AMOS

All Marine Offshore Solutions

ANNUAL REPORT 2022

CONTENTS

COMPANY VISION/ CORPORATE PROFILE

"The AMOS Group supplies Marine and Energy customers with high-quality, cost-efficient products, services and solutions while striving to grow shareholders' value."

The Group was founded in 1974 and listed on the Singapore Stock Exchange in 2012. Headquartered at our technologically advanced Fulfillment Center in Singapore, our network strategically links ten key locations across Asia, the Middle East and Europe, enabling single-point sourcing and supply for our customers.

Through our modern procurement, logistics and supply chain infrastructure, AMOS offers a broad and comprehensive portfolio of world-class technical supplies, services and provisioning solutions to customers in the Marine and Energy industries.

AMOS is a leading provider to the Marine and Energy industries of superior rigging and lifting products and specialized engineering services. These include the customized design, fabrication, production and testing of lifting and mooring equipment backed by decades of proven support and technical expertise. AMOS offers load testing, spooling and rental services and holds a wide inventory of premium quality, technical products such as heavy lift slings, wire ropes, crane wires and mooring equipment.

In addition to representing and supporting industry leading brands through exclusive supplier arrangements, we also market our own ALCONA brand of professional grade equipment including personal protective equipment, workwear and crew gear, and an expanding range of technical supplies and daily consumables developed for the Marine and Energy workplace.

ISO 9001
ISO 14001
ISO 22000
ISO 22301
OHSAS 18001
BUREAU VERITAS Certification

International Marine Purchasing Association

GLOBAL FOOTPRINT

The AMOS Group serves multinational customers in the Marine and Energy industries across a network of facilities spanning Asia, the Middle East and Europe. We supply customers with technical services and supply solutions across four of the most vibrant oil and gas production zones on earth and through four of the world's busiest ports – Singapore, Shanghai, Hong Kong and Busan.

CHAIRMAN'S STATEMENT

INTRODUCTION

Dear shareholders, customers, suppliers, AMOS staff, and other valued stakeholders:

The fiscal year ending 31st March 2022 (FY2022) continued to be challenging for AMOS due to several external events. We faced major headwinds from the Covid pandemic as well as openly aggressive geopolitical conflicts. Covid has recently shifted from being a major disruption to everyday-life to a new-normal of learning to live with Covid, particularly in our home market of Singapore. In February 2022 there was a new shock to the global economy following the Russian invasion of Ukraine. More recently, supply-chain constraints from Covid as well as the Russian-Ukraine war have ignited inflation rates globally and forced central banks to significantly raise interest rates that likely slow economic growth. Lastly, the angry rhetoric between the China and Western governments has sapped away confidence in the global order.

The financial results for FY2022 were mixed with overall sales turnover dropping by 8.5%. However, AMOS profitability improved with the Gross Profit margin expanding to 20.0% in FY2022 versus 17.4% the previous year. In FY2022 the Other Operating Expenses reduced by 49.7%, while Finance costs declined by 22.2% compared to previous year. As a result, AMOS Group's EBIT improved by $6.3 million in FY2022 compared to FY2021. Meanwhile, the group's bank debt declined 22% and the overall working capital decreased by 8.4%.

BUSINESS TRANSFORMATION JOURNEY

In addition to these external events, AMOS faced challenges from our own business transformation journey which started in late 2020. Due to various complications from Covid related work disruptions, labor shortages, and management errors, the AMOS transformation was slowed and has taken longer than planned. This business transformation is fundamental to advancing the AMOS business model to become competitive and profitable. AMOS will keep pushing forward in improving our processes and upgrading our standards, and we are committed to performing better in the near future.

The mission for AMOS is to be a respected company supplying products and services to the Marine and Energy industries with reasonable profitability and positive cash flow. AMOS has a long business history and is well known in the markets it serves. Transforming with better performance is our driving principle and this strategy will inevitably enable us to capture a larger market share in both Marine and Energy sectors.

DIGITAL STRATEGY

Digitalization was a central pillar of the AMOS transformation strategy to simplify, standardise and automate business processes and procedures. AMOS supplies thousands of products to hundreds of customers demanding service, quality, and competitive pricing. The ultimate goal of our digitalisation strategy is to provide our customers with the best product availability with short lead-times, fast delivery and competitive pricing. During FY2022 we continued developing our advanced enterprise resource planning (ERP) system in order to improve our response time and accuracy towards our customers. This work will continue in 2022 with additional steps towards automation and streamlining our business processes.

CHAIRMAN'S STATEMENT

ALCONA STRATEGY

The AMOS transformation strategy is also focused on strengthening our in-house brand, ALCONA, a value-for-money and fit-for-purpose product line owned and developed by AMOS. ALCONA's extensive range of essential personal protective equipment (PPE) includes eyewear, ear protection, head/face protection, respiratory and fall protection, as well as a wide variety of products you need for work in extreme conditions. The product line also includes workwear, daily consumables such as cleaning supplies, bedding and towels, and lighting products. In addition, we expanded sales of ALCONA Advanced Hydration System (AHS) in FY2022. The AHS is a compact water dispenser unit with 8-stage filtration system, which can be easily connected to on-board electricity and non-filtered water supply. The AHS replaces bottled water and helps our customers reduce plastic waste, and it is a great product to enhance seafarers' welfare.

EMPLOYEE ENGAGEMENT AND DEVELOPMENT

The most important asset of our business is our staff, from the leadership team to every other employee around the world. As we have moved into the new fiscal year, AMOS has effected several changes to our senior management team to streamline operations and more clearly focus our strategy. We are taking decisive actions to retain and develop our current talent, and we will be rolling out training and career planning initiatives in the coming year. The AMOS strategy is to empower our loyal staff to seize the initiative in transforming AMOS into a profitable business with professionalism and integrity.

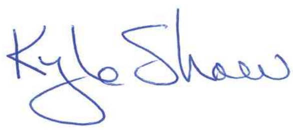
Our vision is that it is a privilege to work for AMOS, where together we build a better future for our customers, families, and the greater society.

LOOKING FORWARD

Navigating these turbulent past two years has been challenging. The Covid situation has reached a stage where most of our staff can now return to the office for daily work and coordination. The return to working at our offices and facilities is a significant help for AMOS in improving our business operations. We now must quickly adjust to the changing circumstances and embrace technology to more completely realize our transformation strategy. AMOS is charting a course emphasizing sharper procurement of products and productivity improvements to better serve AMOS customers and grow sales. The Marine and Energy industries are both highly profitable and this is the time for AMOS to seize the opportunity and ride on that wave of growth. AMOS is now well positioned to grow our business by serving our customers with quality products, accurate service, and fair prices.

IN GRATITUDE

As Executive Chairman of AMOS, I would like to thank the staff of AMOS for their hard work during FY2022. To our customers and suppliers, thank you for your continued trust in AMOS during these trying times. Finally, I would like to express my sincerest thank you to our shareholders for their confidence in AMOS and our Board of Directors for their commitment and valuable advice.



Kyle Arnold Shaw, Jr.
Executive Chairman

ALCONA

Safety, reliability and consistency are essential qualities that customers in the Marine and Energy industry look for in every product. When you are at sea, days or weeks from shore, you need products you can count on for the entire duration. ALCONA, our in-house brand range of products, was developed to deliver all these qualities and more.

Conceptualized and designed in Singapore, ALCONA provides AMOS Group customers with professional grade equipment, personal protective gear, and daily consumables. AMOS works with select, specialist manufacturers to deliver products that meet and exceed globally benchmarked levels of quality, all at a value price point.

Our ALCONA Workwear collection is developed together with industry professionals, and provides superior protection, while combining fashion and proper fit.

ALCONA Workwear offers demonstrated protection against the harsh conditions our customers face, be it the cold, rain, snow, humidity, heat, flame, or electrostatic hazards. Other key ALCONA offerings include high visibility wear, antibacterial galley wear for kitchen staff, and a variety of accessories available for selection.

Our customers trust ALCONA Workwear because every detail of the product, from design to sourcing, production and delivery is meticulously considered – our dedicated professional team makes sure of that.

ALCONA

Alcona Hydration Systems for Sustainability

"The ALCONA Hydration System (AHS) is a solution that treats a vessel's onboard fresh water supply, to provide crew with clean, fresh, PH optimized, and mineralized drinking water.

Over our years of experience: AMOS Group noticed a trend: offshore workers would come back to shore with heaps of plastic bottles, which were widely distributed to keep workers hydrated. To tackle this important cause of plastic waste, AMOS designed the Alcona Advanced Hydration System, featuring *8-stage filtration, which produces 15 litres of hot or cold water per hour, or 360 litres per day of 100% safe, clean and potable water. The system, which simply requires a one-off installation, is an example of AMOS' drive to innovate for a sustainable future, and to lead the industry in doing so. By eliminating hundreds of thousands of water bottles, the ALCONA Advanced Hydration System's positive impact will reduce plastic waste, while also giving customers sustainable economic returns in the long run and freeing up storage capacity aboard their ships.

Increased Safety & Consistency

Minimise Logistics

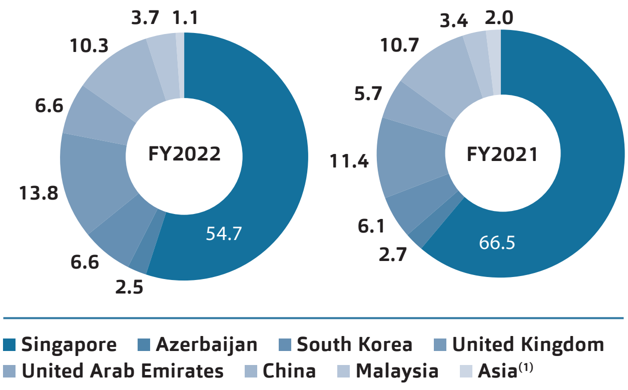
Clear Cost Savings

Reduce Plastic Waste

* Number of filtration stage can be customized.

FINANCIAL OPERATING REVIEW

GROUP REVENUE – By Operating Area (SGD/M)



(1) Revenue from countries in "Asia" includes revenue generated from countries that individually account for less than 10% of the Group's revenue

FINANCIAL PERFORMANCE

COVID-19 continued to impact AMOS Group Limited (the "Group") in the financial year ended 31 March 2022 ("FY2022"). The Energy segment grew in both revenue and profit, however, this was offset by the ongoing COVID-19 effect on the Marine segment. Overall, revenue declined but costs remained under control despite increasing inflation and a lack of government subsidies which bolstered the previous financial year. The focus throughout FY2022 remained on profitable growth for the Energy segment, re-establishing the revenue base for the Marine segment, while prudently managing costs and working capital.

As a result, for FY2022, the Group Revenues were down 8.5% versus prior year. However, despite the revenue decline, profitability improved with the Gross Profit margin expanding to 20.0% compared to 17.4% in the financial year ended 31 March 2021 ("FY2021"). Meanwhile, Distribution Costs increased by 11.9%, largely due to the benefit of government subsidies in FY2021; and Administration Expenses were stable with a 1% increase in comparison to FY2021.

The Group's balance sheet during FY2022 shows improved working capital management and reduced debt. Trade receivables from customers decreased by 5.3%, Inventories decreased by 14.3%, and Trade Payables to suppliers decreased by 18.6%, each more significant than the reduction in revenue for FY2022. The Group reduced its bank loans by 22.0% in FY2022 to a total of S$23.6 million.

As a result of the reduction in revenue, EBITDA decreased to a loss of S$3.7 million in FY2022 from a loss of S$1.3 million in FY2021. The decrease in EBITDA resulted in S$5.4 million of net cash outflow from operating activities in FY2022, compared to S$1.2 million cash generated from operating activities in FY2021.

