial statements for FY2024, the external auditors and internal auditors had, without the presence of Management, confirmed to the AC that they had access to and received full co-operation and assistance from Management and no restrictions were placed on the scope of their audit.

## Whistle-blowing Policy

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

The policy is aimed at encouraging the reporting of such matters in good faith, with the confidence that persons making such reports will be treated fairly. Every effort will be made to protect the identity of the employee who files the complaint or expresses his/her concerns, except in very limited circumstances, such as where disclosure of the person's identity is required by law or other regulatory body; or the identity of the person is material to the investigations.

The Company will not tolerate any reprisals, discrimination, harassment or victimisation of any person raising a genuine concern. All reported whistle-blowing incidents or concerns will be independently investigated under the directives of the AC, and remedial actions will be taken to address the whistle-blowing incidents.

As at the date of this Report, the Company's whistle-blowing email channel had been set up for the AC Chairman to be the recipient of any whistle-blowing reports.

In FY2024 and up to the date of this Report, no whistle-blowing reports were received.

# CORPORATE GOVERNANCE REPORT

## SHAREHOLDERS' 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.*

### Shareholder Rights

The Company recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all shareholders are treated fairly and equitably, and information is communicated to shareholders on a timely basis through annual reports, financial results and announcements of significant transactions that are released on SGXNet.

Shareholders are also able to access investor-related information on the Group from the Company's corporate website at [www.astigp.com](http://www.astigp.com).

### Provision 11.1

#### Shareholder Participation at General Meetings

The Company welcomes the views of shareholders on matters concerning the Company and encourages shareholders' participation at general meetings. All shareholders are entitled to attend the general meetings and are given ample opportunity and time to participate effectively and vote at the meetings. All notices of general meetings, along with the related information, is sent to every shareholder.

The Company will comply with its Constitution, the Companies Act and the Listing Rules in respect of the requisite notice periods for convening general meetings. In line with the Company's continuing sustainability efforts to protect the environment, the Company uses electronic communication for the transmission of its annual reports and other documents to shareholders. The annual report, notice of AGM and accompanying documents are released via SGXNet and are also made available on the Company's website at [www.astigp.com](http://www.astigp.com).

Shareholders are informed of the rules, including voting procedures that govern the general meetings. The Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote on behalf of the shareholder. A shareholder who is a relevant intermediary is entitled to appoint more than two proxies to attend 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 appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

All resolutions at general meetings of the Company are voted by way of poll. An independent scrutineer, who is in attendance at every general meeting, validates the voting results, which are announced on SGXNet on the same day after the conclusion of the general meetings.

### Provision 11.2

#### Separate Resolutions at General Meetings on Each Substantially Separate Issue

The Company does not practice bundling of resolutions at general meetings. Each proposal is tabled as a separate and distinct resolution and not bundled or made conditional to other resolutions. Relevant information relating to each resolution is provided in the notice of general meeting. In the event where the nature of the resolutions have to be "bundled", the Company will explain the reasons and material implications.

### Provision 11.3

#### Attendance at General Meetings

All Directors, including the Chairman of the Board and the respective Chairmen of the AC, NC and RC, as well as the external auditors and the Company Secretary, are present at general meetings to address shareholders' queries.



# CORPORATE GOVERNANCE REPORT

## **Provision 11.4**

### **Absentia Voting**

If any shareholder is unable to attend a shareholders' meeting, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the meeting through proxy forms which are sent together with the Annual Reports or Circulars (as the case may be). As the authentication of shareholder identity information and other related security issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, email or fax.

## **Provision 11.5**

### **Minutes of General Meetings**

The Company Secretary prepares minutes of general meetings which include substantial and relevant comments or queries from shareholders, and responses from the Board and Management. The Company releases its minutes of general meetings via its corporate website and SGXNet within one month after the general meetings.

## **Provision 11.6**

### **Dividend Policy**

The Company currently does not have a formal dividend policy. The amount and frequency of dividend payments would depend on, inter alia, the Group's financial performance and financial position, its expansion plans and working capital needs, and other factors as the Board may deem appropriate.

## **ENGAGEMENT WITH SHAREHOLDERS**

***Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.***

## **Provision 12.1**

### **Shareholder Engagement**

The Company recognises that effective communication leads to transparency and enhances accountability. Shareholders are invited to ask questions and seek a better understanding of the Group's business operations, performance, strategies and outlook at general meetings. The Company provides information to its shareholders via SGXNet announcements. The Company does not practise selective disclosure and ensures timely and adequate disclosure of price and/or trade sensitive and material information to shareholders of the Company via SGXNet.

## **Provisions 12.2 and 12.3**

### **Investor Relations**

The Company currently does not have an Investor Relations Policy in place. However, the Board's policy is that all shareholders should be informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Group via SGXNet on an immediate basis, in line with the Group's disclosure obligations pursuant to the Listing Rules and the Companies Act. There is no dedicated investor relations team in place as the Board is of the view that the current communication channels are sufficient and cost-effective.

# CORPORATE GOVERNANCE REPORT

## MANAGING STAKEHOLDER RELATIONS 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.**

### Provisions 13.1 and 13.2

#### Managing Stakeholder Relations

The Company has arrangements in place to engage with its material stakeholder groups and to manage its relationships with such groups, which forms parts of its sustainability practices. The Company's material stakeholders include its shareholders and investors, customers, contractors and suppliers, regulatory authorities, employees and workers, and local communities. The Company engages its key stakeholders through various formal and informal channels to ensure that the business interests of the Group are balanced against the needs and interests of its materials stakeholders.

The Company is committed to integrating its stakeholders' concerns in its business strategies and policies. Therefore, it continuously seeks to explore effective communication channels and strengthen its relationships with stakeholders.

Further information on how the Company engages its stakeholders and its approach to materials topics will be detailed in the Company's Sustainability Report.

### Provision 13.3

#### Corporate Website

The Company maintains a corporate website at [www.astigp.com](http://www.astigp.com), to communicate and engage with key stakeholders. The corporate website contains various information pertaining to the Group and the Company which serves as an important resource for investors and all key stakeholders. The website is updated from time to time.

## OTHER CORPORATE GOVERNANCE MATTERS

### INTERESTED PERSON TRANSACTIONS ("IPTs")

In FY2024, the Company had established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that the transactions are conducted at arms' length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders. All IPTs are subject to review by the AC on a quarterly basis to ensure compliance with established procedures in accordance with Chapter 9 of the Listing Manual.

The AC and the Board have reviewed all interested person transactions for FY2024. There were no interested party transactions of aggregate value of S\$100,000 or more for FY2024.

The Company did not obtain any IPT mandate from shareholders pursuant to Chapter 9 of the Listing Manual.

The AC will continue to review and monitor any interested person transactions that may arise and ensures that the Company seeks appropriate approvals, makes appropriate announcements or disclosures on these transactions in accordance with Chapter 9 of the Listing Manual.

### DEALINGS IN THE COMPANY'S SECURITIES

The Company has in place a policy prohibiting share dealings by the Company, Directors and employees of the Group during the period commencing one month before the announcement of the Company's quarterly and full year financial statements, and ending on the date of announcement of the relevant results. Directors and employees are also required to observe at all times the insider trading rules stipulated in the Securities and Futures Act, Cap. 289 and are discouraged from dealing in the Company's securities on short-term considerations. The shares of the Company have been suspended from trading on the SGX-ST since 5 July 2022. For the period from 16 January 2024 to the date of this Report, the Company had complied with Rule 1207(19) of the Listing Manual.

### MATERIAL CONTRACTS

Except as disclosed in the financial statements, there were no material contracts (including loans) of the Company or its subsidiaries involving the interests of the directors or controlling shareholders which subsisted at the end of the financial year or have been entered into since the end of the previous financial year.

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Pursuant to Rule 720(6) and Appendix 7.4.1 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the following additional information on Mr. Soh Pock Kheng and Mr. Raymond Lam Kuo Wei, all of whom are seeking re-election as Directors at 2024 Annual General Meeting is set out below:

	Mr. Soh Pock Kheng	Mr. Raymond Lam Kuo Wei
Date of Appointment	15 January 2024	16 January 2024
Date of Last Re-Appointment (if applicable)	30 September 2024	30 September 2024
Age	54	48
Country of Principal Residence	Singapore	Singapore
The Board's comments on the re-appointment	The Board of Directors of the Company has accepted and approved the NC's recommendation, who has reviewed and considered Mr. Soh Pock Kheng's contribution and performance as a Director of the Company.	The Board of Directors of the Company has accepted and approved the NC's recommendation, who has reviewed and considered Mr. Raymond Lam's contribution and performance as an Independent Director of the Company.
Whether the appointment is executive, and if so the area of responsibility	Executive	Non-Executive
Job Title	Executive Director & Chief Operating Officer	Lead Independent Director, Chairman of RC and Member of AC and NC
Professional Qualifications	<ul style="list-style-type: none"> <li>Diploma in Electronics Engineering Ngee Ann Polytechnic</li> </ul>	<ul style="list-style-type: none"> <li>Bachelor of Law (Hons), National University of Singapore</li> <li>Advocate &amp; Solicitor of Supreme Court of Singapore</li> <li>Solicitor, England &amp; Wales</li> <li>Fellow, Chartered Secretaries Institute of Singapore</li> <li>Notary Public &amp; Commissioner for Oaths</li> <li>Ordinary Member and Senior Accredited Director, Singapore Institute of Directors</li> </ul>
Working Experience and occupation(s) in the past 10 years	<ul style="list-style-type: none"> <li>1997 to present: Director, Vansonc (Singapore) Pte. Ltd.</li> <li>2019 to 2021: VP, Business Development ASTI Holdings Limited</li> </ul>	<ul style="list-style-type: none"> <li>Chief Operating Officer of Drew &amp; Network Asia (DNA)</li> <li>Head of Business Development, Drew &amp; Napier LLC</li> <li>Director, Drew &amp; Napier LLC (Corporate Restructuring &amp; Workouts Practice Group)</li> </ul>
Shareholding interest in the listed issuer and its subsidiaries	<ul style="list-style-type: none"> <li>ASTI Holdings Limited Direct Interest 65,759,000 shares</li> <li>Deem Interest 22,096,000 shares</li> <li>Dragon Group International Limited Direct Interest 4,400,000 shares</li> <li>Deem Interest 709,000 shares</li> </ul>	No
Any relationship (including immediate family relationships) with any existing director, existing executive director, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Soh Pock Kheng	Mr. Raymond Lam Kuo Wei
Conflict of Interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the Company	Yes	Yes
Past (for the last 5 years)	<p>Directorship:</p> <ul style="list-style-type: none"> <li>• Dragon Group International Limited</li> <li>• SCM Solutions Pte Ltd</li> <li>• Dragon D'illum Technologies Pte. Ltd.</li> <li>• Sooner Technology Pte. Ltd.</li> </ul>	<p>Directorship:</p> <ul style="list-style-type: none"> <li>• APAC Bizinfo Pte. Ltd.</li> <li>• APC Wind Power Pte. Ltd.</li> <li>• Asia China Trading and Investment Pte. Ltd.</li> <li>• Atlas Programmed Marine (Singapore) Pte. Ltd. (struck off)</li> <li>• Blazenn Private Limited</li> <li>• CFYC Holdings Pte Ltd</li> <li>• CT-Corp Investments Singapore Pte Ltd</li> <li>• Datastax Singapore Pte. Ltd.</li> <li>• Drewcorp Services Pte. Ltd.</li> <li>• Eagle Constellation Fund (Class C) Pte Ltd (struck off)</li> <li>• Elasticsearch Pte. Ltd.</li> <li>• Equities First Holdings Singapore Pte. Ltd.</li> <li>• Eze Castle Integration Singapore Pte. Ltd.</li> <li>• Finnegan (Singapore) Pte. Ltd. (Dissolved – MVL)</li> <li>• First Solar FE Holdings Pte. Ltd.</li> <li>• First Solar Vietnam Holdings Pte. Ltd.</li> <li>• FLG Holdco 2 Pte. Ltd.</li> <li>• Global Ocean Trading Limited (HK)</li> <li>• Golden Lake Investment Private Limited</li> <li>• Hawley &amp; Hazel Chemical Company Singapore (Private) Limited</li> <li>• K&amp;R Global Investments Private Limited (struck off)</li> <li>• KOP Surface Products Singapore Pte. Ltd.</li> <li>• Telus Health (Singapore) Pte Ltd (formerly known as Lifeworks (Singapore) Pte. Ltd.)</li> <li>• LogicMonitor Asia Pacific Pte. Ltd. Pte. Ltd.</li> <li>• Maxmila Pte. Ltd. (struck off)</li> <li>• Megaport (Singapore) Pte. Ltd.</li> <li>• Metsovaara Pte. Ltd. (struck off)</li> <li>• New Relic Singapore Pte. Ltd.</li> <li>• NT-Ware Asia Pte. Ltd.</li> <li>• NVIDIA Singapore Development Pte. Ltd.</li> <li>• OnPoint Holdings Pte. Limited</li> <li>• Pan Electrics Pte. Ltd.</li> <li>• Pan Poly Engineering Pte. Ltd.</li> <li>• Pacific Transportation Services Pte. Ltd. (gazetted to be struck off)</li> </ul>

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

	Mr. Soh Pock Kheng	Mr. Raymond Lam Kuo Wei
		<ul style="list-style-type: none"> <li>• Paris Saint-Germain Football Asia Pacific Private Limited</li> <li>• Pinecrest Resources Pte. Ltd. (struck off)</li> <li>• Polus Tech Pte. Ltd.</li> <li>• Project Junior Pte. Ltd.</li> <li>• Radio Frequency Systems (S) Pte. Ltd.</li> <li>• Ridge88 Technologies Pte. Ltd. (struck off)</li> <li>• Roger Vivier Singapore Pte. Ltd.</li> <li>• Schweitzer Engineering Laboratories Southeast Asia Pte. Ltd.</li> <li>• Sengenics Corporation Pte. Ltd.</li> <li>• Sengenics International Pte. Ltd. (struck off)</li> <li>• Silanna Asia Pte. Ltd.</li> <li>• Silanna Semiconductor Singapore Pte. Ltd.</li> <li>• Silanna UV Technologies Pte Ltd</li> <li>• SingQuest Pte. Ltd. (dissolved MVL)</li> <li>• Spring Star Pte. Ltd.</li> <li>• Staroyal Ventures Pte. Ltd. (struck off)</li> <li>• STR Global Singapore Private Limited</li> <li>• Sunstar Singapore Kyosai-Kai Limited</li> <li>• Tod's Singapore Pte. Limited</li> <li>• Udacity Asia Pacific Holdings Pte. Ltd.</li> <li>• Zap Fitness Holdings Pte Ltd (formerly known as Jetts Fitness Holdings Pte Ltd)</li> <li>• 24/7 Customer Pte. Ltd. (struck off)</li> <li>• 8 Cross Street PADREF Investments Ltd</li> </ul>
Present	<p>Directorship:</p> <ul style="list-style-type: none"> <li>• Vansonics (Singapore) Pte. Ltd.</li> <li>• VS Solution (Singapore) Pte. Ltd.</li> <li>• Dragon Group International Limited</li> <li>• BAK New Power (Singapore) Pte. Ltd.</li> <li>• ASTI Holdings Limited</li> <li>• Microview Technologies Sdn. Bhd.</li> <li>• EoPlex Limited</li> <li>• ASTI HK Limited</li> <li>• Telford Industries Pte. Ltd.</li> <li>• Telford Service Sdn. Bhd.</li> <li>• Spire Technology Pte. Ltd.</li> <li>• DTB Limited</li> <li>• Dragon Ventures Ltd.</li> <li>• Dragon Equipment &amp; Material Technology Ltd.</li> <li>• Adtechs Holding Pte. Ltd.</li> </ul>	<p>Directorship:</p> <ul style="list-style-type: none"> <li>• Abaco Pacific Co., Ltd. (BVI)</li> <li>• Apexindo International Pte. Ltd.</li> <li>• Barry's Bootcamp Singapore Pte. Ltd.</li> <li>• Burnaby Ventures Pte. Ltd.</li> <li>• Cambridge Circle Pte. Ltd.</li> <li>• Citadelcorp Learning Solutions Pte Ltd</li> <li>• Danesun Pte. Ltd.</li> <li>• FLG Holdco Singapore Pte. Ltd.</li> <li>• First Tristar Corp. Pte. Ltd.</li> <li>• Golden Cyber Pte Ltd</li> <li>• Golden Logistic Pte. Ltd. (fka Cainiao Golden Pte. Ltd.)</li> <li>• Grid Singularity Pte. Ltd.</li> <li>• Harpswell Offshore Pte. Ltd.</li> <li>• Manitoba Corporation Pte. Ltd.</li> <li>• Marnoc Pte. Ltd.</li> <li>• Metropolitan Structures Pte. Ltd.</li> <li>• Mikimoto Jewellery (Singapore) Pte. Ltd.</li> <li>• Millbrook Pte. Ltd.</li> <li>• Moonsoonlabs Pte. Ltd.</li> <li>• Next Generation Holdings Pte. Limited</li> <li>• NG Properties Pte. Limited</li> <li>• Nippcraft Limited</li> </ul>



## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

		Mr. Soh Pock Kheng	Mr. Raymond Lam Kuo Wei
			<ul style="list-style-type: none"> <li>• North London Collegiate School (Singapore) Pte. Ltd.</li> <li>• Platinum Resources Pte. Ltd.</li> <li>• Premier Logistic Pte. Ltd. (fka Cainiao Primera Pte. Ltd.)</li> <li>• Quartis Limited (BVI)</li> <li>• RL Law LLC</li> <li>• Sapientia Prime Pte. Ltd.</li> <li>• Schwarzschild Ventures Pte. Ltd.</li> <li>• Starbright Corporation Pte. Ltd.</li> <li>• URS Equipment Services Pte. Ltd.</li> <li>• XMH Holdings Ltd.</li> </ul>
<b>Information required pursuant to Listing Rule 704(7)</b>			
a	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
b	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
c	Whether there is any unsatisfied judgment against him?	No	No
d	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

		Mr. Soh Pock Kheng	Mr. Raymond Lam Kuo Wei
e	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
f	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
g	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
h	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No
i	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

		Mr. Soh Pock Kheng	Mr. Raymond Lam Kuo Wei
j	<p>Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:</p> <p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p> <p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p>	No	No
	<p>(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or</p> <p>(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?</p>	No	No
k	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
	Any prior experience as a director of an issuer listed on the Exchange?	Yes	Yes
	If yes, please provide details of prior experience.	Mr. Soh Pock Kheng is a Non-Executive and Non-Independent Director of Dragon Group International Limited since 29 Jun 2022 to present	<ul style="list-style-type: none"> <li>Independent Director of XMH Holdings Limited since Oct 2020</li> <li>Independent Director of Nippecraft Limited since Jul 2021</li> </ul>
	If yes, please state if the director has attended or will be attending training on the roles and responsibilities of a listed issuer as prescribed.	Not applicable	Not Applicable

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The directors present their statement to the members together with the audited consolidated financial statements of ASTI Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

## 1. Opinion of directors

Subject to the above, in the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company 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 2024, and of the financial performance, changes in equity and cash flows of the Group for the year ended in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International); and
- (b) 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.

## 2. Directors

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

Ng Yew Nam	(appointed on 15 January 2024)
Soh Pock Kheng	(appointed on 15 January 2024)
Yap Alvin Tsok Sein	(appointed on 16 January 2024)
Raymond Lam Kuo Wei	(appointed on 16 January 2024)
Wan Tai Foong	(appointed on 12 November 2024)

## 3. Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of whose objects was, to enable the 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, except as disclosed in paragraphs 4 and 5 below.

