TriTech

TRITECH GROUP LIMITED

EVOLVING THE ART OF SMART URBAN DEVELOPMENT

ADAS

ANNUAL REPORT 2022

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This annual report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms Lim Hui Ling, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg

CORPORATE PROFILE

Established in 1999, Tritech Group Limited ("**Tritech**" and together with its subsidiaries, the "**Group**") has grown into a leading water & environmental group with two key business segments – "**Smart Urban Development Business**" under ADAS Group, and "**Water & Environmental Protection**" under Tritech Environmental Group. Since inception, Tritech has built an excellent reputation as a specialist engineering group with capabilities to provide full range of engineering services from project planning, site investigations, design & consultancy, instrumentation & monitoring, construction, supervision & management. The Group serves a broad range of industries, such as infrastructure, oil & gas, commercial and high-end residential property developments. Led by an experienced management team of highly qualified professionals that includes eight PhD holders, the Group is one of few engineering groups in Singapore with the technical expertise and capabilities to provide services that span across the entire value chain.

Over the years, the Group has established a strong foothold in projects for government statutory boards such as the Jurong Town Corporation, Land Transport Authority, Housing and Development Board and Public Utilities Board. It has a proven track record in a multitude of high profile public and private sector projects in Singapore, including the MRT Circle, Downtown and Thomson-East Coast Lines, Jurong Rock Cavern, Underground Drainage & Reservoir System, Reflections @ Keppel Bay, Interlace and Marina One.

As part of the Group's strategy to strengthen its growth prospects, Tritech has expanded into the Water & Environmental Protection business. For its Water & Environmental Protection business, the Group has built a unique platform to provide total solutions for water and environmental problems in the People's Republic of China ("**PRC**") and region.

Tritech was listed on SGX Catalist in Singapore on 21 August 2008.

BUSINESS SEGMENTS

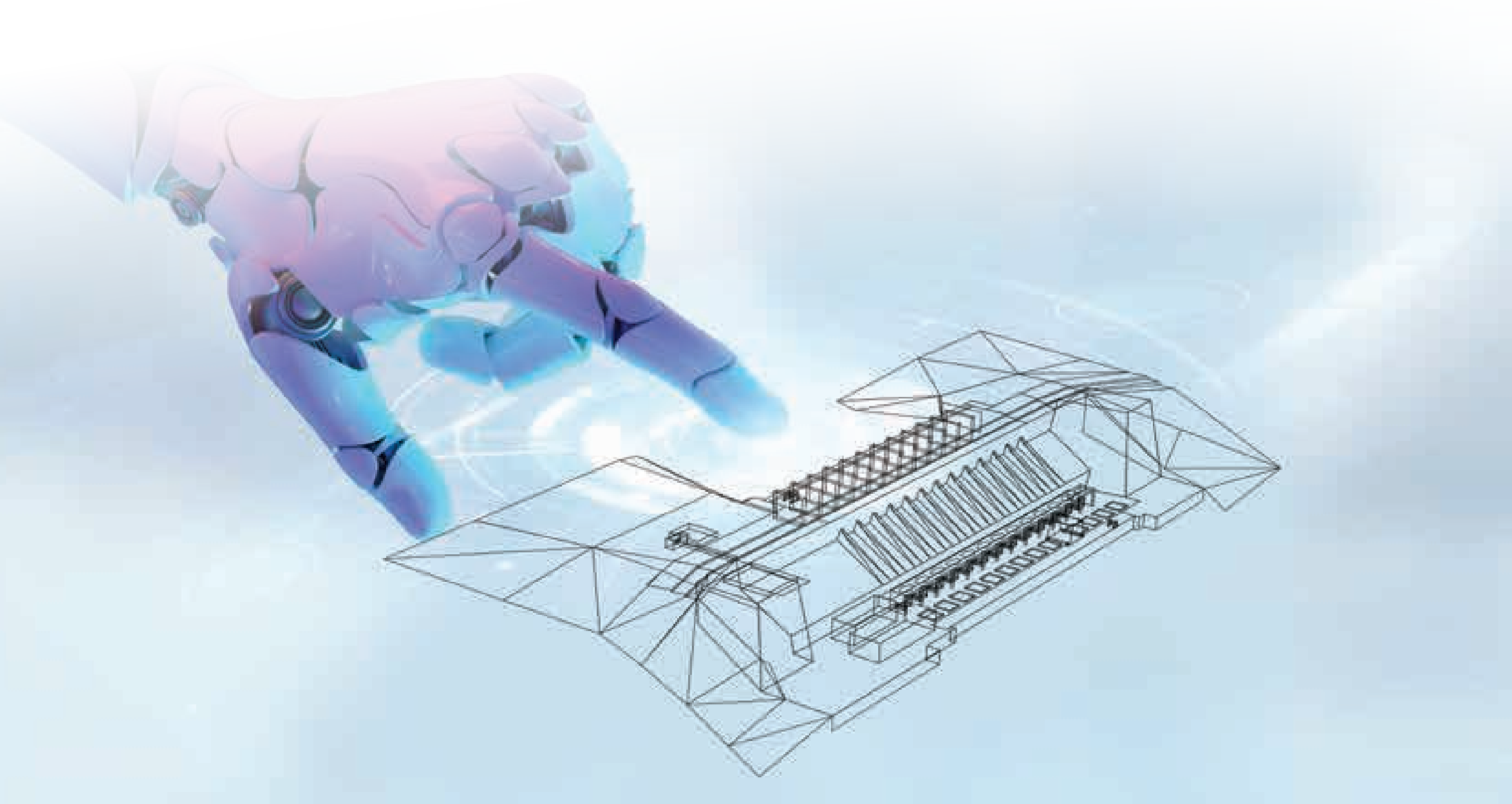
SMART URBAN DEVELOPMENT BUSINESS

- Provision of geotechnical instrumentation and monitoring services, geotechnical and geological site explorations, investigations, analysis and testing for general and infrastructure construction
- Provision of Automatic Tunnel Monitoring Survey ("ATMS") and other land surveying work
- Provision of design, consultancy and project management services for infrastructure, environmental, geotechnical, civil and rock engineering works
- Provision of data collection, IoT, big data analytics & artificial intelligence and cloud=based digital platform

WATER & ENVIRONMENTAL PROTECTION BUSINESS

- Manufacturing of membranes for water treatment and desalination systems, portable small-to-medium scale desalinators
- Production and sale of bottled drinking water and dispensers, and marketing of related technologies, systems and services
- Supply of water quality monitoring products and services
- Production and sale of VaVie™ Clean Wash Sanitize

BUSINESS MODEL



SMART URBAN DEVELOPMENT BUSINESS

GEOTECHNICAL SERVICES

- Geotechnical instrumentation, installation and maintenance
- Monitoring services
- Geotechnical investigation, exploration, analysis and testing for consultation

ENGINEERING SURVEY

- Provision of Automatic Tunnel Monitoring Survey ("ATMS") and other land surveying work

DESIGN, CONSULTANCY AND PROJECT MANAGEMENT SERVICES

- Services range from initial feasibility study to planning, site investigation, design and construction control services

AI-BASED DATA ANALYTICS SYSTEM (ADAS)

- Data collection
- IoT
- Big data analytics and AI
- Cloud-based digital platform

WATER & ENVIRONMENTAL PROTECTION BUSINESS

WATER TREATMENT TECHNOLOGIES

- Convert seawater or raw municipal water into potable water
- Bottled drinking water and water dispensers
- Membrane manufacturing and supply for waste water, seawater desalination, and potable water plants for existing industries and residents
- Supply of mobile water purification units to any remote villages or coastal settlements
- Turnkey contractor for desalination plants
- Developed and produced an environmentally friendly, odourless, colourless and alcohol free cleaning solution with high alkalinity called VaVie™ Clean Wash Sanitize

GROUP STRUCTURE

TRITECH GROUP LIMITED
(AS AT 31 MARCH 2022)

- 100% ADAS GROUP PTE. LTD (formerly known as TGL ENGINEERING GROUP PTE LTD)
  - 100% TRITECH ENGINEERING & TESTING (SINGAPORE) PTE LTD
  - 100% TRITECH CONSULTANTS PTE LTD
  - 100% TRITECH SYSENG (S) PTE LTD
  - 60% GEOSOFT PTE LTD
- 100% TRITECH WATER TECHNOLOGIES (GROUP) PTE LTD (formerly known as Tritech Water Technologies Pte Ltd)
  - 100% TRITECH VAVIE (SINGAPORE) PTE LTD
  - 100% TRITECH ECOFISH FARMING PTE LTD
  - 100% TERRA TRITECH ENGINEERING (M) SDN BHD
- 46.86% TRITECH ENVIRONMENTAL GROUP CO LTD

Smart Urban Development (green) | Water & Environmental Protection (blue)

MESSAGE TO SHAREHOLDERS

THE GROUP HAS MANAGED TO DELIVER A STRONG PERFORMANCE DURING THIS CHALLENGING PERIOD AS WE FORGED ON WITH OUR DIGITAL TRANSFORMATION TO INTEGRATE ADVANCED TECHNOLOGY INTO OUR ENGINEERING SERVICES, ENABLING THE GROUP TO REAP THE BENEFITS OF TECHNOLOGICAL INNOVATION.

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, we are pleased to present the annual report of Tritech Group Limited ("**Tritech**" or the "**Company**", and together with its subsidiaries, the "**Group**") for the financial year ended 31 March 2022 ("**FY2022**").

FY2022 turned out to be a year of strong growth, following the economic quandary brought about by the COVID-19 pandemic since 2020. As countries around the world rolled out aggressive vaccination programmes, infection rates have stabilised to make easing of travel restrictions and borders reopening possible. However, the emergence of new COVID-19 variants gave rise to more bumps along the way, resulting in uncertainties and some disruption for businesses even as Singapore transits towards the endemic phase.

In view of an ever-evolving COVID-19 virus, potential new variants along the way could yet spark an infection wave, which could further fuel elevated energy prices and aggravate supply chain pressures. The effects of high global inflation have affected and will continue to affect the Group's raw material costs. Additionally, our operating costs also inevitably increased due to our rigorous adherence to safe management measures and compliance with government regulations in light of the pandemic.

In spite of the above, the Group has managed to deliver a strong performance during this challenging period as we forged on with our digital transformation to integrate advanced technology into our engineering services, enabling the Group to reap the benefits of technological innovation.

FY2022 FINANCIAL HIGHLIGHTS

The Group's revenue for FY2022 surged by 20.0% to $27.4 million against $22.9 million in the previous year. This was due to significant improvement from a relatively lower revenue base recorded during FY2021 caused by temporary closure of construction sites during the COVID-19 circuit breaker period and safe management measures imposed at constructions sites post-circuit breaker, which affected our smart urban development business.

In tandem with the higher revenue reported, our gross profit doubled from $5.1 million in FY2021 to $10.6 million in FY2022, while our gross profit margin soared by 17% to 39% during the year. This was mainly attributed to the contribution from our smart urban development business.

Revenue from our smart urban development business hiked 27% from $21.5 million in the previous year to $27.3 million in FY2022. As such, profit before tax for the segment increased 29.3% in tandem to $4.7 million. Application of real-time automation has helped to increase our volume of completed instrumentation work through cutting back on reliance of manual labour, thereby enhancing productivity and generating cost-savings for the Group.

Meanwhile, our water and environmental business reported a decrease in revenue from $1.4 million in FY2021 to $0.2 million during the year as a result of business restructuring. This offsets the higher revenue contribution by our smart urban development business. Consequently, segment loss before tax was $1.3 million, which narrowed marginally from the $1.5 million segment loss before tax recorded in FY2021.

During the year in review, the Group's share of loss of associate, Tritech Environmental Group Co., Ltd. ("**Tritech Environmental**") was $0.7 million against $2.0 million in the year before due to partial commencement of the operations of Laifeng Wastewater Treatment Plant.

In view of the above factors, the Group's loss after tax significantly reduced from $4.6 million in FY2021 to $1.0 million in FY2022.

LEADING THE WAY TOWARDS TECHNOLOGY INTEGRATION FOR A SUSTAINABLE LIFESTYLE

The Group has always been focused on integrating innovation and technology into our operations. In line with our plan to drive technology as a core feature in our business segments, we developed an AI-based Data Analytics System ("**ADAS**") to digitalise our engineering and environment-related businesses as part of our master plan to position the Group as a leading technology centre for *Urban Infrastructure, Water & Environmental One-Stop Solution Provider in Singapore* and the South East Asia region.

Towards this end, as announced on 25 March 2022, we have entered into a strategic collaboration with a group of investors to develop our expertise in a few areas, including:

(a) developing and commercialising the Group's eco-friendly automated uni-cell fish farming technology for the purpose of fish farming in Singapore;

(b) expand and develop our existing proprietary business in membrane and membrane-related products;

(c) produce and market the Group's Vavie™ line of products, which comprise clean wash sanitisers, alkaline drinking water and alkaline dispenser products; as well as

(d) establish and manage a fund ("**Tritech Water Trust**") for the purpose of identifying, investing in and managing new businesses and assets in the water treatment and water supply market in Asia ("**New Water Projects**"). The fund will be managed by a new special purpose vehicle to be incorporated solely for the purpose to carry out the joint projects.

MESSAGE TO SHAREHOLDERS

IN TANDEM WITH THE HIGHER REVENUE REPORTED, OUR GROSS PROFIT DOUBLED FROM $5.1 MILLION IN FY2021 TO $10.6 MILLION IN FY2022.

The investors have undertaken a placement agreement on 22 March 2022 and supplemental agreement on 4 May 2022 to subscribe to new shares at an issue price of S$0.03 per placement share for the first tranche, and the proposed options grant at an exercise price of S$0.05 per option share. Under the strategic collaboration, investments of an aggregate amount of up to US$475 million is expected to be committed for the purpose of incorporating the special purpose vehicles and funding required for the New Water Projects.

With these plans in place, the Group will be able to leverage on an enlarged network and connections that the investors offer, including access to markets in the Middle East region. As we become well-poised to expand and grow our products and services in new markets, we are optimistic that our strategic collaboration will enable us to plug the gap for water treatment and water supply demand in Asia with our relevant technologies, know-how and expertise.

FUTURE PROSPECTS

According to the Building and Construction Authority ("**BCA**")'s press release on 26 January 2022 titled "The sustained construction demand in 2022 supported by public sector projects"[1], cost of construction materials has increased due to the recent high inflation rate caused by global disruption to the supply chain of materials. As such, the Group expects to continue facing operational challenges in the coming year.

Nevertheless, our recently developed ADAS and adoption of in-house digital automation technologies have helped reduce the reliance for manpower and manual operations, which have resulted in significant cost-savings and improved gross margin for the Group. With these benefits in mind, we will seek to market these automation technologies to the construction industry, while applying it for our own water and environment businesses as well.

Where our water and environmental related products are concerned, we have developed new proprietary products such as Vavie™ Clean Wash Sanitise and wastewater treatment membranes, which are being actively marketed in Singapore, Southeast Asia and other global markets. We expect our marketing efforts to progressively enlarge the Group's market share and widen our global market presence.

On the same note, we will continue to refine and expand sales of our existing core products, which are the membrane-related technologies and series of Vavie™ products.

Going forward, we plan to further deepen our capabilities in the water treatment and water supply arena through means of identifying, investing and managing new businesses and assets in Asia. Riding on the strategic collaboration, we expect to embark on more projects and collaborations in this area for the benefit of the Group's growth.

ACKNOWLEDGEMENTS

We would also like to take this opportunity to express our appreciation to Dr Loh Chang Kaan, who stepped down as Non-Independent Non-Executive Director on 31 December 2021. We are grateful for his contribution towards the Group during his term and wish him success in his future endeavours.

At the same time, we would like to extend a warm welcome to Mr Ong Eng Keang and Mr Zhou Xinping, who were appointed as the Group's Independent Director and Executive Director respectively on 1 January 2022 and 27 January 2022. We look forward to working closely with them as we forge ahead with our new business strategies in our next lap.

On behalf of the Board, we would also like to show our gratitude to our respected shareholders, customers, suppliers and business partners for their unwavering faith and endorsement over the years. We would also like to thank our Directors on the Board for their invaluable insights and guidance towards the Group's growth and development. In conclusion, we want to recognise the effort and commitment that our management and staff have put in to steer the Group amid challenging waters. With stronger fundamentals in place, we believe that we will be able to achieve greater success as we continue on into our next chapter of exciting expansion.

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[1] https://www1.bca.gov.sg/about-us/news-and-publications/media-releases/2022/01/26/sustained-construction-demand-in-2022-supported-by-public-sector-projects.

FINANCIAL REVIEW

INCOME STATEMENT

For the financial year ended 31 March 2022 ("**FY2022**"), the Group's revenue increased by $4.5 million to $27.4 million in FY2022 as compared to $22.9 million in FY2021. Improvement in earnings was led by an economic recovery and attributed to a significantly lower comparative recorded for FY2021, which was caused by the temporary closure of construction sites during the COVID-19 circuit breaker ("**CB**") period and safe management measures imposed at the construction sites post-CB. As a result, the Group's smart urban development business was affected by the various measures imposed during FY2021.

On the contrary, the Group's cost of sales fell $1.0 million from $17.8 million in the previous year to $16.8 million in FY2022 due to the decrease in purchases, subcontractor costs and the adoption of automated monitoring system which enable monitoring remotely with lower number of manpowers.

Consequently, the Group delivered a gross profit of $10.6 million during the year against a gross profit of $5.1 million in FY2021, with gross profit margin rising by 17% to 39%. This improvement was driven by the smart urban development business, which as a result from the application of real-time automation, led to greater volume of instrumentation work being completed and increased productivity. Additionally, significant cost savings were also reaped through the reduction in manual work.

Conversely, the Group's water and environmental business underwent a restructuring exercise during the year, thereby causing a decrease in its financial performance in FY2022.

During the year, the Group's other income also declined from $5.5 million in FY2021 to $3.9 million in FY2022 as a result of the gradual reduction in grants from the Jobs Support Scheme and foreign worker levy rebate.

Meanwhile, the Group's distribution expenses rose by $0.07 million to $0.36 million during the year, mainly due to higher upkeep of motor vehicles expenses and depreciation of motor vehicles.

On the same note, administrative expenses grew by $0.4 million to $5.5 million in FY2022, as advertising, employee related costs and increase in professional fees.

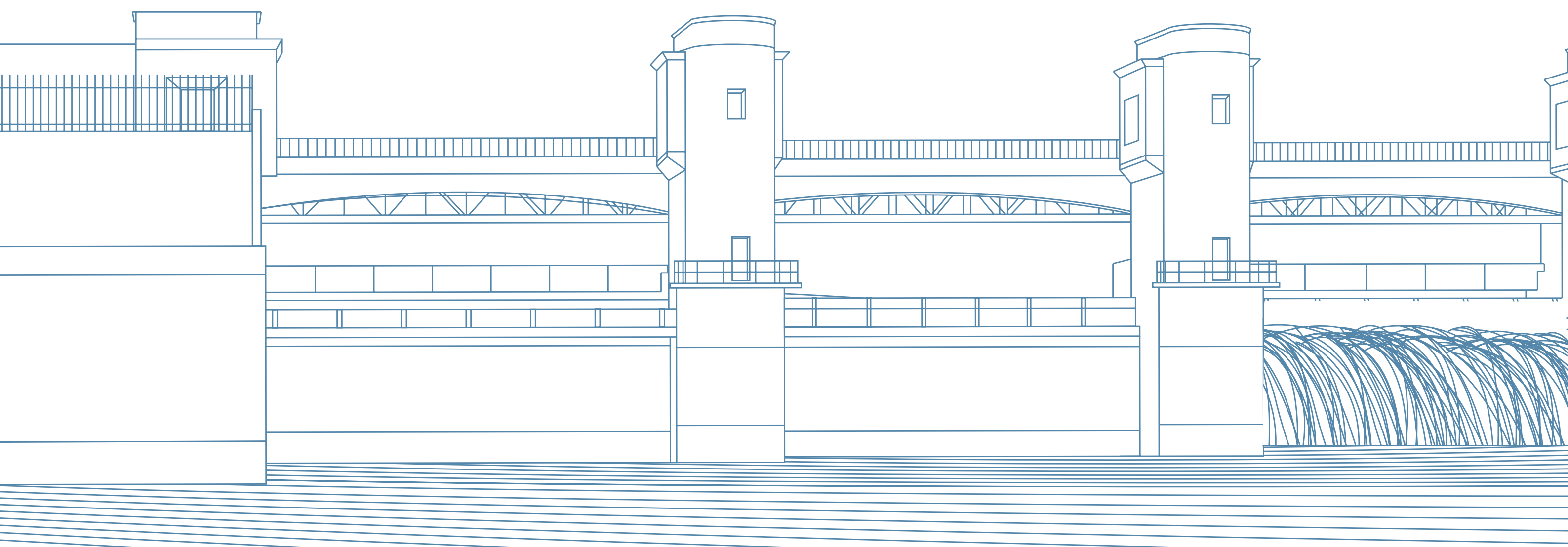
With higher fair value loss recorded on contingent consideration arising from the sale of Presscrete Engineering, the Group's other expenses increased by $0.5 million from $7.0 million in the year before to $7.5 million in FY2022.

As a result of loans and lease liabilities settlement, finance costs reduced by $0.2 million to $0.7 million in FY2022.

Concurrently, the Group incurred $0.5 million of impairment losses on financial assets due to current year impairment losses on trade receivables.

The Group's share of loss of associate was $0.7 million in FY2022 as compared to share of loss of associate of $2.0 million in FY2021, mainly due to the Group's higher equity interest in associate and partial commencement of the operations of Laifeng Wastewater Treatment Plant in FY2022.

In view of the above, the Group recorded a loss after tax of $1.0 million in FY2022 against a loss after tax of $4.6 million in FY2021.



FINANCIAL POSITION

Non-current assets of the Group increased by $1.3 million from $23.5 million as at 31 March 2021 to $24.8 million as at 31 March 2022. Contributing to the amount were depreciation charges and amortisation of $2.1 million relating to property, plant and equipment, investment property, right-of-use assets and intangible assets, share of associate's loss and foreign currency translation reserve of $0.8 million, as well as decrease of $1.4 million in amount due from associates. These were partially net off by additional investment of $4.0 million in associate and purchase of property, plant and equipment and intangibles assets of $1.6 million.

Concurrently, current assets increased $8.0 million to $22.8 million as at 31 March 2022. This was a result of an increase of $0.7 million in contract assets, which was due to increase in work carried out but not yet billed to customers; and cash and short-term deposits of $7.8 million, which was led by an improvement in collection and advance proceeds from the proposed shares placement, received from the strategic investors ("**Strategic Investors**") as announced on 25 March 2022. These were offset by a decrease of $0.5 million in trade and other receivables.

Where liabilities were concerned, current liabilities stood at $22.9 million as at 31 March 2022, as it hiked $8.7 million from $14.2 million as at 31 March 2021. This was attributed to an increase of $9.3 million in trade and other payables, contract liabilities, provision for taxation and partially offset by the decrease of $0.6 million in lease liabilities. Trade and other payable liabilities were due to advance proceeds from the proposed shares placement, received from the Strategic Investors, while higher contract liabilities were due to timing of revenue recognition.

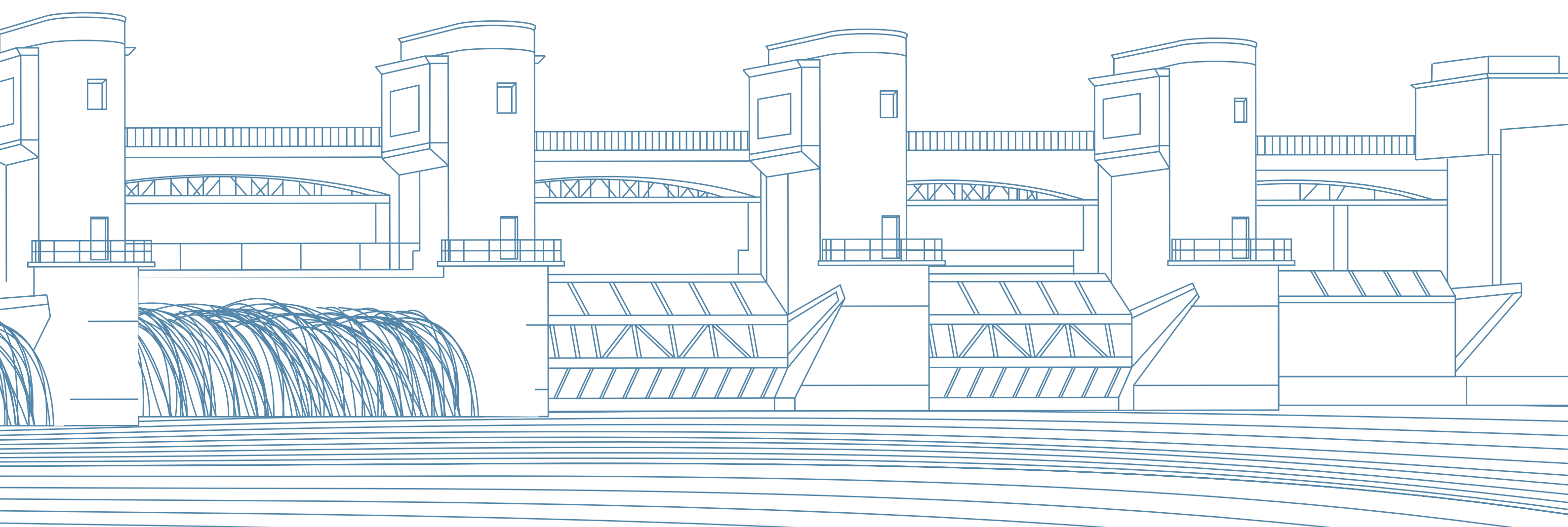
At the same time, non-current liabilities also rose $1.2 million to $13.1 million as at 31 March 2022. This was caused by an increase of $3.2 million in fair value loss on contingent consideration arising from the sale of Presscrete Engineering accounted under other payables, but offset by the decrease of $2.0 million in bank borrowings, loans from shareholders, lease liabilities and deferred tax liabilities.

CASH FLOW STATEMENT

During the year, the Group reported $7.7 million of net cash generated from operating activities, which was the result of operating cash inflow before working capital changes of $4.4 million and net cash inflow of $3.3 million from working capital changes.

Meanwhile, net cash used in investing activities stood at $1.6 million for the year. This was attributed to cash outflow used in purchase of plant and equipment and intangible assets, which was partially offset by the cash inflow from proceeds arising from disposal of plant and equipment.

Separately, net cash used in financing activities was $1.8 million. This was primarily due to higher amounts of fixed deposits pledged, repayment of bank borrowings, lease liabilities and loan interests. However, this was offset by the cash inflow from bank borrowings and advance proceeds from the proposed shares placement received from the Strategic Investors.



SMART URBAN DEVELOPMENT

REVENUE FROM OUR SMART URBAN DEVELOPMENT BUSINESS HIKED 27% FROM $21.5 MILLION IN THE PREVIOUS YEAR TO $27.3 MILLION IN FY2022. APPLICATION OF REAL-TIME AUTOMATION HAS HELPED TO INCREASE OUR VOLUME OF COMPLETED INSTRUMENTATION WORK THROUGH CUTTING BACK ON RELIANCE OF MANUAL LABOUR, THEREBY ENHANCING PRODUCTIVITY AND GENERATING COST-SAVINGS FOR THE GROUP.

BOARD OF DIRECTORS

PROFESSOR YONG KWET YEW
Non-Executive Chairman and Independent Director

Professor Yong Kwet Yew is our Non-Executive Chairman and Independent Director and was first appointed to the board of directors on 9 June 2008. He was last re-elected to the board directors at the Company's annual general meeting held on 29 July 2021. He is currently a Professor of Civil & Environmental Engineering and Senior Vice President (Campus Infrastructure) at the National University of Singapore. Professor Yong is a respected academic and engineer and his research and practice in geotechnical and civil engineering for over 40 years is a microcosm of infrastructure development in Singapore, with the publication of more than 200 technical publications and delivery of over 30 keynote lectures at international conferences. He has also served as a consultant to government agencies as well as local and international companies on over 100 major construction projects in Singapore, ASEAN and China. He has chaired and served on the advisory committees of several statutory boards and ministries including BCA, LTA, PUB, MINDEF, MOM, MND and MOF. Professor Yong has received many national awards including the Public Administration Medal, the Public Service Medal and Public Service Star in the year of 2000, 2004 and 2008 for significant contributions to university administration, construction safety and land transport development respectively. He is Life Fellow of the Institution of Engineers, Singapore, a member of Singapore Institute of Directors and a registered Professional Engineer in Singapore.

Professor Yong's experience and established business networks as a consultant in major construction projects are useful to our Group's plans to expand our business in the region.

Other Principal Commitments
National University of Singapore

Present directorship in listed Company (other than the Company)
BBR Holdings (S) Ltd
Boustead Projects Limited

DR JEFFREY WANG
Managing Director

Dr Jeffrey Wang is our Managing Director and was first appointed to the board of directors on 13 May 2008. He was last re-elected to the board of directors at the Company's annual general meeting held on 28 September 2020. He is in charge of overall operation and business development of our Group. Before the commencement of our Group's business in 2000, he was a senior engineer in an engineering consultancy firm from 1991 to 1996, and a chief engineer in an engineering company listed on the SGX-ST from 1996 to 2000. During his employment in these companies, Dr Wang was in charge of the design and supervision of many infrastructural projects in Singapore. Dr Wang has more than 32 years of experience in geotechnical engineering. He has published many technical papers in geotechnical engineering. Dr Wang is also a registered professional engineer in Singapore. He holds a PhD from the Chinese Academy of Sciences (where he was awarded the Minister Award of Chinese Academy of Sciences in recognition of his outstanding performance) and a Doctorate Degree in Philosophy from the National University of Singapore. In September 2007, Dr Wang was awarded the Best Entrepreneur Award for Faculty of Engineering by the National University of Singapore.

Other Principal Commitments
Director of Tritech's Group of Companies

Present directorship in listed Company (other than the Company)
None

MR ZHOU XINPING
Executive Director

Mr Zhou Xinping is our Executive Director and was recently appointed to the board of directors on 27 January 2022. Mr Zhou is responsible for the overall operation, management, strategic planning and business development in Water & Environmental Business, taking charge of Tritech Environmental Group Co Ltd. Before he was employed by our Group in 2020, he was the director and CEO of an environmental engineering company and manager of a water treatment company in charge of the management of all the water treatment projects. Mr Zhou is an experienced leader with strong technology background with more than 25 years of experience in water treatment industry across both Mainland China and Asia. Mr Zhou has been participated as a leader in more than 50 projects in Mainland China for investing, building and operating water treatment plants. Mr Zhou is also a Senior Engineer of Environmental Protection under the China Inspection of Senior Professional Qualification Evaluation Committee.

Other Principal Commitments
Tritech Environmental Group Co Ltd

Present directorship in listed Company (other than the Company)
None

MR AW ENG HAI
Independent Director

Mr Aw Eng Hai is our Independent Director and was first appointed to the board of directors on 4 September 2009. He was last re-elected to the board of directors at the Company's annual general meeting held on 29 July 2021. Mr Aw is a public accountant and a partner of Foo Kon Tan LLP where he is in charge of the various departments providing specialist advisory services. He has more than 20 years of experience providing business advisory services to companies. Prior to joining the commercial sector, Mr Aw was an investigator in the Commercial Affairs Department (CAD) where he was involved in complex commercial fraud investigation. Mr Aw is a practising member of the Institute of Singapore Chartered Accountants (ISCA), a Fellow of the Association of Chartered Certified Accountants (ACCA), a Fellow of Insolvency Practitioners Association of Singapore (IPAS) and a member of INSOL International.