REVENUE

For FY2022 the Group reported revenue was S$99.3 million, representing a decrease of S$9.2 million or 8.5% compared to S$108.5 million for FY2021.

The revenues segmented by business shows the Energy business contributed S$54.6 million in revenue, increasing 4.7% compared to FY2021. The Marine business contributed S$44.7 million in revenue which was 20.6% lower compared to FY2021. In FY2022, the Energy and Marine business segments contributed 55.0% and 45.0% to the Group's total revenue respectively.

By geographic segments, in FY2022 the revenue from Singapore clients was S$54.7 million accounting for 55.1% of the Group's total revenue. Business generated in United Kingdom, China, South Korea, United Arab Emirates, Malaysia and Azerbaijan contributed 13.9%, 10.4%, 6.6%, 6.6%, 3.7% and 2.5% of the total revenue respectively. Revenue from clients in other Asian countries accounted for 1.1% of the Group's total revenue.

GROSS PROFIT

The Group reported Gross Profit of S$19.9 million in FY2022, representing a 4.9% or S$1.0 million increase compared to a Gross Profit of S$18.9 million in FY2021. Despite the reduction in revenue, profitability improved with the Gross Profit margin expanding to 20.0% compared to 17.4% in FY2021. The Gross Profit for FY2021 was determined after an inventory impairment adjustment of S$1.2 million. Excluding these inventory impairment adjustments, Gross Profit for FY2021 would have been S$20.1 million for a 18.5% Gross Profit margin. Therefore, the Gross Profit margin improved in FY2022 compared to FY2021 both before and after the inventory impairment adjustments.

OPERATING EXPENSES

Distribution Costs
Distribution costs increased by 11.9% to S$9.7 million in FY2022 compared to S$8.7 million in FY2021 largely due to COVID-19 grants of S$0.7 million received in FY2021.

Administrative Expenses
Administrative expenses in FY2022 did not vary significantly from FY2021.

Other Operating Income
Other operating income in FY2022 decreased by 2.9% to S$1.7 million in FY2022 compared to S$1.8 million in FY2021.

Other operating income represents rental income, interest income, sundry income, government grants, trade payables written back and recovery of bad debts.

Other Operating Expenses
Other operating expenses decreased significantly by 49.7% to S$2.8 million in FY2022 compared to S$5.5 million in FY2021.

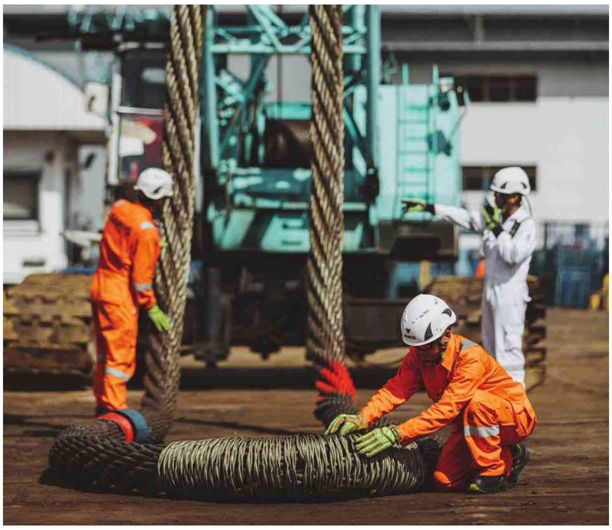
The FY2022 operating expenses included: (i.) a professional and consultancy fees of S$2.0 million, (ii.) S$0.7 million foreign exchange loss from the depreciation of USD against SGD, and (iii.) trade receivable written off of S$70 thousand. The FY2021 operating expenses included: (i.) professional and consultancy fees of S$1.8 million and restructuring costs of S$1.2 million, (ii.) a S$1.6 million foreign exchange loss from the depreciation of USD against SGD, and (iii.) impairment of assets held for sale of S$1.0 million relating to Malaysian land disposal.

Finance cost
The finance cost in FY2022 decreased by 22.2% compared to FY2021 due to repayment of bank borrowings as well as lower interest rates.

Loss before Income Tax
In FY2022, the Group reported a loss before income tax of S$14.0 million, 31.0% lower than the S$20.3 million in FY2021. The FY2022 income tax expense was a tax credit of S$30 thousand compared to the S$0.4 million expense in FY2021. This FY2022 loss for the period was lower compared to FY2021 partially due to improved operating performance, a professional and consultancy fees and restructuring costs of S$3.0 million plus the trade receivables impairment provision of S$1.1 million and other receivables impairment of S$1.5million, plus the impairment of assets held for sale of S$1.0 million in FY2021.

FINANCIAL POSITION

Current Assets
Current assets decreased 12.7% or S$10.8 million from S$84.7 million as at 31 March 2021 to S$73.9 million as at 31 March 2022. The change was mainly due to: (i.) a decrease in inventories by S$5.9 million of which S$4.9 million was due to inventories sales during the normal course of business and S$1.0 million due to transfer to PPE as rental assets, (ii.) a decrease in cash and cash equivalents of S$2.9 million, and (ii.) a decrease in receivables of S$1.4 million.



FINANCIAL OPERATING REVIEW

Non-current Assets

Non-current assets decreased 1.8% or by S$1.4 million from S$78.4 million as at 31 March 2021 to S$77.0 million as at 31 March 2022. The decrease was mainly due to the decrease in Right of Use assets of S$1.3 million and Intangible assets of S$0.8 million, offset by the increase in property, plant and equipment of S$0.8 million. The increase in property, plant and equipment was mainly due to: (i.) revaluation of leasehold/freehold land & building of S$6.8 million, (ii.) transfer of rental assets from inventories of S$1.0 million, and (iii.) additional purchases of property, plant & equipment of S$0.5 million, offset by (i.) depreciation of S$6.4 million, and (ii.) disposal of S$0.7 million.

Current Liabilities

Current liabilities decreased 48.2% or by S$30.7 million from S$63.7 million as at 31 March 2021 to S$33.0 million as at 31 March 2022. The decrease was mainly due to: (i.) a decrease in the current portion of bank borrowings of S$21.8 million mainly due to S$15.1 million being reclassified to non-current liabilities in FY2022, (ii.) a decrease in contract liabilities of S$1.9 million, (iii.) a decrease in trade payables of S$3.0 million, (iv.) a decrease in other payables of S$3.5 million, and (v.) released from the provision of S$0.4 million.

Non-current Liabilities

Non-current liabilities increased 152.3% or by S$12.4 million from S$8.2 million as at 31 March 2021 to S$20.6 million as at 31 March 2022. The increase was mainly due to classification of S$15.1 million bank borrowings as non-current liabilities in FY2022.

Shareholders' Equity

Shareholders' equity increased 6.3% to S$97.3 million in FY2022 from S$91.4 million in FY2021, mainly due to rights issue of S$13.1 million and increase in revaluation reserve of S$6.8 million from the revaluation of leasehold/freehold land and building offset by loss of S$13.9 million incurred in FY2022.

BOARD OF DIRECTORS

KYLE ARNOLD SHAW, JR
Executive Chairman

Kyle Shaw is the Founder and Managing Partner of ShawKwei & Partners, a private equity investment firm established in 1998. ShawKwei & Partners is an international private equity fund manager investing in mid-market industrial and service businesses across Asia, the USA, and Europe. ShawKwei & Partners helps companies to improve operations, acquire other companies, and raise appropriate loans from banks. Kyle has been involved in Asian private equity fund management for more than 30 years and has led a variety of investment transactions across Asia.

Kyle began his working career in the oil industry with Tidewater Inc. in Louisiana and Singapore, McDermott in Indonesia, and Union Texas Petroleum in Houston. He joined Security Pacific National Bank's merchant bank in New York in 1987, and in 1989 founded Security Pacific Asia Fund, the first Asian private equity fund for Security Pacific managing internal capital.

Kyle received an MBA degree from the Wharton School of the University of Pennsylvania and a Bachelor of Science in Commerce from the University of Virginia. He studied Mandarin Chinese at Taiwan's National Normal University Language Institute for foreign students.

EDWINA CHEUNG PUI YIN
Independent Non-Executive Director

Edwina Lee has over 30 years of experience in the financial and business sectors in Asia, primarily in private equity investments, mergers and acquisitions, capital raising and corporate banking. She has worked in the USA, Singapore and Hong Kong with multinational companies including Bank of America, Prudential Asia and Paribas Principal Investments. Edwina currently serves as an Independent non-Executive Director of China Pacific Insurance Company (HK) Limited.

Edwina holds a Bachelor of Business Administration from The Chinese University of Hong Kong, a Master of Business Administration from The University of California Los Angeles (UCLA) Graduate School of Management in USA, and a Master of Social Sciences (Counselling) from The University of Hong Kong.

Edwina is a member of the American Institute of Certified Public Accountants, the Hong Kong Institute of Certified Public Accountants and the Chartered Institute of Bankers (UK), and holds the professional designation of Chartered Financial Analyst (CFA) of the USA. She is also a Professional Certified Coach of the International Coaching Federation.

BOARD OF DIRECTORS

DAVID WOOD HUDSON
Lead Independent Non-Executive Director

David Hudson has 40 years of experience in the financial sector as a senior executive in private equity investing, commercial banking, and investment banking. His focus has been on the emerging markets of Asia, Latin America, the Middle East and Africa.

David began his career at JP Morgan where he held various roles as an executive in the bank's Middle East Group and Energy Group. In 1987, David relocated to Hong Kong as President & CEO of JP Morgan's Asia business activities (excluding Japan). In 1990, David joined Salomon Brothers as Managing Director (Partner) responsible for senior client coverage in Asia. In 1995, David joined ING Barings, Asia, initially as Managing Director responsible for corporate finance, and in 1997, was appointed President & CEO of ING's branches and all business activities in Asia. In total, David lived in Hong Kong and was active as a senior executive in the region for 20 years. In 2006, David was appointed President & CEO of ING Bank's activities in the United States & Latin America and he relocated to New York City. David was a Senior Managing Director with Darby Private Equity from 2008 until 2015 with overall executive and operational responsibility for Darby private equity funds in Asia and Latin America.

David received his undergraduate degree (BA) in 1970 from the University of Virginia in International Relations & Comparative Governments and received his MBA from University of Virginia, Darden School, in 1973.

LIM SHOOK KONG
Independent Non-Executive Director

Lim Shook Kong is a Fellow of the Institute of Chartered Accountants in England and Wales (FCA), a Member of the Malaysian Institute of Accountants CA(M) and a Member of the Singapore Institute of Directors (MSID).

He has held positions as an Executive Director, Finance Director and CFO, Non-Executive and Independent Director on the board of several public listed companies and private limited companies over the past 35 years.

He has also been Chairman and Member of the Audit Committees, Remuneration Committees, and Nominating Committees in his tenure as a Non-Executive and Independent Director of the public listed companies which he has served previously.

SENIOR MANAGEMENT

NICHOLAS MCLAREN
Chief Financial Officer

Nicholas McLaren was appointed as Chief Financial Officer of AMOS Group Limited in December 2021 and has oversight responsibility for all financial affairs including financial reporting and controls, treasury, and corporate regulatory compliance. Prior to joining the group, he was the Head of Country Management and Vice President of Group Finance Transformation and Country Finance, as well as Non-Independent Executive Director of DKSH Holdings (Malaysia) Berhad. Prior to joining the DKSH Group in 2011, Nicholas held various finance roles across diverse industries and several continents.

Nicholas holds a Master of Commercial Law and Master of Business Administration from Deakin University, Australia, and a Bachelor of Financial Administration and Bachelor of Arts (Political Science) from the University of New England, Australia. He is a Certified Practicing Accountant, CPA Australia.