## 4. Directors' interests in shares or debentures

The directors of the Company holding office at the end of the financial year had no interest in the share capital and debentures of the Company and related corporations (other than wholly-owned subsidiaries), as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as disclosed below:

	<u>Direct interest</u>		<u>Deemed interest</u>	
	<u>As at 1 January 2024 or date of appointment</u>	<u>As at 31 December 2024</u>	<u>As at 1 January 2024 or date of appointment</u>	<u>As at 31 December 2024</u>
<u>The Company</u>				
<u>Ordinary shares</u>				
Ng Yew Nam	45,171,700	45,171,700	31,326,900	31,326,900
Soh Pock Kheng	56,859,000	65,759,000	29,096,000	22,096,000

# DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 4. Directors' interests in shares or debentures (Continued)

The directors' interests in the shares and options of the Company on 21 January 2025 were the same as at 31 December 2024.

## 5. Share options

There were no share options granted by the Company or its subsidiaries during the financial year.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares under option in the Company or its subsidiaries as at the end of the financial year.

## 6. Audit committee

The audit committee of the Company ("AC") comprises three non-executive directors and at the date of this report, they are:

Wan Tai Foong (Chairman)  
Raymond Lam Kuo Wei  
Yap Alvin Tsok Sein

The AC has convened three meetings during the year with key management and the internal and external auditors of the Company.

Subject to the above, the AC carried out its functions in accordance with section 201B (5) of the Act, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and the Company, and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group's and the Company's management to the external and internal auditors;
- Reviewed the interim and annual financial statements and the independent auditors' report on the annual financial statements of the Group and the Company before their submission to the board of directors;
- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;
- Met with the external auditors, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditors;
- Reviewed the nature and extent of non-audit services provided by the external auditors;
- Recommended to the board of directors the external auditors to be nominated, approved the compensation of the external auditors, and reviewed the scope and results of the audit;
- Reported actions and minutes of the AC to the board of directors with such recommendations as the AC considered appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.



## DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 6. Audit committee (Continued)

The AC has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external auditors have unrestricted access to the AC.

The AC has recommended the nomination of Forvis Mazars LLP for re-appointment as external auditors of the Group at the forthcoming Annual General Meeting of the Company.

### 7. Independent auditors

The auditors, Forvis Mazars LLP, have expressed their willingness to accept re-appointment.

On behalf of the directors

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**Ng Yew Nam**  
Director

Singapore  
31 July 2025

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**Soh Pock Kheng**  
Director

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASTI HOLDINGS LIMITED

## Report on the Audit of Financial Statements

### Qualified Opinion

We have audited the financial statements of ASTI Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 46 to 127.

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of our report, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and Company as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Group for the year ended on that date.

### *Basis for Qualified Opinion*

The financial statements of the Group and the Company for the financial year ended 31 December 2023 were audited by us and we have modified our opinion on the matters below which remain unresolved during the course of our audit of the financial statements for the financial year ended 31 December 2024:

1. Interests in and amount due from an associate, EoCell Limited ("EoCell")

The carrying amounts of the Group's investment in EoCell and the amount due from EoCell recorded on the statement of financial position as at the financial year ended 31 December 2023 are S\$Nil respectively. EoCell is an associate held by Dragon Group International Limited ("DGI"), a 41% owned subsidiary of the Group. As disclosed in Note 9, DGI is placed under creditors' voluntary liquidation on 4 October 2024 ("loss of control date") and the results of DGI and its subsidiaries ("DGI Group") of S\$5,605,000 profit and S\$1,524,000 loss are presented separately in the statement of profit or loss and other comprehensive income as "Profit/(Loss) for the year from discontinued operations, net of tax" in the current and prior financial year respectively.

We were unable to access the accounting records of EoCell and in the absence of alternative procedures and other information, we were unable to obtain sufficient appropriate audit evidence to conclude on the appropriateness and reasonableness of the key estimates, inputs and assumptions used by the current management in estimating the recoverable amount of the Group's investment in EoCell nor the appropriateness of the expected credit loss ("ECL") allowance on the amount due from EoCell as at 31 December 2023 and at loss of control date. Consequently, we were also unable to ascertain the appropriateness of the carrying value of the Group's investment in EoCell and the amount due from EoCell as at 31 December 2023 and at loss of control date, the corresponding Group's share of results of the associate, impairment losses and ECL recognised for the year/period then ended and the appropriateness of the resulting gain on disposal of DGI group, and whether any adjustments to these amounts included in the "Profit/(Loss) for the year from discontinued operations, net of tax" and associated disclosures were necessary.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASTI HOLDINGS LIMITED

## Report on the Audit of Financial Statements (Continued)

### *Basis for Qualified Opinion (Continued)*

#### 2. Company's interests in and amount due from a subsidiary Dragon Group International Limited ("DGI")

The Company's cost of investment in and receivables from DGI are reported within Investments in subsidiaries and Amounts due from subsidiaries respectively, at a carrying amounts of S\$Nil respectively, on the Company's statement of financial position as at the financial year ended 31 December 2023. These are herein referred to as "Investment in DGI" and "Amount due from DGI", respectively. As mentioned in the earlier paragraph, the Group lost control of DGI group during the year.

We were unable to access the accounting records of EoCell and in the absence of alternative procedures and other information, and in view of the potential magnitude of EoCell's financial contribution to and impact on DGI, we were unable to obtain sufficient appropriate audit evidence on the appropriateness of the current management's estimation of the recoverable amount of the Company's investment in DGI nor the appropriateness of the ECL allowance on the amount due from DGI as at 31 December 2023, and whether any adjustments to these amounts and associated disclosures were necessary. Our audit opinion on the financial statements for the period ended 31 December 2023 was modified accordingly. Consequently, our opinion on the current year's financial statements is modified because of the comparability of the current period's figures and the corresponding figures.

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditors' 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 (the "ACRA code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have 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 qualified 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 year. 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. In addition to the matters described in the *Basis for Qualified Opinion* section, we have determined the matters below to be key audit matters to be communicated in our report.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASTI HOLDINGS LIMITED

## Report on the Audit of Financial Statements (Continued)

### Key Audit Matters (Continued)

Matter	Audit response
<b>Assessment of impairment of property, plant and equipment</b> <b>(refer to Note 3.2 and Note 12 to the financial statements)</b>	
<p>The carrying amount of the Group's property, plant and equipment as at 31 December 2024 was approximately S\$17,153,000, net of impairment losses of approximately S\$3,636,000, which represented 92% of the Group's total non-current assets.</p> <p>During the financial year ended 31 December 2024, the Group recorded impairment loss on property, plant and equipment of S\$2,577,000.</p> <p>Management determines the recoverable amount of the property, plant and equipment, using the value-in-use method, estimated using discounted cash flow projections.</p> <p>Significant judgements and estimates have been applied by the management in determining the recoverable amount, principally, the revenue growth rates and discount rate used. These estimates are inherently subject to estimation uncertainties and hence we consider management's determination of recoverable amount as a key audit matter.</p>	<p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Reviewed and discussed with management on whether there is any indication that an asset may be impaired;</li> <li>• Reviewed the Group's existing procedures for monitoring of assets impairment;</li> <li>• Assessed the likelihood of impairment of property, plant and equipment based on our understanding of the Group's businesses;</li> <li>• Reviewed the Group's forecast to provide an indication of future demands for its products and services and discussed with the Group's management; and</li> <li>• Reviewed reasonableness of useful lives of plant and equipment.</li> </ul>

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASTI HOLDINGS LIMITED

## Report on the Audit of Financial Statements (Continued)

### Key Audit Matters (Continued)

Matter	Audit response
<b>Expected credit losses ("ECL") on other receivables (refer to Note 3.2, Note 19 and Note 38 to the financial statements)</b>	
<p>The carrying amount of the Group's other receivables as at 31 December 2024 was S\$2,550,000, net of allowance for ECL of approximately S\$24,722,000.</p> <p>In applying SFRS(I) 9 <i>Financial Instruments</i> ("SFRS(I) 9"), the Group recognises the loss allowance for certain other receivables by using an unbiased and probability-weighted amount by evaluating a range of possible outcomes.</p> <p>The assessment of the credit risk and the measurement of ECL requires the use of significant judgement and estimates. Any losses or gains resulting from the recognition or reversal of ECL are recognised in profit or loss as an adjustment to the loss allowance at the reporting date.</p> <p>As the determination of the ECL requires significant judgement and estimation of management and in consideration of the significance of other receivables to the Group, we consider management's assessment and application of SFRS(I) 9 to the ECL of other receivables as a key audit matter.</p>	<p>Our audit procedures included, and were not limited to, the following:</p> <ul style="list-style-type: none"><li>• Obtained an understanding of the Group's consideration of SFRS(I) 9 in their application of the corresponding requirements of the standard and assess the appropriateness thereof;</li><li>• Together with our in-house valuation specialist, assessed the reasonableness of the provision matrix applied by the Group in their measurement of ECL for other receivables;</li><li>• Together with our in-house valuation specialist, assessed and critically challenged judgements and estimates used by management in measuring the ECL of other receivables; and</li><li>• Reviewed the completeness and appropriateness of corresponding disclosures made in the financial statements.</li></ul>

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this report.

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 identified above 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 on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Due to the matters as described in the *Basis for Qualified Opinion* section above, we are unable to conclude whether other information is materially misstated.



# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASTI HOLDINGS LIMITED

## Report on the Audit of Financial Statements (Continued)

### *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)s, and for devising and maintaining a system of internal accounting controls sufficient to provide 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.

### *Auditors' 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 auditors' 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 auditors' 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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.

# INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASTI HOLDINGS LIMITED

## Report on the Audit of Financial Statements (Continued)

### *Auditors' Responsibilities for the Audit of the Financial Statements (Continued)*

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 auditors' 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

Except for the matters described in the *Basis for Qualified Opinion* section of the report, in our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary incorporated in Singapore of which we are auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Lai Keng Wei.

**FORVIS MAZARS LLP**  
Public Accountants and  
Chartered Accountants

Singapore  
31 July 2025

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> S\$'000	<u>2023</u> S\$'000 (Restated)*
<b>Revenue</b>	4	32,956	47,968
Cost of sales		<u>(29,173)</u>	<u>(38,980)</u>
<b>Gross profit</b>		3,783	8,988
<b>Other income</b>	5	1,926	865
<b>Other expenses</b>			
- Marketing and distribution		(533)	(1,278)
- Research and development		(47)	(68)
- Administrative expenses		(9,612)	(9,563)
- Other (losses)/gains, net		(3,289)	714
- Finance costs, net	6	(476)	(473)
- Addition of loss allowance on financial assets, net		(16,081)	(1,083)
Share of results of associates, net of tax		<u>-</u>	<u>(1,044)</u>
<b>Loss before income tax from continuing operations</b>	7	(24,329)	(2,942)
Income tax expense	8	<u>(197)</u>	<u>(487)</u>
<b>Loss from continuing operations</b>		(24,526)	(3,429)
Profit/(Loss) for the year from discontinued operations, net of tax	9	<u>5,605</u>	<u>(1,524)</u>
<b>Loss for the year</b>		<u>(18,921)</u>	<u>(4,953)</u>
<b>Other comprehensive loss:</b> <i>Items that may be reclassified subsequently to profit or loss:</i>			
- Foreign currency translation		<u>(2,969)</u>	<u>(1,070)</u>
Other comprehensive loss for the year, net of tax		<u>(2,969)</u>	<u>(1,070)</u>
<b>Total comprehensive loss for the year</b>		<u>(21,890)</u>	<u>(6,023)</u>
<b>Loss for the year attributable to:</b> <b>Continuing operations, net of taxation</b>			
Owners of the Company		(24,503)	(3,545)
Non-controlling interests		<u>(23)</u>	<u>116</u>
		<u>(24,526)</u>	<u>(3,429)</u>
<b>Discontinued operations, net of taxation</b>			
Owners of the Company		7,729	(665)
Non-controlling interests		<u>(2,124)</u>	<u>(859)</u>
		<u>5,605</u>	<u>(1,524)</u>
<b>Loss for the year</b>		<u>(18,921)</u>	<u>(4,953)</u>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> S\$'000	<u>2023</u> S\$'000 (Restated)*
<b>Total comprehensive loss for the year attributable to:</b>			
Owners of the Company		(19,743)	(5,951)
Non-controlling interests		<u>(2,147)</u>	<u>(72)</u>
<b>Total comprehensive loss for the year</b>		<u><u>(21,890)</u></u>	<u><u>(6,023)</u></u>
<b>(Loss)/Earnings per share attributable to owners of the Company (cents per share)</b>			
Basic and diluted loss per share from continuing operations	10	(3.74)	(0.54)
Basic and diluted earnings/(loss) per share from discontinued operations	10	<u>1.18</u>	<u>(0.10)</u>
<b>Total basic and diluted loss per share</b>		<u><u>(2.56)</u></u>	<u><u>(0.64)</u></u>

\* The comparative consolidated statement of profit or loss and other comprehensive income has been restated to show the discontinued operations separately from the continuing operations. Details are disclosed in Note 9.

*The accompanying notes form an integral part of and should be read in conjunction with these financial statements.*

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> <u>S\$'000</u>	<u>Group</u> <u>2023</u> <u>S\$'000</u>	<u>2024</u> <u>S\$'000</u>	<u>Company</u> <u>2023</u> <u>S\$'000</u>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets	11	-	18	-	-
Property, plant and equipment	12	17,153	27,024	207	122
Investments in subsidiaries	13	-	-	5,436	5,436
Investments in associates	14	-	563	-	5,801
Deferred tax assets	15	176	39	-	-
Other receivables	19	1,328	37	1,326	-
Amounts due from associates	21	-	1,923	-	1,923
<b>Total non-current assets</b>		<b>18,657</b>	<b>29,604</b>	<b>6,969</b>	<b>13,282</b>
<b>Current assets</b>					
Inventories	16	2,137	3,431	-	-
Prepayments and advances	17	677	891	56	80
Trade receivables	18	6,124	8,094	-	-
Other receivables	19	1,222	1,140	286	41
Amounts due from subsidiaries	20	-	-	385	940
Amounts due from associates	21	-	1,088	-	951
Amount due from a related company	22	-	-	-	-
Cash at bank and on hand	23	23,045	20,709	3,116	587
<b>Total currents assets</b>		<b>33,205</b>	<b>35,353</b>	<b>3,843</b>	<b>2,599</b>
<b>Total assets</b>		<b>51,862</b>	<b>64,957</b>	<b>10,812</b>	<b>15,881</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	24	132,617	132,617	132,617	132,617
Treasury shares	25	(4,772)	(4,772)	(4,772)	(4,772)
Capital reserves	26	(2,960)	(8,194)	(2,960)	(2,960)
Foreign currency translation reserve	27	(372)	(2,345)	-	-
Accumulated losses		(84,666)	(62,658)	(127,135)	(121,274)
<b>Equity/(Capital deficiency) attributable to owners of the Company</b>		<b>39,847</b>	<b>54,648</b>	<b>(2,250)</b>	<b>3,611</b>
Non-controlling interests		(6,152)	(18,496)	-	-
<b>Total equity/(Capital deficiency)</b>		<b>33,695</b>	<b>36,152</b>	<b>(2,250)</b>	<b>3,611</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	15	317	392	-	-
Long term payables	28	2,165	1,995	-	-
Loans and borrowings	29	-	5,922	-	-
Lease liabilities	30	267	806	32	35
Provisions	31	764	715	-	-
<b>Total non-current liabilities</b>		<b>3,513</b>	<b>9,830</b>	<b>32</b>	<b>35</b>
<b>Current liabilities</b>					
Loans and borrowings	29	8,594	5,465	-	-
Lease liabilities	30	419	634	91	44
Provisions	31	-	88	-	-
Trade payables and accruals	32	4,695	8,505	1,278	1,250
Other payables	33	697	4,078	175	791
Amounts due to subsidiaries	34	-	-	11,486	10,150
Income tax payable		249	205	-	-
<b>Total current liabilities</b>		<b>14,654</b>	<b>18,975</b>	<b>13,030</b>	<b>12,235</b>
<b>Total liabilities</b>		<b>18,167</b>	<b>28,805</b>	<b>13,062</b>	<b>12,270</b>
<b>Total equity and liabilities</b>		<b>51,862</b>	<b>64,957</b>	<b>10,812</b>	<b>15,881</b>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Attributable to owners of the Company							
	Foreign							
	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	currency translation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
Balance at 1 January 2023	132,617	(4,772)	(8,194)	(604)	(55,502)	63,545	(18,424)	45,121
Loss for the year	-	-	-	-	(4,210)	(4,210)	(743)	(4,953)
Other comprehensive income:								
Foreign currency translation reserve	-	-	-	(1,741)	-	(1,741)	671	(1,070)
<b>Total comprehensive loss for the year</b>	-	-	-	(1,741)	(4,210)	(5,951)	(72)	(6,023)
Dividends on ordinary shares (Note 41)	-	-	-	-	(2,946)	(2,946)	-	(2,946)
Balance at 31 December 2023	132,617	(4,772)	(8,194)	(2,345)	(62,658)	54,648	(18,496)	36,152
Loss for the year	-	-	-	-	(16,774)	(16,774)	(2,147)	(18,921)
Other comprehensive income:								
Foreign currency translation reserve	-	-	-	(2,969)	-	(2,969)	-	(2,969)
<b>Total comprehensive loss for the year</b>	-	-	-	(2,969)	(16,774)	(19,743)	(2,147)	(21,890)
Liquidation of Dragon Group International Limited and its subsidiaries ("DGI Group") (Note 13 (d))	-	-	-	4,942	-	4,942	14,491	19,433
Realisation of capital reserve due to liquidation of DGI Group (Note 13 (d))	-	-	5,234	-	(5,234)	-	-	-
Balance at 31 December 2024	132,617	(4,772)	(2,960)	(372)	(84,666)	39,847	(6,152)	33,695

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> S\$'000	<u>2023</u> S\$'000
<b>OPERATING ACTIVITIES</b>			
Loss before income tax from continuing operations		(24,329)	(2,942)
Profit/(Loss) before income tax from discontinued operations		5,626	(1,547)
Total loss before income tax		(18,703)	(4,489)
<i>Adjustments for:</i>			
- Depreciation of property, plant and equipment	12	7,983	9,017
- Impairment loss on property, plant and equipment, net	12	2,577	40
- (Write-back)/Allowance of stock obsolescence, net	16	(141)	61
- (Write-back)/Allowance on amounts due from associates	38	(181)	1,056
- Allowance on other receivables	38	16,262	27
- Loss on disposal of club membership		9	-
- Gain on disposal of property, plant and equipment	5	(548)	(4)
- Gain on written off payable	5	-	(234)
- Interest income		(539)	(673)
- Interest expense		995	1,141
- Gain on disposal of other investment	5	(547)	-
- Gain on liquidation of DGI Group	13(d)	(6,216)	-
- Share of results of associates		-	1,044
- Unrealised currency translation differences		506	(558)
<b>Operating cash flows before changes in working capital</b>		1,457	6,428
<i>Changes in working capital:</i>			
Inventories		1,374	80
Prepayment and advances		197	(8)
Trade receivables		1,563	4,956
Other receivables		(1,790)	35
Amounts due from associates		3,192	(126)
Long term payables		170	12
Trade and other payables		(1,613)	(2,354)
Provisions		48	249
<b>Cash flows generated from operations</b>		4,598	9,272
Interest paid		(133)	(115)
Interest received		539	72
Income tax paid		(222)	(990)
<b>Net cash flows generated from operating activities</b>		4,782	8,239
<b>INVESTING ACTIVITIES</b>			
Proceeds from disposal of property, plant and equipment		1,640	629
Proceeds from disposal of club membership		9	-
Proceeds from disposal of other investment		1,371	-
Purchase of property, plant and equipment (Note A)		(346)	(3,002)
Payment for property, plant and equipment acquired in prior year		(125)	(5,266)
Net cash outflow on liquidation of DGI Group		(934)	-
<b>Net cash flows generated from/(used in) investing activities</b>		1,615	(7,639)

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> S\$'000	<u>2023</u> S\$'000
<b>FINANCING ACTIVITIES</b>			
Payment of principal portion of lease liabilities		(752)	(1,102)
Repayments of bank borrowings		(3,882)	(1,311)
Dividends paid on ordinary shares		-	(2,946)
<b>Net cash flows used in financing activities</b>		<u>(4,634)</u>	<u>(5,359)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>		1,763	(4,759)
Cash and cash equivalents at beginning of the financial year		20,709	25,875
Effects of exchange rate changes on cash and cash equivalents		573	(407)
<b>Cash and cash equivalents at end of the financial year</b>	23	<u>23,045</u>	<u>20,709</u>

**A. Purchase of property, plant and equipment**

Property, plant and equipment were acquired by means of:

	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Cash payments	346	3,002
Leases (Note 30)	734	907
Other payables (Note 33)	46	125
	<u>1,126</u>	<u>4,034</u>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## Reconciliation of liabilities arising from financing activities

	At beginning of financial year S\$'000	Financing cash flows S\$'000	Non-cash movements					At end of financial year S\$'000
			Acquisition S\$'000	Accretion of interest S\$'000	Lease modification S\$'000	Liquidation of DGI Group S\$'000	Foreign exchange movement S\$'000	
<b>2024</b>								
Loans and borrowings	11,387	(3,882)	-	862	-	-	227	8,594
Lease liabilities	1,440	(886)	734	133	(746)	(13)	24	686
<b>2023</b>								
Loans and borrowings	11,945	(1,311)	-	1,001	-	-	(248)	11,387
Lease liabilities	1,499	(1,217)	907	115	-	-	136	1,440

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1. General

ASTI Holdings Limited (the “Company”) (Registration Number: 199901514C) is incorporated in Singapore on 27 March 1999 as a public company limited by shares. The Company is domiciled in Singapore and was admitted to the Official List of the Stock Exchange of Singapore Dealing and Automated Quotation System (“SGX-SESDAQ”) on 8 July 1999. Effective 28 April 2005, the listing and quotation of the Company’s shares was transferred to the official list of the SGX Mainboard.