Other Principal Commitments
Foo Kon Tan LLP
Foo Kon Tan Advisory Services Pte Ltd
Foo Kon Tan Transaction Services Pte Ltd

Present directorship in listed Company (other than the Company)
Yinda Infocomm Limited

MR ONG ENG KEANG
Independent Director

Mr Ong Eng Keang is our Independent Director and was recently appointed to the board of directors on 1 January 2022. Mr Ong is the chief financial officer of Vena Energy, a leading renewable energy company that owns, develops, constructs and operates a diversified portfolio of solar, wind and battery projects committed to sustainability in its strategy and practice in Asia Pacific. Mr Ong has more than 30 years of corporate finance and project investment experience in USA, Singapore and the Middle East/North Africa regions related to public private partnership platforms and green infrastructure development in the waste, water and energy businesses worldwide. Mr Ong holds a MBA from Drake University, USA and a Bachelor's Degree in Economics from the University of Alberta, Canada.

Other Principal Commitments
Vena Energy

Present directorship in listed Company (other than the Company)
None


VaVie
CLEAN
WASH
SANITIZE
VaVie
CLEAN
WASH
SANITIZE
VaVie
CLEAN
WASH
SANITIZE
VaVie
HAND
SANITIZER

WATER & ENVIRONMENTAL BUSINESS

RIDING ON THE STRATEGIC COLLABORATION, WE EXPECT TO EMBARK ON MORE PROJECTS AND COLLABORATIONS IN THIS AREA FOR THE BENEFIT OF THE GROUP'S GROWTH.

1999-2022 MILESTONES

15 Dec 1999

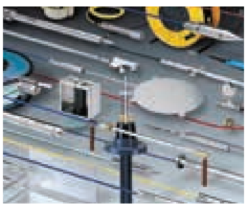
Registration of Tritech Engineering & Testing (Singapore) Pte Ltd to provide engineering services including instrumentation and site exploration

1 Aug 2000

Tritech Malaysia registered, to expand the Group's operations in Malaysia

21 Jan 2001

Tritech Consultants registered to enable Tritech to become a leading geotechnical consultants in Singapore



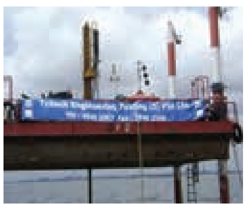
4 April 2002

Tritech Geokon registered, a distributor of Geokon Inc in Singapore

2 Dec 2002

Tritech Consultants became Tritech Consultants Pte. Ltd., to start providing ground improvement services

November **2002** - July **2003** SARS Pandemic



Jan 2004

Tritech entered into various Oil & Gas contracts, as a leading consultant for underground oil storage

4 Feb 2004

Registration of Tritech Water Technologies

Jan 2005

Tritech was awarded a contract for providing instrumentation and monitoring services for MRT Circle Line project, the first contract for instrumentation and monitoring works awarded by LTA to a main contractor in Singapore

4 Jan 2005

Registration of Beijing Wisetec, to expand the Group's operations into China

26 Nov 2005

Acquired 30% of SysEng (S) Pte Ltd to enable our Group to tap into and leverage on the machine-to-machine monitoring technologies, which enabled Tritech to be the leading player in this area

Nov 2006

Tritech Engineering was awarded Enterprise 50, and was ranked 13 out of 50 companies

2 Dec 2006

Acquired 100% of Presscrete

Nov 2007

Tritech Engineering was awarded Enterprise 50, and was ranked 26 out of 50 companies

Aug 2008

Tritech successfully completed its IPO

Early 2008 – mid 2009 Global Financial Crisis

22 Jul 2009

Acquired the remaining 70% of SysEng (S) Pte Ltd

1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009

30 Mar 2011

Acquired Terratech Resources Pte. Ltd. and CEP Resources Entity Sdn Bhd and entered the limestone quarrying business

28 Feb 2014

Tritech Group Limited was awarded the "Asia Pacific Brand Award 2014"

30 July 2014

Our Group's subsidiary, Terratech Group Limited, has been successfully listed on SGX Catalist

15 Jan 2016

Completion of Water-related and Environmental Business restructuring

22 Jan 2016

Acquired 54% of Geosoft Pte Ltd to enable the Group to own and market the geotechnical engineering commercial program product 2D and 3D GeoFEA

4 May 2017

Completion of disposal and Cessation of subsidiaries in the Marble Resource Business

29 May 2017

Completion of Engineering – Related Business Restructuring

21 May 2019

Completion of Sale of Wholly-Owned Subsidiary – Presscrete Engineering Pte Ltd

5 August 2019

Completion of partial disposal of Tritech Environmental Group and its direct wholly-owned China subsidiaries

18 May 2021

TGL Engineering Group Pte. Ltd. had changed its name to ADAS Group Pte. Ltd.

August 2021

Contribution of Vavie CWS to frontline workers in about 100 quarantine facilities with the Singapore Tourism Board

9 Nov 2021

Tritech Consultants was awarded the Annual SHE Award 2021 by LTA for QPS Contract T3131

2010 | 2011 | 2012 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022

18 Jan 2010

Registration of Tritech Qingdao

27 Aug 2010

Registration of Tritech Water Institute

April **2012**
Tritech Group Ltd was awarded the Singapore Brands **2012**
(新加坡品牌2012)

14 Sep 2012

Announcement of Proposed Spin-Off and Listing of Subsidiaries in the Marble Resource Business

June 2015

SINTEF-TRITECH-MULTICONSULT Consortium was awarded the Singapore Design 2015 for the Jurong Rock Cavern Project

6 Sep 2018

Tritech Engineering was awarded the Annual Safety Award 2018 by LTA for Contract T2209

21 May 2020

Vavie Strong Alkaline Cleaning Water has been listed on NEA Interim List of Household Products Effective Against Coronavirus

20 Jan 2022

Tritech Water Technologies Pte Ltd had changed its name to Tritech Water Technologies (Group) Pte Ltd

March 2022

Tritech Engineering is one of the finalists for the Land Transport Excellence Awards 2022 under Most Innovative Solution category

Tritech Consultants and its partner is one of the finalists for the Land Transport Excellence Awards 2022 under Best Design Rail/Road Infrastructure – Project Partner category

WORKING TOWARDS OUR GOAL

OUR RECENTLY DEVELOPED ADAS AND ADOPTION OF IN-HOUSE DIGITAL AUTOMATION TECHNOLOGIES HAVE HELPED REDUCE THE RELIANCE FOR MANPOWER AND MANUAL OPERATIONS, WHICH HAVE RESULTED IN SIGNIFICANT COST-SAVINGS AND IMPROVED GROSS MARGIN FOR THE GROUP.

CORPORATE INFORMATION

BOARD OF DIRECTORS

PROFESSOR YONG KWET YEW
Non-Executive Chairman and Independent Director

DR WANG XIAONING (JEFFREY WANG)
Managing Director

MR ZHOU XINPING
Executive Director

MR AW ENG HAI
Independent Director

MR ONG ENG KEANG
Independent Director

NOMINATING COMMITTEE

PROFESSOR YONG KWET YEW / *Chairman*
DR WANG XIAONING (JEFFREY WANG)
MR AW ENG HAI
MR ONG ENG KEANG

AUDIT COMMITTEE

MR AW ENG HAI / *Chairman*
PROFESSOR YONG KWET YEW
MR ONG ENG KEANG

REMUNERATION COMMITTEE

PROFESSOR YONG KWET YEW / *Chairman*
MR AW ENG HAI
MR ONG ENG KEANG

COMPANY SECRETARY

SIAU KUEI LIAN

REGISTERED OFFICE

31 Changi South Avenue 2
Tritech Building
Singapore 486478
Tel: (65) 6848 2567
Fax: (65) 6848 2568
Website: http://www.tritech.com.sg

SHARE REGISTRAR

IN.CORP CORPORATE SERVICES PTE. LTD.
30 Cecil Street #19-08
Prudential Tower
Singapore 049712

INDEPENDENT AUDITORS

ERNST & YOUNG LLP
PUBLIC ACCOUNTANTS AND CHARTERED ACCOUNTANTS
One Raffles Quay
North Tower #18-01
Singapore 048583

Partner-in-charge: **ONG BENG LEE, KEN**
(Appointed since the financial year ended 31 March 2020)

PRINCIPAL BANKERS

DBS BANK
12 Marina Boulevard #43-04
DBS Asia Central @ MBFC Tower 3
Singapore 018982

UNITED OVERSEAS BANK LIMITED
1 Jalan Wangi
Singapore 349350

SPONSOR

PRIMEPARTNERS CORPORATE FINANCE PTE. LTD.
16 Collyer Quay
#10-00 Income at Raffles
Singapore 049318

CORPORATE GOVERNANCE REPORT

DISCLOSURE TABLE FOR COMPLIANCE TO THE CODE OF CORPORATE GOVERNANCE AND CATALIST RULES

The Board of Directors (the "**Board**") and the management (the "**Management**") of Tritech Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") are committed to maintaining high standards of corporate governance and place importance on its corporate governance processes and systems so as to ensure greater transparency, accountability and maximisation of long-term shareholder value.

For the financial year ended 31 March 2022 ("**FY2022**"), the Board and Management are pleased to confirm that the Company has adhered to the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**"), its related practice guidance ("**PG**") and guidelines, the disclosure guide developed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") in January 2015 (the "**Guide**") as well as the Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**").

This report outlines the Company's corporate governance practices that were in place during FY2022, with specific reference to the principles and provisions of the Code and the Catalist Rules, where applicable. Where there is a deviation from the Code, an explanation of the reason for variation and how the practices the Company has adopted are consistent with the intent of the relevant principle of the Code have been explicitly stated.

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
General	(a) Has the Company complied with all the principles and guidelines of the Code?	The Company has complied with the principles and guidelines as set out in the Code and the Guide, where applicable.
	If not, please state the specific deviations and alternative corporate governance practices adopted by the Company in lieu of the recommendations of the Code.	Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code and/or the Guide.
	(b) In what respect do these alternative corporate governance practices achieve the objectives of the principles and conform to the guidelines of the Code?	Not applicable. The Company did not adopt any alternative corporate governance practices in FY2022.
BOARD MATTERS		
The Board's Conduct of Affairs		
1.1	Board Composition	As at the date of this report, the Board has five (5) members and comprises the following:

Composition of the Board		**Composition of the Board Committees • C – Chairman • M – Member**		
Name of Director	**Designation**	**AC**[1,2]	**NC**[1,3]	**RC**[1,4]
Professor Yong Kwet Yew	Non-Executive Chairman and Independent Director	M	C	C
Dr Wang Xiaoning	Managing Director	–	M	–
Mr Zhou Xinping[5]	Executive Director	–	–	–
Mr Aw Eng Hai	Independent Director	C	M	M
Mr Ong Eng Keang[6]	Independent Director	M	M	M

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
		Notes: 1. As defined at Section 1.4 of Table I. 2. The AC comprises 3 members, all of whom, including the Chairman, are independent. All the members of the AC are Non-Executive Directors. 3. The NC comprises 4 members, majority of whom, including the Chairman, are independent. The NC and the Board have appointed Mr Ong Eng Keang as the Independent Director on 1 January 2022 to strengthen the independent element of the Board with majority of the NC comprising of Independent Directors. 4. The RC comprises 3 members, all of whom, including the Chairman, are independent. All the members of the RC are Non-Executive Directors. 5. Appointed as Executive Director on 27 January 2022. 6. Appointed as Independent Director on 1 January 2022. 7. Dr Loh Chang Kaan was a Non-Independent Non-Executive Director of the Company. He resigned as Non-Independent Non-Executive Director of the Company with effect from 31 December 2021
	Role of Board	The Board is entrusted to lead and oversee the Group, with the fundamental principle to act in the best interests of the Group. In addition to its statutory duties, the Board's principal functions are to, *inter alia*: • provide entrepreneurial leadership, set out overall long-term strategic plans and objectives for the Group, and ensure that the necessary financial and human resources are in place for the Group to meet its objectives; • establish a framework of prudent and effective internal controls and risk management strategies which enable risk to be assessed and managed, including safeguarding of shareholders' interests and the Group's assets; • review the performance of Management and key management personnel; • ensure good corporate governance practices to protect the interests of shareholders; • identify the key stakeholder groups and recognise their perceptions affect the Group's reputation; • set the Group's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; • consider sustainability issues such as environmental and social factors, as part of the Company's strategic formulation; • oversee, through the NC, inter alia, the appointment, re-election and resignation of Directors and the key management personnel; • oversee, through the AC, inter alia, appointment and review of External Auditors ("**EA**"); • oversee, through the RC, inter alia, the design and operation of an appropriate remuneration framework; and • to chart broad policies and strategies of the Company.
	Practices relating to conflict of interest	The Board is guided by the regulations of the constitution of the Company (the "**Constitution**"), which aim to avoid situations in which their own personal or business interests, directly or indirectly conflict, or appear to conflict with the interest of the Company. The Company has in place practices to address potential conflicts of interests. All Directors are required to notify the Company promptly of all conflicts of interests as soon as practicable as well as when required and refresh the required declarations annually. Directors are required to recuse themselves from all deliberations/voting in relation to the matters which he has a conflict of interest unless the Board is of the opinion that the participation of the conflicted Director is of the best interest to the Company.
	Code of Ethics and Conduct	The Board has put in place a Code of Ethics and Conduct to create a corporate culture within the Group to operate the business of the Group in an ethical manner and to uphold the highest standards of professionalism and exemplary corporate conduct.

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
1.2	Directors' training and orientation (a) Are new Directors given formal training? If not, please explain why.	Upon the appointment of a new Director, the Company will provide the Director with a formal letter, setting out the Director's duties and obligations. The Board ensures that all incoming Directors will receive comprehensive and tailored induction on joining the Board, including briefing on his duties as a Director and how to discharge those duties, and an orientation program to ensure that they are familiar with the Company's business and organisation structure, strategic direction and governance practices as well as the expected duties of a Director of a listed company. The Company also provides training for any newly appointed Directors (who have no prior experience as a Director in a listed company) in areas such as accounting, legal and industry-specific knowledge as appropriate through external courses. All newly appointed Directors (who have no prior experience as a Director in a listed company) are also required to attend appropriate SGX-SID Listed Company Director Programmes offered by the Singapore Institute of Directors ("**SID**") within 1 year from the date of his appointment in accordance with the Catalist Rules. To get a better understanding of the Company's business, the Director will also be given the opportunity to visit the Company's operational facilities and meet with key management personnel periodically. Mr Ong Eng Keang (Independent Director) and Mr Zhou Xinping (Executive Director) have been appointed as Directors during the financial year. Mr Ong Eng Keang and Mr Zhou Xinping have been briefed on their roles and obligations as Directors of the Company under listing rules as well as the relevant laws and regulations of a Director of a listed company in Singapore. They have also been briefed to familiarise with the business and operations of the Group. The Company has also arranged for Mr Ong Eng Keang and Mr Zhou Xinping to attend the mandatory training in accordance with Rule 406(3)(a) of the Catalist Rules. Mr Ong Eng Keang has completed the relevant course offered by SID on 6 July 2022.
	(b) What are the types of information and training provided to (i) new Directors and (ii) existing Directors to keep them up-to-date?	The Board values on-going professional development and recognises that it is important that all Directors receive regular training so as to be able to serve effectively on and contribute to the Board. To ensure Directors can fulfil their obligations and to continually improve the performance of the Board, all Directors are encouraged to undergo continual professional development during the term of their appointment. Professional development may relate to a particular subject area, such as committee membership, key developments in the Company's environment and market or operations which may be provided by accredited training providers such as SID. Directors are encouraged to consult the Chairman if they consider that they personally, or the Board as a whole, would benefit from specific education or training regarding matters that fall within the responsibility of the Board or relate to the Company's business. Such trainings costs are borne by the Company.
	Training attended for FY2022	During FY2022, all Directors had attended certain training programmes, seminars and workshops organised by various professional bodies and organisations to equip themselves to effectively discharge their duties and to enhance their skills and knowledge, either as part of their own professional practice or skills upgrading, or through the Company. In addition, briefing and updates for the Directors in FY2022 included the following: • briefing and updates from the EA on changes or amendments to accounting standards • briefing and updates from the Company Secretary, where appropriate, on the regulatory changes under the Catalist Rules, the Companies Act 1967 of Singapore ("**Companies Act**") and the Code.

CORPORATE GOVERNANCE REPORT

<table>
<tr><th colspan="3">TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE</th></tr>
<tr><th>Principle</th><th>Code Description</th><th>Company's Compliance or Explanation</th></tr>
<tr><td>1.3</td><td>Matters requiring Board's approval</td><td>Matters and transactions that require the Board's approval include, amongst others, the following:
• corporate or financial restructuring;
• corporate strategy and business plans;
• material acquisitions and disposals;
• share issuances (including stock options or other equity awards), dividends and other capital transactions and returns to shareholders;
• approval of annual audited financial statements of the Group and the Directors' Report thereto;
• any public reports or press releases reporting the financial results of the Group's operations; and
• matters involving a conflict or potential conflict of interest involving a substantial shareholder or a Director.</td></tr>
<tr><td>1.4</td><td>Delegation to Board Committees</td><td>The Board has delegated certain responsibilities to the Audit Committee ("AC"), Remuneration Committee ("RC") and Nominating Committee ("NC") (collectively, the "Board Committees"). The composition of the Board Committees is set out in Section 1.1 of Table I.</td></tr>
<tr><td>1.5</td><td>Attendance of Board and Board Committees</td><td>The Company has changed to half-yearly reporting of its financial results pursuant to the amendment to the Catalist Rules which took effect on 7 February 2020. In line with this, the Board and AC will be meeting on a half-yearly rather than quarterly basis, and as and when circumstances require. In FY2022, the number of Board and Board Committee Meetings held, and the attendance of each Board member are shown below.
<table>
<tr><th colspan="5">Board and Board Committee Meetings held in FY2022</th></tr>
<tr><th></th><th>Board</th><th>AC</th><th>NC</th><th>RC</th></tr>
<tr><td>Number of Meetings Held</td><td>2</td><td>3</td><td>1</td><td>1</td></tr>
<tr><th>Name of Director</th><th colspan="4">Number of Meetings Attended</th></tr>
<tr><td>Professor Yong Kwet Yew</td><td>2</td><td>3</td><td>1</td><td>1</td></tr>
<tr><td>Dr Wang Xiaoning</td><td>2</td><td>3^</td><td>1</td><td>1^</td></tr>
<tr><td>Mr Zhou Xinping[1]</td><td>1</td><td>1</td><td>1</td><td>1</td></tr>
<tr><td>Mr Aw Eng Hai</td><td>2</td><td>3</td><td>1</td><td>1</td></tr>
<tr><td>Dr Loh Chang Kaan[2]</td><td>1</td><td>1</td><td>–</td><td>–</td></tr>
<tr><td>Mr Ong Eng Keang[3]</td><td>1</td><td>2</td><td>1</td><td>1</td></tr>
</table>
^ By Invitation
1 Appointed as Executive Director on 27 January 2022
2 Resigned as Non-Executive and Non-Independent Director on 31 December 2021
3 Appointed as Independent Director on 1 January 2022

The Company's Constitution allows for meetings to be held in person, through telephone and/or video-conference.

The NC has also reviewed and confirmed that during the financial year, where the Director with multiple board representations, he was able to and has been adequately carrying out his duties as a Director and sufficient time and attention are given to the affairs of the Company.</td></tr>
</table>

CORPORATE GOVERNANCE REPORT

<table>
<tr><th colspan="3">TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE</th></tr>
<tr><th>Principle</th><th>Code Description</th><th>Company's Compliance or Explanation</th></tr>
<tr><td>1.6</td><td>Access to information

What types of information does the Company provide to Directors to enable them to understand its business, the business and financial environment as well as the risks faced by the Company? How frequently is the information provided?</td><td>Directors are provided with complete, adequate and timely information related to agenda items for meetings or as required for them to make informed decisions and discharge their duties and responsibilities.

Management provides the Board with the requisite information in a timely manner prior to meetings and whenever required. The information provided to Directors for FY2022 is set out in the table below.

<table>
<tr><th colspan="3">Types of information provided by Management</th></tr>
<tr><th>No.</th><th>Information</th><th>Frequency</th></tr>
<tr><td>1.</td><td>Board papers (with background or explanatory information relating to the matters brought before the Board, where necessary)</td><td>Half-yearly</td></tr>
<tr><td>2.</td><td>Updates to the Group's operations and the markets in which the Group operates in</td><td>Half-yearly/as and when relevant</td></tr>
<tr><td>3.</td><td>Management accounts (with financial analysis)</td><td>Half-yearly/as and when requested by the Board</td></tr>
<tr><td>4.</td><td>EA reports</td><td>Yearly</td></tr>
<tr><td>5.</td><td>Internal Auditors' ("IA") report(s)</td><td>Yearly</td></tr>
<tr><td>6.</td><td>Shareholding statistics</td><td>Yearly or as and when relevant</td></tr>
<tr><td>7.</td><td>Changes or updates to enterprise risk framework</td><td>As and when relevant</td></tr>
<tr><td>8.</td><td>Significant project updates</td><td>As and when relevant</td></tr>
<tr><td>9.</td><td>Reports on on-going or planned corporate actions</td><td>As and when relevant</td></tr>
<tr><td>10.</td><td>Regulatory updates and implications</td><td>As and when relevant</td></tr>
<tr><td>11.</td><td>Research report(s)</td><td>As and when relevant</td></tr>
</table>

Management recognises the importance of circulating information on a timely basis to ensure that the Board has adequate time to review the materials to facilitate a constructive and effective discussion during the scheduled meetings. As such, Management endeavours to circulate information in advance prior to the meetings to allow sufficient time for review by the Directors.

Management will also on best endeavours, encrypt documents which bear material price sensitive information when circulating documents electronically. Management will also provide any additional material information that is requested by Directors or that is necessary to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.</td></tr>
</table>

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
1.7	Appointment and removal of company secretary	The appointment and removal of the company secretary is a matter for the Board as a whole. There was no change of company secretary during the financial year.
	Access to Management and company secretary	Directors have separate and independent access to the Management and company secretary at all times. The company secretary and their representatives attend all Board meetings and are responsible to ensure that Board procedures are followed. The company secretary and their representatives assist the Management in ensuring that the Company complies with rules and regulations which are applicable to the Company.
	Access to professional advice	Individually or collectively, in order to execute their duties, Directors can obtain independent professional advice at the Company's expense when required.
Board Composition and Guidance		
2.1 2.2 2.3 3.3	Board Composition Does the Company comply with the guideline on the proportion of Independent Directors on the Board? If not, please state the reasons for the deviation and the remedial action taken by the Company.	The Board has adopted the criteria on an independent director given in Provision 2.1 of the Code and Rule 406(3)(d) of the Catalist Rules. The independence of each Director is reviewed annually by the NC in accordance with the guidance provided in the Code. No individual or group of individuals dominates the Board's decision making. The Non-Executive and Independent Directors make up a majority of the Board which is in compliance with Provisions 2.2 and 2.3 of the Code. The NC and the Board are satisfied that the Board has substantial independent elements to ensure that objective judgment is exercised on corporate affair.
	Lead Independent Director	The NC has deliberated and is of the view that the appointment of a Lead Independent Director is not necessary given that the Chairman of the Board is independent.
2.1 2.4 4.4	Independence Assessment of Directors (a) Is there any Director who is deemed to be independent by the Board, notwithstanding the existence of a relationship as stated in the Code and Catalist Rules that would otherwise deem him not to be independent? If so, please identify the Director and specify the nature of such relationship.	The Board considers the existence of relationships or circumstances, including those identified by the Code and the Catalist Rules that are relevant to determine whether a Director is independent. In addition, the NC annually reviews the individual director's declaration in their assessment of independence, and as and when circumstances require. The NC has reviewed and confirmed that the independence of the Independent Directors is in accordance with the Code, PG and Catalist Rules. The Independent Directors have also confirmed their independence in accordance with the Code, PG and Catalist Rules.

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
	(b) What are the Board's reasons for considering him independent? Please provide a detailed explanation.	There are no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship that would otherwise deem him not to be independent.
	Independent Directors serving beyond nine years Has any Independent Director served on the Board for more than nine years since the date of his first appointment? If so, please identify the Director and set out the Board's reasons for considering him independent.	As required by the Code and Rule 406(3)(d) of the Catalist Rules, the independence of any director who served beyond nine years from the date of his first appointment should be subjected to particularly rigorous review. Notwithstanding that Professor Yong Kwet Yew and Mr Aw Eng Hai have served beyond nine years since the date of their first appointment, the NC had rigorously reviewed their past contributions to the Company and considered that they are independent in character and judgement and there were no circumstances which would likely affect or appear to affect their independent judgement. Professor Yong Kwet Yew and Mr Aw Eng Hai who have served the Board beyond nine years have sought approval for their continued appointment as Independent Directors at the annual general meeting ("**AGM**") held on 29 July 2021. The opinion was arrived at after careful assessment by the NC and the Board that Professor Yong Kwet Yew and Mr Aw Eng Hai are independent as they have respectively and individually: • contributed constructively and objectively throughout their terms in the Company; • sought clarification and amplification of matters from time to time as they deemed necessary, including through direct access to key management personnel; and • provided impartial advice and insights, and exercised their strong independent characters and judgments in doing so. The following assessments were conducted and deliberated by the Board before arriving at the aforementioned conclusion: • review of Board and Board Committee meeting minutes to assess questions and voting actions of the respective Independent Directors; • Professor Yong Kwet Yew and Mr Aw Eng Hai's declarations of independence; and • board committee performance assessment completed by the other Directors. The NC with the concurrence of the Board has reviewed the suitability and assessed the independence of Professor Yong Kwet Yew and Mr Aw Eng Hai individually, and is satisfied that there are no relationships which would deem them not to be independent. Each member of the NC has abstained from participating in the discussion and voting on any resolution related to his independence. The Company would continue to build on the acquired experience and expertise by preserving continuity and stability through orderly succession.
	Board diversity (a) What is the Board's policy with regard to diversity in identifying director nominees?	The Board's policy with regard to diversity in identifying director nominees is primarily to have an appropriate mix of members with complementary skills, core competencies and experiences for the Group, regardless of gender. The Board is mindful that diversity is not specific to gender or certain personal attributes and will strive to ensure the diversity to enhance the long-term success of the Group. The objective of the policy is to avoid groupthink and foster constructive debate and ensure that composition is optimal to support the Group's needs in the short and long term. Although the Company has not adopted the board diversity policy, the Company has embraced all aspects of diversity in the current Board composition, including of right blend of skills and industry knowledge diversity.

CORPORATE GOVERNANCE REPORT

<table>
<tr><th colspan="3">TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE</th></tr>
<tr><th>Principle</th><th>Code Description</th><th>Company's Compliance or Explanation</th></tr>
<tr><td></td><td>(b) Please state whether the current composition of the Board provides diversity on each of the following – skills, experience, gender and knowledge of the Company, and elaborate with numerical data where appropriate.</td><td>The current Board composition provides a diversity of skills, experience and knowledge to the Company as follows:
<table>
<tr><th colspan="3">Diversity of the Board</th></tr>
<tr><th></th><th>Number of Directors</th><th>Proportion of Board</th></tr>
<tr><td>Core Competencies</td><td></td><td></td></tr>
<tr><td>Accounting or finance</td><td>2</td><td>25%</td></tr>
<tr><td>Business management</td><td>5</td><td>100%</td></tr>
<tr><td>Legal or corporate governance</td><td>2</td><td>25%</td></tr>
<tr><td>Relevant industry knowledge or experience</td><td>5</td><td>100%</td></tr>
<tr><td>Strategic planning experience</td><td>5</td><td>100%</td></tr>
<tr><td>Customer based experience or knowledge</td><td>5</td><td>100%</td></tr>
<tr><td>Gender</td><td></td><td></td></tr>
<tr><td>Male</td><td>5</td><td>100%</td></tr>
<tr><td>Female</td><td>–</td><td>–</td></tr>
</table>
The Board comprises business leaders and professionals with financial, business management and relevant industry experience. The Board has reviewed its composition, taking into account the size and nature of the operations of the Group, and is satisfied that the current size of the Board is appropriate and allows for effective decision making, providing the necessary core competencies to meet the Group's needs and to allow for diverse and objective perspectives on the Group's strategic direction and growth. The Independent Director, Mr Aw Eng Hai and Mr Ong Eng Keang have extensive experience in accounting, finance and corporate governance. In addition to the Executive Directors, Non-Executive Chairman and Independent Director Professor Yong Kwet Yew has extensive relevant industry experience, strategic planning experience and customer-based knowledge.</td></tr>
<tr><td></td><td>(c) What steps has the Board taken to achieve the balance and diversity necessary to maximise its effectiveness?</td><td>The Board took the following steps to maintain or enhance its balance and diversity:
• annual review by the NC to assess if the existing attributes and core competencies of the Board are complementary and enhances the efficacy of the Board; and
• annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understand the range of expertise which is lacking by the Board.

The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent directors.</td></tr>
<tr><td>2.5</td><td><u>Meeting in the absence of the Management</u></td><td>The Non-Executive and Independent Directors will meet or confer in discussions without the presence of Management or Executive Directors when circumstances warrant, and the Independent Directors meet regularly without the presence of Management in the meetings with EA and IA at least annually, and on such other occasions as may be required and the chairman of such meetings provides feedback to the Board and/or the Chairman of the Board as appropriate.</td></tr>
</table>

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
CHAIRMAN AND CHIEF EXECUTIVE OFFICER		
3.1 3.2	Role of Chairman and Managing Director	The Group's policy is to have a separate Non-Executive Chairman and Managing Director in order to provide an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. Professor Yong Kwet Yew is the Non-Executive Chairman and Dr Wang Xiaoning is the Managing Director of the Company. There is a clear division of responsibilities between the Non-Executive Chairman and the Managing Director, which ensures there is a balance of power and authority, and that accountability and independent decision-making are not compromised. The Managing Director has full executive responsibilities in the business directions and operational efficiency of the Group. He oversees the execution of the Group's corporate and business strategies and is responsible for the day-to-day running of the business. The Non-Executive Chairman oversees the business of the Board. He leads the Board discussion and ensures that Board meetings are convened when necessary. He sets the Board's meeting agenda in consultation with the Managing Director and ensures that quality, quantity and timeliness of the flow of information between the Board and key management personnel to facilitate efficient decision making, effective contribution and promote high standards of corporate governance.
	Relationship between Chairman and Managing Director	Both the Non-Executive Chairman and the Managing Director are not related to each other. The Non-Executive Chairman is also an Independent Director who is not part of the Management. The Board is of the view that there are sufficient safeguards and checks that the process of decision making by the Board is independent and based on collective decisions, without any individual or groups of individuals exercising any considerable concentration of power or influence.
BOARD MEMBERSHIP		
4	Steps taken to progressively renew the Board composition	The Board is of the opinion that it would be more effective to draw on the wealth of experience from the longer serving directors while concurrently taking progressive steps to review and consider opportunities to refresh the Board as and when deemed required. To meet the changing challenges in the industry and countries which the Group operates in as well as the need for progressive renewal of the Board, the Board regularly reviews the Board composition, which includes considering factors such as the expertise, skills and perspectives which the Board needs against the existing competencies ensure that the Board dynamics remain optimal. For the review of succession plans and Board's composition for FY2022, while the NC and the Board have been actively looking at renewal of the Board, the NC also took into consideration the amendments to the Catalist Rules in relation to the continued appointment of an independent director who has served for an aggregate period of more than nine years, bearing in mind that the requirements for such directors to be considered independent will come into effect from 1 January 2022. For reasons as mentioned above, the NC is of the view that notwithstanding that Professor Yong Kwet Yew and Mr Aw Eng Hai have served on the Board beyond nine years since the date of their first appointment, the Company has taken the appropriate steps, to seek shareholders' approval for their continued appointment as Independent Directors at the AGM held on 29 July 2021 in accordance with the Catalist Rules.