CORPORATE STRUCTURE

AMOS Group Limited

- 100% AMOS Supply Pte. Ltd. (Singapore)
  - 100% AMOS Vietnam Pte Ltd (Vietnam)
  - 100% AMOS Middle East Holdings FZE (United Arab Emirates)
  - 67% PT AMOS Utama Indonesia (Indonesia)
  - 100% AMOS Tianjin Co. Ltd (China)
  - 100% AMOS Supply Korea Co Ltd[3] (South Korea)
- 100% AMOS Power Pte. Ltd. (Singapore)
- 100% AMOS Malaysia Sdn. Bhd. (Malaysia)
  - 100% AMOS Energy Malaysia Sdn. Bhd. (Malaysia)
- 100% AMOS International (S) Pte. Ltd. (Singapore)
  - 100% AMOS International (HK) Limited (China)
  - 30% AMOS International Lanka (Private) Limited (Sri Lanka)
  - 100% AMOS International (Shanghai) Co Ltd (China)
  - 100% AMOS Craft Pte. Ltd. (Singapore)
  - 100% AMOS Korea Co Ltd (South Korea)
  - 100% AMOS Asia Pte. Ltd.[1] (Singapore)
  - 100% Allseas Marine Services Pte. Ltd.[2] (Singapore)

100% AMOS Europe (UK) Limited
(United Kingdom)

100% AMOS Europe (UK) Limited branch
(Azerbaijan)

100% AMOS Middle East FZE
(United Arab Emirates)

100% AMOS Azerbaijan LLC
(Azerbaijan)

100% World Hand Shipping Limited
(China)

[1] AMOS Asia Pte. Ltd. is in process of striking off.

[2] Allseas Marine Services Pte. Ltd. was struck off on 7 April 2022.

[3] AMOS Supply Korea Co., Ltd. is in the process of dissolution.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Kyle Arnold Shaw, Jr
Executive Chairman
David Wood Hudson
Lead Independent Non-Executive Director
Lim Shook Kong
Independent Non-Executive Director
Edwina Cheung Pui Yin
Independent Non-Executive Director

AUDIT COMMITTEE

Lim Shook Kong
Chairman
Edwina Cheung Pui Yin
Member
David Wood Hudson
Member

REMUNERATION COMMITTEE

David Wood Hudson
Chairman
Edwina Cheung Pui Yin
Member
Lim Shook Kong
Member

NOMINATING COMMITTEE

David Wood Hudson
Chairman
Edwina Cheung Pui Yin
Member
Lim Shook Kong
Member

COMPANY SECRETARY

Low Mei Mei Maureen, ACS

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AUDITORS

Baker Tilly TFW LLP
600 North Bridge Road #05-01
Parkview Square
Singapore 188778
Partner-in-charge: Low See Lien
Date of appointment: 29 July 2021

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**") and the Management of AMOS Group Limited (the "**Company**") are committed to achieving a high standard of corporate governance within the Company and its subsidiaries (the "**Group**"). Underlying this commitment is the belief that good corporate governance will help to enhance corporate performance and protect the interests of the Company's shareholders (the "**shareholders**").

This report outlines the Company's corporate governance practices that were in place for the financial year ended 31 March 2022 ("**FY2022**") with specific reference made to the principles and guidelines of the Code of Corporate Governance 2018 (the "**Code**"), which forms part of the continuing obligations of the Listing Rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Listing Manual**").

The Board is pleased to confirm that for FY2022, the Group has adhered to the principles and guidelines in the Code where appropriate. Any deviations from the guidelines of the Code or areas of non-compliance have been explained accordingly.

(A) BOARD MATTERS

The Board's Conduct of its Affairs

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

The Board is collectively responsible for the long-term success of the Group and is accountable to its shareholders. The functions of the Board include the following which are also part of the matters reserved for the Board's approval:–

(a) deciding on strategic objectives, key business initiatives, major investments and funding matters;

(b) monitoring the performance of Management and reviewing the financial performance of the Group;

(c) implementing effective risk management systems including safeguarding of shareholders' interests and the Company's assets;

(d) ensuring the adequacy of the internal controls;

(e) considering sustainable issues; and

(f) ensuring compliance with the Code, the Companies Act 1967 of Singapore ("**Companies Act**"), the Company's Constitution, the Listing Manual, accounting standards and other relevant statutes and regulations.

The Board meets at least twice in the year to approve, among others, announcements of the Group's half year and full year financial results. The Board may have informal discussions on matters requiring urgent attention, which would then be formally confirmed and approved by circulating resolutions in writing. Ad-hoc meetings are also convened as and when they are deemed necessary. As provided in the Company's Constitution, the Board may convene telephonic and videoconferencing meetings.

Other matters specifically reserved for the Board's approval are those involving material acquisitions and disposal of assets, corporate or financial restructuring, capital expenditure budgets, review of performance, share issuances, dividends to shareholders and interested person transactions. Clear directions have been imposed on Management that such matters must be approved by the Board.

To facilitate effective management, the Board delegates certain functions to the various Board committees. The Board delegates such functions and authority to the Board committees without abdicating its responsibility. These committees, which include the Audit Committee ("**AC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**") ("**Board Committees**", each a "**Board Committee**"), operate within clearly defined terms of reference and functional procedures. Each of these committees reports its activities regularly to the Board.

CORPORATE GOVERNANCE REPORT

The Company recognizes the importance of appropriate training for its Directors. Newly appointed Directors are given an orientation and will be briefed on the business activities of the Group and its strategic directions, as well as their duties and responsibilities as Directors. Such training would include areas such as accounting, legal and industry-specific knowledge as appropriate.

During FY2022, Ms Edwina Cheung Pui Yin was appointed as an Independent Non-Executive Director on 13 September 2021. She has attended training in the roles and responsibilities of a Director as prescribed by the SGX-ST.

All Directors, as appropriate, will be given regular training and updates particularly on relevant new laws, regulations and changing commercial risks which have an important bearing on the Company and the Directors' obligations towards the Company.

The Company will be responsible for arranging and funding the training of Directors.

Briefing and updates provided to the Directors for FY2022 included:

(a) briefing by the external auditors, Baker Tilly TFW LLP, on the key developments in financial reporting and governance standard at the half-yearly review meetings;

(b) the Chief Executive Officer ("CEO") updates the Board at each Board meeting on business and strategic developments pertaining to the Group's business; and

(c) news releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority which are relevant to the Directors are circulated to the Board.

Please also refer to Principle 4 regarding the NC's plan for the Directors' training and professional development programmes.

The number of Board and Board Committee meetings held during FY2022 and the attendance of each Director are set out as follows:

Name of Director	Board	Audit Committee	Nominating Committee	Remuneration Committee
Mr Kyle Arnold Shaw Jr	3/3	2/2[(1)]	1/1[(1)]	1/1[(1)]
Mr David Wood Hudson	3/3	2/2	1/1	1/1
Mr Lim Shook Kong	3/3	2/2	1/1	1/1
Ms Edwina Cheung Pui Yin*	1/1	1/1	–	–
Mr Keith Ian Mullin^	1/1	1/1	1/1	1/1

* Appointed with effect from 13 September 2021
^ Resigned as Director and redesignated as CEO with effect from 15 June 2021
(1) Attendance at meetings that were held on a "By Invitation" basis

All Directors have separate and independent access to management. Detailed board papers are prepared for each meeting of the Board and are normally circulated three days in advance of each meeting. The Board papers include sufficient information from management on disclosure documents, budgets, forecasts, business and quarterly financial statements to brief the Directors on issues to be considered at Board meetings.

In addition, Directors are also entitled to request from management and provided with such additional information as needed to make informed decisions and the management has provided the requested information to the directors in a timely manner.

CORPORATE GOVERNANCE REPORT

The Board has separate and independent access to the Company Secretary. The appointment and the removal of the Company Secretary are subject to the approval of the Board.

The Company Secretary assists the Chairman and the Chairman of Board Committees in the development of the agendas for the various Board and Board Committees meetings. She administers all Board and Board Committees meetings of the Company and prepares minutes of meetings. She is also responsible for, among other things, ensuring that Board procedures are observed and that the relevant rules and regulations, including requirements of the Companies Act, Securities and Futures Act and the SGX-ST Listing Manual, are complied with. Her responsibilities also include advising the Board on all governance matters.

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The Board currently comprises four (4) Directors, three (3) of whom are Independent Non-Executive Directors (the "**Independent Non-Executive Directors**" or the "**Independent Directors**" or each the "**Independent Non-Executive Director**" or the "**Independent Director**"), with one (1) Executive Director.

Name of Director	Board Membership	Audit Committee	Nominating Committee	Remuneration Committee
Mr Kyle Arnold Shaw Jr	Executive Chairman	–	–	–
Mr David Wood Hudson	Lead Independent Non-Executive Director	Member	Chairman	Chairman
Mr Lim Shook Kong	Independent Non-Executive Director	Chairman	Member	Member
Ms Edwina Cheung Pui Yin*	Independent Non-Executive Director	Member	Member	Member

* Appointed with effect from 13 September 2021

The Company recognizes the benefits of having an effective and diverse Board, and views diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and sustainable development. In reviewing the Board composition, the NC reviews, on a yearly basis the size and composition of the Board and board committees and the skills and core competencies of its members to ensure an appropriate balance and diversity of skills, experience, gender and knowledge of the Company. These competencies include accounting and finance, business acumen, management consultancy experience, industry knowledge, strategic planning experience, customer-based knowledge, familiarity with legal and regulatory requirements and knowledge of risk management. The Board considers that its Directors possess the necessary competencies and knowledge to lead and govern the Group effectively.

The NC has reviewed and is satisfied that the current composition and Board size are appropriate for effective decision making, having taken into consideration the nature and scope of the Group's operations. The three (3) Independent Directors, who make up a majority of the Board composition, provide the Board with independent and objective judgment on corporate affairs of the Company.

Each of the Independent Directors has confirmed that he does not have any relationship with the Company or its related corporations, its 5% shareholders or its officers including confirming not having any relationships and circumstances provided in Provision 2.1 of the Code, that could interfere, or be reasonably perceived to interfere, with the exercise of independent business judgment in carrying out the functions as an Independent Director with a view to the best interests of the Company. The NC has reviewed, determined and confirmed the independence of the Independent Directors.

None of the Independent Directors has served on the Board beyond nine years from the date of first appointment.

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The Board has the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision making. With the appointment of Ms Edwina Cheung Pui Yin on 13 September 2021, the Company has complied with the recommendation under the Code to provide an appropriate balance and gender diversity. Each Director has been appointed based on the strength of his/her calibre, experience and stature and is expected to bring a value range of experience and expertise to contribute to the development of the Group's strategy and performance of its business.

The Code provides that where the Chairman is not an Independent Director, the Independent Director should make up a majority of the Board. With one (1) Executive Director and three (3) Independent Directors making up a majority of the Board, the Board is satisfied and assured that no individual or group of Directors has unfettered powers of decision that could create a potential conflict of interest.

The Board had adopted a Board diversity policy and the measurable objectives identified include:

1. In designing the Board's composition, Board diversity has been considered from a wide range of aspects, including but not limited to age, gender, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, and any other factors that the Board may consider relevant and applicable from time to time. Directors with technical, legal, financial, management and audit background will provide various extensive business experiences to the Company. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level in order to provide a range of perspectives, insights and challenges that enable the Board to discharge its duties and responsibilities effectively, support good decision making in view of the core businesses and strategy of the Company and its subsidiaries ("**Group**"), and support succession planning and development of the Board.

2. For achieving an optimal Board, additional measurable objectives/specific diversity targets may be set and reviewed from time to time to ensure their appropriateness. Such factors will be considered by the Company based on its business model and specific needs and the ultimate decision will be based on merit, value and contribution that the selected candidates will bring to the Board.