On 6 June 2022, the Company received a delisting notification from SGX-ST and trading in the Company’s securities was ceased on 9am, 5 July 2022 and trading will remain suspended until the completion of an exit offer.

The registered office of the Company is located at 33 Ubi Avenue 3, Vertex, #06-72, Singapore 408868.

The principal activities of the Company are those of investment holding and acting as corporate manager and advisor in connection with the administration and organisation of the businesses of its subsidiaries. The principal activities of the subsidiaries and associates are disclosed in Note 13 and Note 14 respectively.

The consolidated financial statements of ASTI Holdings Limited and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024 were authorised for issue in accordance with a resolution of the directors on 31 July 2025.

## 2. Summary of material accounting policies

### 2.1 Basis of preparation

The financial statements of the Group and the statement of financial position of the Company have been drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) including related Interpretations of SFRS(I)s (“SFRS(I) INTs”) and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statements of financial position of the Company are presented in Singapore dollar (“S\$”) which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand (“S\$’000”), unless otherwise indicated.

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that are relevant to its operations and effective for annual periods beginning on or after 1 January 2024. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group’s and Company’s accounting policies, and has no material effect on the current or prior year’s financial statement and is not expected to have a material effect on future periods.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.1 Basis of preparation (Continued)

*SFRS(I)s and SFRS(I) INTs issued but not yet effective*

At the date of authorisation of these financial statements, the following SFRS(I)s and SFRS(I) INTs that are relevant to the Group were issued but not yet effective:

SFRS(I)s	Title	Effective date (annual periods beginning on or after)
SFRS(I) 1-21, SFRS(I) 1	Amendments to SFRS(I) 1-21: <i>Lack of Exchangeability</i>	1 January 2025
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Various	Annual Improvements to SFRS(I)s-Volume 11	1 January 2026
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
SFRS(I) 10, SFRS(I) 1-28	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

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned new/revised standards, with the exception of SFRS(I) 18 *Presentation and Disclosure in Financial Statements* ("SFRS(I) 18"), will not have a material impact on the financial statements of the Group and Company in the period of their initial adoption.

SFRS(I) 18 effective for annual periods beginning on or after 1 January 2027, replaces SFRS(I) 1-1 *Presentation of Financial Statements* and introduces new requirements for presentation and disclosure in financial statements. SFRS(I) 18 mandates a new structure for the statement of profit or loss and 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 and the notes. As a consequential result of SFRS(I) 18 requirements, all entities are required to use the operating profit subtotal, instead of profit or loss, as the starting point for presenting operating cash flows under the indirect method. The classification of cash flows from dividends and interests in either operating, investing and financing cash flows is also fixed.

SFRS(I) 18 will apply retrospectively. The Group is still in the process of assessing the corresponding impact on the primary financial statements and notes to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from then through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstance indicate that there are changes to the one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group assets and liabilities, equity, income, expenses and cash flows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to accumulated profits) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.2 Basis of consolidation (Continued)

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

### 2.3 Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method when the acquired set of activities and assets constitute a business. When determining the acquired set of activities and assets constitute a business, the Group assesses whether the acquired set of activities and assets includes, at a minimum, an input and substantive process, which together contribute to the creation of outputs.

The Group has the option to apply a "concentration test" as a simplified assessment to determine whether an acquired set of activities and assets is not a business. The Group makes the election separately for each transaction or other event. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share in the recognised amounts of the acquiree's identifiable net assets. Acquisition-related costs are recognised in profit or loss as incurred and included in administrative expenses.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 *Business Combinations* ("SFRS(I) 3") are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations* ("SFRS(I) 5"), which are recognised and measured at the lower of cost and fair value less costs to sell.

The Group recognises any contingent consideration to be transferred for the acquiree at the fair value on the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement shall be accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.3 Business combinations (Continued)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 are measured in accordance with that Standard.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit (including the goodwill), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The attributable amount of goodwill is included in the determination of gain or loss on disposal of the subsidiary or jointly controlled entity.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.4 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.

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.

#### Sale of goods

Revenue from the distribution sales of components is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied.

The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price 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 a 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.

The Group does not adjust revenue recognised for the expected returns as they have assessed them to be insignificant.

#### Provision of services

Revenue from provision of manufacturing services is recognised upon the completion, delivery and acceptance of the services rendered.

#### Rental income (Included in other income)

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms on ongoing leases. 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.

### 2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.6 Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

The Group participates in the national pension schemes as defined by the laws of the People's Republic of China ("PRC"). Subsidiaries incorporated in the PRC are required to provide staff pension benefits to their employees under existing PRC legislation. These subsidiaries are required to contribute a certain percentage of their payroll costs to the pension scheme to fund the benefits. The pension funds are managed by government agencies, which are responsible for paying pensions to the retired employees. Contributions under the pension scheme are charged to the profit or loss as they become payable in accordance with the rules of the pension scheme.

### 2.7 Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

### 2.8 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities that at the time of the transaction affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.8 Income tax (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

### 2.9 Dividends

Equity dividends are recognised as a liability when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which dividends are approved by shareholders. A corresponding amount is recognised in equity.

### 2.10 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity through other comprehensive income.

Exchange differences relating to assets under construction for future productive use, are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.10 Foreign currency transactions and translation (Continued)

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

### 2.11 Property, plant and equipment

Freehold buildings are measured at cost less accumulated depreciation and impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated.

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Freehold buildings	50 years
Leasehold properties	20 to 50 years or shorter of remaining lease terms and economic useful lives
Furniture and fittings	3 - 10 years
Plant and machinery	3 - 10 years
Office equipment	3 - 10 years
Motor vehicles	4 - 5 years

For right-of-use assets for which ownership of the underlying asset is not transferred to the Group by the end of the lease term, depreciation is charged over the lease term, using the straight-line method. The lease periods are disclosed in Note 30.

Assets under construction-in-progress are not depreciated as these assets are not yet available for use.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.11 Property, plant and equipment (Continued)

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.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of property, plant and equipment is recognised in profit or loss. Any amount in the revaluation reserve relating to that asset is transferred to accumulated profits directly.

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

### 2.12 Intangible assets

Acquired intangible assets are initially measured at cost. The cost of intangible assets acquired in a business combination is initially measured at their fair value at the acquisition date. Subsequent to initial recognition, the intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

Acquired intangible assets have either finite or indefinite useful life.

The amortisation charge is recognised in profit or loss and is assessed for impairment when there is an indication that the intangible asset may be impaired. The estimated amortisation period and amortisation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

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.

Intangible assets with indefinite useful life are not amortised, but tested for impairment annually, and whenever there is an indication that the intangible asset may be impaired. The indefinite useful life of an intangible asset is reviewed at the end of each financial year and where events and circumstances do not continue to support the indefinite useful life assessment for that asset, a change from indefinite to finite useful life is accounted for as a change in accounting estimate and adjusted prospectively.

The intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal, with any gain or loss arising from the derecognition of an intangible asset, being the difference between the net disposal proceeds and the carrying amount of the asset, recognised in profit or loss.

Intangible assets include intellectual property and club memberships.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.12 Intangible assets (Continued)

#### Club membership

Club membership was acquired separately and is stated at cost less impairment losses. The useful life of club membership is estimated to be indefinite and assessment for impairment is performed annually or more frequently if the events and circumstances indicate the carrying value may be impaired either individually or at the cash-generating unit level.

### 2.13 Investments in associates

An associate is an entity over which the Group has significant influence, being the power to participate in the financial and operating policy decisions of the entity but is not control or of joint control of those policies, and generally accompanying a shareholding of 20% or more of the voting power.

On acquisition of the associate, any excess of the cost of the investment over the Group's share of the net fair value of the associate identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Group's share of the associate's profit or loss in the reporting period in which the investment is acquired. Investments in associates are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

The results and assets and liabilities of the associate are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under SFRS(I) 5 from the date on which the investees become classified as held for sale. Under the equity method, investments in associates are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment loss of individual investments. The Group's share of losses in an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Distributions received from the associate reduce the carrying amount of the investment. Any goodwill arising on the acquisition of the Group's interest in an associate is accounted for in accordance with the Group's accounting policy for goodwill arising on such acquisitions (see above).

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The Company has accounted for its investments in associates at cost less any accumulated impairment in its separate financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.14 Impairment of non-financial assets

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Irrespective of whether there is any indication of impairment, the Group also tests its intangible assets with indefinite useful lives and intangible assets not yet available for use for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

### 2.15 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument.

#### Financial assets

##### Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in SFRS(I) 15 *Revenue from Contracts with Customers* ("SFRS(I) 15") in Note 2.4.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income ("FVTOCI") and fair value through profit or loss ("FVTPL") depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.15 Financial instruments (Continued)

#### Financial assets (Continued)

##### Initial recognition and measurement (Continued)

The Group's business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset's contractual cash flows are solely payments of principal and interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

##### Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortised cost include trade and other receivables, cash and cash equivalents and unquoted corporate bonds.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, and recognised in interests income.

##### Financial assets at FVTPL

A financial asset is subsequently measured at FVTPL if the financial asset is a financial asset held for trading, is not measured at amortised cost or at FVTOCI, or is irrevocably elected at initial recognition to be designated FVTPL if, by designating the financial asset as FVTPL, eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Gains or losses are recognised in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.15 Financial instruments (Continued)

#### **Financial assets (Continued)**

##### Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets measured at amortised cost. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on financial assets has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group applies the simplified approach to recognise the ECL for trade receivables and contract assets, which is to measure the loss allowance at an amount equal to lifetime ECL. As a practical expedient, the Group uses an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions for measuring ECL.

While they are not financial assets, contract assets arising from the Group's contracts with customers under SFRS(I) 15 are assessed for impairment in accordance with SFRS(I) 9, similar to that of trade receivables.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group's accounting policy for its impairment of financial assets, refer to Note 38.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.15 Financial instruments (Continued)

#### **Financial assets (Continued)**

##### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

#### **Financial liabilities and equity instruments**

##### Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

##### *Ordinary share capital*

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

##### *Treasury shares*

When shares recognised as equity are reacquired, the amount of consideration paid is recognised directly in equity. Reacquired shares are classified as treasury shares and presented as a deduction from total equity. No gain or loss is recognised in profit or loss on the purchase, sale issue or cancellation of treasury shares.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the accumulated profits of the Company if the shares are purchased out of earnings of the Company, or proportionately against the share capital and accumulated profits accounts if the shares are purchased both out of capital and accumulated profits of the Company.

When treasury shares are subsequently sold or reissued pursuant to the employee share option scheme, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.15 Financial instruments (Continued)

#### **Financial liabilities and equity instruments (Continued)**

##### Financial liabilities

##### Initial recognition and measurement

All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

##### Other financial liabilities

##### *Trade and other payables*

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis in finance costs. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

##### *Borrowings*

Interest-bearing bank loans and overdrafts are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see Note 2.5 above). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

##### *Financial guarantee contracts*

The Company has issued corporate guarantees to banks for banking facilities granted by them to certain subsidiaries and these guarantees qualify as financial guarantees because the Company is required to reimburse the banks if these subsidiaries breach any repayment terms.

Financial guarantee contract liabilities are measured initially at their fair values plus transaction costs and subsequently at the higher of the amount of the loss allowance and the amount initially recognised less cumulative amortisation in accordance with SFRS(I) 15.

##### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.15 Financial instruments (Continued)

#### Offsetting of financial instruments

A financial asset and a financial liability shall be offset, and the net amount presented in the statement of financial position when, and only when, an entity:

- (i) Currently has a legally enforceable right to set off the recognised amounts; and
- (ii) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.16 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the first-in-first-out method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Where necessary, allowance is provided for damaged, obsolete and slow-moving items to adjust the carrying value of inventories to the lower of cost and net realisable value.

### 2.17 Cash and cash equivalents

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

### 2.18 Discontinued operations

A discontinued operations is a component of an entity that either has been disposed of, or is classified as held for sale, and

- (i) represents a separate major line of business or geographical area of operations;
- (ii) is part of a single co-ordinated plan to dispose of a separate major line or geographical area of operations; or
- (iii) is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations is disclosed separately from continuing operations as a single amount comprising the post-tax profit or loss of discontinued operations and the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal groups constituting the discontinued operations.

The comparative consolidated statement of profit or loss and other comprehensive income is restated to show the discontinued operations separately from continuing operations.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.19 Leases

#### The Group as a lessee

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

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under SFRS(I) 16 *Leases*. For these leases, the Group recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable.

Right-of-use assets are presented within “property, plant and equipment”.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee’s incremental borrowing rate.

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Group obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.19 Leases (Continued)

#### The Group as a lessee (Continued)

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentive receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable under a residual value guarantee,
- the exercise price under a purchase option that the Group is reasonably certain to exercise, and
- payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset has been reduced to zero.

#### The Group as a lessor

Where a contract contains more than one lease and/or non-lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component.

At the lease commencement date, the Group assess and classify each lease as either an operating lease or a finance lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased assets to the lessee. All other leases are classified as operating leases.

#### *Operating leases*

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### 2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.20 Provisions (Continued)

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, which is discounted using a pre-tax discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss as they arise.

A provision is recognised for onerous contracts when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it and is measured at the lower of the cost of fulfilling it and any expected cost of terminating it. In determining the cost of fulfilling the contract, the Group includes both the incremental costs and an allocation of others costs that relate directly to fulfilling contracts. Before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets used in fulfilling the contract.

### 2.21 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed. Where the grant relates to an asset, the grant is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

Non-monetary government grant is recognised at nominal amount.

### 2.22 Contingencies

A contingent liability is:

- (i) 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
- (ii) a present obligation that arises from past events but is not recognised because:
  - (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - (b) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset 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.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 2. Summary of material accounting policies (Continued)

### 2.22 Contingencies (Continued)

Contingencies are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair value can be reliably determined.

### 2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of executive directors and the Chief Executive Officer who make strategic decisions.

## 3. Significant accounting estimates and judgements

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

### 3.1 Critical judgements made in applying the Group's accounting policies

#### Consolidation of Dragon Group International Limited ("DGI")

As at 31 December 2023, the Company has an equity interest of 41% in DGI. Management has considered the size of the Company's shareholding relative to the size and dispersion of shareholdings held by other shareholders and determined that it has the current ability to direct the relevant activities of DGI notwithstanding its shareholdings are less than 50%. The Company remains the dominant shareholder based on historical voting records at DGI's general meetings. DGI is hence accounted for as a subsidiary and its results are included in the Group's consolidated income statement.

On 4 October 2024, DGI has been placed under creditors' voluntary liquidation and deconsolidated due to loss of control.

#### Determination of lease term of contracts with extension options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to extend the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the extension. After the commencement date, the Group reassesses the lease term whether there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. Significant accounting estimates and judgements (Continued)

### 3.1 Critical judgements made in applying the Group's accounting policies (Continued)

#### Determination of lease term of contracts with extension options (Continued)

As at 31 December 2024, potential future (undiscounted) cash outflows of approximately S\$664,000 (2023: S\$550,000) and S\$192,000 (2023: S\$Nil), for the Group and Company respectively, have not been included in lease liabilities because it is not reasonably certain that the leases will be extended.

### 3.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### Impairment of property, plant and equipment

Property, plant and equipment are assessed at the end of each financial year to ascertain whether there is an indication of impairment, if such indications are found, the recoverable amounts of the assets are estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Such impairment loss is recognised in profit or loss.

Management judgement is required in the area of asset impairment, particularly in assessing (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the market value or the net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in estimating the market value of preparing the cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, could materially affect the net present value used in the impairment test and as a result may potentially affect the Group's results. The carrying amounts of the Group's and the Company's property, plant and equipment at 31 December 2024 were S\$17,153,000 (2023: S\$27,024,000) and S\$207,000 (2023: S\$122,000) respectively.

#### Depreciation of property, plant and equipment

The Group depreciates the property, plant and equipment over their estimated useful lives after taking into account of their estimated residual values. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment. Management estimates the useful lives of these property, plant and equipment to be within 1 to 50 years. Changes in the expected level of usage and technological developments could affect the economics, useful lives and the residual values of these assets which could then consequentially impact future depreciation charges. The carrying amounts of the Group's and the Company's property, plant and equipment at 31 December 2024 were S\$17,153,000 (2023: S\$27,024,000) and S\$207,000 (2023: S\$122,000) respectively.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. Significant accounting estimates and judgements (Continued)

### 3.2 Key sources of estimation uncertainty (Continued)

#### Impairment of investments in subsidiaries

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investments are impaired or that an impairment loss recognised in prior periods may no longer exist or may have decreased. Where applicable, the Group's determination of the recoverable value is based on the estimation of the value-in-use of the applicable assets as defined in SFRS(I) 1-36 *Impairment of Assets*. In determining the value-in-use, the Company has considered the key assumptions applied, including the discount rate and growth rate. The Company's carrying amounts of investments in subsidiaries as at 31 December 2024 was S\$5,436,000 (2023: S\$5,436,000).

#### Inventory valuation method

Inventory is valued at the lower of cost and net realisable value. Management reviews the Group's inventory levels in order to identify slow-moving and obsolete inventory and identifies items of inventory which have a market price, being the selling price quoted from the market of similar items that is lower than its carrying amount. Management then estimates the amount of inventory loss as an allowance on inventory. Changes in demand levels, technological developments and pricing competition could affect the saleability and values of the inventory which could then consequentially impact the Group's and Company's results, cash flows and financial position. The carrying amount of the Group's inventories as at 31 December 2024 was S\$2,137,000 (2023: S\$3,431,000).