CORPORATE GOVERNANCE REPORT

<table>
<tr><th colspan="3">TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE</th></tr>
<tr><th>Principle</th><th>Code Description</th><th>Company's Compliance or Explanation</th></tr>
<tr><td>4.1</td><td>Role of NC</td><td>The NC is guided by key terms of reference as follows:
(a) determining annually, and as and when circumstances require, whether a Director is independent, and providing its views to the Board in relation thereto for the Board's consideration;
(b) making recommendations to the Board on the appointment and re-appointment of Directors (including alternate directors, if applicable);
(c) where a Director or proposed Director has multiple board representations, deciding whether the Director is able to and has been adequately carrying out his duties as a Director;
(d) carrying out, at least annually, a formal assessment of the performance and effectiveness of the Board as a whole and its Board Committees and (if applicable) the contributions of individual Directors to the effectiveness of the Board, based on the process implemented by the Board;
(e) based on the results of the performance evaluation, providing its views and recommendations to the Board, including any appointment of new members;
(f) reviewing of board succession plan for Directors; in particular the appointment/or replacement of the Chairman, the Managing Director and the key management personnel; and
(g) reviewing of training and professional development programs for the Board.</td></tr>
<tr><td>4.3</td><td>Selecting Appointment and Re-appointment of Directors

Please describe the board nomination process for the Company in the last financial year for (i) selecting and appointing new directors and (ii) re-electing incumbent directors.</td><td>
<table>
<tr><th colspan="3">Selection and Appointment of New Directors</th></tr>
<tr><th colspan="3">The NC:</th></tr>
<tr><td>1.</td><td>Determines selection criteria</td><td>In consultation with the Board, identifies the current needs and inadequacies the Board requires to complement and strengthen the Board.

Determines the role and which competencies are required for the new appointment after such consultation.</td></tr>
<tr><td>2.</td><td>Search for candidates</td><td>Considers candidates proposed by the Directors, key management personnel or substantial shareholders, and may engage external search consultants where necessary.</td></tr>
<tr><td>3.</td><td>Assesses shortlisted candidates</td><td>Meets and interviews the shortlisted candidates to assess their suitability, taking into account various factors including their relevant expertise, experience, qualification, background, attributes, capabilities, skills and age of the candidates and how these would augment the Board and its existing Directors, and ensure shortlisted candidates are aware of the expectation and level of commitment required.

Shortlisted candidates would be required to furnish their curriculum vitae and complete certain forms to enable the NC to assess the candidate and compliance with the Company's established internal guidelines.</td></tr>
<tr><td>4.</td><td>Proposes recommendations</td><td>Makes recommendations for Board's consideration and approval.</td></tr>
</table>
</td></tr>
</table>

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
		Re-election of Incumbent Directors **The NC:** 1. Assesses incumbent director – Assess the performance of the director in accordance with the performance criteria set out by the Board with consideration of the current needs of the Board. 2. Proposes re-election of Director – Recommends the re-election of the Director to the Board for its consideration and approval, subject to its satisfactory assessment. After reviewing and considering the NC's recommendations, the Board would make the decision to appoint the new director and/or propose the re-election of the incumbent director for shareholders' approval at the AGM. Pursuant to Regulation 117 of the Company's Constitution, at least one-third of the Directors are required to retire by rotation and submit themselves for re-election at each AGM of the Company while Regulation 122 of the Company's Constitution states that any person appointed as additional director shall hold office until the next AGM and shall be eligible for re-election. Pursuant to Rule 720(4) of the Catalist Rules, all Directors shall retire by rotation at least once every three years and such retiring Director shall be eligible for re-election. The NC, with the respective members interested in the discussion having abstained from the deliberations, recommended that Dr Wang Xiaoning, Mr Ong Eng Keang and Mr Zhou Xinping be nominated for re-election at the forthcoming AGM to be held on 29 July 2022 in accordance to Regulations 117 and 122 of the Company's Constitution. Dr Wang Xiaoning, upon re-election as a Director of the Company, will remain as the Managing Director of the Company and a member of the NC. Mr Ong Eng Keang, upon re-election as a Director of the Company, will remain as the Independent Director of the Company and a member of the AC, NC and RC. The Board considers Mr Ong Eng Keang to be independent for the purpose of Rule 704(7) of the Catalist Rules. Mr Zhou Xinping, upon re-election as a Director of the Company, will remain as the Executive Director of the Company. Save as disclosed that Dr Wang Xiaoning is the Managing Director and a substantial shareholder of the Company, neither, Mr Ong Eng Keang nor Mr Zhou Xinping has any material relationships between themselves and the Directors, the Company and its substantial shareholders. Pursuant to Rule 720(5) of the Catalist Rules, the additional information set out in Appendix 7F of the Catalist Rules relating to Dr Wang Xiaoning, Mr Ong Eng Keang and Mr Zhou Xinping who are seeking re-election is disclosed below and is to be read in conjunction with their respective biographies under the respective sections of this Annual Report.

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
4.5	Assessment of Directors' ability to discharge duties	As part of the assessment of Directors' performance, the NC assesses if Directors are able to and have been adequately carrying out their duties, taking into account the multiple directorships and principal commitments of the Directors (if any). Assessment of the individual Directors' performance was based on the criteria set out in Section 5.1 of Table I. The following were used to assess the performance and consider competing time commitments of the Directors: • Declarations by each Director of their other listed company directorships and principal commitments; and • Annual confirmations by each Director on his ability to devote sufficient time and attention to the Company's affairs, having regard to his other commitments. The NC had reviewed the time spent and attention given by each of the Directors to the Company's affairs, taking into account the multiple directorships and principal commitments of each of the Directors (if any) and is satisfied that all Directors were able to diligently discharge their duties for FY2022. A list of the other listed company directorships and principal commitments of each of the Directors (if any) for FY2022 is set out on pages 12 to 13 of this Annual Report. The NC has reviewed each Director's other directorships and principal commitments. Despite the multiple directorships or principal commitments of Directors, the NC was satisfied that the Directors spent adequate time on the Company's affairs and have carried out their responsibilities and duties as a director of the Company. The NC took into account the results of the assessment of the performance of the relevant Director, the level of commitment required of the Director's other directorships or principal commitments, and the relevant Director's actual conduct and participation on the Board and board committees, including availability and attendance at regular scheduled meetings and ad-hoc meetings, in making the determination, and is satisfied that such Directors have been able to and have adequately carried out their duties as Director notwithstanding their other directorships or principal commitments.
	Multiple Directorships (a) What is the maximum number of listed company board representations that the Company has prescribed for its directors? What are the reasons for this number?	The Board has not capped the maximum number of listed company board representations each Director may hold.
	(b) If a maximum has not been determined, what are the reasons?	The Board, with the concurrence of the NC, has agreed that the Company shall not impose a maximum number of listed company board representations on the Directors as the Board is of the opinion that setting a fixed number would not adequately take into account the varied circumstances of each Director, and the effectiveness of each of the Directors is best assessed by a qualitative assessment of the Director's contributions, after taking into account his other listed company board directorships and other principal commitments, not guided by a numerical limit. The NC would monitor and determine annually, on a case-by-case basis, whether each Director has given sufficient time and attention to the affairs of the Company and adequately carry out his duties as a Director of the Company.

CORPORATE GOVERNANCE REPORT

<table>
<tr><th colspan="3">TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE</th></tr>
<tr><th>Principle</th><th>Code Description</th><th>Company's Compliance or Explanation</th></tr>
<tr><td></td><td></td><td>Although some of the Directors have other board representations, the NC is satisfied that in FY2022, each Director was able to devote adequate time and attention to the affairs of the Company to fulfil his duties as a Director of the Company.</td></tr>
<tr><td></td><td>(c) What are the specific considerations in deciding on the capacity of directors?</td><td>Some specific considerations which may be relevant in assessing the capacity of Directors include:
• expected and/or competing time commitments of Directors, including whether such commitment is a full-time or part-time employment capacity;
• geographical location of Directors;
• size and composition of the Board;
• nature and scope of the Group's operations and size; and
• capacity, complexity and expectations of the other listed directorships and principal commitments held.

The NC also believes that it is for each Director to assess his own capacity and ability to undertake other obligations or commitments together with serving on the Board effectively. The NC does not wish to omit from consideration outstanding individuals who, despite the demands of their time, have the capacity to participate and contribute as members of the Board.</td></tr>
<tr><td>PG 4</td><td><u>Alternate Directors</u></td><td>The Company currently does not have any alternate directors.

Alternate directors will be appointed as and when the Board deems necessary. Circumstances which warrant such appointments may include health, age related concerns as well as Management succession plans.</td></tr>
<tr><th colspan="3">BOARD PERFORMANCE</th></tr>
<tr><td>5.1</td><td><u>Performance Criteria</u></td><td>The table below sets out the key performance criteria, recommended by the NC and approved by the Board, to evaluate the effectiveness of the Board as a whole and its Board Committees. The evaluations are designed to assess the Board's effectiveness to enable the NC Chairman and Board to identify the areas of improvement or enhancement which can be made to the Board.

<table>
<tr><th colspan="2">Board Performance Criteria</th></tr>
<tr><th>Key Performance Criteria</th><th>Board and Board Committees</th></tr>
<tr><td>Qualitative</td><td>1. Size and composition, access to information and Board processes
2. Strategic planning
3. Board accountability
4. Risk management
5. Succession planning</td></tr>
<tr><td>Quantitative</td><td>The Board currently does not evaluate the Board and Board Committees based on quantitative criteria as the Board is of the opinion that it is more important to evaluate the Board and Board Committees on its ability to provide guidance to Management in relation to strategic planning and the development of the business of the Group. However, the Board will keep in view and consider including quantitative criteria in future evaluations where appropriate.</td></tr>
</table>
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</table>

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
		The NC would review the criteria on a periodic basis to ensure that the criteria is able to provide an accurate and effective performance assessment taking into consideration, inter alia, industry standards, changes to the Group's principal business activities and markets which it operates in, necessary core competencies needed to meet the Group's needs, with the objective to enhance long term shareholders value, thereafter propose amendments if any, to the Board for approval. The NC did not propose any changes to the performance criteria and continued to use the respective evaluation questionnaire based on the Code for the performance of the Board, the Board Committees and individual directors for FY2022 inter alia as the Group's principal business activities and markets which it operates in remained largely the same, apart from the disruptions to business and operations due to COVID-19 pandemic.
5.2	Performance Review (a) What was the process upon which the Board reached the conclusion on its performance for the financial year?	The Board has implemented a structure process to be carried out by the NC to evaluate the performance and effectiveness of the Board as a whole, its Board Committees and individual Directors annually. The NC has met to discuss the evaluation of the performance of the Board, its Board Committees and individual Directors; and has adopted a formal evaluation process to assess the effectiveness of the Board and its committees. Any recommendation and suggestion arising from the evaluation exercise are circulated to the Board for consideration and appropriate measures to be taken. This encourages constructive feedback from the Board and leads to an enhancement of its performance over time. In FY2022, the review process was as follows: 1. All Directors individually completed a board evaluation questionnaire on the effectiveness of the Board and the Board Committees based on criteria disclosed in the table above; 2. The results of such assessment were collated and submitted to the NC Chairman who reviewed it together with the NC; and 3. The NC discussed the report and where applicable considered and made recommendations to the Board on any appropriate follow up actions to be undertaken. No external facilitator was used in the evaluation process.
	(b) Has the Board met its performance objectives?	In FY2022, in relation to the rigorous assessment that was done by the Directors, the Directors have on a whole assessed the performance of the Board and Board Committees to be good and there were no particular issues or concerns that were highlighted. On this basis, the Board has met its performance objectives.
REMUNERATION MATTERS		
DEVELOPING REMUNERATION POLICIES		
6.1 6.3	Role of the RC	The RC is guided by key terms of reference which include: (a) Review and recommend to the Board a general framework of remuneration and specific remuneration packages for each Director and key management personnel; (b) Consider and approve termination payments, retirement payments, gratuities, ex-gratia payment, severance payments and other similar payments to each member of key management personnel;

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
		(c) Review all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards and benefits-in-kind; (d) Review annually the remuneration of employees who are immediate family members of a Director or the Managing Director or a substantial shareholder and whose remuneration exceeds S$100,000 during the financial year; and (e) Review the Company's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service. The RC's review and recommendations cover all aspects including fees, salaries, allowance, bonuses, options, share-based incentives, awards and benefits-in-kind. No member of the RC is involved in deciding his own remuneration, except in providing information and documents if specifically requested by the RC in its deliberation.
6.4	Engagement of Remuneration Consultants	No remuneration consultants were engaged by the Company for FY2022 for the remuneration packages of its Directors and key management personnel as the Company is of the view that the annual review by the RC, giving due regard to prevailing market conditions as well as the financial, commercial health and business needs of the Group, is currently sufficient to ensure the continued relevance of such remuneration packages to the Group's strategic business objectives and alignment with market practices.
	"Claw-back" Provisions	There are no contractual provisions which allow the Company to reclaim incentives from the Executive Directors and key management personnel in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the Group and/or Company (and not on forward-looking results) as well as the actual results of its Executive Directors and key management personnel, "claw-back" provisions in the service agreements may not be relevant or appropriate.
LEVEL AND MIX OF REMUNERATION		
DISCLOSURE ON REMUNERATION		
7.1 7.3 8.1	Remuneration Policy	The Company's remuneration policy which covers all aspects of remuneration, including but not limited to directors' fees, salaries, allowances, benefits-in-kind, bonuses, options, share-based incentives and awards is one that seeks to attract, retain and motivate the Directors to provide good stewardship of the Company and the key management to successfully manage the Company. The policy allows the Company to align the interest of individual Directors and key management to those of the shareholders and promotes the long-term success of the Company. In its deliberations, the RC takes into account the risk policies of the Company, symmetry with risk outcomes and time horizon of risks as well as industry benchmarks and norms in compensation.
	Remuneration Structure for Executive Directors and Key Management Personnel (a) Please describe how the remuneration received by the Executive Directors and key management personnel has been determined by the performance criteria.	The remuneration received by the Executive Directors and key management personnel is designed to align remuneration with the interests of shareholders and link rewards to corporate and individual performance to promote the long-term sustainability of the Group. The remuneration package takes into consideration the Director's individual performance and contribution towards the overall performance of the Group for FY2022. Their remuneration is made up of fixed and variable compensations. The fixed compensation consists of an annual base salary, fixed allowance and annual wage supplement. The variable compensation is determined based on the level of achievement of corporate and individual performance objectives.

CORPORATE GOVERNANCE REPORT

<table>
<tr><th colspan="3">TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE</th></tr>
<tr><th>Principle</th><th>Code Description</th><th>Company's Compliance or Explanation</th></tr>
<tr><td></td><td>(b) What were the performance conditions used to determine their entitlement under the short-term and long-term incentive schemes?</td><td>The following performance conditions were chosen for the Group to remain competitive and to motivate the Executive Directors and key management personnel to work in align with the goals of all stakeholders.
<table>
<tr><th>Performance Conditions</th><th>Short-term Incentives (such as performance bonus)</th><th>Long-term Incentives (such as share scheme)</th></tr>
<tr><td>Qualitative</td><td>1. Leadership
2. People development
3. Commitment
4. Teamwork
5. Current market and industry practices
6. Macro-economic factors</td><td>1. Commitment
2. Current market and industry practices</td></tr>
<tr><td>Quantitative</td><td>1. Relative financial performance of the Group to its industry peers
2. Productivity enhancement</td><td>1. Relative financial performance of the Group to its industry peers over a 5-year period</td></tr>
</table></td></tr>
<tr><td></td><td>(c) Were all of these performance conditions met? If not, what were the reasons?</td><td>Yes, the RC has reviewed and is satisfied that the performance conditions were met in FY2022.</td></tr>
<tr><td>7.2</td><td><u>Remuneration Structure of Non-Executive Directors</u></td><td>The Non-Executive Directors receive their remuneration in the form of directors' fees, and the level and structure of such remuneration takes into consideration factors such as the role and responsibilities of individual Directors, the effort and time spent in attending meetings of the Board and Committees and other involvement and participation in the affairs of the Company and the Group. The payment of directors' fees to the Non-Executive and Independent Directors for services rendered in FY2022 is subject to the approval of shareholders at the AGM of the Company. The fees for the financial year in review are determined in the previous financial year, proposed by the Management submitted to the RC for review and thereafter recommended to the Board for approval. The Executive Director does not receive directors' fees.

The RC has reviewed and assessed that the remuneration of the Non-Executive and Independent Directors for FY2022 is appropriate, considering the effort, time spent and responsibilities.

Apart from directors' fees, there are consultancy fees paid to the former Non-Executive Non-Independent Director, Dr Loh Chang Kaan, who has since resigned as the Non-Executive Non-Independent Director on 31 December 2021 in respect of the consultancy services which he provided to the Group outside the scope of his office as a Director of the Company. Dr Loh Chang Kaan continues to serve the Company in the capacity of a consultant.

Please refer to Section 8.1 (a) for further details.</td></tr>
</table>

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<tr><th colspan="3">TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE</th></tr>
<tr><th>Principle</th><th>Code Description</th><th>Company's Compliance or Explanation</th></tr>
<tr>
<td>8.1 (a)
8.1 (b)</td>
<td>(a) Has the Company disclosed each Director's and the CEO's remuneration as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?</td>
<td>
The breakdown for the remuneration[1] of the Directors and the Managing Director for FY2022 is as follows:
<table>
<tr><th colspan="6">Directors and Managing Director's Remuneration</th></tr>
<tr><th></th><th>Salary (%)</th><th>Bonus (%)</th><th>Directors' Fees (%)</th><th>Benefits (%)*</th><th>Others (%)</th></tr>
<tr><td>Dr Wang Xiaoning</td><td>88.7</td><td>7.4</td><td>–</td><td>5.9</td><td>–</td></tr>
<tr><td>Mr Zhou Xinping[4]</td><td>93.6</td><td>–</td><td>–</td><td>6.4</td><td>–</td></tr>
<tr><td>Professor Yong Kwet Yew</td><td>–</td><td>–</td><td>100</td><td>–</td><td>–</td></tr>
<tr><td>Mr Aw Eng Hai</td><td>–</td><td>–</td><td>100</td><td>–</td><td>–</td></tr>
<tr><td>Mr Ong Eng Keang[3]</td><td>–</td><td>–</td><td>100</td><td>–</td><td>–</td></tr>
<tr><td>Dr Loh Chang Kaan[2]</td><td>–</td><td>–</td><td>100</td><td>–</td><td>–</td></tr>
</table>
* includes mainly employer's contributions to the Central Provident Fund and insurance.
1 The annual remuneration of each individual Director and CEO/Managing Director for FY2022 is not disclosed in exact dollar terms as the Board believes that such disclosure would be disadvantageous to the Group's business interest given the highly niche and competitive industry that the Company operates in, which is highly reliant on employees with specialised skill sets.
2 Dr Loh Chang Kaan has resigned as Non-Executive Non-Independent Director on 31 December 2021. Apart from the Director's fee payable to Dr Loh Chang Kaan up to 31 December 2021 which will be subjected to shareholders' approval at the upcoming AGM, Dr Loh Chang Kaan continues to support the Group in the capacity of a consultant and was paid certain consultancy fees pursuant to the consultancy agreement dated 1 April 2019 entered into between Dr Loh Chang Kaan and Tritech Consultants Pte. Ltd. ("Tritech Consultants") and the consultancy agreement dated 21 May 2019 entered into between Dr Loh Chang Kaan and TGL Engineering Group Pte. Ltd. ("TGL Engineering") (collectively the "Consultancy Agreements").
Please refer to Section 1204(17) of Table II for further details on the amounts paid under the Consultancy Agreements for FY2022.
Under the consultancy agreement between TGL Engineering and Dr Loh Chang Kaan, Dr Loh has agreed inter alia, to assist Presscrete Engineering Pte. Ltd. ("Presscrete") a former subsidiary, in undertaking the completion of certain agreed projects of Presscrete on an unremunerated basis as required under the terms and conditions of the disposal of Presscrete by TGL Engineering.
Under the consultancy agreement between Tritech Consultants and Dr Loh Chang Kaan, Dr Loh Chang Kaan has agreed inter alia, to provide consultancy services to Tritech Consultants in connection with the execution of certain projects undertaken by Tritech Consultants.
The consultancy fees paid in FY2022 to Dr Loh Chang Kaan comprise the agreed fixed remuneration under the Consultancy Agreements and a bonus payment made by Tritech Consultants.
3 Appointed as Independent Director on 1 January 2022.
4 Appointed as Executive Director on 27 January 2022.
</td>
</tr>
</table>

CORPORATE GOVERNANCE REPORT

<table>
<tr><th colspan="3">TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE</th></tr>
<tr><th>Principle</th><th>Code Description</th><th>Company's Compliance or Explanation</th></tr>
<tr><td></td><td>(b) Has the Company disclosed each key management personnel's remuneration in bands of S$250,000 or more in detail, as well as a breakdown (in percentage or dollar terms) into base/fixed salary, variable or performance-related income/bonuses, benefits in kind, stock options granted, share-based incentives and awards, and other long-term incentives? If not, what are the reasons for not disclosing so?</td><td>Given the size and nature of the Company's business, the Company has only identified 3 top key management personnel (excluding key management personnel who are not Directors or the Managing Director) in FY2022.

<table>
<tr><th colspan="4">Remuneration of Key Management Personnel</th></tr>
<tr><th></th><th>Salary (%)</th><th>Bonus (%)</th><th>Benefits (%)*</th></tr>
<tr><td colspan="4">S$250,000 to S$499,999</td></tr>
<tr><td>Mr Wang Yongjie</td><td>90.1</td><td>4.5</td><td>5.4</td></tr>
<tr><td colspan="4">Below S$250,000</td></tr>
<tr><td>Ms Bi Xiling</td><td>88.8</td><td>4.4</td><td>6.8</td></tr>
<tr><td>Dr Hong Sze Han</td><td>87.6</td><td>3.7</td><td>8.7</td></tr>
</table>

* includes mainly employer's contributions to the Central Provident Fund.</td></tr>
<tr><td></td><td>(c) Please disclose the aggregate remuneration paid to the top five key management personnel (who are not Directors or the CEO).</td><td>The total remuneration paid to the top 3 key management personnel (excluding key management personnel who are not Directors or the Managing Director) for FY2022 was S$572,361</td></tr>
<tr><td>8.2</td><td>The company discloses the names and remuneration of employees who are substantial shareholders of the company, or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.</td><td>Save for the Managing Director, there are no employees who were substantial shareholders of the Company in FY2022.

Ms Bi Xiling, Technical Director of Tritech Consultants is the spouse of Dr Cai Jungang. Dr Cai Jungang is a substantial shareholder of the Company in FY2022. The remuneration of Ms Bi Xiling was between S$150,000 to S$200,000 in FY2022.</td></tr>
<tr><td>8.3</td><td><u>Employee Share Scheme(s)</u></td><td>The previous Tritech Group Performance Share Plan has expired in FY2021 and the Company has adopted a new Tritech Group Performance Share Plan 2021("TRITECH PSP 2021") at the Extraordinary General Meeting on 29 July 2021. The Group's Executive Directors and Non-Executive Directors (including Independent Directors) are eligible to participate in the TRITECH PSP 2021 in accordance with the Rules of the TRITECH PSP 2021. Persons who are controlling shareholders or associates of a controlling shareholder will not be eligible for participation in the TRITECH PSP 2021. The TRITECH PSP 2021 is administered by the RC which consists of Professor Yong Kwet Yew, Mr Aw Eng Hai and Mr Ong Eng Keang.

There were 20,000,000 share awards being allotted under the previous Tritech Group Performance Share Plan during FY2022 by the eligible participants who are not the Directors of the Company.

There were 30,000,000 share awards granted and vested under the TRITECH PSP 2021 during FY2022 by the eligible participants, of which 20,000,000 share awards options were granted and exercised by the Independent Directors, namely Professor Yong Kwet Yew and Mr Aw Eng Hai.

Professor Yong Kwet Yew and Mr Aw Eng Hai have abstained from the voting decision pertaining to share awards granted to them.

Information on the Company's Performance Share Scheme and performance share awards are set out on page 57 of this Annual Report.</td></tr>
</table>

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Principle	**Code Description**	**Company's Compliance or Explanation**
ACCOUNTABILITY AND AUDIT		
RISK MANAGEMENT AND INTERNAL CONTROLS		
9.1	Risk Governance by the Board	The Board is responsible for the overall risk governance, risk management and internal control framework of the Group. The Board has in place a system of internal controls within the Group to safeguard shareholders' interests and the Group's assets, and to manage risks. The Board also oversees Management in the design, implementation and monitoring of the risk management and internal control systems and is responsible for determining the Company's risk policies and level of risk tolerance.
	Identification of the Group's Risks	The Group has in place a structured and systematic approach to risk management and aims to mitigate the exposures through appropriate risk management strategies and internal controls, which parameters have been reviewed and approved by the Board on an annual basis. Risk management in the Group is a continuous, iterative and integrated process which has been incorporated into various planning, approval, execution, monitoring, review and reporting systems. The Group adopts a top-down as well as bottom-up approach on risk management to ensure strategic, business, operational, financial, reporting, compliance and information technology risk exposures are identified and appropriately managed.
	Management of Risk	Given the nature and size of the Group's business and operations, the Company has not established a separate Risk Management Committee. Instead the review of the Group's risk management and internal control systems including, financial, operational, compliance and information technology controls, falls under the purview of the AC. The Directors and the AC reviews all significant control policies and procedures of the Group on a periodic basis, including through the annual internal audits conducted by the IA. Where there were no material weaknesses identified, the Board noted that there are some areas requiring improvement as identified by the IA during the course of their audit performed in FY2022. The Board has accepted the IA's recommendations and has implemented the recommendations to address such deficiencies identified.

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		The Board noted that the system of internal controls and risk management established by the Company provides reasonable, but not absolute, assurance that the Company will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also noted that no system of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities.
9.2	Confirmation of Internal Controls (a) In relation to the major risks faced by the Company, including financial, operational, compliance, information technology and sustainability, please state the bases for the Board's view on the adequacy and effectiveness of the Company's internal controls and risk management systems.	The Board, with the concurrence of the AC, is of the opinion that the Group's internal controls (including financial, operational, compliance and information technology risks) and risk management systems were adequate and effective for FY2022. The bases for the Board's view are as follows: 1. assurance has been received from the Managing Director and Financial Controller; 2. an internal audit has been done by the IA, and significant matters highlighted to the AC and key management personnel were appropriately addressed (please refer to section 9.2(b) of Table I); 3. key management personnel evaluate, monitor material risks and report to the AC on a regular basis; and 4. discussions were held between the AC and auditors in the absence of Management to review and address any potential concerns.
	(b) In respect of the past 12 months, has the Board received assurance from the CEO and the CFO as well as the IA that: (i) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (ii) the Company's risk management and internal control systems are effective? If not, how does the Board assure itself of points (i) and (ii) above?	Yes, the Board has obtained such assurance from the Managing Director and Financial Controller in respect of FY2022. The Board has also relied on the EA's report as set out in this Annual Report as assurance that the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances. The Board has additionally relied on IA's report issued to the Company in respect of FY2022 as assurances that the Company's risk management and internal control systems to the matters reported upon are effective.
AUDIT COMMITTEE		
10.1 10.3	Role of the AC	All members of the AC are Non-Executive and Independent Directors and do not have any management and business relationships with the Company or any substantial shareholder of the Company. None of the AC members were previously partners or directors of the Company's external audit firm within a period of two years commencing on the date of their ceasing to be a partner of the external audit firm and none of the AC members hold any financial interest in the external audit firm.

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TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
		The AC is guided by its key terms of reference, which includes, *inter alia*: (a) reviewing the significant financial reporting issues and judgements to ensure the integrity of the financial statements of the Company and any announcements relating to the Group's financial performance; (b) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls; (c) reviewing the assurance from the Managing Director and the Financial Controller on the financial records and financial statements; (d) making recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the EA, and the remuneration and terms of engagement of the EA; (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and internal audit function; (f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on; and (g) reviewing interested persons transactions in accordance with the Catalist Rules. The AC has incorporated a whistle blowing policy into the Company's internal control procedures to provide a channel for staff and external parties to report in good faith and in confidence, without fear of reprisals, concerns about suspected fraud, corruption, dishonest practices or other similar matters. The objective of the policy is to ensure an independent investigation of such matters and for appropriate follow-up actions. The AC is responsible for oversight and monitoring of whistle blowing.
	Whistle Blowing Policy	The AC has in consultation with the Board, initiated the implementation of a fraud and whistle-blowing policy for all employees and other persons including employees of the Company's overseas subsidiaries to raise concerns about possible improprieties in matter of financial reporting or other matters. The policy seeks to encourage reporting in good faith of suspected improprieties (e.g. conduct that is dishonest, fraudulent, corrupt, illegal, other serious improper conduct, unsafe work practice or any other conduct which may cause financial or non-financial loss to the Company or damage to the Company's reputation). While the policy aims to provide an avenue for employees to raise concerns with the reassurance that they will be protected from reprisals or victimisation for whistle-blowing in good faith, a person who files a report or provides evidence which he/she knows to be false, or without a reasonable belief in the truth and accuracy of such information, will not be protected by the whistle-blowing policy and may be subject to administrative and/or disciplinary action. Similarly, a person may be subject to administrative and/or disciplinary action if he/she subjects (i) a person who has made or intends to make a report in accordance with the whistle-blowing policy, or (ii) a person who was called or may be called as a witness, to any form of reprisal which would not have occurred if he/she did not intend to, or had not made the report, or be a witness. The details of the whistle-blowing policy are made available to all employees.

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
		The Company's staff and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters by submitting a whistle-blowing report to the following members of the AC via email: whistleblow@tritech.com.sg. The key details on the Company's whistle-blowing policy are as follows: • the AC has authority to investigate any matter including whistle-blowing within its terms of reference; • all whistle-blower complaints will be reviewed by the AC to ensure independent and thorough investigation and adequate follow-up; • the Company has maintained a whistle-blowing register to record all the whistle-blowing incidents; • reports made anonymously will not be considered unless as directed by the AC. The AC will consider factors such as the severity of the matters raised to determine if the AC may accept such anonymous disclosures. If accepted by the AC, anonymity and confidentiality will be honoured throughout the process; and • all contents of the whistle-blowing register are reviewed by the AC during its meetings. To-date, there were no reports received through the whistle-blowing channel.
10.2	Qualification of the AC Members	The Board considers Mr Aw Eng Hai, who has extensive and practical accounting and financial management knowledge and experience, to be well qualified to chair the AC and other members of the AC, including Mr Ong Eng Keang who has extensive financial management, internal control and risk management knowledge and experience, and Professor Yong Kwet Yew who has extensive experience as a director and a member of the audit committee in another listed company, to have sufficient experience to be appropriately qualified to discharge their responsibilities in the AC.
10.4	Internal Audit Function	The Company does not have an in-house internal audit function. The Company's internal audit function is outsourced to RHT Governance, Risk and Compliance (Singapore) Pte. Ltd. ("**RHTGRC**") that reports directly to the AC Chairman and administratively to the Managing Director. The AC is responsible for the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation to whom the internal audit function of the Company is outsourced to. The AC reviews and approves the internal audit plan to ensure the adequacy of the scope of audit. The AC is satisfied and is of the opinion that RHTGRC is independent, effective, adequately qualified and resourced, and has the appropriate standing in the Company to discharge its duties effectively given, inter alia, its involvement in certain AC meetings and its unfettered access to all the Group's documents, records, properties and personnel, including direct access to the AC.
10.5	Met Auditors in Management's Absence	The AC has met with the IA and EA separately without the presence of the Management in FY2022.