3. The Board is of the view that, while it is important to promote boardroom diversity in terms of gender, age and ethnicity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. The Board would take into consideration the following measures:

   a. Gender diversity

      The Company does not set any specific target for female Directors in the Board.

      The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board in order to attract and retain women participation on the Board.

      Ms Edwina Cheung Pui Yin was appointed as a Director of the Company on 13 September 2021.

   b. Age diversity

      The Company does not set any specific target for the boardroom age diversity but will work towards having appropriate age diversity in the Board, if the opportunity arises.

      The Company does not fix age limit for its Directors given that such Directors are normally reputed and experienced in the corporate world and could continue to contribute to the Board in steering the Company. The Board is fully committed to promoting age, diversity, valuing the contribution of its members regardless of age, and seek to eliminate age stereotyping and discrimination on age.

CORPORATE GOVERNANCE REPORT

c. Ethnic diversity

The Company does not set any specific target for ethnic diversity in the boardroom but will work towards having appropriate ethnic diversity in the Board, if the opportunity arises.

The Independent Directors, led by the Lead Independent Director, meet amongst themselves without the presence of the other Directors where necessary and the Lead Independent Director will provide feedback to the Executive Chairman after such meetings, where appropriate.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Code advocates that there should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business and no one individual should represent a considerable concentration of power. The Chairman of the Board and the CEO are two separate persons to ensure an appropriate balance of power, increased accountability and greater capacity for independent decision making.

Mr Kyle Arnold Shaw Jr is the Executive Director and also the Chairman of the Board. He assumes responsibility for the smooth functioning of the Board and ensures timely flow of information between the Management and the Board; sets agenda and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues; promotes a culture of openness and debate at the Board and promotes high standards of corporate governance. Day-to-day operations of the Group are entrusted to the CEO, Mr Keith Ian Mullin. Mr Keith Ian Mullin assumes full executive responsibility over the mapping of business plans and operational decisions of the Group.

Mr Kyle Arnold Shaw Jr and Mr Keith Ian Mullin are not related to each other. There is a clear division of responsibilities of the Chairman of the Board and the CEO.

Mr Keith Ian Mullin has resigned as CEO of the Company effective 19 May 2022 and will act in an advisory capacity until 18 August 2022. The Chairman of the Board is the acting CEO in the interim.

The Board has appointed Mr David Wood Hudson as the Lead Independent Non-Executive Director to co-ordinate and to lead the Independent Directors to provide a non-executive perspective and contribute to a balance of viewpoints on the Board. He is the principal liaison on Board issues between the Independent Directors and the Executive Chairman. He is available to shareholders where they have concerns and for which contact through the normal channels of the Executive Chairman, CEO or Chief Financial Officer ("CFO") has failed to resolve or is inappropriate.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The NC consists of three (3) Independent Directors, all of whom are independent.

Mr David Wood Hudson – Chairman
Mr Lim Shook Kong – Member
Ms Edwina Cheung Pui Yin – Member

The key terms of reference of the NC include, to:

(a) evaluate and review nominations for appointment and re-appointment to the Board and the various committees;

(b) nominate a Director for re-election at the Annual General Meeting ("**AGM**"), having regard to the Director's contribution and performance;

CORPORATE GOVERNANCE REPORT

(c) regularly and strategically review the structure, size and composition (including the skills, qualifications, experience and diversity) of the Board and the Board Committees;

(d) determine annually and as and when circumstances require if a Director is independent;

(e) recommend to the Board the process for the evaluation of the performance of the Board, the Board committees, individual Directors, and propose objective performance criteria to assess the effectiveness of the Board as a whole and the contribution of each Director, annual assessment of the effectiveness of the Board;

(f) decide whether a Director who has multiple Board representations is able to and has been adequately carrying out his/her duties as Director of the Company;

(g) review and make recommendations to the Board on relevant matters relating to the succession plans of the Board (in particular, the Chairman/CEO) and senior management personnel; and

(h) review the training and professional development programmes for the Board.

The NC makes recommendations to the Board on relevant matters relating to Board including succession planning; all Board appointments/re-appointments of Directors, taking into consideration composition of the Board and progressive renewal of the Board; how the Director fits into the overall competency matrix of the Board as well as the Director's contribution and performance at Board meetings, including attendance, preparedness and participation; training and professional development programmes for the Board.

Management has an open policy for professional training for all the Board members. The Company endorses the Singapore Institute of Directors ("**SID**") training programmes and all Board members are encouraged to attend any relevant training organised by the SID or any other organization which provides relevant training courses for Directors. The cost of such training will be borne by the Company.

The NC has in place formal, written procedures for making recommendations to the Board on the selection and appointment of Directors. Such procedures would be activated when a vacancy on the Board arises or when the Board is considering making a new Board appointment either to enhance the core competency of the Board or for purpose of progressive renewal of the Board. Notwithstanding that the Chairman of the Board is an Executive Director, the Company maintains a very strong and independent element on the Board with Independent Directors making up half of the Board.

In identifying suitable candidates, the NC may:

(a) advertise or use services of external advisers to facilitate a search;

(b) approach alternative sources such as the SID; and/or

(c) consider candidates from a wide range of backgrounds from internal or external sources.

After short-listing the candidates, the NC shall:

i. consider and interview all candidates on merit against objective criteria, taking into consideration that appointees have enough time available to devote to the position; and

ii. evaluate and agree to a preferred candidate for recommendation to and appointment by the Board.

As mentioned under Principle 2 above, the NC also reviews the independence of the Directors annually based on Provision 2.1 of the Code's definition of what constitutes the independence of the Independent Directors. The NC has affirmed that Mr David Wood Hudson, Mr Lim Shook Kong and Ms Edwina Cheung Pui Yin are independent. None of the Independent Directors have served on the Board beyond nine years from their respective date of appointment.

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Pursuant to Regulation 110 of the Constitution of the Company, at least one-third of the Directors shall retire from office at the AGM of the Company. The retiring Directors are eligible to offer themselves for re-election. Regulation 114 of the Company's Constitution provides that a newly appointed Director shall retire and submit himself/herself for re-election at the next AGM following his/her appointment and shall be eligible for re-election.

The NC has recommended to the Board that Mr David Wood Hudson (retiring pursuant to Regulation 110 of the Company's Constitution) and Ms Edwina Cheung Pui Yin (re-election pursuant to Regulation 114 of the Company's Constitution) be nominated for re-election at the forthcoming AGM. Mr David Wood Hudson and Ms Edwina Cheung Pui Yin have signified their consent to remain in office.

In recommending Mr David Wood Hudson and Ms Edwina Cheung Pui Yin for re-appointment, the NC considered their performance and contribution of, having regards not only to their attendance and participation at Board and Board Committees meetings but also the time and efforts devoted to the Group's business and affairs. The NC's recommendation was accepted by the Board.

The NC has also reviewed the independence of the Independent Non-Executive Directors. In assessing their independence, the NC having considered the guidelines set out in the Code, is of the view that the Independent Non-Executive Directors are independent and there are no relationships identified in the Code which would deem them not to be independent. All Independent Non-Executive Directors have also declared that they are independent.

More information on each Director can be found in the Key Information in the section entitled "**Board of Directors**" on pages 11 to 12 in this Annual Report.

All Directors are required to declare their Board appointments. The NC has reviewed and is satisfied that notwithstanding their multiple Board appointments, Mr Kyle Arnold Shaw Jr, Mr Lim Shook Kong and Ms Edwina Cheung Pui Yin, have been able to devote sufficient time and attention to the affairs of the Company to adequately discharge their duties as Directors of the Company.

To address the competing time commitments that are faced when Directors serve on multiple Boards, the NC has reviewed and made recommendation to the Board accordingly on the maximum number of listed company Board appointments which any Director may hold. Based on the recommendation, the Board has determined and set the maximum number of listed company Board appointments at not more than five (5) listed companies of the same financial year end. Currently, none of the Directors hold more than five directorships in listed companies which adopt the same financial year end.

There is no alternate Director on the Board.

Each member of the NC abstains from voting on any resolutions and making any recommendation and or participating in discussion on matters in which he is interested.

Board Performance

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

A review of the Board's performance is conducted by the NC annually. On the recommendation of the NC, the Board has adopted an internal process for evaluating the effectiveness of the Board as a whole and a self-assessment evaluation to assess the contribution of each Director to the effective functioning of the Board. Each Board member will be required to complete an appraisal form to be returned to the NC Chairman for evaluation. Based on the evaluation results, the NC Chairman will present his recommendations to the Board. The key objective of the evaluation exercise is to obtain constructive feedback from each Director to continually improve the Board's performance.

The NC was of the view that given the small Board size and the cohesiveness of the Board members and that the same Independent Directors sit in the various Board Committees, there would not be any value add in having evaluations of the Board Committees.

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The Board has not engaged any external facilitator in conducting the assessment of Board performance. Where relevant, the NC will consider such engagement.

The NC has assessed the current Board and Board Committees' performance to-date, as well as the performance of each individual Director and is of the view that the performance of the Board as a whole and each individual Director was satisfactory.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Level and Mix of Remuneration

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

Disclosure on Remuneration

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

The RC consists of three (3) Independent Directors, all of whom are independent.

Mr David Wood Hudson – Chairman
Mr Lim Shook Kong – Member
Ms Edwina Cheung Pui Yin – Member

According to its terms of reference, the responsibilities of the RC include the following:–

(a) make recommendations to the Board a framework of remuneration for the Board and key management personnel of the Group and the specific remuneration packages for each Director (executive, non-executive and independent) as well as for the key management personnel;

(b) review the Company's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service, to ensure that such clauses are fair and reasonable and not overly generous;

(c) consider whether Directors, the CEO and key management personnel should be eligible for benefits under share schemes and such other long-term incentive schemes as may from time to time be implemented; and

(d) consider the remuneration disclosure requirements for Directors and the top five key management personnel as required by the Code.

As part of its review, the RC ensures that the Directors and key management personnel are adequately but not excessively remunerated as compared to industry benchmarks and other comparable companies. The RC also takes into consideration the Company's relative performance and the performance of individual Directors and key management personnel. Executive Directors (if any) will be paid a basic salary and a performance-related bonus that are linked to the performance of the Company. Other key management personnel are paid basic salary and performance bonus. The RC also considers long-term incentive schemes for the Executive Directors and key management personnel. In this connection, the RC shall at the relevant time look into granting of options under the AMOS Employee Share Option Scheme ("**AMOS ESOS**") which was approved by the shareholders of the Company on 24 September 2012. The Company will seek shareholders' approval for the renewal of AMOS ESOS mandate at the forthcoming AGM.

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The performance-related element of the Executive Directors' remuneration (if any) is designed to align their interests with the interests of shareholders and promote the long-term success of the Company.

The RC also ensures that the remuneration of the Independent Non-Executive Directors is appropriate to their level of contribution taking into account factors such as effort, time spent and their responsibilities. Independent Non-Executive Directors receive a basic fee for their services. The RC ensures that the Independent Non-Executive Directors should not be over-compensated to the extent that their independence may be compromised. No Director is involved in deciding his or her own remuneration package.

All revisions to the remuneration packages for the Directors and key management personnel are subjected to the review by and approval of the Board. Directors' fees are further subjected to the approval of shareholders at annual general meetings. Where necessary, the RC will consult external professionals on remuneration matters of Directors and key management personnel. During the financial year, the RC did not require the service of an external remuneration consultant.

The Company has entered into separate letter of appointments (the "**Letter of Appointments**") with all the appointed Directors. Mr Kyle Arnold Shaw Jr, the Executive Director had volunteered to receive Director's fee instead of salary. Directors' fees are recommended by the Board for shareholders' approval at the Company's AGM.