#### Measurement of ECL of trade receivables

The Group uses an allowance matrix to measure ECL for trade receivables. The ECL rates are based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that are assessed by geographical locations, adjusted for forward looking factors and significant macro-economic factors, where applicable, specific to the debtors and the economic environment, which could affect the ability of the debtors to settle the trade receivables. In considering the impact of the economic environment on the ECL rates, the Group assesses and estimates, for example, the gross domestic production growth rates of the countries (i.e. Singapore, PRC and Philippines) and the growth rates of the major industries in which its customers operate. The Group adjusts, as necessary, the allowance matrix at each reporting date. Such estimation of the ECL rates may not be representative of the actual default in the future. The expected loss allowance on the Group's trade receivables as at 31 December 2024 is S\$102,000 (2023: S\$98,000).

#### Measurement of ECL of other receivables

The Group and the Company use amongst other factors, the financial positions of the third parties and subsidiaries, the past financial performances, and cash flow trends, adjusted for the outlook of the industry and economy in which the third parties and subsidiaries operate in. Impairment on these balances has been measured using an unbiased and probability-weighted amount by evaluating a range of possible outcomes. The carrying amounts of the Group's and Company's other receivables as at 31 December 2024 were S\$2,550,000 (2023: S\$1,177,000) and S\$1,612,000 (2023: S\$41,000) respectively.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 3. Significant accounting estimates and judgements (Continued)

### 3.2 Key sources of estimation uncertainty (Continued)

#### Measurement of ECL of amounts due from subsidiaries

The Group and the Company use amongst other factors, the financial positions of the third parties and subsidiaries, the past financial performances, and cash flow trends, adjusted for the outlook of the industry and economy in which the third parties and subsidiaries operate in. Impairment on these balances has been measured on the 12-month expected loss basis which reflects low credit risk of the exposures. The carrying amount of the Company's amounts due from subsidiaries as at 31 December 2024 was S\$385,000 (2023: S\$940,000).

#### Provision for income taxes

The Group has exposure to income taxes in several jurisdictions of which a portion of these taxes arose from certain transactions and computations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities of expected tax issues based on their best estimates of the likely taxes 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 positions in the period in which such determination is made. The carrying amounts of the Group's current tax recoverable, income tax payable, deferred tax assets and deferred tax liabilities as at 31 December 2024 was S\$374,000 (2023: S\$478,000), S\$249,000 (2023: S\$205,000), S\$176,000 (2023: S\$39,000) and S\$317,000 (2023: S\$392,000) respectively.

## 4. Revenue

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000 Restated
<b>Continuing operations</b>		
<i>Revenue from contracts with customers - At a point in time</i>		
Sale of goods	3,780	3,542
Provision of services	29,176	44,426
	<u>32,956</u>	<u>47,968</u>

Disaggregation of revenue from contracts with customers is as follows:

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000 Restated
<b><u>Geographical markets</u></b>		
China	1,207	4,527
Singapore	884	750
Malaysia	2,138	2,624
Philippines	22,783	34,298
United Kingdom	1,944	2,034
Europe (Other than United Kingdom)	3,929	3,672
Others	71	63
	<u>32,956</u>	<u>47,968</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 4. Revenue (Continued)

The Group has applied the practical expedient permitted under SFRS(I) 15 for which the aggregated transactions price allocated to unsatisfied contracts which are part of contracts, that have an original expected duration of one year or less, is not disclosed.

## 5. Other income

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000 Restated
<b>Continuing operations</b>		
Rental income	700	565
Government incentives and grant income	17	14
Gain on disposal of property, plant and equipment	548	4
Gain on written off payable	-	234
Gain on disposal of other investment (Note 14)	547	-
Others	114	48
	<u>1,926</u>	<u>865</u>

In prior financial year, included in other income is a gain arising from the write off of payable to a third party amounting to S\$234,000 as the amount has been unclaimed for over 7 years.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
Less than one year	496	128
One to two years	165	53
Two to three years	165	-
Three to four years	165	-
Four to five years	165	-
More than five years	-	-
Total undiscounted lease receivable	<u>1,156</u>	<u>181</u>
Unearned finance income	-	-
Total	<u>1,156</u>	<u>181</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 6. Finance costs, net

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000 Restated
<b>Continuing operations</b>		
Interest income		
- Short-term deposits/current accounts	70	66
- Amounts owing from sundry debtors	469	8
- Amounts owing from associates	-	593
	<u>539</u>	<u>667</u>
Interest expense		
- Lease liabilities	(132)	(114)
- Bank loans and trade financing	(862)	(1,001)
	<u>(994)</u>	<u>(1,115)</u>
Bank charges	(21)	(25)
Total	<u>(476)</u>	<u>(473)</u>

## 7. Loss before income tax

The following charges/(credits) were included in the determination of loss before income tax:

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000 Restated
<b>Continuing operations</b>		
Depreciation of property, plant and equipment	7,983	9,013
Impairment loss on property, plant and equipment, net	2,577	40
(Reversal)/Allowance of stock obsolescence, net	(141)	17
(Write-back)/Allowance on amounts due from associates	(181)	1,056
Allowance on other receivables	16,262	27
Loss on disposal of club membership	9	-
Net foreign exchange loss	622	454
Audit fees paid to:		
- Auditors of the Company and their network firms	229	215
- Other auditors	69	273
Non-audit fees paid to:		
- Auditors of the Company and their network firms	9	-
- Other auditors	-	13
Staff costs		
- Salaries, wages, bonuses and others	20,033	23,889
- Defined contribution plans	2,031	2,493

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 8. Income tax expense

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
<b>Current tax expense</b>		
Current financial year	431	408
Under provision in respect of prior years	1	101
	<u>432</u>	<u>509</u>
<b>Deferred tax expense</b>		
Current financial year	(214)	(45)
Income tax expense	<u>218</u>	<u>464</u>
Income tax expense/(credit) is attributable for the following:		
- Continuing operations	197	487
- Discontinued operation	21	(23)
	<u>218</u>	<u>464</u>

The Company is incorporated in Singapore and accordingly is subject to an income tax rate of 17% (2023: 17%). There were no changes in the enterprise income tax of the different applicable jurisdictions in the current year from the last year.

Reconciliation of effective tax rate is as follows:

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
(Loss)/Profit before income tax		
- Continuing operations	(24,329)	(2,942)
- Discontinued operation	5,626	(1,547)
	<u>(18,703)</u>	<u>(4,489)</u>
Taxation at statutory rate of 17% (2023: 17%)	(3,180)	(763)
Tax effects of:		
Income not subject to tax	(846)	(703)
Effect of expenses not deductible for tax purposes	4,470	1,871
Effect of different tax rates of subsidiaries operating in other jurisdictions	(551)	17
Deferred tax assets utilised	-	(74)
Deferred tax assets not recognised	305	-
Under provision in respect of prior years	1	101
Others	19	15
Total income tax expense for the financial year	<u>218</u>	<u>464</u>

Deferred tax assets of certain subsidiaries have not been recognised as it is not probable that future taxable profits will be available against which the Group can utilise the benefits. The unrecognised deferred tax assets arose mainly from unutilised tax losses and unabsorbed capital allowances amounting to approximately S\$70,040,000 (2023: S\$68,316,000) and S\$3,909,000 (2023: S\$3,837,000) respectively.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 8. Income tax expense (Continued)

The tax losses are subjected to an agreement by the tax authorities and compliance with tax regulations in the respective countries in which the subsidiaries operate.

Pursuant to the PRC Enterprise Income Tax Law which was promulgated on 22 February 2008, dividends distributed by PRC entities for profits generated before 1 January 2008 are exempted from withholding tax. Dividends paid in respect of profits generated on or after 1 January 2008 from the Group's foreign invested PRC enterprises will be subjected to a withholding tax of 5%.

Deferred tax has not been provided in respect of temporary differences in relation to the undistributed earnings of the subsidiaries as at 31 December 2024 amounting to approximately S\$39.5 million (2023: S\$46.6 million), as the Group is able to control the timing of the reversal and it is probable that such differences will not be reversed in the foreseeable future.

## 9. Discontinued operations

On 4 October 2024, Dragon Group International Limited ("DGI"), a 41% owned subsidiary, has been placed under creditors' voluntary liquidation. DGI and its subsidiaries ("DGI Group") results are presented separately in the statement of profit or loss and other comprehensive income as "Gain/(Loss) for the year from discontinued operations, net of tax". DGI constitutes the Group's Distribution and Services segment. The major classes of assets and liabilities of DGI as at 4 October 2024 are disclosed in Note 13(d).

The results of DGI Group for the financial period/year ended 4 October 2024 (loss of control date) and 31 December 2023 are as follows:

	<b>4 October 2024 S\$'000</b>	<b>31 December 2023 S\$'000</b>
<b>Revenue</b>	1,266	2,992
Cost of sales	<u>(1,069)</u>	<u>(2,540)</u>
<b>Gross profit</b>	197	452
<b>Other income</b>	18	64
<b>Other expenses</b>		
- Marketing and distribution	(75)	(130)
- Administrative expenses	(435)	(647)
- Other losses, net	(272)	(1,269)
- Finance costs, net	<u>(23)</u>	<u>(17)</u>
<b>Loss before income tax for the financial period/year</b>	(590)	(1,547)
Income tax (expense)/credit	<u>(21)</u>	<u>23</u>
<b>Post-tax loss for the financial period/year</b>	(611)	(1,524)
Gain on liquidation of DGI Group (Note 13(d))	<u>6,216</u>	<u>-</u>
<b>Profit/(Loss) for the period/year from discontinued operations</b>	<u><u>5,605</u></u>	<u><u>(1,524)</u></u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 9. Discontinued operations (Continued)

### Cash flow statement disclosures

	4 October 2024 S\$'000	31 December 2023 S\$'000
Operating	(33)	(524)
Investing	-	-
Financing	(13)	195
<b>Net cash outflows</b>	<b>(46)</b>	<b>(329)</b>

### Earnings/(Loss) per share disclosure

	4 October 2024 S\$	31 December 2023 S\$
<b>Earnings/(Loss) per share from discontinued operations attributable to owners of the Company (cents):</b>		
Basic and diluted	1.18	(0.10)

The diluted earnings/(loss) per share from discontinued operations is the same as the basic earnings/(loss) per share as there were no outstanding convertible securities for both the financial years ended 31 December 2024 and 31 December 2023.

## 10. (Loss)/Earnings per share

Basic and diluted (loss)/earnings per share from continuing operations are calculated by dividing (loss)/profit from continuing operations, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares (excluding treasury shares) outstanding during the financial year.

The calculation of the basic (loss)/earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	<u>Continuing operations</u>		<u>Group Discontinued operations</u>		<u>Total</u>	
	2024 S\$'000	2023 S\$'000 Restated	2024 S\$'000	2023 S\$'000 Restated	2024 S\$'000	2023 S\$'000 Restated
(Loss)/Profit for the year attributable to ordinary shareholders	(24,503)	(3,545)	7,729	(665)	(16,774)	(4,210)
				<u>2024 '000</u>		<u>2023 '000</u>
Weighted average number of ordinary shares (excluding treasury shares) in issue at beginning and end of the financial year				654,731		654,731



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 10. (Loss)/Earnings per share (Continued)

	<u>2024</u> S\$	<u>2023</u> S\$
Loss per share attributable to owners of the Company (cents):		
Basic and diluted	<u>(2.56)</u>	<u>(0.64)</u>

The diluted (loss)/earnings per share is the same as the basic (loss)/earnings per share as there were no outstanding convertible securities for both the financial years ended 31 December 2024 and 31 December 2023.

## 11. Intangible assets

	<u>Intellectual property</u> S\$'000	<u>Club memberships</u> S\$'000	<u>Total</u> S\$'000
<b><u>Group</u></b>			
<b><u>Cost</u></b>			
At 1 January 2023	914	81	995
Currency realignment	<u>(1)</u>	<u>*</u>	<u>(1)</u>
At 31 December 2023	913	81	994
Currency realignment	-	*	*
Disposal	<u>-</u>	<u>(81)</u>	<u>(81)</u>
At 31 December 2024	<u>913</u>	<u>-</u>	<u>913</u>
<b><u>Accumulated amortisation and impairment loss</u></b>			
At 1 January 2023	914	63	977
Currency realignment	<u>(1)</u>	<u>*</u>	<u>(1)</u>
At 31 December 2023	913	63	976
Currency realignment	-	*	*
Disposal	<u>-</u>	<u>(63)</u>	<u>(63)</u>
At 31 December 2024	<u>913</u>	<u>-</u>	<u>913</u>
<b><u>Net carrying amount</u></b>			
At 31 December 2024	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2023	<u>-</u>	<u>18</u>	<u>18</u>

\* Denotes amount less than S\$1,000

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 12. Property, plant and equipment

<b>Group Cost</b>	<b>Freehold land and buildings S\$'000</b>	<b>Leasehold properties S\$'000</b>	<b>Furniture and fittings S\$'000</b>	<b>Plant and machinery S\$'000</b>	<b>Office equipment S\$'000</b>	<b>Motor vehicles S\$'000</b>	<b>Construction- in-progress S\$'000</b>	<b>Total S\$'000</b>
At 1 January 2023	11,480	6,855	9,088	74,127	3,952	888	11,421	117,811
Additions	49	909	524	1,667	80	-	805	4,034
Disposals/written off	(648)	(922)	(3)	(4,735)	(38)	(40)	-	(6,386)
Reclassification	-	(940)	675	265	-	-	-	-
Currency realignment	(178)	(74)	(216)	(1,934)	(56)	(20)	(488)	(2,966)
At 31 December 2023	10,703	5,828	10,068	69,390	3,938	828	11,738	112,493
Additions	84	734	115	108	85	-	-	1,126
Disposals/written off	-	(2,493)	(234)	(1,483)	(73)	(255)	-	(4,538)
Reclassification	798	-	-	-	-	-	(798)	-
Liquidation of DGI Group (Note 13(d))	-	(27)	-	-	(12)	-	(11,029)	(11,068)
Currency realignment	324	49	306	2,128	91	17	89	3,004
At 31 December 2024	11,909	4,091	10,255	70,143	4,029	590	-	101,017
<b>Accumulated depreciation</b>								
At 1 January 2023	5,708	4,723	6,560	51,278	3,277	610	-	72,156
Charge for the year	346	667	892	6,802	248	62	-	9,017
Disposals/written off	(363)	(780)	(3)	(4,560)	(36)	(19)	-	(5,761)
Currency realignment	(67)	(46)	(151)	(1,541)	(52)	(13)	-	(1,870)
At 31 December 2023	5,624	4,564	7,298	51,979	3,437	640	-	73,542
Charge for the year	474	666	814	5,739	210	80	-	7,983
Disposals/written off	-	(1,699)	(216)	(1,212)	(71)	(248)	-	(3,446)
Liquidation of DGI Group (Note 13(d))	-	(15)	-	-	(12)	-	-	(27)
Currency realignment	168	22	227	1,666	80	13	-	2,176
At 31 December 2024	6,266	3,538	8,123	58,172	3,644	485	-	80,228

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 12. Property, plant and equipment (Continued)

	Freehold land and buildings S\$'000	Leasehold properties S\$'000	Furniture and fittings S\$'000	Plant and machinery S\$'000	Office equipment S\$'000	Motor vehicles S\$'000	Construction- in-progress S\$'000	Total S\$'000
<b>Group Impairment</b>								
At 1 January 2023	121	-	158	703	4	-	-	12,407
Impairment during the year	-	-	-	152	-	-	11,421	152
Reversal during the year	(108)	(4)	-	-	-	-	-	(112)
Currency realignment	(13)	4	(10)	(13)	-	-	(488)	(520)
At 31 December 2023	-	-	148	842	4	-	10,933	11,927
Impairment during the year	-	-	332	2,245	-	-	-	2,577
Liquidation of DGI Group (Note 13(d))	-	-	-	-	-	-	(11,029)	(11,029)
Currency realignment	-	-	14	51	-	-	96	161
At 31 December 2024	-	-	494	3,138	4	-	-	3,636
<b>Net carrying amount</b>								
At 31 December 2024	5,643	553	1,638	8,833	381	105	-	17,153
At 31 December 2023	5,079	1,264	2,622	16,569	497	188	805	27,024

Included in freehold land and buildings is a freehold land at cost of S\$2,072,000 (2023: S\$2,042,000). Also included in freehold land and buildings are buildings with carrying value of S\$4,880,000 (2023: S\$4,252,000) which are pledged for bank borrowings as at end of the reporting period as disclosed in Note 28.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 12. Property, plant and equipment (Continued)

	<u>Leasehold properties</u> S\$'000	<u>Furniture and fittings</u> S\$'000	<u>Office equipment</u> S\$'000	<u>Total</u> S\$'000
<b><u>Company</u></b>				
<b><u>Cost</u></b>				
At 1 January 2023	80	67	412	559
Additions	90	-	10	100
Written off	(80)	-	(9)	(89)
At 31 December 2023	90	67	413	570
Additions	180	74	26	280
Written off	(90)	(63)	-	(153)
At 31 December 2024	180	78	439	697
<b><u>Accumulated depreciation</u></b>				
At 1 January 2023	50	32	379	461
Charge for the year	41	19	14	74
Written off	(80)	-	(7)	(87)
At 31 December 2023	11	51	386	448
Charge for the year	87	30	16	133
Written off	(38)	(53)	-	(91)
At 31 December 2024	60	28	402	490
<b><u>Net carrying amount</u></b>				
At 31 December 2024	120	50	37	207
At 31 December 2023	79	16	27	122

Property, plant and equipment of the Group and Company includes right-of-use assets of S\$553,000 (2023: S\$1,284,000) and S\$120,000 (2023: S\$79,000) respectively which are presented together with the owned assets of the same class as the underlying assets. Details of the right-of-use assets are disclosed in Note 30(a).

### Impairment of property, plant and equipment

In the current financial year, the Group noted the presence of indicators of impairment of its property, plant and equipment due to weak operating performance of its Philippines subsidiaries, which is part of the Backend Equipment Solutions and Technologies segment. Accordingly, the Group carried out a review of the recoverable amounts of the corresponding property, plant and equipment.

In determining the value-in-use of the cash-generating unit to which the corresponding property, plant and equipment belong as of 31 December 2024, the Group made judgements on certain key inputs and key assumptions, including, for example, discount rate and growth rates. In determining the value-in-use, the Group has considered the key inputs and assumptions. Impairment loss of S\$2,577,000 was recognised during the financial year ended 31 December 2024 resulting from this exercise as the recoverable amount of S\$9,872,000 based on value-in-use could not support the cash-generating unit to which the corresponding property, plant and equipment belong. The lower value-in-use was determined consequent to management's consideration of the poorer outlook of the tape and reel services industry in the Philippines.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 12. Property, plant and equipment (Continued)

### Impairment of property, plant and equipment (Continued)

The key assumptions used in value-in-use calculations are as follows:

	<b><u>Philippines</u></b> <b><u>2024</u></b>
Growth rates <sup>A</sup>	-9% to 3%
Pre-tax discount rate <sup>B</sup>	<u>15.1%</u>

<sup>A</sup> Annual growth rates used to extrapolate cash flows for the next five-year period are based on the published industry research, adjusted for the specific circumstances of the cash-generating unit and based on management's experience.

<sup>B</sup> The discount rate applied is based on the weighted average cost of the Group's capital (the "WACC"), adjusted for the specific circumstances of the cash-generating unit and based on management's experience, and grossed-up to arrive at the pre-tax rate.

The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external and internal sources, including but not limited to historical data.