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
SHAREHOLDER RIGHTS AND ENGAGEMENT		
SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS		
11.1	Shareholder's participation at General Meetings	Shareholders are entitled to attend the general meetings and are afforded the opportunity to participate effectively in and vote at general meetings. An independent polling agent is appointed by the Company for general meetings who will explain the rules, including the voting procedures, that govern the general meetings of shareholders. The Company also appoints an independent scrutineer to provide assurance of the conduct and integrity of the voting process and results in its general meetings in accordance with the Catalist Rules. In view of the coronavirus disease 2019 (COVID-19) situation, the AGM of the Company held in respect of FY2021 was convened and held by electronic means on 29 July 2021 pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions in advance of the AGM, addressing of substantial and relevant questions at or prior to the AGM and voting by appointing the Chairman of the AGM as proxy, was put in place for the AGM FY2021 of the Company. By the same token and the Company's effort to keep physical interactions and the transmission risk to a minimum, the Company anticipates that the forthcoming AGM of the Company to be held in respect of FY2022 will be convened and held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the meeting can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions in advance of the AGM, addressing of substantial and relevant questions at or prior to the AGM and voting by appointing the Chairman of the AGM as proxy, will be put in place for the forthcoming AGM of the Company.
	Appointment of Proxies	In the usual circumstances, the Company's Constitution allows a shareholder to appoint up to two proxies to attend and vote in the shareholder's place at the general meetings of shareholders. Under the multiple proxies regime under the Companies Act, investors who hold the Company's shares through relevant intermediaries, such as a nominee company or custodian bank or through a Central Provident Fund agent bank may attend and vote at general meetings.
11.2	Bundling of Resolutions	Resolutions requiring shareholders' approval are tabled separately for adoption at the Company's general meetings unless they are closely related and are more appropriately tabled together. Reasons and implications of why resolutions are bundled will be set out in the circulars.
11.3	Directors' Attendance	The Company requires all Directors (including the respective chairman of the Board Committees) to be present at all general meetings, unless of exigencies. The EA is also invited to attend the general meetings to address shareholders' queries about the conduct of audit and the preparation and content of the EA's report.
11.4	Absentia Voting	The Company's Constitution allows for absentia voting (including but not limited to the voting by mail, electronic mail or facsimile).

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
11.5	Publication of Minutes	The Company currently does not have a policy of publishing the minutes of general meetings of shareholders on its corporate website and/or SGXNET, although the Company may consider publishing minutes of the general meeting of shareholders on its corporate website and/or SGXNET on a routine basis, where considered appropriate in future. Nevertheless, all minutes of general meetings which include substantial and relevant queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management will be made available to shareholders upon their request within 14 days of such request after the general meeting. In accordance with the requirements under the COVID-19 (Temporary measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, the Company has to publish its minutes for the general meetings on SGXNET within one month after the general meetings.
11.6	Dividend Policy (a) Does the Company have a dividend policy?	The Company does not have a fixed dividend policy currently. The declaration and payment of dividends by the Company from time to time is subject to various factors, inter alia, the Company's results of operations, cash flows and financial position, the Company's expansion requirements and working capital requirements, dividend payment by the Company's subsidiaries and the Company's future growth and prospects. Nonetheless, key management personnel will review, inter alia, the Group's performance in the relevant financial period, projected capital needs and working capital requirements and make the appropriate recommendations to the Board on dividend declarations, if applicable.
	(b) Is the Company paying dividends for the financial year? If not, please explain why.	The Board did not declare dividends to shareholders for FY2022 as the Company was in loss making position for FY2022 and continues to operate under challenging conditions for its water-related and environmental business segment.
ENGAGEMENT WITH SHAREHOLDERS		
12.1 12.2 12.3 13.3	Communication with Shareholders (a) Does the Company regularly communicate with shareholders and attend to their questions? How often does the Company meet with institutional and retail investors?	The Company firmly believes in high standards of transparent corporate disclosure by disclosing to its stakeholders, including its shareholders, the relevant information on a timely basis through SGXNET. Communication is made through: 1. The Board ensures that the annual report sent to all shareholders has includes all relevant material information about the Company and the Group, including future developments and other disclosures required by the relevant rules and regulations; 2. Half-yearly and full year announcements containing a summary of the financial information and affairs of the Group for that period; 3. Notices of explanatory memoranda for the AGM and extraordinary general meetings ("**EGM**"). The notice of AGM and EGM are also advertised in a national newspaper, if required; and 4. Press and new releases on major developments of the Company and the Group. Shareholders are also able to reach out to the Company with their concerns and/or feedback via shareholder@tritech.com.sg.

CORPORATE GOVERNANCE REPORT

TABLE I – COMPLIANCE WITH THE CODE AND THE GUIDE		
Principle	**Code Description**	**Company's Compliance or Explanation**
	(b) Is this done by a dedicated investor relations team (or equivalent)? If not, who performs this role?	The Company currently does not have a dedicated investor relations team, but considers advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders. The Company will consider the appointment of a professional investor relations officer to manage the function should the need arise. Notwithstanding the foregoing, the Board endeavours to establish and maintain regular dialogue with shareholders as to gather view or inputs and address shareholders' concern. The Board will also engage in investor relations activities to allow the Company to engage shareholders as and when it deems necessary and appropriate.
	(c) How does the Company keep shareholders informed of corporate developments, apart from SGXNET announcements and the Annual Report?	Apart from the SGXNET announcements and its annual report, the Company updates shareholders on its corporate developments through its corporate website at www.tritech.com.sg. All materials presented in general meetings are uploaded on the SGXNET. For enquires and all other matters, shareholders and all other parties can contact the Company at shareholder@tritech.com.sg.
MANAGING STAKEHOLDERS RELATIONSHIP		
ENGAGEMENT WITH STAKEHOLDERS		
13.1 13.2	Stakeholders Management	On an annual basis, the Company identifies and engages with its material stakeholders to promote the adoption of sustainable practices along its value chain. The Company assesses the material environmental, social and governance ("**ESG**") factors that affect the Group.

TABLE II – COMPLIANCE WITH CATALIST RULES		
Rule	**Rule Description**	**Company's Compliance or Explanation**
711A, 711B	Sustainability Reporting	The Company will publish its sustainability report for FY2022 by 31 August 2022 on SGXNET and the Company's website which will highlight, inter alia, the key ESG factors currently being considered by the Company. The sustainability report for FY2022 will be prepared with reference to the Global Reporting Initiative – G4 Sustainability Reporting Guidelines issued by the Global Sustainability Standards Board as well as Practice Note 7F of the Sustainability Reporting Guide under the Catalist Rules.
720(5)	Information relating to Directors seeking re-election	Information relating to the Directors seeking re-election as per Appendix 7F of the Catalist Rules is set out in Table III of this report.
1204(6)(A)	Non-audit fees 1. Please provide a breakdown of the fees paid in total to the EA for audit and non-audit services for the financial year.	See Table 1204(6)(A) below.

Table 1204(6)(A) – Fees Paid/Payable to the EA for FY2022		
	S$	**% of total**
Audit Fees	303,500	88.8
Non-Audit Fees	38,200	11.2
Total	341,700	100.0

CORPORATE GOVERNANCE REPORT

<table>
<tr><th colspan="3">TABLE II – COMPLIANCE WITH CATALIST RULES</th></tr>
<tr><th>Rule</th><th>Rule Description</th><th>Company’s Compliance or Explanation</th></tr>
<tr><td>1204(6)(B)</td><td>Confirmation by AC

2. If the EA have supplied a substantial volume of non-audit services to the Company, please state the bases for the AC’s view on the independence of the EA.</td><td>As the non-audit services rendered during FY2022 were not substantial, the AC is of the view that they will not affect the independence of the EA and has recommended the re-appointment of the EA at the forthcoming AGM.</td></tr>
<tr><td>1204(6)(C)</td><td>Appointment of Auditors</td><td>The Company confirms its compliance to Rules 712, 715 and 716 of the Catalist Rules. Pursuant to Rule 716, the Board and AC are satisfied that the appointment would not compromise the standard and effectiveness of the audit of the Company.</td></tr>
<tr><td>1204(8)</td><td>Material Contracts</td><td>There were no material contracts entered into by the Group involving the interest of any director or controlling shareholder, which are either still subsisting at the end of FY2022 or if not subsisting, entered into since the end of the previous financial year.</td></tr>
<tr><td>1204(10)</td><td>Adequacy of Internal Controls</td><td>Please refer to the confirmation provided by the Board in Section 9.2 of Table I.</td></tr>
<tr><td>1204(10B)</td><td>Adequacy of Internal Audit Function</td><td>Please refer to the confirmation provided in Section 10.4 of Table I.</td></tr>
<tr><td>1204(17)</td><td>Interested Person Transactions (“IPTs”)</td><td>The Group has procedures governing all IPTs to ensure that they are properly documented and reported on a timely manner to the AC and that they are carried out on normal commercial terms and are not prejudicial to the interest of the Company and its minority shareholders.

The details of interested person transactions that are S$100,000 or more for FY2022 are set out below.

<table>
<tr><th>Name of Interested Person</th><th>Nature of Relationship</th><th>Aggregate value of interested person transactions during financial year ended 31 March 2022 (excluding transactions less than S$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920) S$’000</th><th>Aggregate value of all interested person transactions during financial year ended 31 March 2022 which are conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than S$100,000) S$’000</th></tr>
<tr><td>Consultancy fees paid/payable to Dr Loh Chang Kaan[1]</td><td>Non-Independent Non-Executive Director</td><td>279</td><td>–</td></tr>
</table>

[1] As announced on 14 December 2021, Dr Loh had ceased to be a director of the company with effect from 31 December 2021, hence, the IPT transactions amounts had been pro-rated and adjusted accordingly from the FY2022 half year results as announced on 12 November 2021.

The total value computed above is the total value of the agreed fixed remuneration under the Consultancy Agreements for FY2022 and bonus payments made by Tritech Consultants. Please refer to Section 8.1 (a) and (b) for details in relation to the Consultancy Agreement.</td></tr>
</table>

CORPORATE GOVERNANCE REPORT

<table>
<tr><th colspan="3">TABLE II – COMPLIANCE WITH CATALIST RULES</th></tr>
<tr><th>Rule</th><th>Rule Description</th><th>Company's Compliance or Explanation</th></tr>
<tr><td>1204(19)</td><td>Dealing in Securities</td><td>The Company has adopted an internal policy which prohibits the Directors and officers from dealing in the securities of the Company while in possession of price-sensitive information.

The Company, its Directors and officers are also discouraged from dealing in the Company's shares on short term considerations and are prohibited from dealing in the Company's securities during the period commencing one month before the announcement of the Group's half-year and full-year financial results respectively, and ending on the date of the announcement of the relevant results.

The Company, its Directors and officers are also expected to observe insider trading laws at all times even when dealing with Company's securities within the permitted trading period.</td></tr>
<tr><td>1204(21)</td><td>Non-Sponsor Fees</td><td>No non-sponsor fees were paid/payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. for FY2022.</td></tr>
<tr><td>1204(22)</td><td>Use of IPO Proceeds</td><td>There are no outstanding proceeds raised from IPO or any offerings pursuant to Chapter 8 of the Catalist Rules.</td></tr>
<tr><td></td><td>Use of Placement Proceeds</td><td>As at the date of this annual report, the utilisation of the net proceeds of $4,945,000 raised from the placement that was completed on 7 June 2022 is as follows:
<table>
<tr><th>Purpose</th><th>Amount allocated</th><th>Net proceeds utilised</th><th>Balance unutilised</th></tr>
<tr><td></td><td>(S$'000)</td><td>(S$'000)</td><td>(S$'000)</td></tr>
<tr><td>Working Capital</td><td></td><td></td><td></td></tr>
<tr><td>Wages and staff related cost</td><td>–</td><td>140</td><td>–</td></tr>
<tr><td>Finance costs</td><td>–</td><td>157</td><td>–</td></tr>
<tr><td>Professional fees</td><td>–</td><td>187</td><td>–</td></tr>
<tr><td>Other office expenses</td><td>–</td><td>250</td><td>–</td></tr>
<tr><td>Total</td><td>4,945</td><td>734</td><td>4,211</td></tr>
</table>
The use of proceeds is consistent with the Company's proposed use of funds as set out in the announcement dated 25 March 2022.</td></tr>
</table>

CORPORATE GOVERNANCE REPORT

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the retiring Directors seeking re-election at the AGM as set out in Appendix 7F of the Catalist Rules is disclosed below:

TABLE III – INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION			
	Name of Director to be Re-Elected		
	Wang Xiaoning	**Ong Eng Keang**	**Zhou Xinping**
Date of First Appointment	13 May 2008	1 January 2022	27 January 2022
Date of Last Re-Appointment	28 September 2020	–	–
Age	60	56	52
Country of Principal Residence	Singapore	Singapore	Singapore
Professional qualifications	PHD from the Chinese Academy of Science Doctorate Degree in Philosophy from the National University of Singapore Registered professional engineer in Singapore	MBA Finance (Drake University) BA Economics (University of Alberta)	Beijing Chemical Engineering University Senior Engineer of Environmental Protection under China Inspection of Senior Professional Qualification Evaluation Committee
Job Title (eg. Lead ID, AC Chairman, AC Member etc.)	Managing Director and a member of Nominating Committee	Independent Director, a member of Nominating Committee, Remuneration Committee and Audit Committee.	Executive Director
›› **Other Principal Commitments* including Directorships#** * "Principal Commitments" has the same meaning as defined in the Code. # These fields are not applicable for announcements of appointments pursuant to Catalist Rule 704(8)			
Past (for the last 5 years)	1. Tritech Instruments Pte Ltd 2. Tritech Geotechnic Pte Ltd 3. Tritech Environmental Group Co., Ltd 4. Anhui Clean Environment Biotechnology Co. Ltd 5. Beijing Wisetec Technologies Co. Ltd 6. Presscrete Engineering Pte Ltd 7. CEP Resources Entity Sdn. Bhd. 8. Terratech Resources Pte. Ltd.	1. Silicon Dot PL 2. Bainv LLP 3. Congoxtreme PL	1 BEWGI-UE NEWater (S) Pte. Ltd. 2. BEWGI-H2O Pte. Ltd. 3. Standard Water Beijing Pte Ltd. 4. China Water (Beijing) Pte. Ltd. 5. China Water Holdings Pte. Ltd. 6. BEWG Environmental Pte. Ltd.

CORPORATE GOVERNANCE REPORT

TABLE III – INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION			
	Name of Director to be Re-Elected		
	Wang Xiaoning	**Ong Eng Keang**	**Zhou Xinping**
Present	1. ADAS Group Pte Ltd 2. Tritech Engineering and Testing (Singapore) Pte Ltd 3. Tritech Consultants I Pte Ltd 4. Tritech Syseng (S) Pte Ltd 5. Geosoft Pte Ltd 6. Tritech Water Technologies Group Pte Ltd 7. Tritech Vavie Singapore Pte Ltd 8. Tritech Ecofish Farming Pte Ltd 9. Terra Tritech Engineering Sdn Bhd 10. Tritech Investment and Management Pte Ltd 11. Tritech Protocol (Singapore) Pte Ltd	1. Conesto Enterprise PL 2. Ong Seng Tee & Sons Sdn Bhd 3. True Landing Sdn Bhd 4. Kreatif Kinta Sdn Bhd 5. Gridmas Development Sdn Bhd 6. Z.S.C (Singapore) Investment PL 7. Singapore Z.S. Central International Investment PL 8. Sameric Services Sdn Bhd 9. Bueng Samphan Solar Co Ltd 10. Chiannmai Renewable Energy Co Ltd 11. ESPP Co Ltd 12. Infinite Alpha Capital Co Ltd 13. Golden Light Solar Co Ltd 14. Nine A Solar Co Ltd 15. Northwest Solar Co Ltd 16. Solartech Energy Co Ltd 17. Vena Energy	Tritech Environmental Group Co Ltd
Shareholding interest in the Company and its subsidiaries	120,673,628 ordinary shares in the Company	Nil	6,000 ordinary shares in the Company
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has accepted the NC's recommendation, who has reviewed and considered Dr Wang Xiaoning's performance as a Managing Director of the Company and a member of the Nominating Committee	The Board has accepted the NC's recommendation, who has reviewed and considered Mr Ong Eng Keang's performance as Non-Executive and Independent Director of the Company, a member of the Audit Committee, Nominating Committee and Remuneration Committee. The Board considers Mr Ong to be independent for the purpose of Rule 704(7) of the Catalist Rules of the SGX-ST.	The Board has accepted the NC's recommendation, who has reviewed and considered Mr Zhou Xinping's performance as Executive Director of the Company.
Whether the appointment is executive. If so, please state the area of responsibility	Executive. Dr Wang Xiaoning has full executive responsibilities in the business directions and operational efficiency of the Group. He oversees the execution of the Group's corporate and business strategies and is responsible for the day-today-running of the business.	Non-Executive	Executive. Mr Zhou Xinping is responsible for the overall operation, management, strategic planning and business development in Water & Environmental Business, taking charge of Tritech Environmental Group Co. Ltd. His area of responsibility also includes developing new business pattern which promote and combine Tritech high-tech technologies.

CORPORATE GOVERNANCE REPORT

TABLE III – INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION			
	Name of Director to be Re-Elected		
	Wang Xiaoning	**Ong Eng Keang**	**Zhou Xinping**
Working experience and occupation(s) during the past 10 years	1. Tritech Group Limited 2. Tritech Consultants Pte. Ltd. 3. Tritech Engineering & Testing (Singapore) Pte. Ltd 4. Geosoft Pte. Ltd. 5. Tritech SysEng (S) Pte. Ltd 6. TGL Engineering Group Pte. Ltd. 7. Terra Tritech Engineering (M) Sdn. Bhd. 8. Tritech Water Technologies Pte. Ltd. 9. Tritech Geotechnic Pte Ltd 10. Tritech Instruments Pte Ltd 11. Tritech Environmental Group Co., Ltd. 12. Anhui Clean Environment Biotechnology Co. Ltd 13. Beijing Wisetec Technologies Co. Ltd 14. Presscrete Engineering Pte Ltd 15. CEP Resources Entity Sdn. Bhd. 16. Terratech Resources Pte Ltd 17. Terratech Group Limited	1. CFO of Vena Energy 2. Manager of BAINV LLP 3. Company Secretary of Singapore Z.S. Central International Investment 4. Managing Director of Conesto Enterprise 5. CFO of SMRT 6. Deputy CEO of HYFLUX	1. CEO (Water & Environmental Business) of Tritech Group Limited's associate – Tritech Environmental Group Co. Ltd. 2. CEO (Water & Environmental Business) of Tritech Group Limited's subsidiaries – Tritech Water Technologies Pte. Ltd., Tritech Syseng (S) Pte. Ltd. and Tritech Vavie (Singapore) Pte. Ltd. 3. Company Secretary of Standard Water Beijing Pte. Ltd., China Water (Beijing) Pte. Ltd. and China Water Holdings Pte. Ltd. 4. Company Secretary & Deputy CEO of BEWG International Pte. Ltd. 5. Company Secretary, Director & CEO of BEWGI-UE NEWater (S) Pte. Ltd. 6. Company Secretary, Director & CEO of BEWGI-H2O Pte. Ltd. 7. Company Secretary of BEWG Environmental "Pte. Ltd. 8. General Manager of Kai Yuan Water Investigate Co. Ltd.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or any of its principal subsidiaries	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under rules 720(1) has been submitted to the listed issuer?	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

TABLE III – INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION			
	Name of Director to be Re-Elected		
	Wang Xiaoning	**Ong Eng Keang**	**Zhou Xinping**
The general statutory disclosures of the Directors are as follows:			
(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	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	Yes The following companies were struck off during employment with Hyflux Ltd which ended in December 2013: – Eflux Philippines PL (struck off 2011) – Eflux SK PL (struck off 2012) – Eflux Vietnam PL (struck off 2013) Eflux companies were struck off due to corporate redundancy through a member's voluntary liquidation. Energy Life, Bainv LLP and Congoxtreme Pte Ltd companies were struck off through a member's voluntary liquidation. These were related to non-strategic non-core businesses as non-issue events not pursued amongst all parties concerned.	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No

CORPORATE GOVERNANCE REPORT

TABLE III – INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION			
	Name of Director to be Re-Elected		
	Wang Xiaoning	**Ong Eng Keang**	**Zhou Xinping**
(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	No
(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	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	No

CORPORATE GOVERNANCE REPORT

TABLE III – INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION			
	Name of Director to be Re-Elected		
	Wang Xiaoning	**Ong Eng Keang**	**Zhou Xinping**
(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	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	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	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No

CORPORATE GOVERNANCE REPORT

TABLE III – INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION			
	Name of Director to be Re-Elected		
	Wang Xiaoning	**Ong Eng Keang**	**Zhou Xinping**
(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	No	No	No
(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	No	No	No
(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?	No	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	No

CORPORATE GOVERNANCE REPORT

TABLE III – INFORMATION RELATING TO DIRECTORS SEEKING RE-ELECTION			
	Name of Director to be Re-Elected		
	Wang Xiaoning	Ong Eng Keang	Zhou Xinping
Prior Experience as a Director of a Listed Company on the Exchange			
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable. This relates to the re-election of directors.		
Attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange?			
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).			

DIRECTORS' STATEMENT

The directors present their statement to the members together with the audited consolidated financial statements of Tritech Group Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet of the Company for the financial year ended 31 March 2022.

Opinion of the directors

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the balance sheet 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 March 2022 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date; 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.

Directors

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

Professor Yong Kwet Yew
Dr Wang Xiaoning
Aw Eng Hai
Ong Eng Keang (Appointed on 1 January 2022)
Zhou Xinping (Appointed on 27 January 2022)

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 are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interests in shares and debentures

The following directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under section 164 of the Singapore Companies Act 1967, an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

	Direct interest		Deemed interest	
Name of director	**At the beginning of financial year or date of appointment**	**At the end of financial year**	**At the beginning of financial Year or date of appointment**	**At the end of financial year**
Tritech Group Limited				
Ordinary shares				
Professor Yong Kwet Yew	1,300,000	11,300,000	–	–
Dr Wang Xiaoning	120,673,628	120,673,628	–	–
Aw Eng Hai	1,765,000	11,765,000	–	–
Ong Eng Keang[1]	–	–	–	–
Zhou Xinping[2]	6,000	6,000	–	–

(1) Appointed on 1 January 2022.
(2) Appointed on 27 January 2022.

DIRECTORS' STATEMENT

Directors' interests in shares and debentures (Continued)

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 April 2022.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning or at the end of the financial year.

Performance share awards

Prior to the financial year ended 31 March 2022, the Company implemented an employee share award scheme known as the Tritech Group Performance Share Plan 2010, which had been fully vested in the previous year and there were 20,000,000 shares issued during the year under this share award scheme. Information on this share award scheme are disclosed in Note 25 of the financial statements.

The Company implemented an employee share award scheme known as the Tritech Group Performance Share Plan 2021 ("Share Plan") for the purpose of providing incentives and rewards to eligible employees and directors of the Group. The Share Plan was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 29 July 2021. The Company's equity instruments granted to the employees and directors are subject to approval in advance by the board of directors of the Company.

The Share Plan is administered by the Company's Remuneration Committee comprising Professor Yong Kwet Yew, Mr Aw Eng Hai and Mr Ong Eng Keang and applies to group employees, group executive directors and group non-executive directors (including independent directors). Persons who are controlling shareholders or associates of a controlling shareholder will not be eligible for participation in the TRITECH PSP 2021.

The share awards are subject to certain vesting conditions and are convertible into the ordinary shares of the Company when vested.

30,000,000 of the above share awards have vested on 11 October 2021 and the shares for the vested awards were issued on 11 October 2021.

Details of movements in the share awards granted to the employees of the Group and directors of the Company during the financial year are as follows:

	Number of share awards			
Name of participants	**Share awards granted during the financial year**	**Total number of share awards granted since commencement of the Share Plan**	**Total number of shares awards vested since commencement of Share Plan**	**Balance at 31.3.2022**
Directors of the Company				
Professor Yong Kwet Yew	10,000,000	10,000,000	(10,000,000)	–
Aw Eng Hai	10,000,000	10,000,000	(10,000,000)	–
Employees of the Group				
Mui Siew Yun	5,000,000	5,000,000	(5,000,000)	–
Ang Wee Boon	5,000,000	5,000,000	(5,000,000)	–
	30,000,000	30,000,000	(30,000,000)	–

Since the commencement of the Share Plan till the end of the financial year:

- No awards that entitle the holder to participate by virtue of the awards, in any share issue of any other corporation have been granted; and
- No awards had been granted at a discount.

DIRECTORS' STATEMENT

Share options

During the financial year:

(i) No options have been granted by the Company to any person to take up unissued shares in the Company; and

(ii) No shares have been issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under share option.

Audit Committee

The Audit Committee ("AC") comprises the following who are all non-executive and independent directors. The members of the AC during the financial year and at the date of this report are:

Aw Eng Hai (Chairman)
Professor Yong Kwet Yew
Ong Eng Keang

The AC performed the functions in accordance with section 201B(5) of the Singapore Companies Act 1967, including the following:

- Reviews the audit plans of the internal and external auditors of the Group and the Company and reviews the internal auditors' evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors;

- Reviews the half-yearly and annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the board of directors;

- Reviews the adequacy and effectiveness of the Group's and the Company's material internal controls, including financial, operational and compliance controls and risk management via reviews carried out by the internal auditor;

- Meets with the external and internal auditor and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

- Reviews 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;

- Reviews the cost effectiveness and the independence and objectivity of the external auditor;

- Reviews the nature and extent of non-audit services provided by the external auditor;

- Recommends to the board of directors the external auditor to be nominated, approves the compensation of the external auditor, and reviewing the scope and results of the audit;

- Reports actions and minutes of the AC to the board of directors with such recommendations as the AC considered appropriate; and

- Reviews interested person transactions in accordance with the requirements of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited ("SGX-ST").

DIRECTORS' STATEMENT

The AC convened three meetings during the year with majority attendance from all members. The AC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

Further details regarding the AC are disclosed in the Report on Corporate Governance.

Auditor

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

On behalf of the board of directors,

Dr Wang Xiaoning
Director

Zhou Xinping
Director

Singapore
12 July 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Tritech Group Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Tritech Group Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2022, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Singapore Financial Reporting Standards (International) in Singapore ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2022 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") 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 opinion.

Key Audit Matters

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

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

Accounting for revenue recognition and contract assets for geotechnical projects

The Group recognised revenue over time for its geotechnical projects in Singapore using the input method that reflects the over time transfer of control to its customers. This is measured by reference to the Group's progress towards completing the performance obligation in the contract, which is based on actual costs incurred to-date to the total budgeted costs for each project. If the unavoidable costs of meeting the obligations under a contract exceeds the economic benefits expected to be received for the contract, a provision for onerous contract is recognised.

The uncertainty and subjectivity involved in determining the budgeted cost, progress towards completion and the assessment of any variation orders ("VO") claimable from end customers may have a significant impact on the revenue recognition and contract assets amounts, including the provision for onerous contracts. These uncertainties are partly due to the nature of the operations, which may be impacted by the geotechnical complexity of projects, the precision of cost estimation during the budgeting process and the actual progress of each project during the financial year. As such, we determined this to be a key audit matter.

INDEPENDENT AUDITOR'S REPORT

To the members of Tritech Group Limited

Key Audit Matters (Continued)

Accounting for revenue recognition and contract assets for geotechnical projects (Continued)

As part of our audit, we:

- Obtained an understanding of the Group's processes and controls for the initiation of the budget cost and budget revenue and monitoring processes;

- Assessed the reasonableness of the basis used by management in determining the total contract revenue and revenue recognised by reviewing the contract terms and conditions of the geotechnical projects and their contractual sums ("projects"), testing project revenues and the actual costs incurred-to-date against underlying supporting documents to determine the satisfaction of performance obligation of the projects and assessing management's judgement in recognising variation orders from customers;

- Reviewed the Group's project correspondences with customers and subcontractors, and discussed the progress of the projects with project managers to identify any potential disputes, variation order claims, known technical issues or significant events that could impact the estimated total contract costs. We also analysed changes in the estimation of costs and profits from prior periods and inquired management on the reasons;

- Performed re-computation of the revenue to be recognised based on percentage of completion and checked to the mathematical accuracy; and

- Reviewed the budgeted costs for inadequacy by assessing the reasonableness of the remaining costs to be incurred to complete the projects. We evaluated management's estimates of the remaining budget revenue and budget cost of the projects, taking into consideration the effect of variation orders, contingencies and any known technical issues, including management's assessment of the potential impact that the ongoing COVID-19 pandemic has on the Group's operations. We also selected key samples from the ongoing projects and evaluated management's assessment of onerous contracts for these projects.

The Group's disclosures relating to revenue, contract assets and contract liabilities are included in Note 4 to the financial statements.

Impairment of investment in subsidiaries and amounts due from subsidiaries

The carrying amount of the Company's investment in subsidiaries and amounts due from subsidiaries amounted to $19,182,288 and $5,908,850 respectively as at 31 March 2022 which represented a total of 52% of the Company's total assets. During the financial year ended 31 March 2022, management performed impairment assessment on the Company's investment in subsidiaries and amounts due from subsidiaries, and the Company recognised an impairment loss of $Nil (2021: $6,080,647) for investment in subsidiaries.

The impairment assessment of investment in subsidiaries and amount due from subsidiaries involved significant management estimates and was based on assumptions that incorporate future market and economic conditions. Consequently, we determined the impairment assessment of investment in subsidiaries and amounts due from subsidiaries to be a key audit matter.

On the investment in subsidiaries, we discussed with management on the identification of impairment indicators. Where indicators exist, we evaluated management's impairment assessment, including its estimates of the recoverable amounts. We reviewed the process by which they were drawn up and tested the reasonableness of the underlying value-in-use calculations by:

- Compared management's previous forecasts with actual results;

- Compared the key assumptions used, such as growth rates to historical results, economic and industry forecasts, and discount rate to that of peer companies used; and

- Performed sensitivity analysis around the key drivers of the growth rates used in the cash flow forecasts, including revenue growth and management's assessment of the likelihood of the extent of change in those assumptions that either individually or collectively would be required for the assets to be impaired.

INDEPENDENT AUDITOR'S REPORT

To the members of Tritech Group Limited

Key Audit Matters (Continued)

Impairment of investment in subsidiaries and amounts due from subsidiaries (Continued)

On the amounts due from subsidiaries, management has assessed if these amounts are recoverable and estimated the amount of loss allowance required when recovery of the full amount is doubtful. The assessment of the expected loss allowance requires significant management estimates as these are determined by making entity-specific assessments of expected impairment loss for long overdue receivables and by applying the general approach as detailed in Note 2.15 to provide for loss allowance.

In relation to management's assessment on the loss allowance on amounts due from subsidiaries, as part of our audit, we:

- Obtained an understanding of the Company's processes and controls for identifying and monitoring of the amount due from subsidiaries;
- Assessed the facts and circumstances surrounding the outstanding receivables, and reviewing for evidence of collection by way of receipts from subsidiaries after the year end;
- Evaluated the reasonableness of management's estimate of the future repayment by the subsidiaries, by taking into consideration the subsidiaries' financial position, nature of business and current economic environment as well as management's assessment of the subsidiaries' business plan; and
- Assessed the reasonableness of the loss rates applied by management, taking into consideration the latest available financial results of the subsidiaries and current economic information in markets where the subsidiaries operate.

The Group's disclosures relating to investments in subsidiaries, receivables and the related risks such as credit risk and liquidity risk are reflected in Note 12, 15 and 30 to the financial statements.

Impairment of investments in associate and loan and amounts due from associate

The Group has significant interests in an associate and loan and amount due from associate. The associate of the Group is involved in the business of production and sale of membranes for use in waste treatment systems and operations of water treatment plants. As at 31 March 2022, the net carrying value of the interests in associate amounted to $6,630,332, representing 27% of non-current assets and 14% of total assets of the Group and the net carrying value of the loan and amounts due from associate amounted to $10,028,888 and $9,463,350, representing 40% and 25% of non-current assets and 21% and 19% of total assets of the Group and the Company respectively.

The recoverability of the interests in and loan and amount due from the associate is dependent on the adequate cash flows generated upon the commencement of the operational phase of the wastewater treatment plant. The impairment assessment of investment in associate and loan and amount due from associate involved significant management estimates and was based on assumptions that incorporate future market and economic conditions as well as adequate cash flows generated upon the commencement of the operational phase of the wastewater treatment plant. Consequently, we determined the impairment assessment of investment in associate and loan and amounts due from associate to be a key audit matter.