The Company does not have contractual provisions to allow the Company to claw back incentive components of remuneration from the Executive Director and key management personnel in the event of any misstatement of financial results, or of misconduct resulting in financial loss to the Company. However, the Executive Director owe a fiduciary duty to the Company under law and as such, the Company would have recourse against the Executive Director in the event of such breach of fiduciary duties.

Although Provision 8.1(a) of the Code recommends that companies fully disclose the name and remuneration of each Director and the CEO, the Board is of the opinion that it is not in the best interest of the Company to disclose the exact details of their remuneration due to the competitive pressures in the market. As such, the Board has elected not to fully disclose the remuneration of each individual Director and the CEO. The table below provides a breakdown of the level and mix of the remuneration of each Director and the CEO in bands of S$250,000 for FY2022:–

Remuneration Band and Name of Director and CEO	Salary	Bonus/Profit Sharing	Fees	Benefits in Kind	Total
	%	%	%	%	%
Up to S$250,000					
Mr Kyle Arnold Shaw, Jr	–	–	100	–	100
Mr David Wood Hudson	–	–	100	–	100
Mr Lim Shook Kong	–	–	100	–	100
Ms Edwina Cheung Pui Yin*	–	–	100	–	100
Mr Keith Ian Mullin^	–	–	100	–	100
S$250,000 to S$500,000					
Mr Tan Song Boon^^	100	–	–	–	100
S$500,001 to S$750,000					
Mr Keith Ian Mullin#	90	6	–	4	100
Mr Venkatraman Sheshashayee**	91	7	–	2	100

* Appointed as Independent Director with effect from 13 September 2021
^ Appointed as Independent Director with effect from 11 March 2021 and resigned with effect from 15 June 2021
\# Appointed as CEO with effect from 15 June 2021
** Resigned as CEO with effect from 15 June 2021
^^ Resigned as CEO with effect from 16 November 2020

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Principle 8.1(b) of the Code recommends that companies disclose the name and remuneration of at least the top five key management personnel (who are not Directors or the CEO) in bands of S$250,000. As best practice, companies are encouraged to fully disclose the remuneration of the said top five key management personnel. In addition, companies should also disclose the aggregate of the total remuneration paid or payable to the top five key management personnel (who are not Directors and the CEO).

The Board is of the opinion that it is not in the best interest of the Company to disclose the exact details of their remuneration due to the competitiveness of the market for key talent. As such, the Board has deviated from complying with the above recommendation. The Board only partially complies with the above recommendation by providing below a breakdown showing the level and mix of remuneration of each of the top five key management personnel (who are not Director or the CEO) in bands of S$250,000 for FY2022.

Remuneration Band and Name of Executive	Salary	Bonus/Profit Sharing	Fees	Benefits in Kind	Total
	%	%	%	%	%
S$250,000 to S$500,000					
Mr Jason Michael Nicholas McLaren*	100	–	–	–	100
Ms Wong Soo Pin^	93	7	–	–	100

* Appointed as CFO with effect from 20 December 2021
^ Resigned as CFO with effect from 29 September 2021

The Company does not have any employee who is substantial shareholder of the Company, or who is an immediate family member of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S$100,000 for FY2022.

The Board believes that there is sufficient transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation are consistent with the intent of Principle 8 of the Code.

Further information on Directors and the key management personnel is on pages 11 to 13 of this Annual Report.

The Company has in place a share option scheme known as AMOS ESOS. On 16 June 2021, 34,375,000 options have been granted under the AMOS ESOS which are subject to certain terms set out in the letter of offer granting the share options. Arising from the share consolidation exercise effective 11 August 2021, 34,375,000 options have been reduced to 1,718,750 options.

On 25 March 2022, 1,650,000 options have been granted under the AMOS ESOS which are subject to certain terms set out in the letter of offer granting the share options.

Details of the AMOS ESOS can be found on pages 40 to 41 under the Directors' Statement of this Annual Report.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board recognizes that it is responsible for ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Company's assets and determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

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Management is responsible to the Board for the design, implementation and monitoring of the Group's risk management and internal control systems and to provide the Board with a basis to determine the Company's level of risk tolerance and risk policies.

The Board regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as making appropriate measures to control and mitigate these risks. Management reviews the Group's business and operational activities in respect of the key risk control areas including financial, operational, compliance and information technology controls and continues to apply appropriate measures to control and mitigate these risks. All significant matters are highlighted to the AC for further discussion.

The Board has engaged the services of an independent accounting and auditing firm, PricewaterhouseCoopers Risk Services Pte. Ltd. ("**PwC**") as its internal auditors (the "**internal auditors**").

The Board and the AC also work with the internal auditors, external auditors and the Management on their recommendations to institute and execute relevant controls with a view to enhance the Group's risk management system. The Group's risk management framework is supported by risk reporting dashboard and risk registers.

The Board notes that no cost-effective system of internal controls and risk management systems could provide absolute assurance against the occurrence of material errors, losses, fraud or other irregularities. The Board also believes its responsibility of overseeing the Company's risk management framework and policies are well supported.

For FY2022, the Board and the AC have received assurance from the Executive Chairman and CFO on the adequacy and effectiveness of the Group's risk management and internal control systems, and that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances. The Executive Chairman and the CFO have obtained similar assurance from the business and corporate executive heads in the Group.

In view of the above and based on the internal controls established and maintained by the Group, work performed by the internal auditors and external auditors, and reviews performed by Management, various Board Committees and the Board, the Board with the concurrence of the AC, is of the view that the Group's internal control system and risk management system, addressing financial, operational, compliance and information technology controls and risk management system, put in place during FY2022 are adequate and effective.

The Board did not establish a separate Board Risk Committee as the Board is already currently assisted by the Management with review by the AC in carrying out its responsibility of overseeing the Group's risk management framework and policies.

Audit Committee

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

The AC consists of three (3) Independent Directors, all of whom are independent.

Mr Lim Shook Kong – Chairman
Mr David Wood Hudson – Member
Ms Edwina Cheung Pui Yin – Member

The Board is of the opinion that the AC chairman and members of the AC are appropriately qualified with the relevant accounting, financial, business management and corporate experience to discharge their responsibilities.

The key terms of reference of the AC are to:–

(a) review the audit plans of the Company's external auditors and the internal auditors, including the results of the internal auditors' review and evaluation of the system of internal controls;

(b) review the external auditors' reports;

CORPORATE GOVERNANCE REPORT

(c) review with independent internal auditors the findings of their review report, internal control process and procedures, and make recommendations on the internal control process and procedures to be adopted by the Company;

(d) review the recommendations of the external and internal auditors and monitor the implementation of an automated inventory and information system;

(e) review the co-operation given by the Directors and Management to the external auditors and internal auditors;

(f) review the financial statements of the Company and the Group, and discuss any significant adjustments, major risk areas, changes in accounting policies, compliance with Singapore Financial Reporting Standards, concerns and issues arising from the audits including any matters which the auditors may wish to discuss in the absence of Management, where necessary, before their submission to the Board for approval;

(g) commission and review the findings of internal investigation of any suspected fraud, irregularity or infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position and the Management's response;

(h) make recommendations to the Board on the appointment, re-appointment and removal of the external and internal auditors, and approve the remuneration and terms of engagement of the external and internal auditors;

(i) review the key financial risk areas, with a view to providing independent oversight on the Group's financial reporting, with the outcome of such review to be disclosed in the annual reports or, if the findings are material, to be immediately announced via SGXNET;

(j) review and recommend to the Board the types of risks or risk appetite the Company undertakes to achieve its business strategies. Oversee the risk management framework, policies and resources to manage and report risks within the Company's risk appetite;

(k) review, either internally or with the assistance of any third parties and report to the Board at least annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance, risk management policies and information technology controls;

(l) recommend to the Board on the opinion and disclosure in the annual report on the adequacy and effectiveness of the Company's risk management and internal controls systems in accordance with the Listing Manual and Code of Corporate Governance;

(m) review interested person transactions, falling within the scope of Chapter 9 of the Listing Manual, if any, and connected person transactions;

(n) review transactions falling within the scope of Chapter 10 of the Listing Manual, if any;

(o) review any potential conflicts of interest and set framework to resolve or mitigate any potential conflict of interest;

(p) review and approve relevant policies and procedures implemented by the Group and conduct periodic review of such policies and procedures;

(q) undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(r) review arrangements by which the Group's staff may, in confidence, raise concerns about improprieties in matters of financial reporting and to ensure those arrangements are in place for independent investigations of such matter and for appropriate follow-up; and

(s) undertake generally such other functions and duties as may be required by law or the Listing Manual, and by such amendments made thereto from time to time.

CORPORATE GOVERNANCE REPORT

The AC meets at least twice yearly and plays a key role in assisting the Board to review significant financial reporting issues and judgments to ensure the quality and integrity of the accounting reports, the audit procedures, internal controls, financial statements and any announcements relating to the Company's financial performance.

The AC reviews the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems through discussion with Management and its auditors and reports to the Board annually.

The AC reviews annually the adequacy of the internal audit function to ensure that the internal audit resources are adequate and that the internal audits are performed effectively.

The AC examines the internal audit plans, determines the scope of audit examination and approves the internal audit budget. It also oversees the implementation of the improvements required on internal control weaknesses identified and ensures that Management provides the necessary co-operation to enable the internal auditors to perform its function.

The AC meets with the internal auditors and the external auditors, in each case, without the presence of the Management, at least annually. Matters to discuss include the reasonableness of the financial reporting process, the internal control process, the adequacy of resources, audit arrangements with particular emphasis on the observations and recommendations of the external auditors, the scope and quality of their audits and the independence and objectivity of the external auditors and any matters that may be raised.

The AC also reviews the independence and objectivity of the external auditors and having reviewed the scope and value of non-audit services provided to the Group by the external auditors, Baker Tilly TFW LLP ("**Baker Tilly**" or the "**external auditors**"), are satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The AC has explicit authority to investigate any matter within its terms of reference. It has full access to the Management and full discretion to invite any Director or key management personnel or any executive officer to attend its meetings. The AC is reasonably resourced to enable it to discharge its functions properly. During FY2022, the AC has received full co-operation from the Management and the Group's officers in the course of it carrying out its duties. It is also satisfied with the adequacy of the scope and quality of the external audits being conducted by Baker Tilly.

The Company is in compliance with Rules 712 and 715 of the Listing Manual in relation to its external auditors.

To keep abreast of changes to the accounting standards and issues which have a direct impact on the Group's financial statements, the AC sought updates and clarification from the external auditors during the audit planning meeting and the AC meetings.

No former partner or director of the Company's existing auditing firm or audit corporation is a member of the AC.

The Company has adopted a Whistle-Blowing Policy to provide a channel for its employees to report in good faith and in confidence their concerns about possible improprieties in the matter of financial reporting or in other matters. The Whistle-Blowing Policy provides for procedures to validate concerns and for investigation to be carried out independently. For FY2022, there were no reported incidents pertaining to whistle blowing.

The audit and non-audit fees paid or payable to the Company's external auditors for FY2022 are set out on page 94 of this Annual Report.

Each member of the AC abstains from voting on any resolutions and making any recommendation and/or participating in discussion on matters in which he is interested.

Internal Audit

The AC approves the hiring, removal, evaluation and compensation of the internal auditors. The internal audit function of the Company is outsourced to PwC. The internal auditors report primarily to the Chairman of the AC and have full access to the documents, records properties and personnel including access to the AC.

CORPORATE GOVERNANCE REPORT

The Board recognizes its responsibilities in ensuring a sound system of internal controls to safeguard shareholders' investments and the Company's assets. Rule 719(1) of the SGX-ST Listing Manual requires an issuer to have a robust and effective system of internal controls, addressing financial, operational, compliance risks and information technology. Effective internal controls not only refer to financial controls but include, among others, business risk assessment, operational, compliance and information technology controls.