## 13. Investments in subsidiaries

	<b><u>Company</u></b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
	<b><u>S\$'000</u></b>	<b><u>S\$'000</u></b>
Quoted shares, at cost	-	37,914
Unquoted shares, at cost	59,239	21,325
Less: Dividend income declared from subsidiary's pre-acquisition reserve	<u>(294)</u>	<u>(294)</u>
	58,945	58,945
Less: Impairment loss on		
- Quoted shares	-	(37,914)
- Unquoted shares	<u>(53,509)</u>	<u>(15,595)</u>
	<u>5,436</u>	<u>5,436</u>
Carrying amount of quoted shares at 31 December	<u>-</u>	<u>-</u>

In prior year, quoted shares represents the investment in the Company's subsidiary, DGI which have been suspended from trading since 10 May 2018 and officially delisted on 9 September 2024. Following the delisting, in the current financial year, these amounts has been reclassified to unquoted shares.

There are no movements in the provision of impairment losses for investment in subsidiaries during the financial year ended 31 December 2024 and 2023.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 13. Investments in subsidiaries (Continued)

- (a) Details of the significant subsidiaries held by the Company and its subsidiaries at 31 December are as follows:

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Portion of ownership interest held by the Group</u>	
			<u>2024</u> %	<u>2023</u> %
<u>Held by the Company</u>				
Telford Industries Pte Ltd <sup>(1)</sup>	Singapore	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford SVC. Phils., Inc. <sup>(3)</sup>	Philippines	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Reel Service Limited <sup>(3)</sup>	United Kingdom	Investment holding, manufacturing and distribution of carrier tapes and plastic reels and provision of semiconductor manufacturing	100	100
Reel Service (Philippines), Inc. <sup>(3)</sup>	Philippines	Manufacturing and distribution of carrier tapes and plastic reels and provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford Technologies (Shanghai) Pte Ltd <sup>(2)</sup>	PRC	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford Property Management Inc. <sup>(3)</sup>	Philippines	Property investment	100	100
Dragon Group International Limited <sup>(5)</sup>	Singapore	Investment holding and acting as corporate manager and advisor to its subsidiaries	41*	41
EoPlex Limited <sup>(3)</sup>	Hong Kong	Development of advanced chip packaging and related technologies	85	85



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 13. Investments in subsidiaries (Continued)

- (a) Details of the significant subsidiaries held by the Company and its subsidiaries at 31 December are as follows (Continued):

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Portion of ownership interest held by the Group</u>	
			<u>2024</u> %	<u>2023</u> %
<u>Held by Telford Industries Pte Ltd</u>				
Telford Service Sdn. Bhd. <sup>(3)</sup>	Malaysia	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford Service (Melaka) Sdn. Bhd. <sup>(3)</sup>	Malaysia	Provision of semiconductor manufacturing services for surface mount technology components	100	100
<u>Held by Dragon Group International Limited</u>				
Sooner Technology Pte Ltd <sup>(3)</sup>	Singapore	Trading in electronic components, computer peripherals and acting as commission agent	-*	100
Dragon Equipment & Materials Technology Limited <sup>(3)</sup>	Hong Kong	Sale, distribution and acting as commission agent in equipment, materials and electronic components	-*	100
DTB Limited <sup>(3)</sup>	Hong Kong	Investment holding	-*	100
<u>Held by Dragon Equipment &amp; Materials Technology Limited</u>				
Spire Technologies Pte Ltd <sup>(3)</sup>	Singapore	Importing, exporting, retailing and trading in electronic components and test consumables	-*	100
<u>Held by Spire Technologies Pte Ltd</u>				
Spire Technologies (Taiwan) Ltd <sup>(3)</sup>	Taiwan	Importing, exporting, retailing and trading in electronic components and test consumables	-*	60

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 13. Investments in subsidiaries (Continued)

- (a) Details of the significant subsidiaries held by the Company and its subsidiaries at 31 December are as follows (Continued):

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Portion of ownership interest held by the Group</u>	
			<u>2024</u> %	<u>2023</u> %
<b><u>Held by DTB Limited</u></b>				
Nanjing DTB Development Co., Ltd <sup>(3)</sup>	PRC	Construction of antique wooden sea boat, communication of culture, exhibition and conference etc.	- *	60
Dragon Ventures Limited <sup>(3)</sup>	Hong Kong	Investment holding	- *	100
<b><u>Held by Dragon Ventures Limited</u></b>				
Dragon Tourism Management Company Limited <sup>(4)</sup>	PRC	Develop and manage a mixed-used property	- *	100

The above list excludes subsidiaries that are insignificant to the operations of the Group.

- (1) Audited by Forvis Mazars LLP, Singapore  
 (2) Audited by a member firm of Forvis Mazars Global for group consolidation purposes  
 (3) Audited by other audit firms  
 (4) Not required to be audited in country of incorporation  
 (5) Audited by Forvis Mazars LLP, Singapore, for group consolidation purposes

\* DGI was placed under Creditors' Voluntary Liquidation on 4 October 2024. Consequently, the Group has lost control of DGI Group and DGI Group has been deconsolidated on that date.

Subsidiaries that are audited by other audit firms:

<u>Company</u>	<u>Auditors</u>
Telford SVC. Phils., Inc.	Sycip, Gorres, Velayo & Co.
Reel Service Limited	Sumer Auditco Limited
Reel Service (Philippines), Inc.	Sycip, Gorres, Velayo & Co.
Telford Property Management Inc.	Sycip, Gorres, Velayo & Co.
EoPlex Limited	Bright Brilliance CPA Limited, Hong Kong
Telford Service Sdn. Bhd.	BDO PLT, Malaysia
Telford Service (Melaka) Sdn. Bhd.	Chengco PLT, Malaysia

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 13. Investments in subsidiaries (Continued)

### (b) Interest in subsidiaries with material non-controlling interests ("NCI")

The Group has the following subsidiaries which have NCI that are material to the Group:

1. DGI Group
2. EoPlex Limited ("EoPlex")

<u>Subsidiaries</u>	<u>Principal place of business</u>	<u>Proportion of ownership interest held by NCI</u>	<u>(Loss)/Profit allocated to NCI during the reporting year S\$'000</u>	<u>Accumulated NCI at end of reporting year S\$'000</u>
<b>31 December 2024</b>				
EoPlex	Hong Kong	15%	(23)	(6,091)
<b>31 December 2023</b>				
DGI Group	Singapore	59%	(837)	(11,969)
EoPlex	Hong Kong	15%	116	(6,056)

There were no dividends paid to the above NCI during the years ended 31 December 2024 and 31 December 2023.

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries are as follows:

	<u>DGI Group</u>	<u>EoPlex</u>	
	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<b>Current</b>			
Assets	1,701	33	-
Liabilities	(22,000)	(38,515)	(38,398)
Net current liabilities	(20,299)	(38,482)	(38,398)
<b>Non-current</b>			
Assets	22	-	-
Liabilities	(9)	(2,121)	(1,977)
Net non-current assets/(liabilities)	13	(2,121)	(1,977)
<b>Net liabilities</b>	(20,286)	(40,603)	(40,375)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 13. Investments in subsidiaries (Continued)

### (b) Interest in subsidiaries with material non-controlling interests ("NCI") (Continued)

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiaries are as follows (Continued):

	<b>DGI Group</b>	<b>EoPlex</b>	
	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Revenue	2,992	-	-
(Loss)/Profit before income tax	(1,547)	(152)	771
Income tax credit/(expense)	23	-	-
(Loss)/Profit for the year	(1,524)	(152)	771
Other comprehensive income	392	-	-
Total comprehensive (loss)/income for the year	(1,132)	(152)	771
Net cash flows (used in)/generated from operations	(524)	(3)	8

### (c) Deregistration of subsidiaries

Following the deregistration of FE Global Shanghai Ltd in prior year, the Group has deconsolidated the investment in this entity. The deconsolidation of this entity has no effect on the cash flow during the prior financial year.

### (d) Liquidation of DGI Group

As mentioned in Note 9, DGI has been placed under creditors' voluntary liquidation on 4 October 2024. As at 31 December 2024, the process of liquidation is still ongoing. It is expected that DGI's expected recovery value is S\$Nil. Accordingly, the investment in DGI continues to be fully impaired.

*Carrying amounts of the assets and liabilities as at the date of liquidation are as follows:*

	<b>Carrying amount S\$'000</b>
Property, plant and equipment	12
Inventories	51
Prepayments and advances	17
Trade receivables	254
Other receivables	44
Cash at bank and on hand	934
Tax recoverable	2
	<b>1,314</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 13. Investments in subsidiaries (Continued)

### (d) Liquidation of DGI Group (Continued)

*Carrying amounts of the assets and liabilities as at the date of liquidation are as follows (Continued):*

	<b><u>Carrying amount</u> S\$'000</b>
Provisions	(88)
Trade payables and accruals	(2,673)
Other payables	(18,934)
Lease liabilities	(13)
Income tax payable	(21)
	<u>(21,729)</u>
<b>Net liabilities</b>	<b><u>(20,415)</u></b>
Cash and bank balances of subsidiaries liquidated	<u>(934)</u>
Net cash outflows on liquidation of DGI Group	<u><u>(934)</u></u>
<b>Gain on liquidation:</b>	
Net liabilities derecognised	20,415
Capital reserves	5,234
Cumulative exchange differences relating to DGI reclassified from equity	(4,942)
Attribution to NCI	<u>(14,491)</u>
Gain on liquidation	<u><u>6,216</u></u>

## 14. Investments in associates

The material investments in associates are summarised below:

	<b><u>Group</u></b>		<b><u>Company</u></b>	
	<b><u>2024</u> S\$'000</b>	<b><u>2023</u> S\$'000</b>	<b><u>2024</u> S\$'000</b>	<b><u>2023</u> S\$'000</b>
<b><u>Advanced Systems Automation Limited</u></b>				
Quoted shares, at cost	-	31,058	-	31,058
Impairment loss	-	(25,257)	-	(25,257)
Cumulative share of loss	<u>-</u>	<u>(5,238)</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>563</u>	<u>-</u>	<u>5,801</u>
<b><u>EoCell Limited</u></b>				
Unquoted shares, at cost	-	20,000	-	-
Impairment loss	-	(17,922)	-	-
Cumulative share of loss	<u>-</u>	<u>(2,078)</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>563</u>	<u>-</u>	<u>5,801</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 14. Investments in associates (Continued)

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Market value of quoted shares	-	5,801	-	5,801

The Group has not recognised losses relating to its associates where its share of losses exceeds the Group's carrying amount of its investment in those associates. The Group's cumulative share of unrecognised losses were S\$Nil (2023: S\$2,974,000) of which S\$Nil (2023: S\$1,512,000) was the share of current year's losses. The Group has no obligation in respect of these losses.

Details of the significant associates held by the Group at 31 December are as follows:

<u>Name of company</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	<u>Portion of ownership interest held by the Group</u>	
			<u>2024</u> %	<u>2023</u> %
<u>Held by the Company</u>				
Advanced Systems Automation Limited <sup>(A)*</sup>	Singapore	Investment holding	-	26
<u>Held by Advanced Systems Automation Limited</u>				
Emerald Precision Engineering Sdn. Bhd. <sup>(B)</sup>	Malaysia	Fabrication of tooling, dies and related moulding of spare parts and other related businesses	-	26
Pioneer Venture Pte Ltd <sup>(A)</sup>	Singapore	Contract manufacturing solutions of fabricated metal products	-	26
Yumei Technologies Sdn. Bhd. <sup>(B)</sup>	Malaysia	Manufacturing of die-casting products	-	26
Yumei REIT Sdn. Bhd. <sup>(B)</sup>	Malaysia	Property owner	-	26
<u>Held by Dragon Group International Limited (a subsidiary of the Company)</u>				
EoCell Limited <sup>(C)</sup>	Hong Kong	Development of battery and storage solutions	-**	40
<u>Held by EoCell Limited</u>				
EoCell Inc	United States of America	Development of battery and storage solutions	-**	40

<sup>(A)</sup> Audited by Forvis Mazars LLP, Singapore

<sup>(B)</sup> Audited by a member firm of Forvis Mazars LLP Global

<sup>(C)</sup> Audited by K.C. Fok & Company

\* In January 2024, the Group has reclassified its investments in Advanced Systems Automation Limited as other investment held at FVTPL. Subsequently, the Group disposed all its shares in Advanced Systems Automation Limited in October 2024 (Note 5).

\*\* EoCell Limited is an associate of DGI which was placed under Creditors' Voluntary Liquidation on 4 October 2024.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 14. Investments in associates (Continued)

The summarised financial information based on its SFRS(I)s financial statements and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

1. Advanced Systems Automation Limited ("ASA") and its subsidiaries ("ASA Group")
2. EoCell Limited and its subsidiaries ("EoCell Group")

### Summarised statement of comprehensive income

	ASA Group		EoCell Group	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Revenue	-	12,928	-	6,478
Loss after income tax for the year	-	(4,017)	-	(3,781)
Other comprehensive loss	-	(506)	-	-
Total comprehensive loss for the year	-	(4,523)	-	(3,781)

### Summarised balance sheet

	ASA Group		EoCell Group	
	2024 S\$'000	2023 S\$'000	2024 S\$'000	2023 S\$'000
Current assets	-	9,844	-	2,690
Non-current assets	-	6,849	-	4,646
Total assets	-	16,693	-	7,336
Current liabilities	-	11,308	-	7,005
Non-current liabilities	-	12,634	-	5,262
Total liabilities	-	23,942	-	12,267
Net liabilities	-	(7,249)	-	(4,931)
Proportion of the Group's ownership	-	26%	-	40%
Group's share of net liabilities	-	(1,885)	-	(1,972)
Goodwill on acquisition	-	3,014	-	16,947
Impairment loss	-	-	-	(17,922)
Cumulative unrecognised share of losses	-	-	-	2,974
Other adjustments	-	(566)	-	(27)
Carrying amount of the investment	-	563	-	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 15. Deferred tax assets/(liabilities)

	<u>Group</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Deferred tax assets	176	39
Deferred tax liabilities	(317)	(392)

### **Deferred tax assets**

The movements in deferred tax assets were as follows:

	<u>Group</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000
At 1 January	39	27
Credit for the year	136	12
Currency realignment	1	-
At 31 December	176	39

Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable.

### **Deferred tax liabilities**

The movements in deferred tax liabilities were as follows:

	<u>Group</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000
At 1 January	392	424
Charge for the year	(78)	(33)
Currency realignment	3	1
At 31 December	317	392

Deferred tax liabilities principally arise as a result of excess of carrying amount over tax written down value of plant and equipment.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 16. Inventories

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
Raw materials	2,014	2,584
Work-in-progress	59	301
Goods-in-transit	8	108
Finished goods	616	1,129
	<u>2,697</u>	<u>4,122</u>
Allowance for stock obsolescence	(560)	(691)
	<u>2,137</u>	<u>3,431</u>

Inventories are stated after providing the allowance for inventories obsolescence as follows:

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
At 1 January	691	640
Allowance for obsolescence	77	63
Reversal of allowance for obsolescence	(218)	(2)
Currency realignment	10	(10)
	<u>560</u>	<u>691</u>
At 31 December	560	691

The reversal of allowance for obsolescence was made when the related inventories were sold above their carrying amount.

The cost of inventories recognised as an expense in cost of sales of the Group was S\$2,613,000 (2023: S\$7,428,000).

## 17. Prepayments and advances

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000	<u>Company</u> <u>2024</u> S\$'000	<u>2023</u> S\$'000
Prepayment	573	831	56	80
Advances to suppliers	104	60	-	-
	<u>677</u>	<u>891</u>	<u>56</u>	<u>80</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 18. Trade receivables

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
Trade receivables	6,226	8,192
Less: Loss allowance	(102)	(98)
	<u>6,124</u>	<u>8,094</u>

Trade receivables are non-interest bearing and are generally on 30 to 90 days (2023: 30 to 90 days) credit terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Trade receivables are denominated in the following currencies as at the reporting date:

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
Singapore dollar	196	99
United States dollar	3,047	3,909
Philippines peso	1,174	1,396
Malaysian ringgit	533	550
Chinese renminbi	167	885
Others	1,007	1,255
	<u>6,124</u>	<u>8,094</u>

## 19. Other receivables

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>Company</u> <u>2023</u> S\$'000
Tax recoverable	374	478	-	-
Deposits	160	205	44	10
Other debtors	208	385	32	31
Sundry debtors	26,530	3,408	26,234	-
	<u>27,272</u>	<u>4,476</u>	<u>26,310</u>	<u>41</u>
Less: Loss allowance	(24,722)	(3,299)	(24,698)	-
	<u>2,550</u>	<u>1,177</u>	<u>1,612</u>	<u>41</u>
Disclosure in balance sheet:				
Current	1,222	1,140	286	41
Non-current	1,328	37	1,326	-
	<u>2,550</u>	<u>1,177</u>	<u>1,612</u>	<u>41</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 19. Other receivables (Continued)

Included in the sundry debtors are amounts which have been reclassified from a former subsidiary and a former associate. The amounts due from the former associate are non-trade in nature, unsecured, bear an interest ranging from 5.69% to 5.90% per annum, repriced on quarterly basis and to be settled in cash.

Other receivables are denominated in the following currencies as at the reporting date:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Singapore dollar	1,808	80	1,612	41
United States dollar	2	39	-	-
Philippines peso	563	209	-	-
Chinese renminbi	39	25	-	-
Malaysia ringgit	115	709	-	-
Others	23	115	-	-
	<u>2,550</u>	<u>1,177</u>	<u>1,612</u>	<u>41</u>

## 20. Amounts due from subsidiaries

	<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Amounts due from subsidiaries	48,066	64,905
Less: Loss allowance	<u>(47,681)</u>	<u>(63,965)</u>
	<u>385</u>	<u>940</u>

The amounts due from subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

Amounts due from subsidiaries are denominated in the following currencies as at the reporting date:

	<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Singapore dollar	236	243
United States dollar	<u>149</u>	<u>697</u>
	<u>385</u>	<u>940</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 21. Amounts due from associates

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Non-interest bearing				
- Current	-	4,398	-	1,204
Interest bearing				
- Current	-	1,318	-	1,000
- Non-current	-	8,805	-	8,805
	-	14,521	-	11,009
Less: Loss allowance	-	(11,510)	-	(8,135)
	-	3,011	-	2,874
Disclosure in balance sheet:				
Current	-	1,088	-	951
Non-current	-	1,923	-	1,923
	-	3,011	-	2,874

In prior year, non-interest bearing amounts due from associates are unsecured, repayable on demand and to be settled in cash of which S\$312,000 are trade in nature.

In prior year, interest bearing amounts due from associates are non-trade in nature, unsecured, bear an interest ranging from 6.25% to 6.34% per annum, repriced on quarterly basis and to be settled in cash.

Amounts due from associates are denominated in the following currencies as at the reporting date:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Singapore dollar	-	2,874	-	2,874
Malaysia ringgit	-	137	-	-
	-	3,011	-	-
	-	3,011	-	2,874



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 22. Amount due from a related company

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
Amount due from a related company	-	1,070
Less: Loss allowance	-	(1,070)
	<u>-</u>	<u>-</u>

The amount due from a related company is non-trade in nature, unsecured, interest-free and repayable on demand.

## 23. Cash at bank and on hand

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000	<u>Company</u> <u>2024</u> S\$'000	<u>2023</u> S\$'000
Cash on hand and at bank	22,642	20,027	3,116	587
Short-term deposits	403	682	-	-
	<u>23,045</u>	<u>20,709</u>	<u>3,116</u>	<u>587</u>

Cash at banks earn interest at floating rates based on daily bank deposit rates.

Short-term deposits of the Group with financial institutions are made for varying periods within 1 month (2023: 1 month) from the financial year end. The effective interest rates as at 31 December 2024 for the Group were ranging from 0.016% to 0.017% (2023: 0.016% to 0.017%) per annum.