INDEPENDENT AUDITOR'S REPORT

To the members of Tritech Group Limited

Key Audit Matters (Continued)

Impairment of investments in associate and loan and amounts due from associate (Continued)

In assessing the recoverability of the Group's interest in associate, we discussed with management on the identification of impairment indicators. Where indicators exist, we evaluated management's impairment assessment, including its estimates of the recoverable amounts. We reviewed the process by which they were drawn up and tested the reasonableness of the underlying value-in-use calculations by:

- Assessed and understood the business and environment that the associate is operating in, including the management assessment of potential default of the contractual consideration on service concession arrangement entered;
- Assessed the reasonableness of the key assumptions used such as yearly contractual consideration from service concession arrangement, weighted average cost of capital and growth rate; and
- Performed sensitivity analysis around the key drivers of the basis of contractual amount to be received, including the expected changes in weighted average cost of capital, and the likelihood of the extent of change in those assumptions that either individually or collectively would be required for the assets to be impaired.

On the loan and amounts due from associate, management has assessed if these amounts are recoverable and estimated the amount of loss allowance required when recovery of the full amount is doubtful. The assessment of the expected loss allowance requires significant management judgment as these are determined by making entity-specific assessments of expected impairment loss for long overdue receivables and by applying the general approach as detailed in Note 2.15 to provide for loss allowance.

In relation to management's assessment on the loss allowance on loan and amounts due from associate, as part of our audit, we:

- Obtained an understanding of the Group's processes and controls for identifying and monitoring of the loan and amount due from associate;
- Assessed facts and circumstances surrounding the outstanding amounts presented, including assessment of potential impairment indicators such as deterioration of credit risk and the ability to repay;
- Assessed the facts and circumstances surrounding the outstanding receivables, and reviewing for evidence of collection by way of receipts from associate after the year end;
- Evaluated the reasonableness of management's estimate of the future repayment by the associate, by taking into consideration the associate's financial position, nature of business, current economic environment and growth strategies as well as management's assessment of the associate's business plan; and
- Assessed the reasonableness of the loss rates applied by management, taking into consideration the latest available financial results of the associate and current economic information in markets where the associate operates.

The Group's disclosures relating to investments in associate, receivables and the related risks such as credit risk and liquidity risk are reflected in Note 13, 15 and 30 to the financial statements

INDEPENDENT AUDITOR'S REPORT

To the members of Tritech Group Limited

Key Audit Matters (Continued)

Measurement of contingent consideration arising from the sale of a subsidiary Presscrete Engineering

As disclosed in Note 19 to the financial statements, management re-assessed the fair value of the contingent consideration relating to the sale of a subsidiary Presscrete Engineering ("PE") as at 31 March 2022 and recorded a fair value loss of $3.2 million during the year (2021: $2.7 million). One key input in determining the fair value of the contingent consideration is profits from certain projects ("Agreed Projects") which are anticipated to be completed in 2022. The estimation of the fair value of the contingent consideration involves significant management judgements due to the uncertainty and subjectivity involved in determining the profitability of the Agreed Projects. The level of estimation uncertainty is further increased due to market and economic conditions brought on by the COVID-19 pandemic. Consequently, we determined the measurement of contingent consideration to be a key audit matter.

In evaluating the reasonableness of management's estimation of the fair value of the contingent consideration, as part of our audit, we:

- Requested confirmation from PE on the status of the Agreed Projects and the related supporting documents and schedules ("Schedules") provided by PE to management;
- Reviewed management's correspondences with PE, pertaining to their inquiries on the projects' status, and costs and margin analysis of the Agreed Projects;
- Reviewed management's assessment of the estimated profitability/losses of the Agreed Projects and inquired with management on their assessment on the reasonableness of the projects' status, costs incurred and remaining costs to complete, taking into consideration management's knowledge and understanding of the remaining requirements of the projects; and
- Performed arithmetic checks of the overall margin of the Agreed Projects in determining the fair value as at 31 March 2022.

The disclosures relating to the contingent consideration are included in Note 19 to the financial statements.

Other Information

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

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

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

Responsibilities of Management and Directors for the Financial Statements

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

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

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

INDEPENDENT AUDITOR'S REPORT

To the members of Tritech Group Limited

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- 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.

- 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT

To the members of Tritech Group Limited

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Ong Beng Lee, Ken.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

12 July 2022

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 March 2022

		Group	
	Note	2022	2021
		$	$
Revenue	4	**27,448,964**	22,871,707
Cost of sales		**(16,823,841)**	(17,820,735)
Gross profit		**10,625,123**	5,050,972
Other income	5	**3,941,278**	5,538,435
Distribution costs		**(357,572)**	(292,713)
Administrative costs		**(5,482,995)**	(5,081,540)
Other operating costs		**(7,502,298)**	(6,971,016)
Finance costs	6	**(715,063)**	(869,671)
Impairment losses on financial assets	7	**(474,282)**	(353)
Share of results of associate	13	**(743,046)**	(2,040,162)
Loss before taxation	7	**(708,855)**	(4,666,048)
Income tax (expense)/credit	8	**(320,534)**	27,512
Loss for the year		**(1,029,389)**	(4,638,536)
Loss attributable to:			
Owners of the Company		**(1,009,097)**	(4,597,496)
Non-controlling interests		**(20,292)**	(41,040)
		(1,029,389)	(4,638,536)
Loss per share attributable to owners of the Company (cents)			
Basic	9	**(0.10)**	(0.48)
Diluted	9	**(0.10)**	(0.48)

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

	Group	
	2022	2021
	$	$
Loss for the year	**(1,029,389)**	(4,638,536)
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss		
Exchange differences arising from translation of foreign operations	**(96)**	(256)
Exchange differences from translation of associate	**(61,864)**	79,084
Other comprehensive income for the year, net of tax	**(61,960)**	78,828
Total comprehensive income for the year	**(1,091,349)**	(4,559,708)
Total comprehensive income attributable to:		
Owners of the Company	**(1,071,057)**	(4,518,668)
Non-controlling interests	**(20,292)**	(41,040)
Total comprehensive income for the year	**(1,091,349)**	(4,559,708)

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

BALANCE SHEETS

As at 31 March 2022

	Note	Group 2022 $	Group 2021 $	Company 2022 $	Company 2021 $
Non-current assets					
Property, plant and equipment	10	**2,644,855**	3,229,149	**1,568**	348
Investment property	11	**1,414,800**	1,452,009	**1,414,800**	1,452,009
Investments in subsidiaries	12	**–**	–	**19,182,288**	21,553,367
Investment in associate	13	**6,630,332**	3,385,949	**7,148,358**	5,528,960
Right-of-use asset	21	**228,501**	914,008	**–**	–
Intangible assets	14	**4,436,821**	3,663,083	**–**	–
Other receivables	15	**9,463,350**	10,897,612	**9,463,350**	10,897,612
		24,818,659	23,541,810	**37,210,364**	39,432,296
Current assets					
Inventories	16	**45,049**	21,952	**–**	–
Trade and other receivables	15	**4,590,230**	5,109,914	**6,164,306**	8,076,872
Contract assets	4	**4,825,179**	4,117,971	**–**	–
Tax recoverable		**2,924**	2,295	**–**	–
Prepayments		**317,096**	400,627	**6,477**	15,477
Investment securities	17	**125,700**	125,700	**125,700**	125,700
Cash and short-term deposits	18	**12,877,057**	5,037,571	**5,093,634**	46,742
		22,783,235	14,816,030	**11,390,117**	8,264,791
Current liabilities					
Trade and other payables	19	**13,000,869**	7,614,928	**7,776,093**	17,089,246
Contract liabilities	4	**6,927,966**	3,427,531	**–**	–
Bank borrowings	20	**2,155,535**	2,159,479	**1,559,047**	1,580,599
Lease liabilities	21	**368,910**	958,300	**–**	–
Provision for taxation		**445,851**	83,620	**448,035**	89,494
		22,899,131	14,243,858	**9,783,175**	18,759,339
Net current assets/(liabilities)		**(115,896)**	572,172	**1,606,942**	(10,494,548)
Non-current liabilities					
Other payable	19	**5,924,010**	2,700,000	**22,609,015**	2,700,000
Bank borrowings	20	**2,025,011**	2,846,341	**669,705**	894,547
Loans from a shareholder	22	**4,820,300**	5,640,600	**4,820,300**	5,640,600
Lease liabilities	21	**92,768**	457,968	**–**	–
Deferred tax liabilities	23	**224,810**	266,860	**189,615**	211,678
		13,086,899	11,911,769	**28,288,635**	9,446,825
Net assets		**11,615,864**	12,202,213	**10,528,671**	19,490,923
Equity attributable to owners of the Company					
Share capital	24	**80,282,764**	79,197,764	**80,282,764**	79,197,764
Reserves	25	**(68,760,848)**	(67,109,791)	**(69,754,093)**	(59,706,841)
		11,521,916	12,087,973	**10,528,671**	19,490,923
Non-controlling interests		**93,948**	114,240	**–**	–
Total equity		**11,615,864**	12,202,213	**10,528,671**	19,490,923

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

2022 Group	Share capital (Note 24) $	Equity component of convertible loans (Note 25) $	Gains on disposals to non-controlling interests (Note 25) $	Employee share award reserve (Note 25) $	Foreign currency translation reserve (Note 25) $	Accumulated losses (Note 25) $	Equity attributable to the owners of the Company $	Non-controlling interests $	Total equity $
	Attributable to owners of the Company								
Opening balance at 1 April 2021	79,197,764	2,772,300	34,944,540	580,000	161,827	(105,568,458)	12,087,973	114,240	12,202,213
Loss for the year	–	–	–	–	–	(1,009,097)	(1,009,097)	(20,292)	(1,029,389)
Other comprehensive income									
Exchange differences arising from translation of foreign operations	–	–	–	–	(96)	–	(96)	–	(96)
Exchange differences from translation of associate	–	–	–	–	(61,864)	–	(61,864)	–	(61,864)
Total comprehensive income for the year	–	–	–	–	(61,960)	(1,009,097)	(1,071,057)	(20,292)	(1,091,349)
Contributions by and distributions to owners									
Grant of equity-settled share awards to employees	–	–	–	510,000	–	–	510,000	–	510,000
Share issue expenses	(5,000)	–	–	–	–	–	(5,000)	–	(5,000)
Conversion of share awards to share capital	1,090,000	–	–	(1,090,000)	–	–	–	–	–
Transfer within equity	–	(2,772,300)	–	–	–	2,772,300	–	–	–
Total contributions by and distributions to owners	1,085,000	(2,772,300)	–	(580,000)	–	2,772,300	505,000	–	505,000
Closing balance at 31 March 2022	80,282,764	–	34,944,540	–	99,867	(103,805,255)	11,521,916	93,948	11,615,864

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

2021 Group	Share capital (Note 24) $	Equity component of convertible loans (Note 25) $	Attributable to owners of the Company Gains on disposals to non-controlling interests (Note 25) $	Employee share award reserve (Note 25) $	Foreign currency translation reserve (Note 25) $	Accumulated losses (Note 25) $	Equity attributable to the owners of the Company $	Non-controlling interests $	Total equity $
Opening balance at 1 April 2020	78,617,764	2,772,300	34,944,540	871,581	82,999	(100,970,962)	16,318,222	155,280	16,473,502
Loss for the year	–	–	–	–	–	(4,597,496)	(4,597,496)	(41,040)	(4,638,536)
Other comprehensive income									
Exchange differences arising from translation of foreign operations	–	–	–	–	(256)	–	(256)	–	(256)
Exchange differences from translation of associate	–	–	–	–	79,084	–	79,084	–	79,084
Total comprehensive income for the year	–	–	–	–	78,828	(4,597,496)	(4,518,668)	(41,040)	(4,559,708)
Contributions by and distributions to owners									
Grant of equity-settled share awards to employees	–	–	–	288,419[1]	–	–	288,419	–	288,419
Conversion of share awards to share capital	580,000	–	–	(580,000)	–	–	–	–	–
Total contributions by and distributions to owners	580,000	–	–	(291,581)	–	–	288,419	–	288,419
Closing balance at 31 March 2021	79,197,764	2,772,300	34,944,540	580,000	161,827	(105,568,458)	12,087,973	114,240	12,202,213

(1) As at 31 March 2021, 20,000,000 shares have vested in accordance to the vesting condition and the allotment of shares was completed in April 2021.

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

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 March 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Loss before taxation		**(708,855)**	(4,666,048)
Adjustments for:			
Amortisation of intangible assets	7	**471,395**	354,345
Bad debts written off	7	**–**	749
Write-back of inventories written down	7	**–**	(2,181)
Unrealised foreign exchange (gain)/loss		**(283,441)**	99,573
Impairment loss on financial assets	7	**474,282**	353
Intangible assets written off	7	**18,750**	–
Depreciation of property, plant and equipment	7	**920,326**	958,668
Depreciation of investment property	7	**37,209**	37,209
Depreciation of right-of-use asset	7	**685,507**	685,507
Fair value loss on contingent consideration	7	**3,224,010**	2,700,000
Gain on disposal of intangible assets	5	**(1,962,293)**	–
Net gain on disposal of plant and equipment		**(9,996)**	(824)
Interest income		**(369,092)**	(356,626)
Interest expense		**715,063**	869,671
Write-off of plant and equipment	7	**690**	–
Write-back of impairment loss on financial assets	5	**(29,610)**	(26,908)
Rent concession from landlord	21	**–**	(140,958)
Grant of equity-settled share awards to employees	7	**510,000**	288,419
Share of results of associate		**743,046**	2,040,162
Operating cash flows before working capital changes		**4,436,991**	2,841,111
(Increase)/decrease in:			
Inventories		**(23,097)**	8,829
Trade and other receivables		**72,301**	840,149
Contract assets		**(707,208)**	3,309,108
Prepayments		**83,531**	50,401
(Decrease)/increase in:			
Trade and other payables		**327,814**	(1,994,815)
Contract liabilities		**3,500,435**	1,734,285
Cash generated from operations		**7,690,767**	6,789,068
Income taxes paid		**(1,001)**	–
Income taxes refunded		**–**	2,432
Interest received		**5,177**	6,485
Net cash generated from operating activities		**7,694,943**	6,797,985
Cash flows from investing activities			
Purchase of plant and equipment	10	**(336,722)**	(570,272)
Additions to intangible assets	14	**(1,263,883)**	(1,321,474)
Proceeds from disposal of plant and equipment		**9,996**	11,741
Net cash used in investing activities		**(1,590,609)**	(1,880,005)
Cash flows from financing activities			
Increase in short-term deposits pledged		**(800)**	(714,201)
Proceeds from bank borrowings	20	**500,000**	4,000,000
Repayments of bank borrowings	20	**(1,296,283)**	(1,111,944)
Repayments of lease liabilities	21	**(954,590)**	(714,662)
Repayments of shareholders' loans	22	**(820,000)**	(4,025,431)
Advance proceeds from issuance of placement shares	19	**5,000,000**	–
Interest paid		**(664,906)**	(778,154)
Net cash generated from/(used in) financing activities		**1,763,421**	(3,344,392)
Net change in cash and cash equivalents		**7,867,755**	1,573,588
Cash and cash equivalents at beginning of financial year		**2,038,843**	465,446
Effect of exchange rate changes on cash and cash equivalents		**(78)**	(191)
Cash and cash equivalents at end of financial year (Note 18)		**9,906,520**	2,038,843

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

1. CORPORATE INFORMATION

Tritech Group Limited (the "Company") is a limited liability company, which is incorporated and domiciled in Singapore and is listed on the Catalist board of the SGX-ST.

The registered office and principal place of business of the Company is located at 31 Changi South Avenue 2, Singapore 486478.

The principal activity of the Company is that of investment holding and provision of management services. The principal activities of the subsidiaries are disclosed in Note 12 to the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar ("SGD" or "$") except when otherwise indicated.

Fundamental accounting concept

The Group has incurred a net loss of $1,029,389 (2021: $4,638,536) for the financial year ended 31 March 2022 and the Group is in a net current liabilities position of $115,896 (2021: net current assets position of $572,172) as at 31 March 2022.

Notwithstanding the above, the directors are of the view that it is appropriate to prepare these financial statements on a going concern basis after considering the following:

(a) The Group will be able to complete its current ongoing projects as scheduled and achieve the projected positive margin.

(b) The Group has sufficient bank facilities and cash balances to fund their daily operations.

(c) The allotment of new shares on 7 June 2022 and the reclassification of $5,000,000 from other payable to share capital (Note 34).

The directors are of the opinion that the above considerations would allow the Group to generate sufficient cash flows to meet its obligations as and when they fall due.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted all the new and amended standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2021. The adoption of these standards did not have any material effect on the financial performance or position of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 3 Business Combinations: Reference to the Conceptual Framework	1 January 2022
Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022
Amendments to SRFS(I) 1-1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

The Group expects that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 Foreign currency

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

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

Exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in the equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operations.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Subsidiaries

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

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

2.6 Basis of consolidation and business combinations

(a) Basis of consolidation

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

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

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

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

(b) Business combinations and goodwill

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

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognised in profit or loss.

Non-controlling interest in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of net assets of the acquire are recognised on the acquisition date at either fair value, or the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Business combinations and goodwill (Continued)

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units that are expected to benefit from the synergies of the combination.

The cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash-generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates.

2.7 Transactions with non-controlling interests

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

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

2.8 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment other than leasehold properties are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

Leasehold properties	–	Over lease terms of 37 – 67 years
Motor vehicles	–	5 – 6 years
Furniture, fittings and fixtures	–	5 – 10 years
Machinery, instrumentation and tools	–	4 – 20 years
Office equipment	–	3 – 10 years
Renovation	–	5 – 10 years

Assets under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

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 residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Investment properties

Investment properties are properties that are either owned by the Group or right-of-use assets that are held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes, or in the ordinary course of business. Investment properties comprise completed investment properties and properties that are being constructed or developed for future use as investment properties.

Investment properties are initially measured at cost, including transaction costs.

Subsequent to initial recognition, investment properties are measured at costs less accumulated depreciation and any accumulated impairment losses.

Depreciation is computed on a straight-line basis over the remaining lease term.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

2.10 Intangible assets

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

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 lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

(a) Club memberships

Transferable individual club memberships are initially recognised at cost and are subsequently measured at cost less accumulated impairment losses, if any.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Intangible assets (Continued)

(b) Research and development costs

Research costs are expensed as incurred. Deferred development costs arising from development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete and the ability to measure reliably the expenditures during the development.

Following initial recognition of the deferred development costs as an intangible asset, it is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation of the intangible asset begins when development is complete and the asset is available for use. Deferred development costs have a finite useful life and are amortised over the period of expected sales from the related project of 10 years on a straight line basis.

(c) Intangible assets acquired separately

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets acquired separately are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets acquired separately relate to customer relationships, customer contracts, intellectual property right, software and trademark and are amortised on a straight-line method over their estimated useful lives as follows:

Customer contracts	–	3 years
Intellectual property right	–	20 years
Software	–	7 years
Trademark	–	7 years

2.11 Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Group makes an estimate of the asset's recoverable amount.

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

Impairment losses are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

– Raw materials: purchase costs on a first-in first-out basis.

– Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a first-in first-out basis.

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.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Associate

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control of those policies.

The Group accounts for its investment in an associate using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents 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 investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in an associate is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associate. The profit or loss reflects the share of results of the operations of the associate. Distributions received from the associate reduces the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associate, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in an associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

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

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

Subsequent measurement

Investments in debt instruments

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

(i) Amortised cost

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

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

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

(iii) Fair value through profit or loss

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Financial instruments (Continued)

(a) Financial assets (Continued)

Subsequent measurement (Continued)

Investments in equity instruments

On initial recognition of an investment in equity instrument, the Group presents subsequent changes in fair value changes in profit or loss. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established.

De-recognition

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

(b) Financial liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

De-recognition

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Impairment of financial assets

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

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

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

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

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.16 Convertible loans

Convertible loans are separated into liability, derivative and equity components based on the terms of the contract.

On issuance of the convertible loans, the fair value of the liability component is determined using a market rate for an equivalent non-convertible loan. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption in accordance with the accounting policy set out in Note 2.15.

If the conversion option of convertible loans and/or its interests exhibits characteristics of an embedded derivative, it is separated from its liability component. On initial recognition, the derivative component of the convertible loans is measured at fair value and presented as a derivative financial instrument.

Any excess of proceeds over the amounts initially recognised as the derivative and liability components is recognised as the equity component of the convertible loans (net of transaction costs) and included in shareholders' equity. The carrying amount of the equity component is not remeasured in subsequent years.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Convertible loans (Continued)

Transaction costs are apportioned between the liability, derivative and equity components of the convertible loans based on the allocation of proceeds to the liability, derivative and equity components when the instruments are initially recognised.

The portions of the transaction costs relating to the liability and equity components are recognised initially as part of the liability and equity. The portion relating to the derivative component is recognised immediately in the profit or loss.

2.17 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in values. These also include bank overdrafts that form an integral part of the Group's cash management.

2.18 Provisions

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

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.19 Financial guarantee

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are measured at the higher of the amount of expected credit loss determined in accordance with the policy set out in Note 2.14 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised over the period of the guarantee.

2.20 Borrowing costs

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.21 Employee benefits

(a) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the reporting period is recognised for services rendered by employees up to the end of the reporting period. The liability for leave expected to be settled beyond twelve months from the end of the reporting period is determined using the projected unit credit method. The net total of service costs, net interest on the liability and remeasurement of the liability are recognised in profit or loss.

(c) Employee share award plans

Employees of the Group receive remuneration in the form of share awards as consideration for services rendered. The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the awards at the date on which the awards are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the employee share award reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of awards that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The employee share award reserve is transferred to retained earnings upon expiry of the share award, and is only upon new shares issued.

2.22 Leases

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

Group as a lessee

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Leases (Continued)

Group as a lessee (Continued)

(a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term of 49 months.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 2.11.

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercise by the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

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

The Group has applied the amendment to SFRS (I) 16 Leases: COVID-19 – Related Rent Concessions. The Group applies the practical expedient allowing it not to assess whether a rent concession related to COVID-19 is a lease modification. The Group applies the practical expedient consistently to contracts with similar characteristics and in similar circumstances. For rent concessions in leases to which the Group chooses not to apply the practical expedient, or that do not qualify for the practical expedient, the Group assess whether there is a lease modification.

(c) Short-term leases and leases of low-value assets

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.22 Leases (Continued)

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income. The accounting policy for rental income is set out in Note 2.23(d). Contingent rents are recognised as revenue in the period in which they are earned.

2.23 Revenue

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

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

(a) Construction revenue

The Group is involved in construction projects whereby they are restricted contractually from directing the product for another use as they are being constructed and has an enforceable right to payment for performance completed to date. Revenue is recognised over time using the input method, based on the construction costs incurred to date as a proportion of the estimated total construction costs to be incurred.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

For contract modifications that add distinct goods or services but not at their standalone selling prices, the Group combines the remaining consideration in the original contract with the consideration promised in the modification to create a new transaction price that is then allocated to all remaining performance obligations. For contract modifications that do not add distinct goods or services, the Group accounts for the modification as continuation of the original contract and is recognised as a cumulative adjustment to revenue at the date of modification.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.23 Revenue (Continued)

(b) Sale of goods

Revenue 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, net of the estimated volume discounts and adjusted for expected returns. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction only to the extent that it is 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 recognises the expected volume discounts payable to customer where consideration have been received from customers and refunds due to expected returns from customers as refund liabilities. Separately, the Group recognises a related asset for the right to recover the returned goods, based on the former carrying amount of the good less expected costs to recover the goods, and adjusts them against cost of sales correspondingly.

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

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Rental income

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

2.24 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 asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as additional government grant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 Taxes

(a) Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

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

(b) Deferred tax

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

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

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of taxable temporary differences associated with investments in subsidiaries and associates where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- Where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.25 Taxes (Continued)

(b) Deferred tax (Continued)

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

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

(c) Sales tax

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

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

2.26 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

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.

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

2.27 Share capital and share issuance expenses

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

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

3.1 Judgements made in applying accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(a) Taxes

The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective company's domicile.

Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax provisions already recorded. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b) Impairment of investment in subsidiaries and associate

The Group and the Company carries significant investments in subsidiaries and associate at the end of the reporting period. Management exercise significant judgment in determining whether there is any indication that the non-financial assets may have been impaired or an impairment loss recognised on the non-financial assets in prior periods may no longer exist or may have decreased.

This exercise requires management to consider both internal and external sources of information. The indicators of impairment in the above-mentioned investments include but are not limited to significant adverse changes on the entities during the financial period; significant increase in market interest rates; significant surplus of the carrying amount of the net assets of the entities over their market capitalisation and a worse than expected economic performance of the investments. In contrast, the indicators of a reversal of impairment include but are not limited to significant favourable changes on the entities during the financial period; significant decrease in market interest rates and a better than expected economic performance of the investments.

The carrying amounts of the investment in subsidiaries and associate are disclosed in Notes 12 and 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

3.2 Key sources of estimation uncertainty

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

(a) Geotechnical and construction contracts

For construction contracts where the Group satisfies its performance obligations over time, management has determined that a cost-based input method provides a faithful depiction of the Group's performance in transferring control of the construction contracts to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the construction contracts. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the construction contracts.

Significant estimates are required to determine the total construction and other related costs and the recoverable variation works that affect the progress of construction contracts. In making these estimates, management has relied on past experience and knowledge of the project engineers and quantitative surveyor.

Contract revenue and contract costs recognised for the financial year ended 31 March 2022 are disclosed in the consolidated income statement. Contract assets and liabilities are disclosed in Note 4 to the financial statements.

(b) Provision for expected credit losses of trade receivables and contract assets

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

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information, including the potential impact of COVID-19 pandemic. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables and contract assets is disclosed in Note 30 (c).

The carrying amount of trade receivables and contract assets is disclosed in Notes 15 and 4 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

(c) Impairment of investment in subsidiaries/associate, loan and amounts due from subsidiaries/associate

The Company has applied the applicable accounting guidance in determining whether any impairment on the carrying value of investment in subsidiaries/associate and loan and amounts due from subsidiaries/associate as at year-end is required. When indicators of impairment exist, significant judgement is required to be exercised by the Company to determine the recoverable amount of the cost of investments. The Company has to evaluate, among other factors, the growth rates, business forecasts and discount rate for the assessment of impairment on the investment in subsidiaries/associate.

In relation to the assessment of the loss allowance for the amounts due from subsidiaries/associate, certain assumptions are made, including the future repayment by the subsidiaries/associate, the business environment and economic outlook and growth rate.

The carrying amount of investment in subsidiaries and amount due from subsidiaries is disclosed in Notes 12 and 15 to the financial statements.

The carrying amount of investment in associate and loan and amount due from associate is disclosed in Notes 13 and 15 to the financial statements.

(d) Fair value of contingent consideration

The measurement of fair value of the contingent consideration requires significant judgements and estimates as the fair value is determined based on estimated profitability of the Agreed Projects as disclosed in Note 19 to the financial statements. The determination of the estimated profitability of the Agreed Projects involve estimation uncertainty as judgements and assumptions are required in estimating the budgeted costs and progress towards completion which may have a significant impact on the estimated net profits. Changes in assumptions about these factors could affect the fair value of the contingent consideration.

The fair value measurement of the contingent consideration is disclosed in Note 31(d) to the financial statements.

4. REVENUE

(a) Disaggregation of revenue

	Sale of goods		Services rendered		Total revenue	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**	**$**	**$**
Primary geographical markets						
Singapore	**69,092**	54,191	**26,908,099**	22,627,571	**26,977,191**	22,681,762
Malaysia	**8,068**	–	**453,231**	172,139	**461,299**	172,139
Vietnam	**10,474**	17,806	**–**	–	**10,474**	17,806
	87,634	71,997	**27,361,330**	22,799,710	**27,448,964**	22,871,707

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

4. REVENUE (CONTINUED)

(a) Disaggregation of revenue (Continued)

	Sale of goods		Services rendered		Total revenue	
	2022	2021	2022	2021	2022	2021
	$	$	$	$	$	$
Major product or service lines						
Smart urban development business	**19,910**	–	**27,233,202**	21,457,040	**27,253,112**	21,457,040
Water and environmental business	**67,724**	71,997	**128,128**	1,342,670	**195,852**	1,414,667
	87,634	71,997	**27,361,330**	22,799,710	**27,448,964**	22,871,707
Timing of transfer of goods or services						
At a point in time	**87,634**	71,997	**–**	–	**87,634**	71,997
Over time	**–**	–	**27,361,330**	22,799,710	**27,361,330**	22,799,710
	87,634	71,997	**27,361,330**	22,799,710	**27,448,964**	22,871,707

(b) Contract assets and contract liabilities

Information about receivables, contract assets and contract liabilities from contracts with customers is disclosed as follows:

		Group	
	2022	2021	1 April 2020
	$	$	$
Receivables from contracts with customers (Note 15)	**2,436,790**	2,847,702	3,637,285
Contract assets	**4,825,179**	4,117,971	7,427,079
Contract liabilities	**6,927,966**	3,427,531	1,693,246

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at reporting date for revenue from construction contracts. Contract assets are transferred to receivables when the rights become unconditional.

Contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received advances from customers for revenue from construction contracts.

Contract liabilities are recognised as revenue as the Group performs under the contract.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

4. REVENUE (CONTINUED)

(b) Contract assets and contract liabilities (Continued)

(i) Significant changes in contract assets are explained as follows:

	Group 2022 $	Group 2021 $
Contract asset reclassified to receivables	**3,762,523**	6,152,159

(ii) Significant changes in contract liabilities are explained as follows:

	Group 2022 $	Group 2021 $
Revenue recognised that was included in the contract liability balance at the beginning of the year	**3,363,787**	1,584,420

(c) Transaction price allocated to remaining performance obligations

The aggregate amount of transaction price allocated to the unsatisfied (or partially unsatisfied) performance obligations as at 31 March 2022 is $79,971,013 (2021: $89,669,602). This amount has not included the following:

- Performance obligations for which the Group has applied the practical expedient not to disclose information about its remaining performance obligations if the performance obligation is part of a contract that has an original expected duration for one year or less.
- Variable consideration that is constrained and therefore is not included in the transaction price.

The Group expects to recognise all its unsatisfied (or partially satisfied) performance obligations as at 31 March 2022 within 6 years (2021: 7 years) of the reporting date.

5. OTHER INCOME

	Group 2022 $	Group 2021 $
Gain on disposal of plant and equipment	**9,996**	824
Gain on disposal of intangible assets (Note 13)	**1,962,293**	–
Rent concession from landlord[a]	**–**	140,958
Government grants[b]	**1,023,300**	4,710,227
Interest income	**369,092**	356,626
Foreign exchange gain, net	**311,611**	–
Supply of manpower	**6,282**	89,683
Insurance claim	**62,718**	58,844
Sundry income	**30,538**	58,328
Rental income	**119,000**	96,037
Write-back of impairment loss on financial assets	**29,610**	26,908
Others	**16,838**	–
	3,941,278	5,538,435

(a) Rent concession received from lessor to which the Group applied the practical expedient under Amendments to SFRS(I) 16 Leases: COVID-19 Related Rent Concessions.