The internal audit plan is approved by the AC and the results of the audit findings are submitted to the AC for its review. The internal auditors conducted an annual review in accordance with their audit plans, the effectiveness of the Company's internal controls, including financial, operational, compliance and information technology risks. Any material non-compliance or failures in internal controls and recommendations for improvements were reported to AC. The AC, together with the Board has also reviewed the effectiveness of the actions taken by Management on the recommendations made by the internal auditors in this respect. The Board and the AC are of the view that the internal audit is adequately resourced and has the appropriate standing within the Group.

The AC is satisfied that the internal auditors have adequate resources to perform their function effectively and are staffed by suitably qualified and experienced professionals with the relevant experience.

The methodology guiding the internal audit work is aligned with the Standards for the Professional Practice of Internal Auditing laid down by the International Professional Practices Framework issued by the Institute of Internal Auditors.

On an annual basis, the AC reviews the internal audit program and function to ensure the adequacy and effectiveness of the Group's internal audit function as well as to align it to the changing needs and risk profile of the Group's activities.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT AND MANAGING STAKEHOLDER RELATIONSHIPS

Shareholder Rights and conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Engagement with Shareholders

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

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Company treats all shareholders fairly and equitably and respects shareholders' rights. The Company continually reviews and updates governance arrangements with regard to shareholders' rights.

Relevant information pertaining to the Group, such as changes in the Company or its business which would affect the share price of the Company is disseminated in a timely manner to shareholders through public announcements via SGXNET or through circulars to shareholders and the annual reports.

The Company has a dedicated investor relations team of whom contact details are available on the Company's corporate website which shareholders may contact the Company with questions and through which the Company respond to such questions.

Shareholders are encouraged to participate effectively in voting procedures relating to the general meetings.

CORPORATE GOVERNANCE REPORT

The Company does not practice selective disclosure. The Company avoids boilerplate disclosures and provides detailed and forthcoming disclosure in its announcements to the SGX-ST. Such announcements are also available on the Company's website.

The Company's constitution allows a shareholder to appoint one or two proxies to attend and vote at the general meetings on his/her behalf. On 3 January 2016, the legislation was amended, among other things to allow certain members, defined as "relevant intermediary" to attend and participate in general meeting without being constrained by the two-proxy requirement. Relevant intermediary includes corporations holding licenses in providing nominee and custodial services and Central Provident Fund Board ("**CPF**") which purchases shares on behalf of the CPF investors.

All shareholders receive reports or circulars of the Company including notice of general meeting by post within the mandatory period. Notice of general meeting is announced through SGXNET and published in the newspapers within the same period.

All registered shareholders are invited to participate and given the right to vote on resolutions at general meetings. Every matter requiring shareholders' approval is proposed as a separate resolution. Each item of special business included in the notice of the meeting is accompanied, where appropriate, by an explanation for the proposed resolution. Proxy form is sent with notice of general meeting to all shareholders. Separate resolutions are proposed for substantially separate issues at the meeting.

The Constitution of the Company allows members of the Company to appoint not more than two proxies to attend and vote on their behalf. As the authentication of shareholder identity information and other related security issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, email or fax.

All Directors, including Chairman of the Board and the respective Chairman of the AC, NC and RC, the Management, and the external auditors are in attendance at general meetings to address any queries of the shareholders. For the financial year ended 31 March 2021 ("**FY2021**"), all the Directors were present at the AGM held on 29 July 2021 and addressed shareholders' questions received prior to the AGM.

The Company with the help of the Company Secretary prepares minutes of general meetings that include substantial and relevant comments relating to the agenda of the meetings and responses from the Board and Management.

Under Provision 11.5 of the Code, the Company should publish the minutes of general meetings of shareholders on SGXNET and/or its corporate website as soon as practicable and such minutes shall record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management. The Company has adopted this practice since its AGM for FY2021. The minutes of general meetings of the Company will be published on SGXNET and/or its corporate website as soon as practicable, for the information of the shareholders.

<u>COVID-19 arrangement</u>

In view of the evolving COVID-19 situation in FY2021 and heightened safe distancing measures, the general meetings of the Company were conducted wholly via electronic means in accordance with the COVID-19 (Temporary Measures) Act 2020 and the related order on the conduct of alternative arrangements for general meetings (the "**COVID-19 Order**").

In FY2021 and in accordance with the COVID-19 Order, shareholders attended the general meetings via electronic means (i.e. live audiovisual webcast or live audio-only stream and submitted questions to the Chairman of the Meeting(s) in advance of the general meetings). The Company did not receive any question received from shareholders at the aforesaid meeting.

Shareholders who wish to exercise their right to vote on any or all of the resolutions at the general meeting were required to appoint the Chairman of the Meeting(s) as their proxy by submitting the duly completed and signed proxy forms to designated email address and mailing address. Persons who hold shares through relevant intermediaries who wish to appoint the Chairman of the Meeting as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes.

CORPORATE GOVERNANCE REPORT

An independent scrutineer was appointed to validate the proxy forms submitted by the shareholders and the votes of all such valid proxies were counted and verified. The voting results of all votes cast for or against each resolution will be screened at the meeting with respective percentages and these details will be announced through SGXNET after the meeting. The Company Secretary prepares the minutes of general meeting, which incorporates comments or queries from shareholders and responses from the Board and Management and these minutes will be publicly available at SGX-ST's website.

Based on the News Releases issued by the Singapore Exchange Regulation (the "**SGX RegCo**") on 1 October 2020 and 12 April 2021, issuer and non-listed companies may continue to conduct their general meetings beyond 30 June 2021 via electronic means in order to keep physical interactions and COVID-19 transmission risks to a minimum, even as safe distancing regulations are gradually and cautiously relaxed to help keep physical interactions and COVID-19 transmission risks to a minimum, which remain important in the long term, even as safe distancing regulations are gradually and cautiously relaxed, the Company will be conducting its forthcoming FY2022 AGM to be held on 28 July 2022 via electronic means in accordance with the Alternative Arrangements Order. The Company has taken steps to ensure that the requirements in the Alternative Arrangements Order and the latest requirements issued by the SGX-ST in its regulator's column of 16 December 2021 and its joint statement of 4 February 2022 are complied with. In particular, shareholders will have at least 7 calendar days to submit their questions to the Company and the Company will respond to substantial and relevant questions at least 48 hours prior to the deadline for shareholders to submit their proxy forms. This is to ensure that shareholders will have the benefit of the Company's responses to their substantial and relevant questions before they cast their votes through the lodgement of proxy forms.

The Company will put all resolutions to vote by poll and make an announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages for general meetings. Electronic poll voting may be efficient in terms of speed but may not be cost effective. In this respect, the Group did not adopt electronic poll voting.

Dividend Policy

The Company does not have a formal dividend policy. The declaration and payment of dividends will be determined at the sole discretion of the Board subject to approval of the shareholders. In making their recommendation, the Board will consider the Group's cash, gearing, return on equity and retained earnings, actual and projected financial performance and working capital needs, projected level of capital expenditure and other investment plans, restriction on payment of dividends imposed by the Company's financing arrangements (if any) and the general economic and business condition in countries which the Group operates. Any proposal for the declaration of dividends will be clearly communicated to the shareholders to the SGX-ST via SGXNET. No dividend has been declared for FY2022 due to the Group's loss position.

The Company has put in place practices that enable regular communication and engagement with stakeholders, so as to understand and address their needs and interests. Platforms used to communicate and engage with stakeholders include a current website and other social media tools. Formal materiality assessment exercises with internal and external stakeholders were conducted to identify environment, social and governance (ESG) topics that matter to them. The results from the materiality assessments and ongoing engagements continue to influence sustainability efforts in the Company. The basis for and methods of engagement with the stakeholders, along with the key areas of focus for each stakeholder group, can be found in the Sustainability Report and on our corporate website at https://www.amosgroup.com/investor.

The Company welcomes any comment, feedback and query from the stakeholders through the Company's corporate website and strives to engage and manage relationships with the stakeholders. Stakeholders may find such information on the investors relation section of the Company's corporate website.

The Company will publish its sustainability report within the stipulated timeline of SGX-ST for FY2022 separately.

CORPORATE GOVERNANCE REPORT

Dealing in Securities

The Group has adopted an internal compliance code to provide guidance to its Directors and all employees of the Group with regard to dealings in the Company's securities. The code prohibits dealing in the Company's securities by the Directors and employees of the Group while in possession of unpublished price-sensitive information. Directors and employees are not allowed to deal in the Company's securities on short-term considerations and during the one month before the announcement of the Company's half-year and full year financial results with the cessation of quarterly reporting of financial results.

The Directors and employees are also required to adhere to the provisions of the Securities and Futures Act, Companies Act, the Listing Manual and any other relevant regulations with regard to their securities transactions. They are also expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

Material Contracts

Save as disclosed below and note 28 to the financial statements, there were no other material contracts of the Company or its subsidiaries involving the interest of the CEO, any Director or controlling shareholder either still subsisting as at 31 March 2022 or if not then subsisting, entered into since the end of the previous financial year.

(a) Letter of Appointment of Mr Keith Ian Mullin as Independent Director on 11 March 2021 (has ceased on 15 June 2021).

(b) Letter of Appointment of Mr Keith Ian Mullin as CEO on 15 June 2021 (has ceased on 19 May 2022).

Interested Person Transactions

The Group does not have a general mandate from shareholders for Interested Person Transactions ("**IPTs**") pursuant to Rule 920 of the Listing Manual of the SGX-ST.

All IPTs will be properly documented and submitted to the AC for quarterly review to ensure that they are carried out on an arm's length basis, on normal commercial terms and will not be prejudicial to the interests of the shareholders.

The Board will ensure all IPTs to be entered are complied with the relevant rules under Chapter 9 of the Listing Manual of the SGX-ST. The Company confirms that there were no IPTs of S$100,000 or more entered into for financial year under review.

Non-Audit Fees

The fee of non-audit services that were rendered by the Company's external auditors, Baker Tilly, to the Group for FY2022 was Nil.

Use of Proceeds

As at the date of this Annual Report, the Board wishes to provide an update on the utilization of the net proceeds of the Rights Issue at approximately S$13.0 million (after deducting estimated expenses of approximately S$175,000).

The Company had on 3 June 2022 announced that the Net Proceeds from the Rights Issue have been fully utilized.

CORPORATE GOVERNANCE REPORT

Table showing utilization of Net Proceeds

Use of Net Proceeds	Allocation of the Net Proceeds as set out in the circular on 23 March 2021		Balance of Net Proceeds as at 31 March 2022	Net Proceeds utilized from 1 April 2022 to 1 June 2022	Balance of Net Proceeds as at 1 June 2022
	S$'000	**%**	**S$'000**	**S$'000**	**S$'000**
(a) Development and Expansion of Alcona Product Line	3,094	23.8	1,839	(50)	1,789
(b) Technology Initiative	2,595	20.0	1,191	(1,121)	70
(c) Business Expansion	1,397	10.8	587	(51)	536
(d) General Working Capital requirements of the Group	5,888	45.4	(2,395)	–	(2,395)
	12,974	100.0	1,222	(1,222)	–

The excess Net Proceeds from Item (a), (b) and (c) have been allocated for the General Working Capital requirements of the Group.