Cash at bank and on hand are denominated in the following currencies as at the reporting date:

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000	<u>Company</u> <u>2024</u> S\$'000	<u>2023</u> S\$'000
Singapore dollar	1,602	813	1,525	569
United States dollar	15,064	12,087	1,591	18
Philippines peso	1,282	1,242	-	-
Chinese renminbi	2,836	3,465	-	-
Malaysian ringgit	1,250	1,273	-	-
Great Britain pound	709	961	-	-
Others	302	868	-	-
	<u>23,045</u>	<u>20,709</u>	<u>3,116</u>	<u>587</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 24. Share capital

	<u>Group and Company</u>		
	<u>2024</u>	<u>2023</u>	<u>2023</u>
	<u>No. of ordinary shares</u>		<u>S\$'000</u>
<b><u>Issued and fully paid:</u></b>			
At beginning and end of the financial year	<u>681,966,341</u>	<u>681,966,341</u>	<u>132,617</u>

The holders of ordinary shares (except treasury shares as disclosed in Note 25) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

## 25. Treasury shares

	<u>Group and Company</u>		
	<u>2024</u>	<u>2023</u>	<u>2023</u>
	<u>No. of ordinary shares</u>		<u>S\$'000</u>
At beginning and end of the financial year	<u>27,234,855</u>	<u>27,234,855</u>	<u>4,772</u>

Treasury shares relate to the ordinary shares of the Company that are held by the Company. Losses or gains on disposal or reissue of treasury shares are reflected as equity in the balance sheet.

## 26. Capital reserves

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
<b>Loss arising from sale or reissue of treasury shares</b>				
At beginning of the financial year	3,746	3,746	2,960	2,960
Liquidation of DGI Group	(786)	-	-	-
At end of the financial year	<u>2,960</u>	<u>3,746</u>	<u>2,960</u>	<u>2,960</u>
<b>Premium paid on acquisition of NCI or additional interest in Subsidiary</b>				
At beginning of the financial year	1,131	1,131	-	-
Liquidation of DGI Group	(1,131)	-	-	-
At end of the financial year	<u>-</u>	<u>1,131</u>	<u>-</u>	<u>-</u>
<b>Discount on disposal to NCI</b>				
At beginning of the financial year	2,894	2,894	-	-
Liquidation of DGI Group	(2,894)	-	-	-
At end of the financial year	<u>-</u>	<u>2,894</u>	<u>-</u>	<u>-</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 26. Capital reserves (Continued)

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
<b>Loss on dilution of interest in subsidiary</b>				
At beginning of the financial year	419	419	-	-
Liquidation of DGI Group	(419)	-	-	-
At end of the financial year	-	419	-	-
<b>Realisation of reserves on disposal of subsidiaries</b>				
At beginning of the financial year	4	4	-	-
Liquidation of DGI Group	(4)	-	-	-
At end of the financial year	-	4	-	-
	<u>2,960</u>	<u>8,194</u>	<u>2,960</u>	<u>2,960</u>

No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

### *Gain or loss arising from sale or reissue of treasury shares*

This represents the gain or loss arising from the purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of these reserves.

## 27. Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

## 28. Long term payables

	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Security deposit	44	17
Long term loan	1,041	1,011
Accrual for long term loan interest	1,080	967
	<u>2,165</u>	<u>1,995</u>

Long term loan is non-trade in nature, bears an interest of 8.00% (2023: 8.00%) per annum and is not expected to be repaid within the next 12 months.

Long term payables are denominated in United States dollar as at the reporting date.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 29. Loans and borrowings

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
<b>Current liabilities</b>		
Unsecured loan (a)	877	889
Unsecured loan (b)	938	948
Unsecured loan (c)	-	338
Secured loan (d)	6,779	3,290
	<u>8,594</u>	<u>5,465</u>
<b>Non-current liabilities</b>		
Secured loan (d)	-	5,922
	<u>-</u>	<u>5,922</u>
	<u>8,594</u>	<u>11,387</u>

### Unsecured loans

- (a) Unsecured floating rate bank borrowing of a subsidiary bears effective interest rate of 7.25% (2023: 7.25%) per annum. This bank borrowing is repayable ranging from 90 to 180 days (2023: 90 to 180 days). The short-term loan are rolled over upon maturity. This loan is for the purpose of working capital.
- (b) Short term unsecured floating rate bank borrowing of a subsidiary bears effective interest rate of 7.25% (2023: 7.25%) per annum. This bank borrowing is repayable within one year. The short-term loan are rolled over upon maturity. This loan is for the purpose of working capital.
- (c) Unsecured floating rate bank borrowing of a subsidiary bear effective interest rate of 4.31% (2023: 4.31%) per annum. This bank borrowing is fully repaid in financial year 2024. This loan is for the purpose of working capital.

### Secured loan

- (d) Secured fixed rate bank borrowing of a subsidiary bear effective interest rate of 8.17% (2023: 8.17%) per annum. This bank borrowing is repayable quarterly from 2024 onwards. This loan is secured by a building pledged by a subsidiary of the Group. This loan is for the purpose of financing machineries purchases.

Loans and borrowings are denominated in the following currencies as at the reporting date:

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
United States dollar	6,779	9,550
Philippines peso	1,815	1,837
	<u>8,594</u>	<u>11,387</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 30. The Group as a lessee

The Group has lease contracts for various items of plant and machinery, motor vehicles and leasehold properties used in its operations which generally have lease terms between 1 to 3 years (2023: 1 to 3 years). 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.

### Extension options

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 significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

Set out below are the undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Within five years	664	550	192	-

### Recognition exemptions

The Group has certain office equipment and rented apartment with lease terms of 12 months or less and/or of low value. For such leases, the Group has elected not to recognise right-of-use assets and lease liabilities.

#### (a) Right-of-use assets

The carrying amount of right-of-use assets by class of underlying asset classified within property, plant and equipment are as follows:

	<u>Plant and machinery</u> S\$'000	<u>Leasehold properties</u> S\$'000	<u>Total</u> S\$'000
<u>Group</u>			
At 1 January 2023	52	1,193	1,245
Additions	-	907	907
Depreciation	(30)	(667)	(697)
Written off	-	(141)	(141)
Foreign exchange differences	-	(30)	(30)
At 31 December 2023	22	1,262	1,284
Additions	-	734	734
Depreciation	(23)	(656)	(679)
Written off	-	(792)	(792)
Liquidation of DGI Group	-	(12)	(12)
Foreign exchange differences	1	17	18
At 31 December 2024	-	553	553

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 30. The Group as a lessee (Continued)

### (a) Right-of-use assets (Continued)

	<b><u>Leasehold properties</u> S\$'000</b>
<b><u>Company</u></b>	
At 1 January 2023	30
Acquisition	90
Depreciation	(41)
	<hr/>
At 31 December 2023	79
Acquisition	180
Depreciation	(86)
Written off	(53)
	<hr/>
At 31 December 2024	120

The total cash outflows for leases during the financial year ended 31 December 2024 is S\$885,000 (2023: S\$1,217,000).

### (b) Lease liabilities

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Current	419	634	91	44
Non-current	267	806	32	35
	<hr/>	<hr/>	<hr/>	<hr/>
	686	1,440	123	79

The maturity analysis of lease liabilities is disclosed in Note 38.

Lease liabilities are denominated in the following currencies as at the reporting date:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Singapore dollar	123	102	123	79
Malaysian ringgit	208	278	-	-
Great Britain pound	279	315	-	-
United States dollar	-	616	-	-
Chinese renminbi	76	129	-	-
	686	1,440	123	79

### (c) Amounts recognised in profit or loss

	<b><u>Group</u></b>	
	<b><u>2024</u> S\$'000</b>	<b><u>2023</u> S\$'000</b>
Expense relating to short-term leases	21	46
Expense relating to leases of low-value assets	5	6
	<hr/>	<hr/>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 31. Provisions

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
<b>Current</b>		
Restructuring provision (Note (a))	-	88
<b>Non-current</b>		
Provision for defined retirement benefit (Note (b))	764	715
Total provisions	<u>764</u>	<u>803</u>

(a) Restructuring provision

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
<b>Restructuring provision</b>		
At 1 January	88	100
Charge for the year	-	*
Liquidation of DGI Group (Note 13 (d))	(88)	-
Exchange differences	-	(12)
At 31 December	<u>-</u>	<u>88</u>

\* Denotes amount less than S\$1,000

### Restructuring provision

In prior year, the provision of S\$88,000 pertains to the restructuring of its operations in Nanjing DTB Development Co., Ltd due to the significant uncertainty over the Dragon Treasure Boat project in 2018.

(b) Provision for defined retirement benefits

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
At 1 January	715	454
Current service cost	95	72
Past service cost	(78)	-
Interest cost	44	33
Actuarial loss	11	169
Benefits paid from the Company's operating fund	(13)	-
Exchange differences	(10)	(13)
At 31 December	<u>764</u>	<u>715</u>

The accrued pension costs are the aggregate of the present value of the defined benefit obligation at the end of the reporting.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 31. Provisions (Continued)

### (b) Provision for defined retirement benefits (Continued)

Defined benefit costs comprise the following:

- Service cost
- Net interest on the accrued pension costs or asset
- Remeasurements of accrued pension costs or asset

Service costs which include current service costs, past service costs and gains or losses on non routine settlements are recognised as expense in the consolidated statement of profit or loss and other comprehensive income. Past service costs are recognised when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuary.

Net interest on the accrued pension costs 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 based on government bonds to the net defined benefit liability or asset. Net interest on the accrued pension costs or asset is recognised as expense or income in the consolidated statement of profit or loss and other comprehensive income.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on a defined benefit liability) are recognised immediately in consolidated statement of profit or loss and other comprehensive income in the period in which they arise.

## 32. Trade payables and accruals

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Trade payables - third parties	667	2,315	-	-
Accruals	4,028	6,190	1,278	1,250
	<u>4,695</u>	<u>8,505</u>	<u>1,278</u>	<u>1,250</u>

Trade payables and accruals are non-interest bearing.

Trade payables are normally settled on 60 days (2023: 60 days) terms.

Trade payables and accruals are denominated in the following currencies as at the reporting date:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Singapore dollar	1,347	1,243	1,278	1,250
United States dollar	1,225	2,011	-	-
Philippines peso	1,676	1,643	-	-
Chinese renminbi	97	2,270	-	-
Thailand baht	6	300	-	-
Others	344	1,038	-	-
	<u>4,695</u>	<u>8,505</u>	<u>1,278</u>	<u>1,250</u>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 33. Other payables

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Directors' fees	49	247	49	247
Directors' fees of subsidiaries	-	108	-	-
Payable arising from purchase of property, plant and equipment	46	125	-	-
Advances received from customers	22	57	-	-
Advances from non-controlling interest	-	2,347	-	-
Sundry creditors	295	1,040	120	494
Others	285	154	6	50
	<u>697</u>	<u>4,078</u>	<u>175</u>	<u>791</u>

Other payables are denominated in the following currencies as at the reporting date:

	<u>Group</u>		<u>Company</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Singapore dollar	177	1,310	175	791
United States dollar	22	37	-	-
Philippines peso	136	108	-	-
Chinese renminbi	166	2,410	-	-
Others	196	213	-	-
	<u>697</u>	<u>4,078</u>	<u>175</u>	<u>791</u>

## 34. Amounts due to subsidiaries

Amounts due to subsidiaries are non-trade in nature, unsecured, interest-free and are repayable on demand.

Amounts due to subsidiaries are denominated in United States dollar as at the reporting date.

## 35. Segment information

The Group positioned its operations into two strategic business segments comprising Backend Equipment Solutions and Technologies ("BEST") and Distribution and Services. BEST is mainly engaged in provision of solutions and technologies in the backend (i.e. assembly, test and finishing) arena of the semiconductor industry. The Distribution and Services segment is engaged mainly in the provision of semiconductor application in consumer electronics, computer peripheral and communication solution.

Segment accounting policies are described in Note 2.23.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 35. Segment information (Continued)

### Geographical information

Revenue and non-current assets are based on the geographical location of the entities as follows:

	Revenue		Non-current assets	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
China	1,381	4,809	290	181
Singapore	921	784	1,338	2,675
Malaysia	2,264	2,927	329	645
Philippines	22,783	34,298	15,221	23,740
United Kingdom	1,944	2,034	1,337	2,156
Others	4,929	6,108	142	207
	<u>34,222</u>	<u>50,960</u>	<u>18,657</u>	<u>29,604</u>

### Information about major customers

Revenue from 3 major customers amounted to S\$24,497,000 (2023: S\$33,260,000), arising from sales by the BEST segment.

Revenue from one major customer amounted to S\$790,000 (2023: S\$767,000), arising from sales by the Distribution and Services segment.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 35. Segment information (Continued)

	BEST		Distribution and Services and (Discontinued)		Adjustment and elimination		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Revenue</b>								
- Segmental revenue - External sales	32,956	47,968	1,266	2,992	-	-	34,222	50,960
	(24,311)	(3,429)	5,605	(1,524)	-	-	(18,706)	(4,953)
<b>Segment results</b>								
EBITDA (Note A)	1,530	7,397	(579)	(1,455)	-	-	951	5,942
Interest income	539	665	-	8	-	-	539	673
Interest expense	(994)	(1,116)	(1)	(25)	-	-	(995)	(1,141)
Depreciation on property, plant and equipment	(7,973)	(9,013)	(10)	(4)	-	-	(7,983)	(9,017)
Impairment loss on property, plant and equipment	(2,577)	(40)	-	-	-	-	(2,577)	(40)
Write-back/(Allowance) of stock obsolescence, net	141	(17)	-	(44)	-	-	141	(61)
Allowance on other receivables	(16,262)	-	-	(27)	-	-	(16,262)	(27)
Write-back/(Allowance) on amounts due from associates	181	(1,056)	-	-	-	-	181	(1,056)
Loss on disposal of club membership	(9)	-	-	-	-	-	(9)	-
Gain on disposal of property, plant and equipment	548	4	-	-	-	-	548	4
Gain on disposal of other investment	547	-	-	-	-	-	547	-
Gain on liquidation of DGI Group	-	-	6,216	-	-	-	6,216	-
Gain on written off payable	-	234	-	-	-	-	-	234
	(24,329)	(2,942)	5,626	(1,547)	-	-	(18,703)	(4,489)
(Loss)/Profit before income tax	(197)	(487)	(21)	23	-	-	(218)	(464)
Income tax expense								
	(24,526)	(3,429)	5,605	(1,524)	-	-	(18,921)	(4,953)
<b>Other information:</b>								
Share of results of associates	-	(1,044)	-	-	-	-	-	(1,044)
Additions to non-current assets (Note B)	1,126	4,034	-	-	-	-	1,126	4,034
<b>Segment assets</b>								
	51,862	71,567	-	1,685	-	(8,295)	51,862	64,957
<b>Segment liabilities</b>								
	18,167	14,996	-	22,104	-	(8,295)	18,167	28,805

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 35. Segment information (Continued)

### Notes

- A EBITDA: Earnings before interest expense, interest income, tax, depreciation, amortisation and impairment losses.
- B Additions to non-current assets consist of additions to intangible assets, property, plant and equipment and right-of-use assets.

## 36. Significant related party transactions

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
- (i) Has control or joint control over the Company;
  - (ii) Has significant influence over the Company; or
  - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Company if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
  - (vi) The entity is controlled or jointly controlled by a person identified in (a);
  - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Associates are related parties and include those that are associates of the holding and/or related companies. Many of the Group's and Company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the financial year, other than those disclosed elsewhere in the financial statements, the Group had no significant transactions with related parties.

Significant transactions are entered with related parties and the effects of these transactions on the basis determined between the parties are reflected in these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 36. Significant related party transactions (Continued)

	<u>2024</u> S\$'000	<u>Group</u> <u>2023</u> S\$'000
<b>Directors:</b>		
Directors' fees of the Company	227	247
Directors' remuneration	889	369
Defined contribution plans	53	17
	<hr/>	<hr/>
<b>Other key executive officers:</b>		
Short-term employee benefits	671	610
Defined contribution plans	28	19
	<hr/>	<hr/>
<b>Related parties:</b>		
Corporate cost recovery	-	120
Interest income	-	593
	<hr/>	<hr/>
<b>Shareholder:</b>		
Consultancy services	-	88
	<hr/>	<hr/>
<b>Transactions with directors or key executive officers:</b>		
Fee paid to director of listed subsidiaries for consultancy services	-	40
	<hr/>	<hr/>

Related party refers to the company in which the Company's Chairman and Chief Executive Officer holds a key executive position and has 5% equity interest, as well as associates.

## 37. Commitments

### (a) Financial support

The Company has agreed to provide financial support to a subsidiary to meet its liabilities as and when they fall due and to not recall loan due from it for twelve months from the date of issuance of the subsidiary's financial statements.

### (b) Guarantees

The Company, under the previous Board of Directors, has given corporate guarantees of S\$46,000 (2023: S\$44,000) to financial institutions in connection with banking facilities certain subsidiaries.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk

	<u>Group</u>		<u>Company</u>	
	<u>2024</u> S\$'000	<u>2023</u> S\$'000	<u>2024</u> S\$'000	<u>2023</u> S\$'000
<b>Financial assets</b>				
Trade receivables	6,124	8,094	-	-
Other receivables (excluding tax recoverable)	2,176	699	1,612	41
Amounts due from subsidiaries	-	-	385	940
Amounts due from associates	-	3,011	-	2,874
Cash and bank balances	23,045	20,709	3,116	587
Financial assets at amortised cost	<u>31,345</u>	<u>32,513</u>	<u>5,113</u>	<u>4,442</u>
<b>Financial liabilities</b>				
Long term payables	2,165	1,995	-	-
Loans and borrowings	8,594	11,387	-	-
Lease liabilities	686	1,440	123	79
Trade payables and accruals	4,695	8,505	1,278	1,250
Other payables (excluding advances)	675	1,674	175	791
Amounts due to subsidiaries	-	-	11,486	10,150
Financial liabilities at amortised cost	<u>16,815</u>	<u>25,001</u>	<u>13,062</u>	<u>12,270</u>

The Group's activities expose it to credit risk, market risks (including interest rate risk and foreign currency risk) and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, and exposure limits, in accordance with the objectives and underlying principles approved by the Board of Directors.

### Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group's credit risk arises mainly from bank balances, trade and other receivables and other debt instruments carried at amortised cost. Bank balances are mainly deposits with banks with high credit-ratings assigned by international credit rating agencies and the Group does not expect the impairment loss from bank balances to be material, if any.

To assess and manage its credit risk, the Group categorises the aforementioned financial assets and contract assets according to their risk of default. The Group defines default to have taken place when internal or/and external information indicates that the financial asset is unlikely to be received, which could include a breach of debt covenant, and/or where contractual payments are 90 days past due as per SFRS(I) 9's presumption.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk (Continued)

### *Credit risk (Continued)*

In their assessment, the management considers, amongst other factors, the latest relevant credit ratings from reputable external rating agencies where available and deemed appropriate, historical credit experiences, latest available financial information and latest applicable credit reputation of the debtor.