(b) Government grants mainly relates to Jobs Support Scheme and Job Growth Incentive funded by the Singapore Government to help businesses deal with impact from COVID-19 pandemic.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

6. FINANCE COSTS

	Group	
	2022	2021
	$	$
Interests on:		
– Bank overdraft	**83,781**	66,780
– Lease liabilities	**78,046**	143,561
– Term loans	**98,205**	151,778
– Loans from shareholders	**438,962**	490,284
– Mortgage loan	**16,069**	17,268
	715,063	869,671

7. LOSS BEFORE TAXATION

The following items have been included in arriving at loss before taxation:

	Group	
	2022	2021
	$	$
Audit fees paid to		
– Auditor of the Company	**303,500**	247,000
– Other auditors	**5,075**	4,885
Non-audit fees paid to		
– Auditor of the Company	**38,200**	34,200
– Other auditors	**1,549**	1,654
Bad debts written off	**–**	749
Cost of inventories	**33,799**	39,250
Consultancy fee	**882,115**	785,204
Amortisation of intangible assets	**471,395**	354,345
Depreciation of property, plant and equipment	**920,326**	958,668
Depreciation of investment property	**37,209**	37,209
Depreciation of right-of-use asset	**685,507**	685,507
Employee benefits expense	**17,555,029**	16,551,096
Fair value loss on contingent consideration	**3,224,010**	2,700,000
Foreign exchange loss, net	**–**	103,243
Impairment loss on financial assets	**474,282**	353
Intangible assets written off	**18,750**	–
Operating lease expenses	**30,114**	48,796
Plant and equipment written off	**690**	–
Professional fees	**532,431**	629,834
Subcontractor costs	**1,425,254**	1,987,572
Upkeep of motor vehicles	**208,225**	200,115
Write-back of inventories previously written down	**–**	(2,181)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

7. LOSS BEFORE TAXATION (CONTINUED)

	Group	
	2022 $	2021 $
Employee benefits expense comprise the following:		
Employee benefits expense:		
– salaries, bonuses and other benefits	**15,893,980**	15,161,404
– contributions to defined contribution plans	**1,151,049**	1,101,273
– employee share awards scheme	**510,000**	288,419
	17,555,029	16,551,096

8. INCOME TAX EXPENSE/(CREDIT)

Major components of income tax expense/(credit)

The major components of income tax expense/(credit) for the financial years ended 31 March 2022 and 2021 are:

	Group	
	2022 $	2021 $
Consolidated income statement:		
Current income tax:		
– Current income taxation	**367,508**	10,219
– Over provision in respect of previous years	**(4,924)**	(58,464)
	362,584	(48,245)
Deferred income tax:		
– Origination and reversal of temporary differences	**(5,353)**	16,724
– (Over)/Under provision in respect of previous year	**(36,697)**	4,009
	(42,050)	20,733
Income tax expense/(credit) recognised in profit or loss	**320,534**	(27,512)

Domestic income tax is calculated at 17% (2021: 17%) of the estimated assessable profit for the financial year. Taxation for other jurisdictions are calculated at the rates prevailing in the relevant jurisdictions. The taxable profits of the Group's subsidiary in Malaysia are subject to corporate income tax of 24% (2021: 24%).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

8. INCOME TAX EXPENSE/(CREDIT) (CONTINUED)

Relationship between income tax expense/(credit) and accounting loss

The reconciliation between income tax credit and the product of accounting loss multiplied by the applicable corporate tax rates for the financial years ended 31 March 2022 and 2021 are as follows:

	Group	
	2022	**2021**
	$	**$**
Loss before taxation	**(708,855)**	(4,666,048)
Tax at Singapore statutory tax rate of 17% (2021: 17%)	**(120,505)**	(793,228)
Adjustments:		
Effect of different tax rates of overseas operations	**(112)**	(31)
Non-deductible expenses	**1,042,452**	829,649
Income not subject to taxation	**(47,314)**	(633,931)
Tax incentives	**(2,774)**	(15,114)
Effect of partial tax exemption	**(21,965)**	(10,521)
Overprovision of current income tax in respect of prior financial years	**(4,924)**	(58,464)
(Over)/Under provision of deferred income tax in respect of prior financial years	**(36,697)**	4,009
Effect of change in unrecognised temporary differences	**(70,007)**	149,021
Deferred tax assets not recognised	**423,955**	520,125
Realisation of deferred tax asset previously not recognised	**(967,893)**	(365,855)
Share of results of associate	**126,318**	346,828
Income tax expense/(credit) recognised in profit or loss	**320,534**	(27,512)

As at 31 March 2022, the Group has unutilised tax losses and capital allowances of $28,424,232 (2021: $27,265,234) and $2,792,936 (2021: $7,151,569) respectively that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these unutilised tax losses and capital allowances is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation.

9. LOSS PER SHARE

Basic loss per share amounts are calculated by dividing loss for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share amounts are calculated by dividing loss for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

9. LOSS PER SHARE (CONTINUED)

The following table reflects the loss and share data used in the computation of basic and diluted loss per share for the financial years ended 31 March:

	Group 2022 $	Group 2021 $
Loss for the year, attributable to owners of the Company for basic and diluted loss per share	**(1,009,097)**	(4,597,496)
Weighted average number of ordinary shares on issue applicable to basic and diluted loss per share	**997,580,060**	960,703,347

Diluted loss per share for the financial years ended 31 March 2022 and 31 March 2021 is the same as the basic loss per share because the potential ordinary shares to be converted are anti-dilutive for the years presented.

10. PROPERTY, PLANT AND EQUIPMENT

Group 2022	Motor vehicles $	Furniture, fittings and fixtures $	Machinery, instrumentation and tools $	Office equipment $	Renovation $	Total $
Cost						
At 1 April 2020	1,368,015	387,022	18,077,815	1,982,861	579,625	22,395,338
Additions	202,208	36,223	334,803	125,148	24,382	722,764
Disposals	(143,709)	–	–	–	–	(143,709)
At 31 March 2021 and 1 April 2021	1,426,514	423,245	18,412,618	2,108,009	604,007	22,974,393
Additions	8,500	2,758	162,011	163,453	–	336,722
Disposals	–	–	(34,798)	(11,000)	–	(45,798)
Write off	–	(820)	–	(77,000)	–	(77,820)
At 31 March 2022	**1,435,014**	**425,183**	**18,539,831**	**2,183,462**	**604,007**	**23,187,497**
Accumulated depreciation and impairment loss						
At 1 April 2020	1,330,276	300,863	15,318,792	1,783,918	185,519	18,919,368
Depreciation	32,550	19,623	764,908	86,099	55,488	958,668
Disposals	(132,792)	–	–	–	–	(132,792)
At 31 March 2021 and 1 April 2021	1,230,034	320,486	16,083,700	1,870,017	241,007	19,745,244
Additions	44,730	16,781	675,580	126,371	56,864	920,326
Disposals	–	–	(34,798)	(11,000)	–	(45,798)
Write off	–	(130)	–	(77,000)	–	(77,130)
At 31 March 2022	1,274,764	337,137	16,724,482	1,908,388	297,871	20,542,642
Net carrying amount						
At 31 March 2022	**160,250**	**88,046**	**1,815,349**	**275,074**	**306,136**	**2,644,855**
At 31 March 2021	196,480	102,759	2,328,918	237,992	363,000	3,229,149

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Office equipment $	Total $
Cost		
At 1 April 2020 and 31 March 2021	**3,761**	3,761
Addition	**1,494**	1,494
At 31 March 2022	**5,255**	5,255
Accumulated depreciation		
At 1 April 2020	**3,264**	3,264
Charge for the year	**149**	149
At 31 March 2021 and 1 April 2021	**3,413**	3,413
Charge for the year	**274**	274
At 31 March 2022	**3,687**	3,687
Net carrying amount		
At 31 March 2022	**1,568**	1,568
At 31 March 2021	**348**	348

As at the end of the financial year, the carrying amounts of plant and equipment which were acquired under finance lease arrangements are as follows:

	Group 2022 $	Group 2021 $
Motor vehicles	**137,532**	171,109
Office equipment	**18,157**	20,259
	155,689	191,368

Finance leased assets are pledged as a security for the related finance lease payables (Note 21).

For the purpose of consolidated cash flow statement, the Group's additions to plant and equipment are financed as follows:

	Group 2022 $	Group 2021 $
Additions of plant and equipment	**336,722**	722,764
Acquired under finance lease arrangements	**–**	(152,492)
Cash payments to acquire plant and equipment	**336,722**	570,272

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

11. INVESTMENT PROPERTY

	Group and Company	
	2022	2021
	$	$
Cost		
At 1 April 2020, 31 March 2021 and 31 March 2022	**1,600,000**	1,600,000
Accumulated depreciation		
At 1 April	**147,991**	110,782
Charge for the year	**37,209**	37,209
At 31 March	**185,200**	147,991
Net carrying amount		
At 31 March	**1,414,800**	1,452,009
The following amount is recognised in the income statement:		
Rental income	**108,000**	96,037
Direct operating expenses arising from investment property	**16,679**	13,931

Details of the investment property is disclosed as follows:

Location	Description	Tenure	Approximate site area (sq. m.)
8A Admiralty Street #06-28 Food Xchange, Singapore	Factory building, office and warehouse	60 years lease from 2000	256.00

The investment property is leased to a third party under operating lease, further summary details of which are included in Note 27 to the financial statements.

As at the end of the financial year, the Group's and the Company's investment property has a remaining lease term of 38 years and is pledged as security for certain bank borrowings (Note 20).

The fair value of investment property as at 31 March 2022 is $1,900,000 (2021: $1,700,000) based on independent external valuation using sales comparison method.

The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

12. INVESTMENTS IN SUBSIDIARIES

	Company	
	2022	2021
	$	$
Unquoted equity shares, at cost	**43,776,879**	36,521,866
Capitalisation of quasi-equity loan to subsidiary	**–**	6,966,594
Capitalisation of equity-settled share awards	**170,000**	288,419
Disposal of subsidiaries	**(2,541,079)**	–
Impairment losses	**(22,223,512)**	(22,223,512)
Net carrying amount	**19,182,288**	21,553,367

Movement in impairment losses during the financial year was as follows:

	Company	
	2022	2021
	$	$
At 1 April	**22,223,512**	16,142,865
Charged to profit or loss	**–**	6,080,647
At 31 March	**22,223,512**	22,223,512

An impairment loss of $ Nil (2021: $6,080,647) was recognised for the year ended 31 March 2022 to write down the carrying amount to its recoverable amount.

The recoverable amount has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by management covering a five-year period. The cash flow projections is based on the long term growth rate of Nil% (2021: Nil%) and pre-tax discount rate of 10.30% (2021: 9.25%).

Key assumptions used in value-in-use calculations

The calculations of value-in-use for the above subsidiary are most sensitive to the following assumptions:

Forecast revenue and gross margins – Revenue are based on average values achieved in the recent years preceding to the start of the forecast period. These are increased over the forecast period for anticipated retention of customers, expansion in business, synergies and efficiency improvements.

Growth rates – Management's estimates of the forecasted growth rates, with reference to related industry. The forecasted growth rate adopted by the Company, do not exceed the long-term average growth rate for the industries relevant to the subsidiaries.

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to each subsidiary and consider the time value of money. The computation of discount rate is based on the specific circumstances of the subsidiaries and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Company. The cost of debt is based on the bank lending rate as quoted by Monetary Authority of Singapore. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Sensitivity to changes in assumptions

With regards to the assessment of value-in-use, if the discount rate has been 100 basis points higher, the estimated recoverable amount would still exceed the carrying value.

Details of subsidiaries are as follows:

Name of subsidiary	Country of incorporation/ operation	Principal activities	Proportion of ownership interest 2022 %	2021 %
Held by the Company:				
ADAS Group Pte Ltd (formerly known as TGL Engineering Group Pte Ltd)[1]	Singapore	Investment holding company	**100**	100
Tritech Water Technologies (Group) Pte Ltd (formerly known as Tritech Water Technologies Pte Ltd)[1]	Singapore	Manufacture and supply of membranes, membrane-related products, environmental monitoring products.	**100**	100
Tritech Syseng (S) Pte Ltd[1]	Singapore	Design and development of automation and engineering system, manufacturer, and provision of remote water monitoring services	**–[4]**	100
Geosoft Pte Ltd[2]	Singapore	Development and sale of engineering finite element analysis programs in the geotechnical field	**–[4]**	60
Held through ADAS Group Pte Ltd:				
Tritech Engineering & Testing (Singapore) Pte Ltd[1]	Singapore	Geological, geotechnical and geophysical investigation, land surveying, instrumentation and analytical study and other related services	**100**	100
Tritech Consultants Pte Ltd[1]	Singapore	Architectural, engineering and professional consultancy services	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Sensitivity to changes in assumptions (Continued)

Name of subsidiary	Country of incorporation/ operation	Principal activities	Proportion of ownership interest 2022 %	2021 %
Tritech Syseng (S) Pte Ltd[1]	Singapore	Design and development of automation and engineering system, manufacturer, and provision of remote water monitoring services	**100[4]**	–
Geosoft Pte Ltd[2]	Singapore	Development and sale of engineering finite element analysis programs in the geotechnical field	**60[4]**	–
Terra Tritech Engineering (M) Sdn Bhd[3]	Malaysia	Providing civil engineering services	**–[4]**	100
Held through Tritech Water Technologies (Group) Pte Ltd:				
Tritech Vavie (Singapore) Pte Ltd[1]	Singapore	Manufacture of bottled alkaline drinking water and VavieTM clean wash sanitizer	**100**	100
Tritech Ecofish Farming Private Limited[1]	Singapore	Operation of fish hatcheries and fish farms	**100[5]**	–
Terra Tritech Engineering (M) Sdn Bhd[3]	Malaysia	Providing civil engineering services	**100[4]**	–

(1) Audited by Ernst & Young LLP, Singapore.
(2) Audited by Teo Boon Tieng & Co, Chartered Accountants, Singapore.
(3) Audited by SE Lai CK, Chartered Accountants, Malaysia.
(4) The Group underwent an internal restructuring exercise to transfer Tritech Syseng (S) Pte Ltd and Geosoft Pte Ltd into ADAS Group Pte Ltd, and Terra Tritech Engineering (M) Sdn Bhd from the Company into Tritech Water Technologies (Group) Pte Ltd.
(5) Incorporated on 6 August 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Interest in a subsidiary with material non-controlling interest ("NCI")

The Group has the following subsidiary that has NCI that is material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by NCI %	Loss allocated to NCI during the reporting period $	Accumulated NCI at the end of reporting period $
31 March 2022:				
Geosoft Pte Ltd	Singapore	**40**	**(20,292)**	**93,948**
31 March 2021:				
Geosoft Pte Ltd	Singapore	40	(41,040)	114,240

Summarised financial information about a subsidiary with material NCI

Summarised financial information including consolidation adjustments but before intercompany eliminations of a subsidiary with material NCI are as follows:

Summarised balance sheet

	Geosoft Pte. Ltd.	
	2022 **$**	**2021** **$**
Current		
Assets	**192,698**	134,290
Liabilities	**(56,430)**	(45,329)
Net current assets	**136,268**	88,961
Non-current		
Assets	**118,807**	236,823
Liabilities	**(20,205)**	(40,184)
Net non-current assets	**98,602**	196,639
Net assets	**234,870**	285,600

Summarised statement of comprehensive income

	Geosoft Pte. Ltd.	
	2022 **$**	**2021** **$**
Revenue	**76,800**	76,800
Loss before tax	**(67,027)**	(122,587)
Tax credit	**16,297**	19,987
Loss after tax and total comprehensive income	**(50,730)**	(102,600)
Other summarised information		
Net cash flows from/(used in) operations	**47,889**	(2,990)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

13. INVESTMENT IN ASSOCIATE

The Group's investment in associate is summarised as below:

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
At 1 April	**3,385,949**	5,347,027	**5,528,960**	5,528,960
Capitalisation of intangible assets transferred and amount due from associate	**4,049,293**[(1)]	–	**4,049,293**	–
Share of associate's results	**(743,046)**	(2,040,162)	**–**	–
Impairment loss	**–**	–	**(2,429,895)**	–
Foreign currency differences	**(61,864)**	79,084	**–**	–
At 31 March	**6,630,332**	3,385,949	**7,148,358**	5,528,960

Name of associate	Country of incorporation/ operation	Principal activities	Proportion of ownership interest 2022 %	2021 %
Held by the Company:				
Tritech Environmental Group Co., Ltd[(2)]	PRC	Production and sale of membranes for use in waste treatment systems and water treatment systems	**46.86**	40

(1) During the current financial year, the Group/Company increased its equity interest in Tritech Environmental Group Co. Ltd ("TEG") from 40% to 46.86% by way of capitalization of amount due from TEG of S$2,087,000 (RMB10,000,000) to the Company and assignment of certain intellectual property rights owned by the Company (including a patent filed in the PRC) to TEG which all TEG's shareholders have agreed to ascribe a value at S$3,692,685 (RMB17,693,747). As a result, the Group/Company has recognised a gain on disposal of this intellectual property rights of S$1,962,293 (being the extent of unrelated interest in the associate) and an increase of S$4,049,293 in the cost of investment in associate.

(2) Audited by other auditor in Qingdao.

During the financial year ended 31 March 2022, management performed impairment test for the investments in associates as the associate had been loss making. An impairment loss of $2,429,895 (2021: $Nil) was recognised at Company level for the year ended 31 March 2022 to write down the carrying amount to its estimated recoverable amount.

The recoverable amount has been determined based on a value-in-use calculation using cash flow projections from financial budgets approved by management. The cash flow projections is based on the long term growth rate of Nil% (2021: Nil%) and pre-tax discount rate of 11.30% (2021: 11.50%).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

13. INVESTMENT IN ASSOCIATE (CONTINUED)

Key assumptions used in value-in-use calculations

The calculations of value-in-use for the above associate are most sensitive to the following assumptions:

Forecast revenue and gross margins – Revenue are based on contractual sum. Gross margins are based on preceding years cost which are less judgmental than growth rate and weighted average cost of capital where the value-in-use is most sensitivity to.

Growth rates – Management's estimates of the forecasted growth rates, with reference to related industry. The forecasted growth rate adopted by the Company, do not exceed the long-term average growth rate for the industries relevant to the associate.

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to the associate and consider the time value of money. The computation of discount rate is based on the specific circumstances of the associate and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Company. The cost of debt is based on the interest-bearing borrowings the Company is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

With regards to the assessment of value-in-use, if the discount rate has been 50 basis points higher, the estimated recoverable amount would still exceed the carrying value at Group level whereas the recoverable amount would decrease by $85,000 at Company level.

The summarised financial information in respect of TEG and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised balance sheet

	Tritech Environmental Group Co. Ltd	
	2022	**2021**
	$	**$**
Current assets	**73,633,414**	56,449,023
Non-current assets	**65,287,054**	65,268,802
Current liabilities	**(58,695,370)**	(59,609,239)
Non-current liabilities	**(67,118,673)**	(53,643,714)
Net assets	**13,106,425**	8,464,872
Proportion of the Group's ownership	**46.86%**	40%
Group's share of net assets	**6,141,671**	3,385,949
Goodwill on acquisition	**488,661**	–
Carrying amount of the investment	**6,630,332**	3,385,949

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

13. INVESTMENT IN ASSOCIATE (CONTINUED)

Summarised consolidated statement of comprehensive income

	2022 $	2021 $
Revenue	**21,919,808**	19,152,107
Loss before tax	**(1,527,516)**	(4,910,983)
Loss after tax	**(1,585,673)**	(5,100,405)
Group's share of loss for the year	**(743,046)**	(2,040,162)

The fair value of material assets acquired has been determined provisionally pending completion of a valuation. If new information obtained within one year from the date of acquisition about facts and circumstances that existed at the date of acquisition identifies adjustments to the above amounts or any additional provisions existed at the date of acquisitions, then the accounting for the acquisition will be revised.

Provisional goodwill arising from acquisition

The provisional goodwill amounting to S$488,661 arose from the acquisition of 6.86% equity interest in TEG. This was attributable to the revenue growth and future market development.

14. INTANGIBLE ASSETS

Group	Goodwill $	Transferable club memberships $	Intellectual property right $	Development expenditures $	Software $	Total $
Cost						
At 1 April 2020	454,229	31,500	198,700	2,205,301	823,000	3,712,730
Additions	–	–	–	1,321,474	–	1,321,474
At 31 March 2021 and 1 April 2021	454,229	31,500	198,700	3,526,775	823,000	5,034,204
Additions	–	–	–	1,263,883	–	1,263,883
Write off	–	–	–	(50,000)	–	(50,000)
At 31 March 2022	454,229	31,500	198,700	4,740,658	823,000	6,248,087
Accumulated amortisation and impairment loss						
At 1 April 2020	–	–	104,786	441,706	470,284	1,016,776
Amortisation	–	–	9,935	226,839	117,571	354,345
At 31 March 2021 and 1 April 2021	–	–	114,721	668,545	587,855	1,371,121
Amortisation	–	–	9,935	343,889	117,571	471,395
Write off	–	–	–	(31,250)	–	(31,250)
At 31 March 2022	**–**	**–**	**124,656**	**981,184**	**705,426**	**1,811,266**
Net carrying amount						
At 31 March 2022	**454,229**	**31,500**	**74,044**	**3,759,474**	**117,574**	**4,436,821**
At 31 March 2021	454,229	31,500	83,979	2,858,230	235,145	3,663,083

As at the end of the reporting period, the transferable club membership rights are held in trust by a director of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

14. INTANGIBLE ASSETS (CONTINUED)

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash-generating units ("CGUs") for the purpose of impairment testing. The CGUs are represented by the Group's investments in subsidiaries. The carrying amount of goodwill allocated to each CGU is as follows:

			Assumption			
			Long-term		Pre-tax discount	
CGU	Goodwill		growth rate		rate per annum	
	2022	2021	2022	2021	2022	2021
	$	$	%	%	%	%
Geosoft[1]	**454,229**	454,229	**0.00**	0.00	**10.21**	9.25

(1) Operates within the Smart Urban Development business segment.

The recoverable amounts of the CGUs have been determined based on value-in-use calculations, using cash flow projections from financial budgets prepared by management covering a five-year period.

Key assumptions used in the value in use calculations

The calculations of value-in-use for the above CGUs are most sensitive to the following assumptions:

Forecast revenue and gross margins – Revenue are based on average values achieved in the recent years preceding to the start of the forecast period. Gross margins are based on budget costs which are less judgmental than growth rate and pre-tax discount rate.

Growth rates – Management's estimates of the forecasted growth rates, with reference to published industry. The forecasted growth rate adopted by the Group, do not exceed the long-term average growth rate for the industries relevant to the CGUs.

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the bank lending rate as quoted by Monetary Authority of Singapore. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

With regards to the assessment of value-in-use, if the discount rate has been 100 basis points higher, the estimated recoverable amount would still exceed the carrying value.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

15. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Non-current assets				
Other receivables				
Amounts due from associates	**3,146,254**	5,188,954	**3,146,254**	5,188,954
Loans due from associate	**6,537,924**	5,929,486	**6,537,924**	5,929,486
	9,684,178	11,118,440	**9,684,178**	11,118,440
Less: Expected credit losses	**(220,828)**	(220,828)	**(220,828)**	(220,828)
Amounts due from associate	**9,463,350**	10,897,612	**9,463,350**	10,897,612
Current assets				
Trade receivables				
Trade receivables from third parties	**2,985,567**	3,159,258	**–**	–
Amounts due from subsidiaries	**–**	–	**288,900**	2,698,405
	2,985,567	3,159,258	**288,900**	2,698,405
Less: Expected credit losses	**(548,777)**	(311,556)	**(192,600)**	–
	2,436,790	2,847,702	**96,300**	2,698,405
Other receivables				
GST refundable	**64,468**	28,434	**–**	–
Other receivables from third parties	**584,479**	172,007	**235,206**	35,304
Less: Expected credit losses	**(206,000)**	–	**–**	–
	442,947	200,441	**235,206**	35,304
Amounts due from subsidiaries	**–**	–	**9,179,228**	7,321,912
Amount due from associate	**586,223**	586,223	**–**	–
Less: Expected credit losses	**(20,685)**	(20,685)	**(3,366,678)**	(1,979,999)
	565,538	565,538	**5,812,550**	5,341,913
Advances to employees	**29,220**	10,831	**–**	–
Deposits	**1,115,350**	1,028,016	**20,250**	1,250
Interest receivable	**385**	969	**–**	–
Grant receivable	**–**	456,417	**–**	–
	4,590,230	5,109,914	**6,164,306**	8,076,872
Total trade and other receivables	**14,053,580**	16,007,526	**15,627,656**	18,974,484

Trade receivables

Trade receivables are non-interest bearing and generally on 30 to 90 (2021: 30 to 90) days' credit terms.

Amounts due from subsidiaries

The amounts due from subsidiaries mainly comprise management fee income, rechargeable expenses and loans. The trade and non-trade amounts due from the subsidiaries amounting to S$5,908,850 (2021: S$8,040,318) are unsecured, non-interest bearing and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

15. TRADE AND OTHER RECEIVABLES (CONTINUED)

Amounts due from associate

Non-current assets

As at 31 March 2022, out of the amount of $3,146,254 (2021: $5,188,954) due from associate, $213,400 (2021: $2,256,100) are denominated in Chinese Yuan.

Current assets

The amounts due from associate mainly comprise expenses recharged and advances which are unsecured, non-interest bearing and repayable on demand.

Loans due from associate

The loans due from associate are denominated in Chinese Yuan and bear an effective interest rate of 6.5% (2021: 6.5%) per annum.

Grant receivable

Grant receivable comprises the Jobs Support Scheme funded by the Singapore Government.

Trade and other receivables denominated in foreign currencies other than the functional currency of the entity as at 31 March are as follows:

	Group	
	2022 $	2021 $
United States Dollar	**–**	754,623
Chinese Yuan	**6,751,324**	8,185,586

Expected credit losses

The movement in allowance for expected credit losses of trade receivables, amount due from associate and contract assets computed based on lifetime ECL are as follows:

	Group					
	Trade and other receivables 2022 $	Amount due from associate 2022 $	Contract assets 2022 $	Trade and other receivables 2021 $	Amount due from associate 2021 $	Contract assets 2021 $
Movement in allowance accounts:						
At 1 April	**311,556**	**241,513**	**138,213**	388,055	241,513	366,831
Charge for the year	**474,282**	**–**	**–**	353	–	–
Utilised during the year	**(1,451)**	**–**	**(102,302)**	(49,630)	–	(228,618)
Write-back of allowance	**(29,610)**	**–**	**–**	(26,908)	–	–
Exchange differences	**–**	**–**	**–**	(314)	–	–
At 31 March	**754,777**	**241,513**	**35,911**	311,556	241,513	138,213

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

16. INVENTORIES

	Group	
	2022	2021
	$	$
Balance sheet:		
Raw materials	**36,923**	17,324
Work-in-progress	**3,730**	1,892
Finished goods	**4,396**	2,736
	45,049	21,952
Income statement:		
Inventories recognised as an expense in cost of sales	**33,799**	39,250
Inclusive of the following credit		
– Write-back of inventories previously written down	**–**	(2,181)

The Group's inventories that are written down at the end of the reporting period and the movement of the written down account used to record the written down is as follows:

	Group	
	2022	2021
	$	$
At 1 April	**13,698**	15,879
Write-back of inventories previously written down[1]	**–**	(2,181)
At 31 March	**13,698**	13,698

(1) Relates to the write back of inventories previously provided for as slow-moving stocks were sold during the year.

17. INVESTMENT SECURITIES

	Group and Company	
	2022	2021
	$	$
Current:		
At fair value through profit or loss		
– Equity securities (quoted)	**125,700**	125,700

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

18. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Cash and bank balances	**11,230,767**	3,396,070	**5,093,634**	46,742
Short-term deposits	**1,646,290**	1,641,501	**–**	–
Cash and short-term deposits	**12,877,057**	5,037,571	**5,093,634**	46,742

Cash at banks earns interest at floating rates based on daily bank deposits. Short-term deposits mature on 2 to 7 months (2021: 2 to 7 months) from the end of the reporting period. The effective interest rates on the short-term deposits range from 0.00% to 1.73% (2021: 0.25% to 1.75%) per annum. The short-term deposits of the Group amounting to $1,636,264 (2021: $1,635,464) are pledged to banks for facilities granted to the Group.

Cash and short-term deposits that are not denominated in the respective functional currencies of the entity and its subsidiaries as at 31 March are as follows:

	Group	
	2022	2021
	$	$
United States dollar	**9,346**	25,455
Chinese Yuan	**1,382**	1,820

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise the following at the end of the reporting period:

	Group	
	2022	2021
	$	$
Cash and short-term deposits	**12,877,057**	5,037,571
Bank overdrafts (Note 20)	**(1,334,273)**	(1,363,264)
Short-term deposits pledged	**(1,636,264)**	(1,635,464)
Cash and cash equivalents in the consolidated cash flow statement	**9,906,520**	2,038,843

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

19. TRADE AND OTHER PAYABLES

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Current liabilities				
Trade payables				
Trade payables to third parties	**1,181,706**	2,216,184	**–**	–
Amount due to associate	**302,639**	281,051	**–**	–
	1,484,345	2,497,235	**–**	–
Other payables				
Goods and Services Tax ("GST") payable	**514,318**	402,552	**4,014**	1,770
Accrued operating expenses	**2,769,163**	1,575,294	**817,443**	560,900
Accrued unutilised leave	**288,381**	286,739	**–**	–
Deposits received	**37,065**	27,000	**27,000**	27,000
Other payables	**1,187,786**	1,156,859	**265,789**	32,780
Interest payable	**787,287**	737,130	**787,287**	737,130
Advance proceeds from share placement	**5,000,000**	–	**5,000,000**	–
Amounts due to subsidiaries	**–**	–	**6,692**	14,861,798
Amount due to associate	**932,524**	932,119	**867,868**	867,868
	13,000,869	7,614,928	**7,776,093**	17,089,246
Non-current liabilities				
Other payable				
Amounts due to subsidiaries	**–**	–	**16,685,005**	–
Contingent consideration	**5,924,010**	2,700,000	**5,924,010**	2,700,000
Total trade and other payables	**18,924,879**	10,314,928	**30,385,108**	19,789,246

Trade payables

Trade payables are non-interest bearing and are normally settled between 30 to 90 (2021: 30 to 90) days' terms.

Amounts due to subsidiaries (current)

Amounts due to the subsidiaries mainly comprise rechargeable expenses which are unsecured, non-interest bearing and repayable on demand in cash.

Amounts due to subsidiaries (non-current)

Amounts due to the subsidiaries mainly comprise advances from subsidiaries which are unsecured, non-interest bearing.

Amounts due to associate

The trade and non-trade amounts due to the associate mainly comprises purchases and rechargeable expenses which is unsecured, non-interest bearing and repayable on demand in cash.

Advance proceeds from share placement

Advance proceeds from share placement relates to full cash consideration received upfront for the first tranche of shares to be issued after 31 March 2022 (Note 34).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

19. TRADE AND OTHER PAYABLES (CONTINUED)

Contingent consideration

On 12 May 2019, a Sale and Purchase Agreement (the "Agreement") between Tritech Group Limited (the "Group"), TGL Engineering ("TGL Engineering", and Lim Wen Heng Construction (the "Purchaser") was entered into for the sale of entire shareholding of Presscrete Engineering Pte Ltd ("PE"). One of the components of the sales consideration ("contingent consideration") is the share of 50% of net profits or net losses after tax, to be generated from the 12 PE's Agreed Projects ("Agreed Projects") as stipulated in the Agreement from 1 January 2019 to the final completion of all the 12 Agreed Projects (the "Agreed Period").

The contingent consideration meets the definition of a financial asset/liability and is accounted for at fair value through profit or loss at the end of each financial year end. The fair value of the contingent consideration is determined by the profits from the Agreed Projects which are expected to be completed in 2024.

On the date of disposal on 12 May 2019, the fair value of the contingent consideration was assessed to be approximately $4.0 million and payment of $4.0 million was received by the Group for the financial year ended 31 March 2020. As at 31 March 2020, the Group has re-assessed and determined the fair valuation of the contingent consideration to be $4.0 million.

As at 31 March 2021, the Group was informed by PE that the expected profitability of the Agreed Projects were affected by the escalation in costs due to COVID-19 implications.

As at 31 March 2022, PE has stated that the projects has encountered further unexpected complexities, which resulted in further escalation of cost and also the extension of the projects completion timeline. The Group has re-assessed the fair value of the contingent consideration by examining the project supporting documents and schedules prepared by PE, evaluating the latest project information and explanations for the changes in expected net profits by PE. The Group has also leveraged on its past experience and knowledge of the Agreed Projects given that PE was previously its subsidiary, and is of the view that the fair valuation of contingent consideration of approximately loss of $1.9 million would represent the best estimation and accordingly, it has recorded a fair valuation loss of $5.9 million as at 31 March 2022.

The fair value of the contingent consideration was presented as net financial liability of $5.9 million in the consolidated balance sheet as the Group has a legally enforceable right and the intention to settle the amount on a net basis based on the finalised net profits/losses of the Agreed Projects upon completion in accordance to the terms in the Agreement.

As at 31 March 2022, the fair value of the contingent consideration was approximately $5,924,010 with fair value loss of $3,224,010 charged to profit or loss for the year.