Additional Information on Directors seeking re-election pursuant to Rule 720(6) of the Listing Manual of the SGX-ST

Mr David Wood Hudson and Ms Edwina Cheung Pui Yin are the Directors seeking re-election at the forthcoming annual general meeting of the Company to be convened on 28 July 2022 ("**AGM**") under Ordinary Resolutions 2 and 3 as set out in the Notice of AGM dated 13 July 2022 (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the information relating to the Retiring Directors as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST is set out below:

Name of Director	David Wood Hudson	Edwina Cheung Pui Yin
Date of Appointment	14 March 2018	13 September 2021
Date of Last Re-Appointment	23 July 2018	–
Age	74	62
Country of principal residence	United States of America	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Not applicable	Not applicable
Whether appointment is executive, and if so, the area of responsibility	No.	No.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director. Chairman of Remuneration Committee and Nominating Committee and a member of Audit Committee.	Independent Non-Executive Director, a member of Audit Committee, Nominating Committee and Remuneration Committee.

CORPORATE GOVERNANCE REPORT

Name of Director	David Wood Hudson	Edwina Cheung Pui Yin
Professional qualifications	Please refer to Directors' Profile on page 12 of Annual Report.	Please refer to Directors' Profile on page 11 of Annual Report.
Working experience and occupation(s) during the past 10 years	Please refer to Directors' Profile on page 12 of Annual Report.	Please refer to Directors' Profile on page 11 of Annual Report.
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil
Any relationship (including immediate family relationship) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Not applicable.	Not applicable
Conflict of interest (including any competing business)	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Past (for the last 5 years)	Darby Private Equity Overseas	–
Present	1. AMOS Group Limited	1. Garbo Faith Limited 2. China Pacific Insurance Company (Hong Kong) Limited 3. Li Jia Li Private Limited
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	David Wood Hudson	Edwina Cheung Pui Yin
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	David Wood Hudson	Edwina Cheung Pui Yin
(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
(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
(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
(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
(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,	No	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable. This is a re-election of a director	Not applicable. This is a re-election of a director

CONTENTS

DIRECTORS' STATEMENTS

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 March 2022.

In our opinion:

(a) the financial statements set out on pages 48 to 108 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 and changes in equity of the Company for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)"); 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.

The Board of Directors has, on the date of this statement, authorized these financial statements for issue.

Directors

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

Mr Kyle Arnold Shaw, Jr
Mr Lim Shook Kong
Mr David Wood Hudson
Ms Edwina Cheung Pui Yin (Appointed on 13 September 2021)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

	Shareholdings registered in name of director	
Name of director and company in which interests are held	**Holdings at beginning of the financial year**	**Holdings at end of the financial year**
Holding company		
PeakBayou Ltd. (ordinary shares)	*	*
Kyle Arnold Shaw, Jr*		

* PeakBayou Ltd is indirectly wholly-owned by the ShawKwei Group. The ShawKwei Group is under the control of Kyle Arnold Shaw, Jr.

DIRECTORS' STATEMENTS

Directors' interests (Continued)

Name of director and company in which interests are held	Shareholdings in which director is deemed to have an interest — Holdings at beginning of the financial year	Holdings at end of the financial year
Company AMOS Group Limited (ordinary shares)		
Kyle Arnold Shaw, Jr*	1,928,333,771	144,460,815**

* PeakBayou Ltd is indirectly wholly-owned by the ShawKwei Group. The ShawKwei Group is under the control of Kyle Arnold Shaw, Jr.

** The Company had on 11 August 2021 announced that it has completed a share consolidation of every twenty (20) existing ordinary shares in the capital of the Company into one (1) consolidated ordinary share ("Share Consolidation Exercise"). Accordingly, the number of ordinary shares has been revised.

By virtue of Section 7 of the Singapore Companies Act, Kyle Arnold Shaw, Jr is deemed to have interests in the Company and in all the related corporations of the Company.

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

Except as disclosed under the 'Share options' section of this statement, 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 in or debentures of the Company or any other body corporate.

The directors' interest in the shares of the Company at 21 April 2022 were 144,958,815.

Share options

The AMOS Employee Share Option Scheme ("ESOS") was approved by the shareholders on 24 September 2012 prior to the Company's listing on the Singapore Exchange Securities Trading Limited ("SGX-ST") on 25 October 2012. The ESOS is administered by the Remuneration Committee comprising Mr David Wood Hudson (Chairman), Mr Lim Shook Kong and Ms Edwina Cheung Pui Yin.

(a) Participants

Executive directors, non-executive directors and confirmed full-time employees of the Group are eligible to participate in the ESOS.

(b) Size of the ESOS

The aggregate number of shares in respect of which the Remuneration Committee may grant options on any date, when added to the nominal amount of shares issued and issuable in respect of all options granted under the ESOS shall not exceed 15.0% of the issued share capital of the Company on the day immediately preceding the date of the relevant grant.

DIRECTORS' STATEMENTS

Share options (Continued)

(c) Maximum entitlements

The aggregate number of shares comprised in any option to be offered to a participant under the ESOS shall be determined at the absolute discretion of the Remuneration Committee, which shall take into account (where applicable) criteria such as rank, past performance, years of service and potential for future development of that participant.

(d) Options, exercise period and exercise price

The options that are granted under the ESOS may have exercise prices that are, at the Remuneration Committee's discretion, set at a price (the "Market Price") equal to the average of the last dealt prices for the shares on the Official List of the SGX-ST for the five consecutive market days immediately preceding the relevant date of grant of the relevant option; or at a discount to the market price (subject to a maximum discount of 20.0%). Options which are fixed at the market price may be exercised after the first anniversary of the date of grant of that option while options exercisable at a discount to the Market Price may only be exercised after the second anniversary from the date of grant of the option. Options granted under the ESOS will have a life span of ten years.

(e) Duration of the ESOS

The ESOS shall continue in operation for a maximum duration of ten years and may be continued for any further period thereafter with the approval of shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The Company will seek shareholders' approval for the renewal of AMOS ESOS mandate at the forthcoming AGM.

(f) During the financial year, there were:

(i) on 16 June 2021, 34,375,000 options (pre-consolidation basis) were recommended by the Board which are subject to certain terms set out in the letters granting the share options. Arising from the share consolidation exercise effective on 11 August 2021, 34,375,000 options were consolidated to 1,718,750 options. 1,718,750 options issued on 16 June 2021 were subsequently lapsed on 19 May 2022.

(ii) on 25 March 2022, 1,650,000 options (post-consolidation basis) were recommended by the Board which are subject to certain terms set out in the letters granting the share options.

(iii) no shares issued by virtue of any exercise of options to take up unissued shares of the Company or its subsidiaries.

(g) There were no unissued and approved shares of the Company or its subsidiaries or under options as at the end of the financial year.

DIRECTORS' STATEMENTS

Audit Committee

The Audit Committee of the Company, consisting three (3) independent directors, is chaired by Mr Lim Shook Kong, and includes Mr David Wood Hudson and Ms Edwina Cheung Pui Yin. The Audit Committee has met two times since the last Annual General Meeting ("AGM") and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

(a) The audit plans and results of the internal auditors' examination and evaluation of the Group's systems of internal accounting controls;

(b) The Group's financial and operating results and accounting policies;

(c) The financial statements of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditor's report on those financial statements;

(d) The half-yearly and annual announcements as well as the related press releases on the results and financial position of the Company and the Group;

(e) The co-operation and assistance given by the management to the Group's external auditors;

(f) Interested person transactions falling within the scope of Chapter 9 of the Listing Manual, Section 8: Rules of Catalist of the Singapore Securities Trading Limited and other relevant statutory requirements and any potential conflicts of interests; and

(g) The re-appointment of the external auditors of the Group.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board of Directors

Kyle Arnold Shaw, Jr
Director

Lim Shook Kong
Director

12 July 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of AMOS Group Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of AMOS Group Limited (the "Company") and its subsidiaries ('the Group') as set out on pages 48 to 108, which comprise the statements of financial position of the Group and of the Company as at 31 March 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial 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 statement of financial position and statement of changes in equity 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) ("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 and of the changes in equity of the Company for the financial 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 *Auditors' responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("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 year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Net realizable value of inventories in Energy segment

The key audit matter:

As at 31 March 2022, the Group's inventories relating to Energy segment amounted to $29,785,847 (2021: $35,421,817) representing 20% (2021: 22%) of the Group's total assets. In 2021, the Group recognised $1,206,666 in cost of sales to write down certain identified inventory in the Energy segment to its estimated net realizable value.

The Group's inventories in Energy segment consist of accessories and wire ropes are carried at the lower of cost and net realizable value. Inventories are written down to net realizable value if they are damaged, slow-moving, or their selling prices have declined below cost. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Management determined the net realizable value based on the conditions, aging and types of inventories and current market conditions. Given the significance of inventories and the significant management judgement and estimation involved in assessing the net realizable value of inventories, we have identified this as a key audit matter.

The significant estimates and judgement applied in the valuation of inventories and disclosures for inventories are included in Note 9 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of AMOS Group Limited

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Net realizable value of inventories in Energy segment (Continued)

Our procedures to address the key audit matter:

The audit procedures performed included observing the year-end inventory count to verify the existence and conditions of the inventories. We performed sample count and reviewed management's reconciliation of inventory count results to inventory record. We also reviewed management's estimation of the net realizable value of the inventories and the amount of inventories to be written-down. We assessed the adequacy of the allowance made by reviewing the aging of inventories, checking the estimated selling prices of each type of inventories to their recent sale transactions of the Group and checking the estimated selling expenses to recent supplier's invoices or quotations, where relevant.

Valuation of property, plant and equipment, right-of-use assets, intangible assets and investment in subsidiaries

The key audit matter:

As at 31 March 2022, the Group has property, plant and equipment, right-of-use assets and intangible assets of $67,409,368, $6,583,912 and $2,960,321 (2021: $66,602,879, $7,927,197 and $3,774,651) respectively. The Company has investment in subsidiaries of $170,310,851 (2021: $161,173,317). As disclosed in Note 4 to the financial statements, management considered that certain operations of the Group continued to incur operating losses and performed assessment whenever there are impairment indicators of the Group's cash generating units ("CGUs") and where applicable, assessed the recoverable amounts of the non-financial assets and determine if any loss should be recognized or reversed. The respective recoverable amounts of these CGUs are computed based on their values-in-use ("VIU") derived from management's cash flow projections.

Management determined the recoverable amount of the property, plant and equipment, right-of-use assets, intangible assets and investment in subsidiaries based on their VIU, considering their respective appropriate revenue growth rates, terminal growth rates and discount rates.

Management's identification of impairment indicators and assessment of the recoverable amounts for the aforementioned CGUs are significant to our audit due to the magnitude of the carrying amounts of the assets being tested for impairment, the level of estimation uncertainty associated with the current market and the economic conditions, and the significant management judgments involved in the key assumptions used in determination of the CGUs' recoverable amounts. Accordingly, we have identified this as a key audit matter.

The significant estimates and judgement applied in the valuation of property, plant and equipment, right-of-use assets, intangible assets and investment in subsidiaries and disclosures for key assumptions used are included in Note 4 and Note 7 to the financial statements respectively.

Our procedures to address the key audit matter:

The audit procedures performed included reviewing management's identification of impairment indicators for the Group's property, plant and equipment, right-of-use assets, intangible assets and investment in subsidiaries. We made inquiries with management on its future plan for the CGUs, and together with our internal valuation specialist where applicable, assessed the reasonableness of management's key assumptions used such as discount rate, terminal growth rate and revenue growth rate against historical and expected future financial performances. Additionally, we performed stress testing on certain assumptions to evaluate the sensitivity of the outcomes, taking into account the downside scenarios against reasonably plausible changes to the key assumptions. Furthermore, we have performed assessment on expected credit loss assessment of advances, loans, due from subsidiaries and financial guarantee and finally, we also reviewed the adequacy and appropriateness of the disclosures concerning those key assumptions in the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of AMOS Group Limited

Report on the Audit of the Financial Statements (Continued)

Other Matter

The consolidated financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 March 2021 were audited by another firm of auditors whose report dated 8 July 2021 expressed an unmodified opinion on those financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report 2022 but does not include the financial statements and our auditors' 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.