The Group's internal credit risk grading categories are as follows:

Category	Description	Basis of recognising ECL
1	Low credit risk <sup>Note 1</sup>	12-month ECL
2	Non-significant increase in credit risk since initial recognition and financial asset is $\leq$ 30 days past due	12-month ECL
3	Significant increase in credit risk since initial recognition <sup>Note 2</sup> or financial asset is > 30 days past due	Lifetime ECL
4	Evidence indicates that financial asset is credit-impaired <sup>Note 3</sup>	Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate
5	Evidence indicates that the management has no reasonable expectations of recovering the write off amount <sup>Note 4</sup>	Written off

#### Note 1. Low credit risk

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Group assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

#### Note 2. Significant increase in credit risk

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

In assessing the significance of the change in the risk of default, the Group considers both past due (i.e. whether it is more than 30 days past due) and forward looking quantitative and qualitative information.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk (Continued)

### *Credit risk (Continued)*

#### Note 2. Significant increase in credit risk (Continued)

Forward looking information includes the assessment of the latest performance and financial position of the debtor, adjusted for the Group's future outlook of the industry in which the debtor operates based on independently obtained information (e.g. expert reports, analyst's reports etc.) and the most recent news or market talks about the debtor, as applicable. In its assessment, the Group will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are > 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

#### Note 3. Credit impaired

In determining whether financial assets are credit-impaired, the Group assesses whether one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 90 days past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for the financial asset because of financial difficulties.

#### Note 4. Write off

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cash flows to repay the amounts subjected to the write-off.

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

In prior financial year, the Group wrote off S\$17,000 of other receivables, of which S\$Nil was written off and recognised in the profit or loss during the year. The amounts were non-trade receivables from third parties which have been outstanding for at least 7 years and are not secured. In consideration of the aforementioned factors and the financial ability of the debtors, the Group assessed there is no reasonable expectation of recovery.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk (Continued)

### *Credit risk (Continued)*

#### Note 4. Write off (Continued)

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cashflows to repay the amounts subjected to the write-off.

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

The Group does not have any significant credit exposure to any single counterparty or any groups of counterparties having similar characteristics.

With reference to Note 37, the Company provides financial guarantees to a bank in respect of bank facilities granted to certain subsidiaries. The date when the Group becomes a committed party to the guarantee is considered to be the date of initial recognition for the purpose of assessing the financial asset for impairment. In determining whether there has been a significant risk of a default occurring on the drawn-down facilities, the Group considered the change in the risk that the specified debtor (i.e. the applicable subsidiaries) will default on the contract. The Company assessed that the credit risk relating to the financial guarantees is insignificant to the Company.

As at the end of the financial year, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

The following are credit risk management practices and quantitative and qualitative information about amounts arising from expected credit losses for each class of financial assets.

#### Trade receivables (Note 18)

The Group uses the practical expedient under SFRS(I) 9 in the form of allowance matrix to measure the ECL for trade receivables and accrued revenue, where the loss allowance is equal to lifetime ECL.

The ECL rates are based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that are assessed by geographical locations, adjusted for forward looking factors, specific to the debtors and the economic environment which could affect the ability of the debtors to settle the trade receivables. In considering the impact of the economic environment on the ECL rates, the Group assesses and estimates, for example, the gross domestic production growth rates of the countries (i.e. Singapore, PRC and Philippines) and the growth rates of the major industries in which its customers operate.

Trade receivables and accrued revenue are written off when there is evidence to indicate that the customer is in severe financial difficulty such as being under liquidation or bankruptcy and there are no reasonable expectations for recovering the outstanding balances.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk (Continued)

### Credit risk (Continued)

#### Trade receivables (Note 18) (Continued)

The loss allowance for trade receivables are determined as follows:

	<u>Current</u> S\$'000	<u>1 to 30</u> <u>days</u> <u>past due</u> S\$'000	<u>31 to 60</u> <u>days</u> <u>past due</u> S\$'000	<u>61 to 90</u> <u>days</u> <u>past due</u> S\$'000	<u>More than</u> <u>90 days</u> <u>past due</u> S\$'000	<u>Total</u> S\$'000
<b>2024</b>						
Expected credit loss rates	0%	0%	0%	0%	72.3%	
Total gross carrying amount	5,121	813	120	31	141	6,226
Loss allowance	-	-	-	-	102	102
<b>2023</b>						
Expected credit loss rates	0%	0%	0%	0%	30.9%	
Total gross carrying amount	6,267	1,272	182	154	317	8,192
Loss allowance	-	-	-	-	98	98

#### Other receivables (excluding tax recoverable) (Note 19)

As of 31 December 2024, the Group and the Company recorded other receivables of S\$2,176,000 (2023: S\$699,000) and S\$1,612,000 (2023: S\$ 41,000) respectively consequent to an extension of loans to third parties. Other than the credit-impaired receivable classified under category 4, which is from a former subsidiary, and the receivable classified under category 3, which is from a former associate, where the loss allowance of these amounts using an unbiased and probability-weighted amount by evaluating a range of possible outcomes, the Group and Company assessed the impairment loss allowance of these amounts on a 12-month ECL basis consequent to their assessment and conclusion that these receivables are of low credit risk. In its assessment of the credit risk of these third parties, the Group and Company considered amongst other factors, the financial position of the third parties as of 31 December 2024, the past financial performance and cash flow trends, adjusted for the outlook of the industry and economy in which the third parties operate in and significant macro-economic factors, where applicable. Using 12-month ECL, the Group and Company determined that the ECL is insignificant.

#### Amounts due from subsidiaries (Note 20)

As of 31 December 2024, the Company recorded amounts due from subsidiaries of S\$385,000 (2023: S\$940,000) consequent to an extension of loans to subsidiaries. Other than the credit-impaired receivable classified under category 4, the Company assessed the impairment loss allowance of these amounts on a 12-month ECL basis consequent to their assessment and conclusion that these receivables are of low credit risk. In its assessment of the credit risk of these subsidiaries, the Company considered amongst other factors, the financial position of the subsidiaries as of 31 December 2024, the past financial performance and cash flow trends, adjusted for the outlook of the industry and economy in which the subsidiaries operate in and significant macro-economic factors, where applicable. Using a 12-month ECL, the Company determined that the ECL is insignificant.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk (Continued)

### *Credit risk (Continued)*

#### Amounts due from associates (Note 21)

As of 31 December 2024, the Group and Company recorded amounts due from associates of S\$Nil (2023: S\$3,011,000) and S\$Nil (2023: S\$2,874,000) mainly consequent to an extension of loans to associates. Other than the credit-impaired receivable classified under category 4, the Group and Company assessed the impairment loss allowance of these amounts using an unbiased and probability-weighted amount by evaluating a range of possible outcomes. In its assessment of the credit risk of these associates, the Group and Company considered amongst other factors, the financial position of the associates as of 31 December 2024, the past financial performance and cash flow trends, adjusted for the outlook of the industry and economy in which the associates operate in and significant macro-economic factors, where applicable.

#### Amount due from a related company (Note 22)

As of 31 December 2024, the Group recorded amount due from a related company of S\$Nil (2023: S\$Nil) consequent to an extension of loans to a related company. The Group assessed the impairment loss allowance of this amount and have concluded that this amount is credit impaired. In its assessment of the credit risk of this related company, the Group considered amongst other factors, the financial position of the related company as of 31 December 2024, the past financial performance and cash flow trends, adjusted for the outlook of the industry and economy in which the related company operate in and significant macro-economic factors, where applicable.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risks (Continued)

### Credit risk (Continued)

The movement in the loss allowance during the financial year and the Group's exposure to credit risk in respect of the trade receivables, other receivables, amounts due from associates and amounts due from a related company are as follows:

Group	Trade receivables		Other receivables			
	Note (i) S\$'000	Total S\$'000	Category 1 S\$'000	Category 3 S\$'000	Category 4 S\$'000	Total S\$'000
<b>Internal credit risk grading</b>						
<b>Loss allowance</b>						
At 1 January 2023	102	102	21	-	3,286	3,307
Currency realignment	(4)	(4)	-	-	(35)	(35)
Net remeasurement of loss allowance	-	-	27	-	-	27
At 31 December 2023	98	98	48	-	3,251	3,299
Currency realignment	4	4	3	-	301	304
Reclassification	-	-	-	8,135	-	8,135
Net remeasurement of loss allowance	-	-	-	-	16,262	16,262
Liquidation of DGI Group	-	-	(27)	-	(3,251)	(3,278)
At 31 December 2024	102	102	24	8,135	16,563	24,722
<b>Gross carrying amount</b>						
At 31 December 2023	8,192	8,192	1,225	-	3,251	4,476
At 31 December 2024	6,226	6,226	1,038	9,671	16,563	27,272
<b>Net carrying amount</b>						
At 31 December 2023	8,094	8,094	1,177	-	-	1,177
At 31 December 2024	6,124	6,124	1,014	1,536	-	2,550

Note (i): For trade receivables and accrued revenue, the Group uses the practical expedient under SFRS(I) 9 in the form of an allowance matrix to measure the ECL, where the loss allowance is equal to lifetime ECL.

# NOTES TO THE FINANCIAL STATEMENTS

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## 38. Financial instruments and financial risks (Continued)

### Credit risk (Continued)

The movement in the loss allowance during the financial year and the Group's exposure to credit risk in respect of the trade receivables, other receivables, amounts due from associates and amounts due from a related company are as follows (Continued):

<u>Internal credit risk grading</u>	<u>Amounts due from associates</u>			<u>Amounts due from a related company</u>		
	<u>Category 3</u> S\$'000	<u>Category 4</u> S\$'000	<u>Total</u> S\$'000	<u>Category 4</u> S\$'000	<u>Category 5</u> S\$'000	<u>Total</u> S\$'000
<b>Loss allowance</b>						
At 1 January 2023	7,511	3,194	10,705	832	-	832
Currency realignment	(251)	-	(251)	238	-	238
Net remeasurement of loss allowance	1,056	-	1,056	-	-	-
At 31 December 2023	8,316	3,194	11,510	1,070	-	1,070
Reversal of loss allowance	(181)	-	(181)	-	-	-
Reclassification	(8,135)	-	(8,135)	-	-	-
Reclassification between categories	-	-	-	(1,070)	1,070	-
Write-off of receivables	-	-	-	-	(1,070)	(1,070)
Liquidation of DGI Group	-	(3,194)	(3,194)	-	-	-
At 31 December 2024	-	-	-	-	-	-
<b>Gross carrying amount</b>						
At 31 December 2023	11,327	3,194	14,521	1,070	-	1,070
At 31 December 2024	-	-	-	-	-	-
<b>Net carrying amount</b>						
At 31 December 2023	3,011	-	3,011	-	-	-
At 31 December 2024	-	-	-	-	-	-

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risks (Continued)

### Credit risk (Continued)

The movement in the loss allowance during the financial year and the Company's exposure to credit risk in respect of the amounts due from subsidiaries and associates, and other receivables are as follows:

Company	Amounts due from subsidiaries				Amounts due from associates		Other receivables			
	Category 1	Category 4	Category 5	Total S\$'000	Category 3	Total S\$'000	Category 1	Category 3	Category 4	Total S\$'000
<b>Internal credit risk grading</b>	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Loss allowance</b>										
At 1 January 2023	-	65,215	-	65,215	7,161	7,161	-	-	-	-
Net remeasurement of loss allowance	-	-	-	-	974	974	-	-	-	-
Reclassification between categories	-	(1,250)	1,250	-	-	-	-	-	-	-
Write-off of receivables	-	-	(1,250)	(1,250)	-	-	-	-	-	-
At 31 December 2023	-	63,965	-	63,965	8,135	8,135	-	-	-	-
Reclassification between categories	-	(10)	10	-	-	-	-	-	-	-
Write-off of receivables	-	-	(10)	(10)	-	-	-	-	-	-
Reclassification	-	(16,107)	-	(16,107)	(8,135)	(8,135)	-	8,135	16,107	24,242
Net remeasurement of loss allowance	-	(227)	-	(227)	-	-	-	-	155	155
Currency realignment	-	60	-	60	-	-	-	-	301	301
At 31 December 2024	-	47,681	-	47,681	-	-	-	8,135	16,563	24,698
<b>Gross carrying amount</b>										
At 31 December 2023	940	63,965	-	64,905	11,009	11,009	41	-	-	41
At 31 December 2024	385	47,681	-	48,066	-	-	76	9,671	16,563	26,310
<b>Net carrying amount</b>										
At 31 December 2023	940	-	-	940	2,874	2,874	41	-	-	41
At 31 December 2024	385	-	-	385	-	-	76	1,536	-	1,612

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk (Continued)

### Market risks

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates and interest rates. The Group did not enter into derivative financial instruments to hedge against foreign currency risk and interest rate risk.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their loans and borrowings and interest-bearing loans given to related parties. The Company's loans at floating rate given to related parties form a natural hedge for its floating rate bank loan. All of the Group's and the Company's financial liabilities at floating rates are contractually repriced at intervals of less than 3 months (2023: less than 3 months) from the end of the reporting period.

### Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 75 (2023: 75) basis points lower/higher with all other variables held constant, the Group's profit/(loss) before tax would have been S\$64,000 lower/higher (2023: S\$85,000 lower/higher), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings.

### Foreign currency risk

The Group is exposed to foreign exchange risk on trade and other receivables, cash and bank balances, trade and other payables, and bank borrowings that are denominated in currencies other than the functional currencies of the respective entities in the Group. The currencies giving rise to this risk are primarily the United States dollar ("USD"), Chinese renminbi ("RMB") and Philippine Peso ("PHP").

The Group's exposures to foreign currency are as follows:

	2024			2023		
	USD S\$'000	RMB S\$'000	PHP S\$'000	USD S\$'000	RMB S\$'000	PHP S\$'000
<b>Monetary assets:</b>						
Trade receivables	3,047	167	1,174	3,909	885	1,396
Other receivables	2	39	563	39	25	209
Cash and bank balances	15,064	2,836	1,282	12,087	3,465	1,242
	18,113	3,042	3,019	16,035	4,375	2,847
<b>Monetary liabilities:</b>						
Long term payables	2,165	-	-	1,995	-	-
Loans and borrowings	6,779	-	1,815	9,550	-	1,837
Lease liabilities	-	76	-	616	129	-
Trade payables and accruals	1,225	97	1,676	2,011	2,270	1,643
Other payables	22	166	136	37	2,410	108
	10,191	339	3,627	14,209	4,809	3,588
<b>Net monetary assets/ (liabilities)</b>	<b>7,922</b>	<b>2,703</b>	<b>(608)</b>	<b>1,826</b>	<b>(434)</b>	<b>(741)</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk (Continued)

### Market risks (Continued)

#### Foreign currency risk (Continued)

The Group's exposures to foreign currency are as follows (Continued):

	2024			2023		
	USD S\$'000	RMB S\$'000	PHP S\$'000	USD S\$'000	RMB S\$'000	PHP S\$'000
<b>Less:</b>						
Currency exposure of those denominated in the respective entity's functional currency	(5,807)	(2,779)	-	(2,753)	(4,145)	-
Currency exposure of monetary assets/(liabilities) net of those denominated in the respective entity's functional currency	2,115	(76)	(608)	(927)	(4,579)	(741)

#### Foreign currency sensitivity analysis

At 31 December 2024, it is estimated that a five percentage point weakening of foreign currencies against the functional currency of respective entities, with all variables held constant, would decrease the Group's post-tax loss by approximately S\$59,000 (2023: increase by S\$259,000). A five percentage point strengthening of foreign currencies against the functional currency, with all variables held constant, would have an equal but opposite effect. 5% is the sensitivity rate used when reporting foreign currency risks internally to key management personnel and represents management's assessment of the possible changes in foreign exchange rate.

If the following foreign currencies strengthen by 5% (2023: 5%) against the functional currency of each Group entity, loss will (increase)/decrease by:

	Loss before income tax	
	2024 S\$'000	2023 S\$'000
USD	106	(46)
RMB	(4)	(229)
PHP	(30)	(37)

#### Liquidity risk

Liquidity risk refers to the risk in which the Group is unable to meet its short-term obligations. Liquidity risk is managed by matching the payments and receipts cycle.

The Group monitors its liquidity risk and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk (Continued)

### *Liquidity risk (Continued)*

#### Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations:

	Effective interest %	Less than 1 year S\$'000	1 to 5 years S\$'000	Over 5 years S\$'000	Total S\$'000
<b>Group</b>					
<b>2024</b>					
<b>Financial assets</b>					
Cash at bank and on hand	-	23,045	-	-	23,045
Trade receivables	-	6,124	-	-	6,124
Other receivables (excluding tax recoverable)	0 - 5.90	848	1,328	-	2,176
Total undiscounted financial assets		30,017	1,328	-	31,345
<b>Financial liabilities</b>					
Trade payables and accruals	-	4,695	-	-	4,695
Other payables (excluding advances)	-	675	-	-	675
Lease liabilities	1.02 - 4.38	625	358	-	983
Long term payables	8.00	-	1,124	1,124	2,248
Loans and borrowings	4.31 - 8.17	9,279	-	-	9,279
Total undiscounted financial liabilities		15,274	1,482	1,124	17,880
Total net undiscounted financial assets/(liabilities)		14,743	(154)	(1,124)	13,465
<b>2023</b>					
<b>Financial assets</b>					
Cash at bank and on hand	-	20,709	-	-	20,709
Trade receivables	-	8,094	-	-	8,094
Other receivables (excluding tax recoverable)	-	662	37	-	699
Amount due from associates	6.25 - 6.34	1,151	2,481	-	3,632
Total undiscounted financial assets		30,616	2,518	-	33,134
<b>Financial liabilities</b>					
Trade payables and accruals	-	8,505	-	-	8,505
Other payables (excluding advances)	-	1,674	-	-	1,674
Lease liabilities	1.02 - 4.38	778	831	-	1,609
Long term payables	8.00	-	984	1,092	2,076
Loans and borrowings	4.31 - 8.17	5,882	6,406	-	12,288
Total undiscounted financial liabilities		16,839	8,221	1,092	26,152
Total net undiscounted financial assets/(liabilities)		13,777	(5,703)	(1,092)	6,982

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 38. Financial instruments and financial risk (Continued)

### Liquidity risk (Continued)

#### Analysis of financial instruments by remaining contractual maturities (Continued)

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations (Continued):

	Effective interest %	Less than 1 year S\$'000	1 to 5 years S\$'000	Over 5 years S\$'000	Total S\$'000
<b>Company</b>					
<b>2024</b>					
<b>Financial assets</b>					
Cash at bank and on hand	-	3,116	-	-	3,116
Other receivables	0 - 5.90	286	1,326	-	1,612
Amounts due from subsidiaries	-	385	-	-	385
Total undiscounted financial assets		3,787	1,326	-	5,113
<b>Financial liabilities</b>					
Trade payables and accruals	-	1,278	-	-	1,278
Other payables	-	175	-	-	175
Lease liabilities	1.02 - 4.38	96	32	-	128
Amounts due to subsidiaries	-	11,486	-	-	11,486
Maximum amount of financial guarantee	-	46	-	-	46
Total undiscounted financial liabilities		13,081	32	-	13,113
Total net undiscounted financial (liabilities)/assets		(9,294)	1,294	-	(8,000)
<b>2023</b>					
<b>Financial assets</b>					
Cash at bank and on hand	-	587	-	-	587
Other receivables	-	41	-	-	41
Amounts due from subsidiaries	-	940	-	-	940
Amounts due from associates	6.25 - 6.34	1,014	2,481	-	3,495
Total undiscounted financial assets		2,582	2,481	-	5,063
<b>Financial liabilities</b>					
Trade payables and accruals	-	1,250	-	-	1,250
Other payables	-	791	-	-	791
Lease liabilities	1.02 - 4.38	48	36	-	84
Amounts due to subsidiaries	-	10,150	-	-	10,150
Maximum amount of financial guarantee	-	44	-	-	44
Total undiscounted financial liabilities		12,283	36	-	12,319
Total net undiscounted financial (liabilities)/assets		(9,701)	2,445	-	(7,256)

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 39. Fair value of assets and liabilities

### *Fair value hierarchy*

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 - Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 - Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There has been no transfer between Level 1 and Level 2 and no transfers into or out of Level 3 during the financial years ended 2024 and 2023.

### *Assets and liabilities measured at fair value*

Investment securities are measured at fair value in 2024 and 2023.