Movement in the fair value of the contingent consideration is as follow:

	Group and Company	
	2022	**2021**
	$	**$**
At 1 April 2021	**2,700,000**	–
Fair value loss recognised in profit or loss	**3,224,010**	2,700,000
At 31 March 2022	**5,924,010**	2,700,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

19. TRADE AND OTHER PAYABLES (CONTINUED)

Contingent consideration (Continued)

Trade and other payables denominated in foreign currencies other than the functional currency of the entity as at 31 March are as follows:

	Group	
	2022	2021
	$	$
United States Dollar	**485,177**	640,475
New Zealand Dollar	**46,332**	47,578
Euro	**–**	246,359

20. BANK BORROWING

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Current liabilities				
Secured				
Mortgage loan	**25,948**	24,380	**25,948**	24,380
Bank overdrafts	**1,334,273**	1,363,264	**1,334,273**	1,363,264
	1,360,221	1,387,644	**1,360,221**	1,387,644
Unsecured				
Term loan I	**198,826**	192,955	**198,826**	192,955
Term loan II	**596,488**	578,880	**–**	–
	795,314	771,835	**198,826**	192,955
	2,155,535	2,159,479	**1,559,047**	1,580,599
Non-current liabilities				
Secured				
Mortgage loan	**217,827**	243,775	**217,827**	243,775
Unsecured				
Term loan I	**451,878**	650,772	**451,878**	650,772
Term loan II	**1,355,306**	1,951,794	**–**	–
	1,807,184	2,602,566	**451,878**	650,772
	2,025,011	2,846,341	**669,705**	894,547
Total bank borrowings	**4,180,546**	5,005,820	**2,228,752**	2,475,146

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

20. BANK BORROWINGS (CONTINUED)

The average effective interest rates per annum of the bank borrowings are as follows:

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Term loan I	**3.00**	3.00	**3.00**	3.00
Term loan II	**3.00**	3.00	**–**	–
Mortgage loan	**6.25**	6.25	**6.25**	6.25
Bank overdrafts	**6.27**	4.90	**6.27**	4.90

Secured

Mortgage loan from a financial institution which is denominated in SGD is repayable over 210 months commencing from 11 May 2012 at the bank's commercial financing rate. Mortgage loan is secured by the legal mortgage over the Company's leasehold property (Note 11).

Bank overdrafts are secured by the Company's leasehold property (Note 11). Bank overdrafts are denominated in SGD.

Unsecured

Term loan I from a financial institution which is denominated in SGD is repayable over 60 months commencing from 15 June 2020.

Term loan II from a financial institution which is denominated in SGD is repayable over 60 months commencing from 15 June 2020. Term loan II is secured by a corporate guarantee of the Company.

As at the end of the reporting period, the banking facilities utilised by and granted to the Group and the Company are as follows:

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Facilities granted	**4,346,273**	5,142,556	**2,394,479**	2,611,882
Facilities utilised	**4,180,546**	5,005,820	**2,228,752**	2,475,146

A reconciliation of liabilities arising from financing activities is as follows:

	1.4.2021	Cash flows	Reclassification	31.3.2022
	$	$	$	$
Bank borrowings				
– current	796,215	(796,215)	821,262	**821,262**
– non-current	2,846,341	(68)	(821,262)	**2,025,011**
Total	3,642,556	(796,283)	–	**2,846,273**

	1.4.2020	Cash flows	Reclassification	31.3.2021
	$	$	$	$
Bank borrowings				
– current	486,053	(486,053)	796,215	796,215
– non-current	268,447	3,374,109	(796,215)	2,846,341
Total	754,500	2,888,056	–	3,642,556

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

21. LEASES

As a lessee

The Group has lease contracts for office building, machinery, instrumentation and tools, and motor vehicles. Leases of machinery and motor vehicles generally have lease terms between 36 to 84 months, while office building has lease term of 49 months. 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.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use asset and the movements during the period:

	Group	
	2022	**2021**
	$	**$**
At 1 April	**914,008**	1,599,515
Depreciation expense	**(685,507)**	(685,507)
At 31 March	**228,501**	914,008

The following are the amounts recognised in profit or loss:

	Group	
	2022	**2021**
	$	**$**
Depreciation of right-of-use asset	**685,507**	685,507
Depreciation of finance leased assets	**30,588**	26,021
Interest expense on lease liabilities	**78,046**	143,561
Rental expenses – short term lease	**14,930**	31,968
– low value assets	**15,184**	16,828
Total amount recognised in profit or loss	**824,255**	903,885

A reconciliation of changes in lease liabilities arising from financing activities is as follows:

		Non-cash changes		
	1.4.2021	**Reclassification**	**Cash flows**	**31.3.2022**
	$	**$**	**$**	**$**
Lease liabilities				
– current	958,300	365,200	(954,590)	**368,910**
– non-current	457,968	(365,200)	–	**92,768**
Total	1,416,268	–	(954,590)	**461,678**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

21. LEASES (CONTINUED)

	1.4.2020	Addition	Non-cash changes Reclassification	Rent concession	Cash flows	31.3.2021
	$	$	$	$	$	$
Lease liabilities						
– current	854,280	152,492	807,148	(140,958)	(714,662)	958,300
– non-current	1,265,116	–	(807,148)	–	–	457,968
Total	2,119,396	152,492	–	(140,958)	(714,662)	1,416,268

The Group's obligations under the finance leases are secured by the lessors' title to the leased assets (Note 10) and corporate guarantees of the Company.

22. LOANS FROM A SHAREHOLDER

The loans from a shareholder are unsecured, interest-bearing at an effective interest rate of 5.32% to 10% (2021: 5.32% to 10%) per annum and with a maturity period of 19 – 21 months (2021: 15 – 21 months). During the previous financial year, loans from a shareholder of $4,820,300 (2021: $4,820,600) had been extended for 2 years with maturity date on 31 October 2023 and 11 December 2023 respectively and $Nil (2021: $820,000) had been extended to 12 months from the authorisation of the previous year financial statements.

As at 31 March 2022, the Group had loan from a shareholder of $2,820,300 (2021: $2,820,600) denominated in New Zealand Dollar.

A reconciliation of liabilities arising from financing activities is as follows:

	1.4.2021	Cash flows	Accretion of interest	Foreign exchange movement	31.3.2022
	$	$	$	$	$
Loans from a shareholder	5,640,600	(1,258,962)	438,962	(300)	**4,820,300**

	1.4.2020	Cash flows	Accretion of interest	Foreign exchange movement	31.3.2021
	$	$	$	$	$
Loans from a shareholder	6,870,600	(1,990,284)	490,284	270,000	5,640,600
Amounts due to a shareholder	2,525,431	(2,525,431)	–	–	–
Total	9,396,031	(4,515,715)	490,284	270,000	5,640,600

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

23. DEFERRED TAX

Deferred income tax as at 31 March relates to the following:

	Consolidated balance sheet		Consolidated income statement	
	2022	2021	2022	2021
	$	$	$	$
Gross deferred tax assets				
Other deductible temporary differences	**97,963**	81,430	**16,533**	(6,121)
	97,963	81,430		
Gross deferred tax liabilities				
Unremitted foreign interest income	**(133,139)**	(97,854)	**(35,285)**	(38,964)
Differences in depreciation for tax purposes	**(189,634)**	(250,436)	**60,802**	24,352
	(322,773)	(348,290)		
	(224,810)	(266,860)		
Deferred tax credit/(expense) (Note 8)			**42,050**	(20,733)

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 the deferred taxes relate to the same taxable entity and the same taxation authority. The amounts determined after appropriate offsetting are included in the consolidated balance sheet as follows:

	Group	
	2022	2021
	$	$
Net deferred tax liabilities	**(224,810)**	(266,860)

	Company	
	2022	2021
	$	$
Deferred tax liabilities		
Differences in depreciation of plant and equipment for tax purposes	**(56,476)**	(113,824)
Unremitted foreign interest income	**(133,139)**	(97,854)
	(189,615)	(211,678)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

24. SHARE CAPITAL

	Group and Company			
	2022	2022	2021	2021
	No. of shares	$	No. of shares	$
Issued and fully paid ordinary shares				
At 1 April	**964,867,731**	**79,197,764**	944,867,731	78,617,764
Transfer from employee share award reserve upon conversion of employee share awards	**50,000,000**	**1,090,000**	20,000,000	580,000
Share issue expenses	**–**	**(5,000)**	–	–
At 31 March	**1,014,867,731**	**80,282,764**	964,867,731	79,197,764

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

On 16 June 2020, the Company has allotted and issued 20,000,000 ordinary shares at $0.029 each to eligible employees pursuant to the vesting of the share award granted to them.

On 27 April 2021, the Company has allotted and issued 20,000,000 ordinary shares at $0.029 each to eligible employees pursuant to the vesting of the share award granted to them.

On 11 October 2021, the Company has allotted and issued 30,000,000 ordinary shares at $0.017 each to eligible directors and employees pursuant to the vesting of the share award granted to them.

25. RESERVES

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Gains on disposal to non-controlling interests	**34,944,540**	34,944,540	**–**	–
Employee share award reserve	**–**	580,000	**–**	580,000
Foreign currency translation reserve	**99,867**	161,827	**–**	–
Equity component of convertible loans	**–**	2,772,300	**–**	2,772,300
Accumulated losses	**(103,805,255)**	(105,568,458)	**(69,754,093)**	(63,059,141)
	(68,760,848)	(67,109,791)	**(69,754,093)**	(59,706,841)

(a) Gains on disposal to non-controlling interests

The gains on the disposal and deemed disposal of shares in a subsidiary represent the excess of the deemed considerations received from the respective parties against the share of the subsidiary's net assets disposed of.

	Group	
	2022	2021
	$	$
At 1 April and 31 March	**34,944,540**	34,944,540

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For the financial year ended 31 March 2022

25. RESERVES (CONTINUED)

(b) Employee share award reserve

Tritech Group Performance Share Plan 2010

The Company implemented an employee share award scheme known as the Tritech Group Performance Share Plan 2010 ("Share Plan") for the purpose of providing incentives and rewards to eligible employees and directors of the Group. The Share Plan was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 28 July 2010.

On 28 March 2019, the Group has announced that 5 employees (collectively the "Eligible Employees" and each an "Eligible Employee") of the Group were granted an aggregate of 40,000,000 shares award (the "Award") under the Share Plan. In determining the fair value of the share awards as at grant date, the Group has considered the share price as at the grant date, the expected volatility, dividend yield of the Group, the risk-free interest rate, length of the vesting period and adopted a risk-neutral assumption whereby the Group assumed the cost of holding the stock offset the expected return, in estimating the future share price. As for the key non-market condition (i.e. the forfeiture rate) of the Award, the Group does not expect the forfeiture rate to be material, given that these 5 employees are long serving employee of the Group and would highly likely be in employment of the Group on the date the Award is vested.

Vesting period and conditions of the 40,000,000 share award:

(a) 20,000,000 of the share awards granted to each individual Eligible Employee shall vest as at 31 March 2020, provided always that said Eligible Employee remains in the employment of the Group as at 31 March 2020.

(b) The remaining 20,000,000 of the share awards granted on 28 March 2019 to each individual Eligible Employee shall vest as at 31 March 2021, provided always that said Eligible Employee remains in the employment of the Group as at 31 March 2021.

The following are the movement of the Award:

Name of participants	Number of shares granted	Fair value of each share as at Grant date	Number of share awards Balance at 1.4.2020	Vested on 31.3.2021	Balance at 31.3.2021
Employees of the Group					
Dr Tan Chien Hsiang	15,000,000	S$0.029	7,500,000	(7,500,000)	–
Dr Fu Chen	10,000,000	S$0.029	5,000,000	(5,000,000)	–
Kuan Keng Mun	5,000,000	S$0.029	2,500,000	(2,500,000)	–
Poh Ye Kong	5,000,000	S$0.029	2,500,000	(2,500,000)	–
Gong Zhao	5,000,000	S$0.029	2,500,000	(2,500,000)	–
			20,000,000	(20,000,000)	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. RESERVES (CONTINUED)

(b) Employee share award reserve (Continued)

Tritech Group Performance Share Plan 2021

The Company implemented an employee share award scheme known as the Tritech Group Performance Share Plan 2021 ("Share Plan") for the purpose of providing incentives and rewards to eligible employees and directors of the Group. The Share Plan was approved and adopted by the shareholders at an Extraordinary General Meeting of the Company held on 29 July 2021.

On 8 October 2021, the Group has announced that 2 employees (collectively the "Eligible Employees" and each an "Eligible Employee") and 2 directors (collectively the "Eligible Directors" and each an "Eligible Director") of the Group were granted an aggregate of 30,000,000 shares award (the "Award") under the Share Plan. In determining the fair value of the share awards as at grant date, the Group has considered the share price as at the grant date, the expected volatility, dividend yield of the Group, the risk-free interest rate, length of the vesting period and adopted a risk-neutral assumption whereby the Group assumed the cost of holding the stock offset the expected return, in estimating the future share price. As for the non-market condition (i.e. the forfeiture rate) of the Award, the Group does not expect the forfeiture rate to be material, given that these Eligible Employees and Eligible Directors are long serving employee of the Group and would highly likely be in employment of the Group on the date the Award is vested.

The following are the movement of the Award:

Name of participants	Number of shares granted	Fair value of each share as at Grant date	Balance at 1.4.2021	Number of share awards Granted on 8.10.2021	Number of share awards Vested on 11.10.2021	Balance at 31.3.2022
Directors of the Company						
Professor Yong Kwet Yew	10,000,000	S$0.017	–	10,000,000	(10,000,000)	**–**
Aw Eng Hai	10,000,000	S$0.017	–	10,000,000	(10,000,000)	**–**
Employees of the Group						
Mui Siew Yun	5,000,000	S$0.017	–	5,000,000	(5,000,000)	**–**
Ang Wee Boon	5,000,000	S$0.017	–	5,000,000	(5,000,000)	**–**
			–	30,000,000	(30,000,000)	**–**

Employee share award reserve represents the equity-settled performance share awards as mentioned above. The reserve is made up of the cumulative value of services received from the employees recorded at the grant date of the performance share awards.

	Group and Company 2022 $	Group and Company 2021 $
At 1 April	**580,000**	871,581
Grant of equity-settled share award to employees	**510,000**	288,419
Conversion of share award	**(1,090,000)**	(580,000)
At 31 March	**–**	580,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25. RESERVES (CONTINUED)

(c) Foreign currency translation reserve

The foreign currency translation reserve account comprises of foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency of Singapore Dollar and is non-distributable. Movement in this account is set out in the consolidated statement of changes in equity.

26. COMMITMENTS

Operating lease commitments – as lessor

The Group has entered into commercial leases on its operating lease premises. Future minimum rentals receivable for premises under non-cancellable operating leases at the end of the reporting period are as follows:

	Group and Company	
	2022	**2021**
	$	**$**
Not later than one year	**63,000**	108,000
Later than one year but not later than five years	**–**	63,000
	63,000	171,000

All leases include clauses to enable upward revision of the rental charge on an annual basis based on prevailing market conditions and renewal options. No arrangement entered for contingent rent payments.

27. RELATED PARTY TRANSACTIONS

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

(a) Sales and purchase of services

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**
With shareholders				
Repayment of loan to shareholders	**820,000**	1,500,000	**820,000**	1,500,000
Repayment to shareholder	**–**	2,525,431	**–**	2,407,658
Consultancy fees charged by a shareholder	**468,875**	335,964	**468,875**	335,964
With directors				
Consultancy fees charged by a director of the Company	**279,180**	407,240	**–**	–
Consultancy fees charged by a director of a subsidiary	**128,060**	–	**–**	–
With associate				
Interest income charged to an associate	**363,530**	349,172	**363,530**	349,172

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For the financial year ended 31 March 2022

27. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Compensation of key management personnel

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Directors' fees	**191,250**	190,000	**191,250**	190,000
Short-term benefits	**1,666,649**	1,638,538	**552,308**	649,500
Contributions to the defined contribution plans	**114,531**	99,354	**15,937**	16,146
Employee share award scheme	**425,000**	144,209	**340,000**	–
Total compensation paid to key management personnel	**2,397,430**	2,072,101	**1,099,495**	855,646
Comprise amounts paid to:				
– Directors of the Company	**1,110,884**	886,763	**1,099,495**	855,646
– Directors of subsidiaries	**1,077,635**	749,583	**–**	–
– Other key management personnel	**208,911**	435,755	**–**	–
	2,397,430	2,072,101	**1,099,495**	855,646

The remuneration of key management personnel is determined by the directors having regard to the performance of individuals and market trends.

28. CONTINGENT LIABILITIES

Corporate guarantees

The Company has issued corporate guarantees for bank borrowings and finance lease payables of certain subsidiaries. These bank borrowings and finance lease payables amounted to $2,078,426 (2021: $2,702,586) at the balance sheet date. The fair value of such financial guarantees is not expected to be material as the bank borrowings and finance lease payables are collateralised against certain assets of the Company and the respective subsidiaries as disclosed in Notes 20 and 21. Accordingly, the financial guarantees have not been recognised.

Financial support

As at the end of the financial year, the Company had given undertakings to certain subsidiaries to provide continued financial support to these subsidiaries to enable them to operate as going concerns and to meet their obligations as and when they fall due for at least 12 months from the date of authorised financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

29. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services, and has three reportable segments as follows:

(i) Smart Urban Development segment, which comprises one-stop integrated service provider for smart urban development, covering urban planning, site investigation, design and consultancy, engineering survey, instrumentation and monitoring, project management, construction supervision, data collection, big data analytics, artificial intelligence and cloud computing digital platform;

(ii) Water and Environment segment, which comprises one-stop product-technology-design-build-operation service provider for water treatment & environmental protection projects, covering membrane products, smart technologies, engineering solutions, design and consultancy, construction, operation and maintenance; and

(iii) Corporate business, which comprises Group-level corporate services and treasury functions.

During the financial year 2022, the Engineering segment has been renamed to Smart Urban Development segment following an internal restructuring of Geosoft Pte Ltd and Tritech Syseng (S) Pte Ltd under ADAS Group Pte Ltd. This change does not result in any change in the Group's principal activities or risk profile but management considers this change to be more reflective of an integrated service system which is in line with its business direction.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

2022	Smart urban development business $	Water and environment business $	Corporate $	Adjustments $	Per consolidated financial statements $
Revenue:					
Sales to external customers	27,253,112	195,852	–	27,448,964	
Inter-segment sales	750,616	60,634	840,000	(1,651,250)	–
Total revenue	28,003,728	256,486	840,000	(1,651,250)	27,448,964
Results:					
Segment results	4,807,576	(1,344,680)	(3,082,734)	–	380,162
Finance costs	(153,676)	(30)	(561,357)	–	(715,063)
Interest income	4,206	1,356	363,530	–	369,092
Share of results of associate	–	–	(743,046)	–	(743,046)
Profit/(Loss) before taxation	4,658,106	(1,343,354)	(4,023,607)	–	(708,855)
Income tax credit					(320,534)
Loss for the year					(1,029,389)

Note: Nature of adjustments relate to inter-segment revenues, and eliminated to arrive at amounts reported in the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

29. SEGMENT INFORMATION (CONTINUED)

2022 (Continued)	Smart urban development business $	Water and environment business $	Corporate $	Adjustments $	Per consolidated financial statements $
Significant non-cash items:					
Depreciation and amortisation expenses	2,019,382	57,572	37,483	–	2,114,437
Fair value loss on contingent consideration	–	–	3,224,010	–	3,224,010
Gain on disposal of intangible assets	–	–	1,962,293	–	1,962,293
Impairment loss on financial assets	268,282	206,000	–	–	474,282
Intangible assets written off	–	18,750	–	–	18,750
Plant and equipment written off	690	–	–	–	690
Write-back of impairment loss on financial assets	(17,856)	(11,754)	–	–	(29,610)
Equity-settled share awards expenses	170,000	–	340,000	–	510,000
Capital expenditure:					
Plant and equipment	320,716	14,512	1,494	–	336,722
Intangible assets	1,078,390	185,493	–	–	1,263,883
Assets	23,122,734	1,487,843	22,991,317	–	47,601,894
Liabilities	13,307,674	1,298,242	21,380,114	–	35,986,030

2021	Smart urban development business $	Water and environment business $	Corporate $	Other $	Adjustments $	Per consolidated financial statements $
Revenue:						
Sales to external customers	21,457,040	1,414,667	–	–	–	22,871,707
Inter-segment sales	271,613	(93,015)	840,000	76,800	(1,095,398)	–
Total revenue	21,728,653	1,321,652	840,000	76,800	(1,095,398)	22,871,707
Results:						
Segment results	3,867,299	(1,465,208)	(4,385,610)	(129,322)	–	(2,112,841)
Finance costs	(271,922)	–	(597,719)	(30)	–	(869,671)
Interest income	7,439	14	349,173	–	–	356,626
Share of results of associate	–	–	(2,040,162)	–	–	(2,040,162)
Profit/(Loss) before taxation	3,602,816	(1,465,194)	(6,674,318)	(129,352)	–	(4,666,048)
Income tax credit						27,512
Loss for the year						(4,638,536)

Note: Nature of adjustments relate to inter-segment revenues, and eliminated to arrive at amounts reported in the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

29. SEGMENT INFORMATION (CONTINUED)

2021 (Continued)	Smart urban development business $	Water and environment business $	Corporate $	Other $	Adjustments $	Per consolidated financial statements $
Significant non-cash items:						
Bad debts written off	749	–	–	–	–	749
Depreciation and amortisation expenses	1,726,161	152,225	37,358	119,985	–	2,035,729
Fair value loss on contingent consideration	–	–	2,700,000	–	–	2,700,000
Impairment loss on financial assets	–	353	–	–	–	353
Write-back of inventories written down	–	(2,181)	–	–	–	(2,181)
Write-back of impairment loss on financial assets	(19,590)	(7,318)	–	–	–	(26,908)
Equity-settled share awards expenses	36,053	252,366	–	–	–	288,419
Capital expenditure:						
Plant and equipment	686,947	35,817	–	–	–	722,764
Intangible assets	1,069,614	251,860	–	–	–	1,321,474
Assets	19,872,438	1,832,232	15,960,391	692,779	–	38,357,840
Liabilities	11,796,281	963,304	13,344,366	51,676	–	26,155,627

Geographical information

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

	Revenue		Non-current assets	
	2022 $	2021 $	2022 $	2021 $
Singapore	**26,977,191**	22,681,762	**8,724,977**	9,258,249
People's Republic of China	**–**	–	**16,093,682**	14,283,561
Malaysia	**461,299**	172,139	**–**	–
Vietnam	**10,474**	17,806	**–**	–
	27,448,964	22,871,707	**24,818,659**	23,541,810

Non-current assets consist of property, plant and equipment, investment property, investment in associate, right-of-use asset, intangible assets and other receivables as presented in the balance sheet of the Group.

Information about major customers

Revenue from 2 (2021: 2) major customers amounted to $21,384,407 (2021: $18,517,064) and arose from construction and geotechnical services rendered within the smart urban development business segment.

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies and procedures for the management of these risks. It is, and has been throughout the years under review, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. The Group and the Company do not apply hedge accounting.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

(a) 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 the Group's short-term deposits, loan from shareholders, finance lease payables and bank borrowings.

The Group's policy is to manage interest cost by maintaining an efficient and optimal interest cost structure using a combination of fixed and variable rate debts, and long and short-term borrowings.

Sensitivity analysis for interest rate risk

At the end of the reporting period, if interest rates had been 100 (2021: 100) basis points higher/lower with all other variables held constant, the Group's loss net of tax would have been $700 lower (2021: $100 lower), arising mainly as a result of higher/lower interest income on cash and short-term deposits and higher/lower interest expenses on floating rate loans and borrowings.

(b) Foreign currency risk

The Group operates in Asia with dominant operations in Singapore and PRC. Entities in the Group regularly transacts in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group and the Company mainly from transactions and balances denominated in United States dollar ("USD"), New Zealand dollar ("NZD"), Euro and Chinese Yuan ("CNY"). Exposure to foreign currency risk is monitored on an on-going basis to ensure that the net exposure is at an acceptable level.

As at the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in foreign currencies other than the respective entity's functional currency are disclosed in the respective notes to the financial statements. The Group and the Company have not entered into any currency forward exchange contracts during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Foreign currency risk (Continued)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity to a reasonably possible change in the NZD and CNY against the functional currencies of the Group's entities with all other variables held constant, on the Group's loss before tax:

	Increase/(decrease)	
	2022 Loss before tax $	**2021 Loss before tax $**
Group		
NZD against SGD		
– Strengthened 5% (2021: 5%)	**143,332**	143,409
– Weakened 5% (2021: 5%)	**(143,332)**	(143,409)
CNY against SGD		
– Strengthened 5% (2021: 5%)	**(336,997)**	(409,370)
– Weakened 5% (2021: 5%)	**336,997**	409,370

The potential impact of foreign exchange rate fluctuation on profit or loss of the Group as described in the sensitivity analysis above is attributable mainly to foreign exchange rate fluctuations on the Group's exposure on non-reporting currency receivables and payables as at the end of the reporting period.

(c) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities, cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (Continued)

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition. The Group considers available reasonable and supportive forwarding-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Actual or expected significant changes in the operating results of the borrower
- Significant increases in credit risk on other financial instruments of the same borrower
- Significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers in the group and changes in the operating results of the borrower

The Group determined that its financial assets are credit-impaired when:

- There is significant difficulty of the issuer or the borrower
- A breach of contract, such as a default or past due event
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group categorises a loan or receivable for potential write-off when a debtor fails to make contractual payments more than 90 days past due. Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans and receivables have been written off, the company continues to engage enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (Continued)

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.

(i) Debt securities at amortised cost, debt securities at fair value through other comprehensive income and loans at amortised cost

The Group uses three categories of internal credit risk ratings for debt instruments and loans which reflect their credit risk and how the loss provision is determined for each of those categories. These internal credit risk ratings are determined through incorporating both qualitative and quantitative information that builds on information from external credit rating companies, supplemented with information specific to the counterparty and other external information that could affect the counterparty's behaviour.

The Group compute expected credit loss for this group of financial assets using the probability of default approach. In calculating the expected credit loss rates, the Group considers implied probability of default from external rating agencies where available and historical loss rates for each category of counterparty, and adjusts for forward looking macroeconomic.

A summary of the Group's internal grading category in the computation of the Group's expected credit loss model for the debt instruments and loans is as follows:

Category	**Definition of category**	**Basis for recognition of expected credit loss provision**	**Basis for calculating interest revenue**
Grade I	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12-month expected credit losses	Gross carrying amount
Grade II	Loans for which there is a significant increase in credit risk; as significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due.	Lifetime expected credit losses	Gross carrying amount
Grade III	Interest and/or principal repayments are 60 days past due.	Lifetime expected credit losses	Amortised cost of carrying amount (net of credit allowance)

There are no significant changes to estimation techniques or assumptions made during the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (Continued)

(ii) Financial assets at amortised cost

The loss allowance provision for financial assets at amortised cost reconciles to the opening loss allowance for that provision as follows:

	Group Financial assets at amortised cost 2022 $
As at 1 April 2021	**311,556**
Loss allowance measured at:	
Lifetime ECL	
– Trade amounts (Simplified approach)	**268,282**
Utilised during the year	**(1,451)**
Write-back during the year	**(29,610)**
As at 31 March 2022	**548,777**

	2021 $
As at 1 April 2020	388,055
Loss allowance measured at:	
Lifetime ECL	
– Trade amounts (Simplified approach)	353
Utilised during the year	(49,630)
Write-back during the year	(26,908)
Exchange difference	(314)
As at 31 March 2021	311,556

The gross carrying amount of financial assets at amortised cost is as follows:

Group		**2022 $**
12-month ECL	Financial assets at amortised cost	**11,999,450**
Lifetime ECL	Financial assets at amortised cost	**2,985,567**
Total		**14,985,017**

Group		**2021 $**
12-month ECL	Financial assets at amortised cost	12,915,517
Lifetime ECL	Financial assets at amortised cost	3,159,258
Total		16,074,775

The gross carrying amount of trade receivables of the Group are disclosed in Note 15.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (Continued)

(iii) Trade receivables and contract assets

The Group provides for lifetime expected credit losses for all trade receivables, and contract assets using a provision matrix. The provision rates are determined based on the Group's historical observed default rates analysed in accordance to days past due by grouping of customers based on geographical region. The loss allowance provision as at 31 March 2022 is determined as follows, the expected credit losses below also incorporate forward looking information based on specific economic data.

Summarised below is the information about the credit risk exposure on the Group's trade-related balances using provision matrix, grouped by geographical region:

2022

Singapore:

		Trade receivables				
	Contract assets	Current	31-60 days	61-90 days	>90 days	Total
	$	$	$	$	$	$
Gross carrying amount	**4,861,090**	**1,437,439**	**255,392**	**39,501**	**1,094,284**	**7,687,706**
Loss allowance provision	**35,911**	**–**	**–**	**–**	**389,826**	**425,737**

Other geographical areas:

		Trade receivables				
	Contract assets	Current	31-60 days	61-90 days	>90 days	Total
	$	$	$	$	$	$
Gross carrying amount	**–**	**–**	**–**	**–**	**158,951**	**158,951**
Loss allowance provision	**–**	**–**	**–**	**–**	**158,951**	**158,951**

2021

Singapore:

		Trade receivables				
	Contract assets	Current	31-60 days	61-90 days	>90 days	Total
	$	$	$	$	$	$
Gross carrying amount	4,256,184	1,858,569	94,774	94,873	915,276	7,219,676
Loss allowance provision	138,213	–	–	–	287,643	425,856

Other geographical areas:

		Trade receivables				
	Contract assets	Current	31-60 days	61-90 days	>90 days	Total
	$	$	$	$	$	$
Gross carrying amount	–	16,968	–	–	178,798	195,766
Loss allowance provision	–	–	–	–	23,913	23,913

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Credit risk (Continued)

(iii) Trade receivables and contract assets (Continued)

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. The Group does not apply hedge accounting.

Exposure to credit risk

As at the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by:

- the carrying amount of each class of financial assets recognised in the balance sheets; and
- a nominal amount of $2,078,426 (2021: $2,702,586) relating to corporate guarantees provided by the Group to the banks on subsidiaries' bank loans.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country and industry sector profile of its trade receivables on an ongoing basis. The credit risk concentration profile of the Group's trade receivables at the end of the reporting period is as follows:

	Group			
	2022		2021	
	$	% of	$	% of
By country:				
Singapore	**2,436,790**	**100**	2,675,849	94
Malaysia	**–**	**–**	170,878	6
Others	**–**	**–**	975	–
	2,436,790	**100**	2,847,702	100
By industry sector:				
Smart urban development business	**2,425,606**	**99.6**	2,613,687	92
Water and environment business	**11,184**	**0.4**	234,015	8
	2,436,790	**100**	2,847,702	100

Financial assets that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are substantially companies with good collection track record with the Group and the Company. Cash and short-term deposits that are neither past due nor impaired are placed with reputable commercial banks and financial institutions which are regulated in Singapore and has no history of default.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and by matching the payment and receipt cycle.

The Group and the Company manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As part of the overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash and short-term deposits to meet their working capital requirements.

The following table details the Group's and Company's remaining contractual maturity for the financial instruments. The table has been drawn up based on undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group and the Company are expected to receive or pay.

	One year or less $	One to five years $	Over five years $	Total $
Group				
2022				
Financial assets				
Trade and other receivables[1]	**4,525,377**	**9,735,494**	**–**	**14,260,871**
Cash and short-term deposits	**12,877,057**	**–**	**–**	**12,877,057**
Total undiscounted financial assets	**17,402,434**	**9,735,494**	**–**	**27,137,928**
Financial liabilities				
Trade and other payables[2]	**12,486,551**	**5,924,010**	**–**	**18,410,561**
Bank borrowings	**2,237,234**	**2,030,609**	**104,459**	**4,372,302**
Lease liabilities	**380,948**	**100,328**	**–**	**481,276**
Loans from shareholder	**–**	**5,448,710**	**–**	**5,448,710**
Total undiscounted financial liabilities	**15,104,733**	**13,503,657**	**104,459**	**28,712,849**
Total net undiscounted financial assets/(liabilities)	**2,297,701**	**(3,768,163)**	**(104,459)**	**(1,574,921)**
2021				
Financial assets				
Trade and other receivables[1]	4,624,094	11,529,717	–	16,153,811
Cash and short-term deposits	3,402,107	1,635,464	–	5,037,571
Total undiscounted financial assets	8,026,201	13,165,181	–	21,191,382
Financial liabilities				
Trade and other payables[2]	7,212,376	2,700,000	–	9,912,376
Bank borrowings	2,266,225	2,893,197	144,908	5,304,330
Lease liabilities	1,036,524	477,216	–	1,513,740
Loans from shareholders	–	6,766,926	–	6,766,926
Total undiscounted financial liabilities	10,515,125	12,837,339	144,908	23,497,372
Total net undiscounted financial (liabilities)/assets	(2,488,924)	327,842	(144,908)	(2,305,990)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (Continued)

	One year or less $	One to five years $	Over five Years $	Total $
Company				
2022				
Financial assets				
Trade and other receivables[1]	**6,164,306**	**9,735,494**	**–**	**15,899,800**
Cash and short-term deposits	**5,093,634**	**–**	**–**	**5,093,634**
Total undiscounted financial assets	**11,257,940**	**9,735,494**	**–**	**20,993,434**
Financial liabilities				
Trade and other payables[2]	**7,772,079**	**22,609,015**	**–**	**30,381,094**
Bank borrowings	**1,590,350**	**629,088**	**104,459**	**2,323,897**
Loans from shareholders	**–**	**5,448,710**	**–**	**5,448,710**
Total undiscounted financial liabilities	**9,362,429**	**28,686,813**	**104,459**	**38,153,701**
Total net undiscounted financial assets/(liabilities)	**1,895,511**	**(18,951,319)**	**(104,459)**	**(17,160,267)**
Company				
2021				
Financial assets				
Trade and other receivables[1]	8,076,872	11,529,717	–	19,606,589
Cash and short-term deposits	46,742	–	–	46,742
Total undiscounted financial assets	8,123,614	11,529,717	–	19,653,331
Financial liabilities				
Trade and other payables[2]	17,087,476	2,700,000	–	19,787,476
Bank borrowings	1,619,341	844,791	144,908	2,609,040
Loans from shareholders	–	6,766,926	–	6,766,926
Total undiscounted financial liabilities	18,706,817	10,311,717	144,908	29,163,442
Total net undiscounted financial (liabilities)/assets	(10,583,203)	1,218,000	(144,908)	(9,510,111)

(1) Exclude GST refundable, interest and grant receivable.

(2) Exclude GST payable.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Liquidity risk (Continued)

The table below shows the contractual expiry by maturity of the Company's contingent liabilities. The maximum amount of the financial guarantee contracts are allocated to the earliest period in which the guarantees could be called.

	One year or less $	Total $
Company		
2022		
Financial guarantees provided to subsidiaries	**2,078,426**	**2,078,426**
2021		
Financial guarantees provided to subsidiaries	2,702,586	2,702,586

31. FAIR VALUE OF ASSETS AND LIABILITIES

(a) Fair value hierarchy

The Group categorises fair value measurement 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

31. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

(b) Assets and liabilities measured at fair value

	Note	Fair value measurements using Quoted prices in active markets for identical instruments (Level 1) $	Significant observable inputs other than quoted prices (Level 2) $	Significant unobservable inputs (Level 3) $	Total $
Group and Company					
2022					
Assets					
Financial assets:					
Investment securities	17	**125,700**	**–**	**–**	**125,700**
Financial liabilities:					
Contingent consideration	19	**–**	**–**	**5,924,010**	**5,924,010**
2021					
Assets					
Financial assets:					
Investment securities	17	125,700	–	–	125,700
Financial liabilities:					
Contingent consideration	19	–	–	2,700,000	2,700,000

(c) Assets and liabilities not measured at fair value, for which fair value is disclosed

The following table shows an analysis of the Group's assets and liabilities not measured at fair value, for which fair value is disclosed:

	Note	Fair value measurements using Quoted prices in active markets for identical instruments (Level 1) $	Significant observable inputs other than quoted prices (Level 2) $	Significant unobservable inputs (Level 3) $	Total $
Group and Company					
2022					
Assets					
Non-financial assets:					
Investment property	11	**–**	**–**	**1,900,000**	**1,900,000**
2021					
Assets					
Non-financial assets:					
Investment property	11	–	–	1,700,000	1,700,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

31. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

(d) Level 3 fair value measurements

(i) Information about significant unobservable inputs used in level 3 fair value measurements

The following table shows the information about fair value measurements using significant unobservable input (level 3):

Description	Valuation techniques	Unobservable inputs	Relationship between unobservable inputs and fair value
Contingent consideration	Income approach	Estimated net profits generated from the Agreed Projects	The higher/lower the net profits, the lower/higher the fair value valuation loss
Investment property	Market value approach	Yield adjustments*	The higher/lower the yield adjustments, the lower/higher the fair value valuation

* The yield adjustments are made for any difference in the floor area, floor level and the prevailing economic conditions affecting the property market, among others.

The fair value of the contingent consideration approximates its carrying value as the impact of discounting is not significant.

Investment property

The valuation of the investment property is based on comparable market transactions that consider sales of similar properties that have been transacted in the open market.

(ii) Valuation policies and procedures

The Group's Financial Controller ("FC") oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures.

For all significant financial reporting valuations using valuation model and significant unobservable inputs, it is the Group's policy to engage external valuation experts to perform the valuation. The FC is responsible for selecting and engaging valuation experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 fair value measurement guidance.

For valuations performed by external valuation experts, the FC reviews the appropriateness of the valuation methodologies and assumptions adopted. The FC also evaluates the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

In selecting the appropriate valuation models and inputs to be adopted for each valuation that uses significant unobservable inputs, external valuation experts are requested to calibrate the valuation models and inputs to actual market transactions (which may include transactions entered into by the Group with third parties as appropriate) that are relevant to the valuation if such information are reasonably available.

Significant changes in fair value measurements from period to period are evaluated by the FC for reasonableness. Key drivers of the changes are identified and assessed for reasonableness against relevant information from independent sources, or internal sources if necessary and appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32. FINANCIAL INSTRUMENTS BY CATEGORY

Set out below is the carrying amount of each of the categories of the Group's and the Company's financial instruments that are carried in the financial statements:

Group 2022	Financial assets at amortised cost $	Financial liabilities at amortised cost $	Financial assets/ liabilities at fair value through profit or loss $	Total $
Assets				
Trade and other receivables[1]	**13,988,727**	**–**	**–**	**13,988,727**
Cash and short-term deposits	**12,877,057**	**–**	**–**	**12,877,057**
Investment securities	**–**	**–**	**125,700**	**125,700**
	26,865,784	**–**	**125,700**	**26,991,484**
Liabilities				
Trade and other payables[2]	**–**	**12,486,551**	**5,924,010**	**18,410,561**
Bank borrowings	**–**	**4,180,546**	**–**	**4,180,546**
Lease liabilities	**–**	**461,678**	**–**	**461,678**
Loans from shareholders	**–**	**4,820,300**	**–**	**4,820,300**
	–	**21,949,075**	**5,924,010**	**27,873,085**
2021				
Assets				
Trade and other receivables[1]	15,521,706	–	–	15,521,706
Cash and short-term deposits	5,037,571	–	–	5,037,571
Investment securities	–	–	125,700	125,700
	20,559,277	–	125,700	20,684,977
Liabilities				
Trade and other payables[2]	–	7,212,376	2,700,000	9,912,376
Bank borrowings	–	5,005,820	–	5,005,820
Lease liabilities	–	1,416,268	–	1,416,268
Loans from shareholders	–	5,640,600	–	5,640,600
	–	19,275,064	2,700,000	21,975,064

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

32. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

Company 2022	Financial assets at amortised cost $	Financial liabilities at amortised cost $	Financial assets/ liabilities at fair value through profit or loss $	Total $
Assets				
Trade and other receivables[1]	**15,627,656**	**–**	**–**	**15,627,656**
Cash and short-term deposits	**5,093,634**	**–**	**–**	**5,093,634**
Investment securities	**–**	**–**	**125,700**	**125,700**
	20,721,290	**–**	**125,700**	**20,846,990**
Liabilities				
Trade and other payables[2]	**–**	**24,457,084**	**5,924,010**	**30,381,094**
Bank borrowings	**–**	**2,228,752**	**–**	**2,228,752**
Loans from shareholders	**–**	**4,820,300**	**–**	**4,820,300**
	–	**31,506,136**	**5,924,010**	**37,430,146**
2021				
Assets				
Trade and other receivables[1]	18,974,484	–	–	18,974,484
Cash and short-term deposits	46,742	–	–	46,742
Investment securities	–	–	125,700	125,700
	19,021,226	–	125,700	19,146,926
Liabilities				
Trade and other payables[2]	–	17,087,476	2,700,000	19,787,476
Bank borrowings	–	2,475,146	–	2,475,146
Loans from shareholders	–	5,640,600	–	5,640,600
	–	25,203,222	2,700,000	27,903,222

(1) Exclude GST refundable, interest and grant receivable.

(2) Exclude GST payable.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

33. CAPITAL MANAGEMENT

Capital includes debt and equity items as disclosed in the table below.

The primary objective of the Group's capital management is to ensure that the Group and the Company are able to continue as a going concern and maintain an optimal capital structure so as to maximise shareholders' value.

Management constantly reviews the capital structure to ensure the Group and the Company are able to service any debt obligations (include principal repayment and interests) based on their operating cash flows. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2022 and 2021.

The Group monitors capital based on a gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as bank borrowings, lease liabilities, and trade and other payables, less cash and short-term deposits. Total capital is calculated as total equity plus net debt.

The Group monitors its capital structure as follows:

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Trade and other payables	**18,924,879**	10,314,928	**30,385,108**	19,789,246
Bank borrowings	**4,180,546**	5,005,820	**2,228,752**	2,475,146
Lease liabilities	**461,678**	1,416,268	**–**	–
Less: Cash and short-term deposits	**(12,877,057)**	(5,037,571)	**(5,093,634)**	(46,742)
Net debt	**10,690,046**	11,699,445	**27,520,226**	22,217,650
Total equity	**11,615,864**	12,202,213	**10,528,671**	19,490,923
Total capital	**22,305,910**	23,901,658	**38,048,897**	41,708,573
Gearing ratio	**47.92%**	48.95%	**72.33%**	53.27%

In order to maintain their status with local regulatory authorities in the construction industry, certain subsidiaries of the Group are required to maintain a minimum paid up capital and minimum net worth respectively.

Certain banking facilities granted to certain subsidiaries and the Company require the Group and/or these entities to adhere to certain capital requirements. They are required to maintain certain net worth or gearing ratios in excess of specific financial thresholds.

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 March 2022 and 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Put and call option for New Shares

As announced on 22 and 25 March 2022, the Company had entered into a placement agreement ("Original Placement Agreement") with Protocol Capital W.L.L ("Protocol Capital"), Roads Holding Group W.L.L. ("Roads Holding"), Jackie Ng Chin Siong (Huang Zhenxiong) ("Jackie Ng") and Tan Hong Seok, Stephanie Lorraine ("Stephanie Tan") (collectively, the "Placees" and each, a "Placee", and the Company and the Placees to be collectively referred to as "Parties" and each a "Party") pursuant to which the Company has agreed to allot and issue with the Company in relation to a proposed placement of up to 742,166,667 new shares in the capital of the Company to the Strategic Investors.

The first tranche of 166,666,667 new shares will be allotted and issued at an issue price of S$0.03 per placement share. The second tranche of 575,500,000 new shares will be allotted and issued at an issue price of S$0.05 per placement share.

On 4 May 2022, the Company has entered into a supplementary agreement (the "Supplemental Agreement") to the Original Placement Agreement with the Strategic Investors, to agree to the proposed put and call options granted in place of the second tranche placement shares in accordance with the terms of the Original Placement Agreement.

Under the Supplementary Agreement, the Company agrees to grant each Strategic Investor, at nil consideration, a call option to require the Company to allot and issue to such Strategic Investor of the option shares and each Strategic Investors agrees to grant the Company, at nil consideration, a put option to require such Strategic Investor to subscribe to the option shares, at the option exercise price of S$0.05 for each option share.

Allotment of New Shares

On 3 June 2022, the Company has received the listing and quotation notice (the "LQN") from the Singapore Exchange Regulation ("SGX-Regco") for the listing and quotation of the first tranche of 166,666,667 new shares and the second tranche of 575,500,000 new shares.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

34. EVENTS OCCURRING AFTER THE REPORTING PERIOD (CONTINUED)

On 7 June 2022 and as announced on the same date, the Company has allocated and issued the first tranche of 166,666,667 new shares at the issue price of S$0.03 per placement share to the Strategic Investors in the proportion set out in the table below, pursuant to the Original Placement Agreement dated 22 March 2022:

	Placement Shares Issued	**% shareholding of the enlarged issued share capital of the Company following completion of the allotment and issuance of the Placement Shares**
Protocol Capital	83,333,334	7.05%
Jackie Ng	25,000,000	2.12%
Stephanie Tan	33,333,333	3.12%
Roads Holding	25,000,000	2.12%
Total	166,666,667	14.41%

Payment of the aggregate Placement Price for the allotment and issuance of the Placement Shares shall be satisfied by utilising the deposit of S$5,000,000 previously placed by the Strategic Investors with the Company as an advance payment towards the Placement Shares.

35. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 March 2022 were authorised for issue in accordance with a resolution of the directors on 12 July 2022.

STATISTICS OF SHAREHOLDINGS

As at 15 June 2022

SHARE CAPITAL

Issued and Fully Paid-Up Ordinary Share Capital	:	85,282,052.07
Class of Ordinary Shares	:	Ordinary Shares
Number of Ordinary Shares	:	1,181,534,398
Number of Treasury Shares	:	Nil
Number of Subsidiary Shares	:	Nil
Voting Rights	:	1 vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	238	16.02	4,228	0.00
100 – 1,000	34	2.29	14,168	0.00
1,001 – 10,000	198	13.32	954,036	0.08
10,001 – 1,000,000	933	62.79	145,986,978	12.36
1,000,001 AND ABOVE	83	5.58	1,034,574,988	87.56
TOTAL	**1,486**	**100.00**	**1,181,534,398**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	WANG XIAONING	120,673,628	10.21
2	PROTOCOL CAPITAL W.L.L.	83,333,334	7.05
3	LEE SUI HEE	82,310,612	6.97
4	ADONIS INVESTMENT HOLDINGS PTE LTD	69,317,985	5.87
5	CAI JUNGANG	62,301,805	5.27
6	PHILLIP SECURITIES PTE LTD	51,397,016	4.35
7	DBS NOMINEES (PRIVATE) LIMITED	45,772,776	3.87
8	TAN HONG SEOK STEPHANIE LORRAINE	36,833,333	3.12
9	LIM & TAN SECURITIES PTE LTD	35,470,493	3.00
10	LOH CHANG KAAN	33,204,114	2.81
11	UOB KAY HIAN PRIVATE LIMITED	25,218,700	2.13
12	JACKIE NG CHIN SIONG (HUANG ZHENXIONG)	25,000,000	2.12
13	ROADS HOLDING GROUP W.L.L.	25,000,000	2.12
14	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	24,263,908	2.05
15	ONG GIM LOO	22,000,000	1.86
16	XU YONGSHENG	16,000,000	1.35
17	TAN CHIEN HSIANG (CHEN JIANXIANG)	15,150,000	1.28
18	OCBC SECURITIES PRIVATE LIMITED	13,196,772	1.12
19	MAYBANK SECURITIES PTE. LTD.	12,327,716	1.04
20	AW ENG HAI	11,765,000	1.00
	TOTAL	**810,537,192**	**68.59**

STATISTICS OF SHAREHOLDINGS

As at 15 June 2022

SUBSTANTIAL SHAREHOLDERS

(As recorded in the Register of Substantial Shareholders)

	Direct Interest	%	Indirect Interest	%
WANG XIAONING	120,673,628	10.21	–	–
PROTOCOL CAPITAL W.L.L.	83,333,334	7.05	–	–
LEE SUI HEE	82,310,612	6.97	–	–
ADONIS INVESTMENT HOLDINGS PTE LTD	69,317,985	5.87	–	–
CAI JUNGANG	62,301,805	5.27	–	–

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information available to the Company as at 15 June 2022, approximately 62.67% of the ordinary issued shares of the Company are held by the public.

Accordingly, Rule 723 of the Listing Manual (Section B: Rule of Catalist) of the Singapore Exchange Securities Trading Limited has been complied with.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 13th Annual General Meeting ("**AGM**") of the Company will be held by way of electronic means on Friday, 29 July 2022 at 10.30 a.m. for the purposes of considering and, if thought fit, passing with or without modifications the following resolutions:

Ordinary Business

AS ORDINARY RESOLUTIONS

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2022 together with the Auditors' Report thereon.
(Resolution 1)

2. To approve the payment of Directors' fees of S$191,250 for the financial year ended 31 March 2022 (FY2021: S$190,000).
(Resolution 2)

3. To re-elect Dr Wang Xiaoning retiring pursuant to Regulation 117 of the Constitution of the Company.
(Resolution 3)
(See Explanatory Notes)

4. To re-elect Mr Ong Eng Keang retiring pursuant to Regulation 122 of the Constitution of the Company.
(Resolution 4)
(See Explanatory Notes)

5. To re-elect Mr Zhou Xinping retiring pursuant to Regulation 122 of the Constitution of the Company.
(Resolution 5)
(See Explanatory Notes)

6. To re-appoint Messrs Ernst & Young LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.
(Resolution 6)

Special Business

AS ORDINARY RESOLUTION

7. **General Authority to Allot and Issue Shares**

That, pursuant to Section 161 of the Companies Act 1967 ("**Companies Act**") and Rule 806(2) of the Catalist Rules, authority be and is hereby given to the Directors to:

(a) (i) allot and issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or;

(ii) make or grant offers, agreements or options (collectively "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures, convertible securities 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 shall in their absolute discretion deem fit, and

NOTICE OF ANNUAL GENERAL MEETING

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided always that:

(1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed one hundred per cent. (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), provided that the aggregate number of Shares to be issued other than on a *pro rata* basis to shareholders of the Company ("**Shareholders**") (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company;

(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 shall be based on the 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 outstanding at the time this authority is given;

  (b) (where applicable) new Shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

  (c) any subsequent bonus issue, consolidation or subdivision of Shares;

  any adjustments made in accordance with sub-paragraphs (2)(a) or (2)(b) 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 the Resolution approving the mandate.

(3) in exercising the authority conferred by this Resolution, the Directors shall comply with the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, and otherwise, and the Constitution for the time being of the Company; and

(4) (unless revoked or varied by the Company in general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

(Resolution 7)

(See Explanatory Notes)

NOTICE OF ANNUAL GENERAL MEETING

8. **Authority to grant awards and issue shares under the Tritech Group Performance Share Plan 2021**

   That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant awards under the Tritech Group Performance Share Plan 2021 (the "**Tritech PSP 2021**") and to issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of share options granted by the Company under the Tritech PSP 2021, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the Scheme shall not exceed fifteen per cent. (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

   (Resolution 8)

   (See Explanatory Notes)

By Order of the Board

Siau Kuei Lian
Company Secretary

14 July 2022
Singapore

Important notice on AGM arrangements in light of COVID-19

The Notice of AGM has been published on SGXNET and the Company's website at www.tritech.com.sg. A printed copy of this Notice, the proxy form and other documents related to the AGM will **NOT** be despatched to shareholders.

This notice sets out the Company's arrangements relating to, among others, attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions prior to the AGM and/or voting by appointing the Chairman of the AGM as proxy for the AGM.

Notes:

1. The AGM is being convened and will be held by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

2. In view of the COVID-19 situation and the Company's efforts to minimise physical interactions and the transmission risk to a minimum, Shareholders are encouraged to attend the AGM via live webcast. Shareholders will be able to watch the proceedings of the AGM through a live webcast ("**LIVE WEBCAST**") via their mobile phones, tablets or computers or listen to these proceedings through a live audio feed ("**AUDIO ONLY MEANS**") via telephone. In order to do so, Shareholders who wish to watch the LIVE WEBCAST or listen via the AUDIO ONLY MEANS must pre-register by 10.30 a.m. on 26 July 2022 at https://conveneagm.sg/tritechgroupagm.

   Shareholders will receive an email verification authenticating their status as Shareholders shortly upon pre-registration, along with accompanying instructions on assessing the AGM via LIVE WEBCAST and AUDIO ONLY MEANS. Shareholders should use the log-on credentials received to access the LIVE WEBCAST and AUDIO ONLY MEANS of the AGM. Shareholders who do not receive an email 24 hours after pre-registration may contact technical support via email at support@conveneagm.com or through the toll free number at +65 6856 7330.

   Persons holding shares through relevant intermediaries, who wish to participate in the AGM via LIVE WEBCAST or through the AUDIO ONLY MEANS, should contact their relevant intermediaries through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

NOTICE OF ANNUAL GENERAL MEETING

3. Shareholders who pre-register to watch the LIVE WEBCAST or listen via the AUDIO ONLY MEANS may also submit questions relating to the resolutions to be tabled for approval at the AGM. Please note that Shareholders will not be able to ask questions at the AGM "live" during the webcast and the audio feed.

   All questions must be submitted by 21 July 2022 ("**Questions Cut-Off Date**") via the pre-registration website at https://conveneagm.sg/tritechgroupagm or at shareholder@tritech.com.sg.

   The Company will address substantial questions relevant to the resolutions to be tabled for approval at the AGM as received from Shareholders before the Questions Cut-Off Date, by publishing the responses on SGXNET on 22 July 2022. After the cut-off time for the submission of questions, if there are substantial and relevant questions received, the Board may address them at the AGM. The Company will, within one month after the date of the AGM, publish the minutes of the AGM, together with responses to subsequent clarifications sought or follow-up questions raised by Shareholders in respect of substantial and relevant matters on SGXNET and the Company's website at www.tritech.com.sg.

4. Shareholders (whether individuals or corporates) who wish to exercise their voting rights at the AGM must appoint the Chairman of the AGM as their proxy to attend, speak and vote on their behalf at the AGM. In appointing the Chairman of the AGM as proxy, Shareholders (whether individuals or corporates) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

5. The Chairman of the AGM, as proxy, need not be a member of the Company.

6. The proxy form appointing the Chairman of the AGM must be downloaded, printed, completed and signed by Shareholders and sent to the Company in the following manner:

   (a) if sent personally or by post, be received by the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd. at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or

   (b) if submitted by email, be sent as a clearly readable image via email to the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd. at shareregistry@incorp.asia,

   in either case no later than 10.30 a.m. on 26 July 2022 and in default the proxy form shall not be treated as valid.

7. The proxy form appointing the Chairman of the AGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the proxy form appointing the Chairman of the AGM as proxy is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.

8. Where the proxy form appointing the Chairman of the AGM as proxy 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 attached to the proxy form, failing which the proxy form may be treated as invalid.

9. The Company shall be entitled to reject the proxy form appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form appointing the Chairman of the AGM as proxy.

10. In the case of shares entered in the Depository Register, the Company may reject the proxy form if the shareholder, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

Important Reminders:

Due to the COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Shareholders are advised to regularly check the Company's website or announcements released on SGXNET for updates on the AGM.

NOTICE OF ANNUAL GENERAL MEETING

Personal Data Privacy:

By (a) submitting a proxy form appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM and/or any adjournment thereof, (b) completing the pre-registration in accordance with this Notice, or (c) submitting any question prior to the AGM in accordance with this Notice, a Shareholder of the Company consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the following purposes:

(i) processing, administration and analysis by the Company (or its agents or service providers) of proxy forms appointing the Chairman of the AGM as proxy for the AGM (including any adjournment thereof);

(ii) processing of the pre-registration for purposes of granting access to Shareholders to the LIVE WEBCAST or AUDIO ONLY MEANS of the AGM proceedings and providing them with any technical assistance where necessary;

(iii) addressing substantial and relevant questions from members received before the AGM and if necessary, following up with the relevant members in relation to such questions;

(iv) preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof); and

(v) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines.

In addition, the personal data of a Shareholder (such as name, presence at the AGM and any questions raised or motions proposed/seconded) may be recorded by the Company during sounds and/or video recordings of the AGM which may be made by the Company for record keeping and to ensure the accuracy of the minutes of the AGM and a Shareholder of the Company consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for such purpose.

Explanatory Notes on Ordinary Business to be transacted:

Resolution 3

Dr Wang Xiaoning, upon re-election as a Director of the Company, will remain as the Managing Director of the Company and a member of the Nominating Committee ("**NC**").

Resolution 4

Mr Ong Eng Keang, upon re-election as a Director of the Company, will remain as an Independent Director of the Company and a member of the Audit Committee, NC and Remuneration Committee. The Board considers Mr Ong Eng Keang to be independent for the purpose of Rule 704(7) of the Catalist Rules.

Resolution 5

Mr Zhou Xinping, upon re-election as a Director of the Company, will remain as the Executive Director of the Company.

Explanatory Note on Special Business to be transacted:

Resolution 7

The Ordinary Resolution 7 proposed in item 7 above, if passed, will empower the Directors of the Company, from the date of the forthcoming AGM of the Company until the next AGM of the Company, to allot and issue Shares and convertible securities in the Company, without seeking any further approval from Shareholders in a general meeting but within the limitation imposed by Ordinary Resolution 7, for such purposes as the Directors may consider would be in the best interests of the Company. The number of Shares and convertible securities that the Directors may allot and issue under Ordinary Resolution 7 would not exceed one hundred per cent (100%) of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time of the passing of Ordinary Resolution 7. For issue of Shares and convertible securities other than on a *pro rata* basis to all Shareholders, the aggregate number of Shares and convertible securities to be issued shall not exceed fifty per cent (50%) of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) at the time of the passing of Ordinary Resolution 7.

NOTICE OF ANNUAL GENERAL MEETING

The one hundred per cent (100%) limit and the fifty per cent (50%) limit will be calculated based on the Company's issued share capital at the time of the passing of Ordinary Resolution 7, after adjusting for:

(i) new Shares arising from the conversion or exercise of convertible securities;

(ii) new Shares arising from the exercise of share options or vesting of share awards; and

(iii) any subsequent bonus issue, consolidation or subdivision of Shares.

Resolution 8

The Ordinary Resolution 8 proposed in item 8 above, if passed, will empower the Directors of the Company from the date of this AGM until the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held or the date which such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to offer and grant awards under the Tritech PSP 2021 and to allot and issue shares in the Company pursuant to the exercise of awards granted or to be granted under the Tritech PSP 2021 up to a number not exceeding in aggregate (for the entire duration of the Tritech PSP 2021) fifteen per cent (15%) of the total number of issued shares (excluding treasury shares) and subsidiary holdings in the capital of the Company from time to time.

TRITECH GROUP LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200809330R)

PROXY FORM
ANNUAL GENERAL MEETING
(Please see notes overleaf before completing this Form)

This proxy form has been made available on SGXNET and the Company's website and may be accessed at the URL www.tritech.com.sg. A printed copy of this proxy form will NOT be despatched to shareholders.

IMPORTANT

1. Due to the COVID-19 situation in Singapore, shareholders of the Company ("**Shareholders**") are encouraged to attend the AGM via live webcast. Shareholders will be able to watch the proceedings of the AGM through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, Shareholders must pre-register by 10.30 am on 26 July 2022, at https://conveneagm.sg/tritechgroupagm.

   Shareholders will receive an email verification authenticating their status as Shareholders immediately upon pre-registration, along with the accompanying instructions on accessing the webcast and audio feed of the proceedings. Shareholders who do not receive an email 24 hours after pre-registration may contact technical support via email at support@conveneagm.com or through the toll free number at +65 6856 7330.
2. By submitting a proxy form appointing the Chairman of the AGM as proxy to attend, speak and vote at the AGM and/or any adjournment thereof, a Shareholder consents to the collection, use and disclosure of their personal data by the Company (or its agents or service providers) for such purposes and/or otherwise with the personal data privacy terms set out in the Notice of AGM dated 14 July 2022.
3. An investor who holds shares under the Supplementary Retirement Scheme ("**SRS Investors**") (as may be applicable) may inform their SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, at least 7 working days before the Meeting by 20 July 2022, in which case, SRS investors shall be precluded from attending the Meeting.
4. This proxy form is not valid for use by SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, ______________________________ (name) of ____________ (NRIC/Passport No./Company Registration No.)

of ____ (address)

being a *Shareholder/Shareholders of **TRITECH GROUP LIMITED** (the "**Company**"), hereby appoint the Chairman of the annual general meeting of the Company ("**AGM**"), as my/our* proxy to vote for me/us* on my/our* behalf at the AGM to be held by way of electronic means on 29 July 2022 at 10.30 a.m. and at any adjournment thereof. I/We* direct the Chairman of the AGM to vote for, against, or abstain from voting on the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the appointment of the Chairman of the AGM as my/our* proxy will be treated as invalid.

The resolutions put to the vote at the AGM shall be decided by way of poll.

No.	Resolutions relating to	For	Against	Abstain
ORDINARY BUSINESS				
Resolution 1	Directors' Statement, Audited Financial Statements and Auditors' Report for the financial year ended 31 March 2022			
Resolution 2	Directors' fees of S$191,250 for the financial year ended 31 March 2022 (FY2021: S$190,000)			
Resolution 3	Re-election of Dr Wang Xiaoning as Director of the Company			
Resolution 4	Re-election of Mr Ong Eng Keang as Director of the Company			
Resolution 5	Re-election of Mr Zhou Xinping as Director of the Company			
Resolution 6	Re-appointment of Ernst & Young LLP as Auditors of the Company			
SPECIAL BUSINESS				
Resolution 7	General Authority to Allot and Issue Shares			
Resolution 8	Authority to grant awards and issue shares under the Tritech Group Performance Share Plan 2021			

Notes:
If you wish to exercise all your votes "For", "Against" or "Abstain", please tick within the box provided. Alternatively, please indicate the number of shares the Chairman of the AGM, as your proxy, is directed to vote "For", "Against" or "Abstain".

**Delete where inapplicable*

Dated this ________ day of ________________ 2022

Total No. of Shares	No. of Shares
In CDP Register	
In Register of Members	

____
Signature(s) of Shareholder(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this proxy form will be deemed to relate to the entire number of ordinary Shares in the Company registered in your name(s).
2. A Shareholder will not be able to attend the AGM in person. If a Shareholder (whether individual or corporate) wishes to exercise his/her/its voting rights at the AGM, he/she/it must appoint the Chairman of the AGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM. In appointing the Chairman of the AGM as proxy, a Shareholder (whether individual or corporate) must give specific instructions as to voting), or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.
3. The proxy form appointing the Chairman of the AGM as proxy must be downloaded, printed, completed and signed by Shareholders and sent to the Company in the following manner:

   (a) if sent by post, be posted to and received by the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd. at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or

   (b) if sent by email, be sent as a clearly readable image via email to the Company's Share Registrar, In.Corp Corporate Services Pte. Ltd. at mailto:shareregistry@incorp.asia

   in either case, by no later than 10.30 a.m. on 26 July 2022, and in default the proxy form shall not be treated as valid.
4. The proxy form appointing the Chairman of the AGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the proxy form appointing the Chairman of the AGM as proxy is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.
5. Where the proxy form appointing the Chairman of the AGM as proxy 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 attached to the proxy form, failing which the proxy form may be treated as invalid.
6. The Company shall be entitled to reject the proxy form appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the proxy form appointing the Chairman of the AGM as proxy.
7. In the case of shares entered in the Depository Register, the Company may reject the 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 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

TRITECH GROUP LIMITED

31 Changi South Avenue 2
Tritech Building
Singapore 486478
Tel: (65) 6848 2567
Fax: (65) 6848 2568
www.tritech.com.sg