### *Assets and liabilities not carried at fair value, for which fair value is disclosed*

#### Determination of fair value

Management has determined that the carrying amounts of loans and borrowings based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are repriced frequently.

	Fair value measurements at the end of the reporting period using		
	<u>Level 1</u> S\$'000	<u>Total</u> S\$'000	<u>Carrying amount</u> S\$'000
<b><u>Company</u></b>			
<b><u>2023</u></b>			
<b>Assets</b>			
Associates:			
- Quoted shares	5,801	5,801	5,801

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 40. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in objectives, policies and processes during the years ended 31 December 2024 and 31 December 2023.

	<u>2024</u> S\$'000	<u>2023</u> S\$'000
Loans and borrowings	8,594	11,387
Trade payables and accruals	4,695	8,505
Other payables	697	4,078
Lease liabilities	686	1,440
Long term payables	2,165	1,995
Less: Cash and short-term deposits	<u>(23,045)</u>	<u>(20,709)</u>
Net debt	(6,208)	6,696
Equity attributable to owners of the Company	<u>39,847</u>	<u>54,648</u>
Capital and net debt	<u>33,639</u>	<u>61,344</u>
Gearing ratio	<u>(18%)</u>	<u>11%</u>

## 41. Dividends

In prior financial year, the Company declared interim tax-exempt dividend of \$0.0045 per ordinary share of the Company totalling approximately \$2,946,000 in respect of the financial year ended 31 December 2022.

## 42. Events occurring after the reporting period

- (i) On 13 February 2025, the Company has incorporated a wholly-owned subsidiary, ADTechs Holding Pte. Ltd. ("ADTSG") in Singapore with an issued and paid-up capital of SGD300,000. The principal activities of ADTSG are investment holding and wholesale trading.
- (ii) On 27 May 2025, the Group through its subsidiary ADTSG, has incorporated a wholly-owned subsidiary Advanced Dynamic Technical Solutions Philippines Incorporated ("ADTPH"), with an issued and paid-up share capital of PHP11,400,000 in The Philippines. The principal activities of ADTPH are to engage in trading and sale of industrial automation equipment and renewable energy systems in The Philippines and regionally.

# STATISTICS OF SHAREHOLDINGS

AS AT 23 JULY 2025

<b>Number of Equity Securities</b>	:	654,731,486
<b>Class of Equity Securities</b>	:	Ordinary shares (excludes treasury shares)
<b>Voting Rights</b>	:	One vote per share (excludes treasury shares)
<b>Number of Treasury Shares</b>	:	27,234,855

The percentage of treasury shares against equity securities is 4.16%.

## DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	19	0.48	582	0.00
100 – 1000	514	13.04	467,757	0.07
1,001 – 10,000	1,438	36.47	7,782,569	1.19
10,001 – 1,000,000	1,927	48.87	187,875,729	28.70
1,000,001 and above	45	1.14	458,604,849	70.04
<b>Total</b>	<b>3,943</b>	<b>100.00</b>	<b>654,731,486</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

S/No	Name	No. of Shares	%
1.	LOH SOON GNEE	130,209,600	19.89
2.	SOH POCK KHENG	65,759,000	10.04
3.	CITIBANK NOMINEES SINGAPORE PTE LTD	62,722,300	9.58
4.	NG YEW NAM	45,171,700	6.90
5.	RAFFLES NOMINEES (PTE.) LIMITED	16,470,900	2.52
6.	DBS NOMINEES (PRIVATE) LIMITED	14,281,900	2.18
7.	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	12,724,100	1.94
8.	LIM CHEE SAN	12,000,000	1.83
9.	TOH CHENG HAI	8,350,000	1.28
10.	UOB KAY HIAN PRIVATE LIMITED	7,603,800	1.16
11.	PHILLIP SECURITIES PTE LTD	6,802,619	1.04
12.	TAN NGOK PENG	6,600,000	1.01
13.	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	4,733,300	0.72
14.	LIM TIAU	4,500,000	0.69
15.	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	3,939,600	0.60
16.	LIM AH KAW @ LIM LAN CHING	3,701,400	0.57
17.	OCBC SECURITIES PRIVATE LIMITED	3,549,900	0.54
18.	NG KOK HIAN	3,464,200	0.53
19.	JEANETTE KOH CHEW TEE	3,444,900	0.53
20.	LEOW GEOK YEW (LIAO YUYOU)	2,780,000	0.42
<b>Total</b>		<b>418,809,219</b>	<b>63.97</b>

# STATISTICS OF SHAREHOLDINGS

AS AT 23 JULY 2025

## SUBSTANTIAL SHAREHOLDERS (As recorded in the Register of Substantial Shareholders)

	Direct Interest	% *	Deemed Interest	% *	Total % *
Loh Soon Gnee <sup>1</sup>	130,209,600	19.89	–	–	19.89
Soh Pock Kheng <sup>2</sup>	65,759,000	10.04	22,096,000	3.38	13.42
Ng Yew Nam <sup>3</sup>	45,171,700	6.90	31,326,900	4.78	11.68
Heah Theare Haw <sup>4</sup>	–	–	41,484,000	6.34	6.34

1 On 8 February 2023, Loh Soon Gnee had entered into a share purchase agreement with Capital Engineering Network Public Company ("CEN") for the disposal of his entire shareholding in ASTI, subject to (i) the approval from CEN's shareholders which had been obtained at its extraordinary general meeting on 15 March 2023; and (ii) approval from SGX-ST pursuant to Rule 729 of the Listing Manual. Pursuant to Section 7 of the Companies Act 1967, CEN has a deemed interest in these shares held by Loh Soon Gnee.

2 Deemed interested in 22,096,000 shares held by nominees.

3 On 7 February 2023, Ng Yew Nam entered into share sale and purchase agreements with (i) Lim Chee San, (ii) Koh Wan Tiong and (iii) Tay Yam Sheng, Eric in respect of an aggregate of 13,644,000 ordinary shares in the Company. On 20 February 2023, Ng Yew Nam had entered into sale and purchase agreements with (i) Ng Kok Hian, (ii) Chow Yew Kwan, (iii) Leow Geok Yew, (iv) Tan Ngok Peng, (v) Tan Kooi Jin and (vi) Ling Chui Chui in respect of an aggregate of 17,032,900 ordinary shares in the Company. On 24 February 2023, Ng Yew Nam had entered into sale and purchase agreements with (i) Fiona Soh Siok Lan 350,000 and (ii) Tony Yang Chin Tuan 300,000 in respect of an aggregate of 650,000 ordinary shares in the Company. Pursuant to Section 7 of the Companies Act 1967, Ng Yew Nam has a deemed interest in these shares held by the aforementioned sellers.

4 Deemed interested in 41,484,000 shares held by nominees.

\* Percentage shareholding is computed based on 654,731,486 ordinary shares (excluding 27,234,855 treasury shares) in the capital of the Company.

## PERCENTAGE OF SHAREHOLDINGS IN PUBLIC HANDS

Approximately 48.67% of the issued share capital of the Company was held by the public. Accordingly, the Company has complied with Rule 723 of the SGX-ST Listing Manual.



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting for the financial year ended 31 December 2024 ("**AGM**") of ASTI Holdings Limited (the "**Company**") will be convened and held at **Victoria Function Room, SAFRA Toa Payoh, 293 Toa Payoh Lor 6, Singapore 319387**, on **Friday, 15 August 2025 at 2.00 p.m.** for the following purposes:

## ORDINARY BUSINESS

- |    |  |                       |
|----|--|-----------------------|
| 1. | To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Auditors' Report thereon.                                    | <b>(Resolution 1)</b> |
| 2. | To re-elect Mr Soh Pock Kheng, who is retiring pursuant to Regulation 89 of the Company's Constitution, and who, being eligible, offers himself for re-election as a Director of the Company.<br>(See Explanatory Note 1)      | <b>(Resolution 2)</b> |
| 3. | To re-elect Mr Raymond Lam Kuo Wei, who is retiring pursuant to Regulation 89 of the Company's Constitution, and who, being eligible, offers himself for re-election as a Director of the Company.<br>(See Explanatory Note 2) | <b>(Resolution 3)</b> |
| 4. | To re-appoint Messrs Forvis Mazars LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.  | <b>(Resolution 4)</b> |

## SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution, with or without any modifications:

- |    |                                     |                       |
|----|-------------------------------------|-----------------------|
| 5. | Authority to allot and issue shares | <b>(Resolution 5)</b> |
|----|-------------------------------------|-----------------------|

That pursuant to Section 161 of the Companies Act 1967 ("**Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

- |     |      |  |
|-----|------|--|
| (a) | (i)  | issue shares in the Company (" <b>Shares</b> ") whether by way of rights, bonus or otherwise; and/or   |
|     | (ii) | make or grant offers, agreements or options (collectively, " <b>Instruments</b> ") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, |

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company 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 Instruments made or granted by the Directors of the Company while this Resolution was in force, |
|-----|--|

provided that:

- |     |   |
|-----|---|
| (1) | the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below); |
|-----|---|

## NOTICE OF ANNUAL GENERAL MEETING

- (2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued Shares and Instruments (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
- (a) new Shares arising from the conversion or exercise of any convertible securities;
  - (b) new Shares arising from exercising share options or vesting of share awards, provided the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and
  - (c) any subsequent bonus issue, consolidation or subdivision of Shares;

Adjustments in accordance with 2(a) or 2(b) 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;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force (i) 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 or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments.

*(See Explanatory Note 3)*

BY ORDER OF THE BOARD

Mr Ng Yew Nam  
Executive Chairman & Chief Executive Officer

31 July 2025  
Singapore

# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory Notes:

1. Mr Soh Pock Kheng will, upon re-election as a Director of the Company, remain as Executive Director and Chief Operating Officer of the Company.
2. Mr Raymond Lam Kuo Wei will, upon re-election as a Director of the Company, remain as Lead Independent Director, Chairman of the Remuneration Committee and a member of the Audit Committee and Nominating Committee of the Company. Mr Raymond Lam Kuo Wei is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

Key information on Mr Soh Pock Kheng and Mr Raymond Lam Kuo Wei as required pursuant to Rule 720(6) of the Listing Manual of the SGX-ST can be found under "Board of Directors and Key Management", "Corporate Governance Report" and "Appendix 1: Disclosure of Information on Directors Seeking Re-Election" of the Company's Annual Report 2024.

3. Ordinary Resolution 5, if passed, will empower the Directors of the Company, from the date of passing this Resolution until the conclusion of the next Annual General Meeting of the Company, to allot and issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company, of which up to twenty per centum (20%) may be issued other than on a pro-rata basis to shareholders. For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company at the date this Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time when this Resolution is passed, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST, and any subsequent bonus issue, consolidation or subdivision of Shares.

## Notes:

1. Printed copies of this Notice of AGM and the instrument appointing a proxy or proxies (the "**Proxy Form**") will be sent to members by post. Copies of this Notice of AGM, the Proxy Form and the Annual Report 2024 are published on SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company's website at <https://www.astigp.com>.
2. Printed copies of the Annual Report 2024 will not be sent to members. A member may request for a printed copy of the Annual Report 2024 by email to [gm@astigp.com](mailto:gm@astigp.com).
3. A member of the Company (other than a Relevant Intermediary) entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his/her/its stead. A member shall specify the proportion of his/her/its shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.
4. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her/it (which number and class of shares shall be specified).  
"Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore (the "**Companies Act**").
5. The Proxy Form, duly completed and signed, must either be submitted by (a) mail to ASTI HOLDINGS LIMITED, at 33 Ubi Avenue 3 #06-72 Vertex, Singapore 408868; or (b) email to [gm@astigp.com](mailto:gm@astigp.com) not later than 2.00 p.m. on 12 August 2025 (being seventy-two (72) hours before the time set for the AGM). Any proxy form received after 2.00 p.m. on 12 August 2025 shall be rejected without exception.
6. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed under its common seal, executed as a deed in accordance with the Companies Act, or executed under the hand of its officer or attorney duly authorised. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form will be treated as invalid.
7. In relation to the appointment of proxy/proxies to attend, speak and vote on his/her/its behalf at the AGM, a member (whether individual or corporate) appointing his/her/its proxy/proxies should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy.
8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative with respect to the AGM, in accordance with Section 179 of the Companies Act and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

## NOTICE OF ANNUAL GENERAL MEETING

9. In the case of a member of the Company whose shares are entered against his/her/its name in the Depository Register, the Company may reject any Proxy Form if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
10. A member of the Company who holds his/her/its shares through a Relevant Intermediary (including members holding shares in the Company through the Central Provident Fund Investment Scheme ("**CPFIS Members**") or through the Supplementary Retirement Scheme ("**SRS Investors**") and who wishes to exercise his/her/its votes can do so if his/her/its Relevant Intermediary (which includes the relevant Central Provident Fund agent bank ("**CPF Agent Bank**") or Supplementary Retirement Scheme operator ("**SRS Operator**")): (a) appoints the Chairman of the AGM as its proxy or (b) appoints the member as its proxy. Such member should approach his/her/its Relevant Intermediary to submit his/her/its voting instructions at least seven (7) working days prior to the date of the AGM (i.e. by 2.00 p.m. on 6 August 2025).
11. Members, appointed proxies and authorised representatives of corporate members are reminded to bring along his/her NRIC/passport when attending the AGM to enable the Company to verify your identity.

### Submission of questions prior to the AGM

1. A member of the Company may submit questions relating to the resolutions to be tabled for approval at the AGM no later than 8 August 2025 either (a) by email to [gm@astigp.com](mailto:gm@astigp.com); or (b) by post to ASTI HOLDINGS LIMITED at 33 Ubi Avenue 3 #06-72 Vertex, Singapore 408868. The Company will endeavour to address substantial and relevant questions relating to the business of the AGM and will upload the Company's responses to the questions from shareholders on SGXNet and the Company's website by 12 August 2025. Where there are substantially similar questions, the Company may consolidate such questions; and consequently, not all questions may be individually addressed. If questions are received after the abovementioned deadline, the Company will endeavour to answer the questions during the AGM.
2. If the questions are sent to the Company without being accompanied by the completed and duly executed Proxy Form, the following details must be included with the submitted questions: (i) the member's full name; and (ii) his/her/its identification/registration number for verification purposes, failing which the submission will be treated as invalid.

### Personal data privacy

By submitting a Proxy Form and/or appointing any representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) 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.

**ASTI HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199901514C)

**PROXY FORM  
ANNUAL GENERAL MEETING**

IMPORTANT: PLEASE READ NOTES OVERLEAF

**IMPORTANT**

- The Annual General Meeting for the financial year ended 31 December 2024 (“AGM”) will be held in a wholly physical format. **There will be no option for shareholders to participate virtually.** Printed copies of the Notice of AGM dated 31 July 2025 and this Proxy Form will be sent by post to shareholders. Electronic copies may be accessed on SGXNet at <https://www.sgx.com/securities/company-announcements> and the Company’s website at <https://www.astigp.com>.
- Relevant intermediaries (as defined in Section 181 of the Companies Act) may appoint more than two (2) proxies to attend, speak and vote at the AGM.
- Investors who hold the Company’s shares through relevant intermediaries (including CPF/SRS Investors) who wish to vote should approach their relevant intermediaries (including their respective CPF Agent Banks and SRS Operators) to submit their voting instructions at least seven (7) working days before the date of the AGM.
- This Proxy Form is not valid for use by CPF/SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
- Please read the Notice of AGM and the notes to this Proxy Form.

**PERSONAL DATA PRIVACY:** By submitting this Proxy Form, a member of the Company accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 31 July 2025.

\*I/We \_\_\_\_\_ (Name) \_\_\_\_\_ (\*NRIC/Passport No./Company Registration No.)  
of \_\_\_\_\_ (Address)  
being \*a member/members of **ASTI Holdings Limited** (the “Company”), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

\*and/or

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing \*him/her, the Chairman of the AGM as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us on \*my/our behalf at the AGM of the Company to be held at **Victoria Function Room, SAFRA Toa Payoh, 293 Toa Payoh Lor 6, Singapore 319387** on **Friday, 15 August 2025 at 2.00 p.m.** and at any adjournment thereof.

\*I/We direct \*my/our proxy to vote for, against and/or to abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/her/their discretion on any matter arising at the AGM.

**(Voting will be conducted by poll. If you wish to place all your votes as “For”, “Against” or “Abstain”, please indicate your vote with a tick [✓] within relevant box below. Alternatively, please indicate the number of votes which you wish to place as “For”, “Against” and/or “Abstain” in the relevant box(es) below.)**

No.	Ordinary Resolution	For	Against	Abstain
	<b>Ordinary Business</b>			
1	Adoption of Directors’ Statement and the Audited Financial Statements for the financial year ended 31 December 2024 together with the Auditors’ Report thereon.			
2	Re-election of Mr Soh Pock Kheng as a Director of the Company.			
3	Re-election of Mr Raymond Lam Kuo Wei as a Director of the Company.			
4	Re-appointment of Messrs Forvis Mazars LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
	<b>Special Business</b>			
5	Authority to allot and issue shares.			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

Total number of Shares held in	No. of Shares
(a) CDP Register	
(b) Register of Members	

\_\_\_\_\_  
Signature(s) of Shareholder(s) or  
Common Seal of Corporate Shareholder

\*Delete where inapplicable



## Notes to the Proxy Form

1. References to shares in this Proxy Form are to ordinary shares ("**Ordinary Shares**"). If you have Ordinary Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Ordinary Shares in the box provided next to CDP Register. If you have Ordinary Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of Ordinary Shares in the box provided next to Register of Members. If you have both Ordinary Shares entered against your name in the Depository Register and Ordinary Shares registered in your name in the Register of Members, you should insert the number of Ordinary Shares entered against your name in the Depository Register and registered in your name in the Register of Members in the respective boxes. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the Ordinary Shares held by you.
2. The Proxy Form, duly completed and signed, must either be submitted by (a) mail to ASTI Holdings Limited, at 33 Ubi Avenue 3 #06-72 Vertex, Singapore 408868; or (b) email to [gm@astigp.com](mailto:gm@astigp.com), not later than 2.00 p.m. on 12 August 2025 (being seventy-two (72) hours before the time set for the AGM). Any proxy form received after 2.00 p.m. on 12 August 2025 shall be rejected without exception.
3. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed under its common seal, executed as a deed in accordance with the Companies Act, or under the hand of its officer or attorney duly authorised. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form shall be treated as invalid.
4. A member of the Company (other than a Relevant Intermediary) entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend and vote in his/her stead. A member shall specify the proportion of his/her/its shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.
5. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (which number or class of shares must be specified).  
  
"Relevant Intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore (the "**Companies Act**").
6. Subject to note 9 of the Notice of AGM, the completion and return of the instrument appointing a proxy shall not preclude a member from attending 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 instrument of proxy to the AGM.
7. A corporation which is a member may authorise by resolution of its Directors or other governing body such person as it thinks fit to act as its representative with respect to the AGM, in accordance with Section 179 of the Companies Act, and the person so authorised shall upon production of a copy of such resolution certified by a Director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual, to the extent that such person is authorised to do so.
8. A member of the Company who holds his/her shares through a Relevant Intermediary (including CPFIS Members or SRS Investors) and who wishes to exercise his/her votes by appointing the Chairman of the AGM as proxy should approach his/her Relevant Intermediary (including his/her CPF Agent Bank or SRS Operators) to submit his/her voting instructions at least seven (7) working days prior to the date of the AGM (i.e. by 2.00 p.m. on 6 August 2025).

## GENERAL:

The Company shall be entitled to reject the instrument appointing a proxy if it is incomplete, improperly completed or executed, or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy lodged 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 holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.





33 Ubi Avenue 3  
#06-72 Vertex  
Singapore 408868