Auditors' Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITOR'S REPORT

To the Members of AMOS Group Limited

Report on the Audit of the Financial Statements (Continued)

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

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 controls.

- Obtain an understanding of internal controls 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 controls.

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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 controls 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude 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 AMOS 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 Low See Lien.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore
12 July 2022

STATEMENTS OF FINANCIAL POSITION

At 31 March 2022

	Note	Group 2022 $	Group 2021 $	Company 2022 $	Company 2021 $
Assets					
Property, plant and equipment	4	**67,409,368**	66,602,879	**30,247**	57,533
Right-of-use assets	5	**6,583,912**	7,927,197	**94,577**	8,258
Intangible assets	6	**2,960,321**	3,774,651	**2,960,321**	3,774,651
Club membership		**–**	26,500	**–**	–
Subsidiaries	7	**–**	–	**170,310,851**	161,173,317
Associates		**42,108**	42,108	**–**	–
Deferred tax assets	8	**19,408**	20,623	**–**	–
Non-current assets		**77,015,117**	78,393,958	**173,395,996**	165,013,759
Inventories	9	**35,460,792**	41,404,485	**–**	–
Trade receivables	10	**25,002,234**	26,404,616	**2,829,947**	2,682,594
Contract assets	21	**2,626,722**	2,228,059	**1,627,614**	1,094,874
Other receivables	11	**3,545,205**	4,498,856	**336,688**	296,103
Cash and cash equivalents	13	**7,277,921**	10,136,877	**1,245,832**	228,659
Income tax receivables		**–**	40,208	**–**	–
Current assets		**73,912,874**	84,713,101	**6,040,081**	4,302,230
Total assets		**150,927,991**	163,107,059	**179,436,077**	169,315,989
Equity					
Share capital	14	**179,229,629**	166,255,912	**179,229,629**	166,255,912
Accumulated losses		**(90,490,531)**	(76,398,457)	**(3,360,933)**	(2,612,432)
Translation reserves		**1,118,773**	914,864	**–**	–
Other reserves	15	**7,441,278**	597,710	**–**	–
Equity attributable to owners of the Company		**97,299,149**	91,370,029	**175,868,696**	163,643,480
Non-controlling interests		**–**	(156,450)	**–**	–
Total equity		**97,299,149**	91,213,579	**175,868,696**	163,643,480
Liabilities					
Bank borrowings	16	**15,075,878**	–	**–**	–
Lease liabilities	17	**5,532,076**	8,108,303	**380,828**	1,451,971
Deferred tax liabilities	8	**–**	61,076	**–**	–
Non-current liabilities		**20,607,954**	8,169,379	**380,828**	1,451,971
Bank borrowings	16	**8,523,146**	30,258,761	**–**	–
Lease liabilities	17	**2,898,392**	3,051,783	**1,169,117**	1,496,546
Trade payables	18	**13,166,209**	16,178,503	**–**	–
Contract liabilities	21	**1,446,972**	3,351,361	**–**	–
Other payables	19	**6,973,093**	10,469,691	**2,017,436**	2,723,992
Provisions	20	**–**	408,000	**–**	–
Income tax payable		**13,076**	6,002	**–**	–
Current liabilities		**33,020,888**	63,724,101	**3,186,553**	4,220,538
Total liabilities		**53,628,842**	71,893,480	**3,567,381**	5,672,509
Total equity and liabilities		**150,927,991**	163,107,059	**179,436,077**	169,315,989

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 31 March 2022

	Note	2022 $	2021 $
Revenue	21	**99,349,301**	108,520,452
Cost of sales		**(79,492,436)**	(89,598,827)
Gross profit		**19,856,865**	18,921,625
Distribution costs		**(9,715,403)**	(8,679,742)
Administrative expenses		**(22,724,194)**	(22,497,712)
Other operating income	22	**1,753,101**	1,805,957
Other operating expenses	22	**(2,778,073)**	(5,520,102)
(Reversal)/impairment loss on trade receivables		**909,372**	(1,093,786)
Impairment loss on other receivables	11	**–**	(1,557,815)
Finance costs	23	**(1,270,465)**	(1,633,008)
Loss before tax		**(13,968,797)**	(20,254,583)
Income tax credit/(expense)	24	**30,340**	(414,402)
Loss for the financial year	25	**(13,938,457)**	(20,668,985)
Other comprehensive income:			
Item that may be reclassified subsequently to profit or loss			
Translation gain arising on consolidation		**206,742**	273,102
Item that will not be reclassified subsequently to profit or loss:			
Gain on revaluation of property, plant and equipment		**6,843,568**	–
Other comprehensive income, net of tax		**7,050,310**	273,102
Total comprehensive loss for the financial year		**(6,888,147)**	(20,395,883)
Loss attributable to:			
Owners of the Company		**(13,862,259)**	(20,583,453)
Non-controlling interests		**(76,198)**	(85,532)
		(13,938,457)	(20,668,985)
Total comprehensive loss attributable to:			
Owners of the Company		**(6,806,382)**	(20,310,283)
Non-controlling interests		**(81,765)**	(85,600)
		(6,888,147)	(20,395,883)
Basic and diluted loss per share (cents)	26	**(7.78)**	(11.72)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

	Share capital	Accumulated losses	Translation reserve	Other reserves (Note 15)		Attributable to owners of the Company	Non-controlling interests	Total equity
				Merger reserves	Asset revaluation reserves			
	$	$	$	$	$	$	$	$
Group								
At 1 April 2020	166,255,912	(55,815,004)	641,694	(19,769,268)	20,366,978	111,680,312	(70,850)	111,609,462
Total comprehensive income for the financial year								
Loss for the financial year	–	(20,583,453)	–	–	–	(20,583,453)	(85,532)	(20,668,985)
Other comprehensive income	–	–	273,170	–	–	273,170	(68)	273,102
Total comprehensive income for the financial year	–	(20,583,453)	273,170	–	–	(20,310,283)	(85,600)	(20,395,883)
At 31 March 2021	166,255,912	(76,398,457)	914,864	(19,769,268)	20,366,978	91,370,029	(156,450)	91,213,579
At 1 April 2021	166,255,912	(76,398,457)	914,864	(19,769,268)	20,366,978	91,370,029	(156,450)	91,213,579
Total comprehensive income for the financial year								
Loss for the financial year	–	(13,862,259)	–	–	–	(13,862,259)	(76,198)	(13,938,457)
Other comprehensive income	–	–	212,309	–	6,843,568	7,055,877	(5,567)	7,050,310
Total comprehensive income for the financial year	–	(13,862,259)	212,309	–	6,843,568	(6,806,382)	(81,765)	(6,888,147)
Transactions with owners, recognized directly in equity								
Rights issue (Note 14)	13,149,207	–	–	–	–	13,149,207	–	13,149,207
Shares issuance expense (Note 14)	(175,490)	–	–	–	–	(175,490)	–	(175,490)
Effects of change in non-controlling interest	–	(229,815)	(8,400)	–	–	(238,215)	238,215	–
	12,973,717	(229,815)	(8,400)	–	–	12,735,502	238,215	12,973,717
At 31 March 2022	**179,229,629**	**(90,490,531)**	**1,118,773**	**(19,769,268)**	**27,210,546**	**97,299,149**	**–**	**97,299,149**

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2022

	Share capital $	Accumulated losses $	Total equity $
Company			
At 1 April 2020	166,255,912	(1,685,884)	164,570,028
Loss and total comprehensive loss for the financial year	–	(926,548)	(926,548)
At 31 March 2021	166,255,912	(2,612,432)	163,643,480
Loss and total comprehensive loss for the financial year	–	(748,501)	(748,501)
Transactions with owners, recognized directly in equity			
Rights issue	13,149,207	–	13,149,207
Shares issuance expense	(175,490)	–	(175,490)
At 31 March 2022	**179,229,629**	**(3,360,933)**	**175,868,696**

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Loss before tax		**(13,968,797)**	(20,254,583)
Adjustments for:			
Interest expense	23	**1,270,465**	1,633,008
Interest income	22	**(4,244)**	(21,117)
Depreciation of property, plant and equipment	4	**6,432,343**	6,803,494
Amortization of intangible assets	6	**815,111**	688,129
Depreciation of right-of-use assets	5	**1,669,425**	2,287,981
(Reversal)/impairment loss on trade receivables		**(909,372)**	1,093,786
Doubtful trade receivables recovered	22	**(285,462)**	(549,490)
Other receivables recovered	22	**(20,292)**	–
Trade receivables written off	22	**69,638**	6,457
Impairment loss on other receivables		**–**	1,557,815
Gain on disposal of property, plant and equipment	22	**(177,237)**	(28,810)
Loss on disposal of club membership	22	**26,500**	–
Gain on modification of right-of-use assets	22	**–**	(178,536)
Gain on derecognition of right-of-use assets and lease liabilities	22	**(13,108)**	–
Impairment of assets held for sale	22	**–**	952,146
Foreign currency exchange loss		**219,709**	587,924
Trade payables written back	22	**(259,786)**	(26,512)
Reversal of provision for cancellation of contract	20	**(408,000)**	–
Write-down of inventories	9	**–**	1,206,666
Operating cash flows before movements in working capital		**(5,543,107)**	(4,241,642)
Changes in:			
Trade receivables		**2,541,298**	4,860,267
Other receivables		**843,481**	(1,297,514)
Contract assets		**(390,153)**	(373,156)
Inventories		**4,987,143**	10,358,296
Trade payables		**(2,872,174)**	(10,455,615)
Other payables		**(3,091,896)**	13,829
Contract liabilities		**(1,883,178)**	2,461,808
Cash (used in)/generated from operating activities		**(5,408,586)**	1,326,273
Interest received		**4,244**	21,117
Income tax refund/(paid)		**9,393**	(164,989)
Net cash (used in)/generated from operating activities		**(5,394,949)**	1,182,401

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2022

	Note	2022 $	2021 $
Cash flows from investing activities			
Proceeds on disposal of property, plant and equipment		**873,577**	522,558
Purchases of property, plant and equipment	A	**(495,028)**	(1,875,265)
Proceeds from disposal of assets held for sale		**–**	2,371,031
Purchases of intangible asset		**(781)**	(261,217)
Fixed deposit withdrawn/(placement)		**47,832**	(87)
Net cash generated from investing activities		**425,600**	757,020
Cash flows from financing activities			
Proceeds from rights issue		**13,149,207**	–
Payment for shares issue expenses		**(175,490)**	–
Interest paid on bank loans		**(1,261,086)**	(1,540,158)
Repayment of lease liabilities		**(3,082,847)**	(3,192,075)
Proceeds from bank loans		**1,177,536**	–
Repayment of bank loans		**(4,869,270)**	(5,513,989)
Restricted cash at bank		**(758,640)**	681,387
Net cash generated from/(used in) financing activities		**4,179,410**	(9,564,835)
Net decrease in cash and cash equivalents		**(789,939)**	(7,625,414)
Cash and cash equivalents at beginning of the financial year		**6,277,585**	13,978,341
Effect of exchange rate fluctuations on cash held		**17,588**	(75,342)
Cash and cash equivalents at end of the financial year		**5,505,234**	6,277,585
Reconciliation of cash and cash equivalents:			
Cash and bank balances		**7,277,921**	10,136,877
Less:			
Fixed deposits pledged		**(10,000)**	(57,832)
Restricted cash balances	13	**(1,762,687)**	(1,004,047)
Bank overdrafts	16	**–**	(2,797,413)
Cash and cash equivalents		**5,505,234**	6,277,585

Other supplementary disclosures:

Note A: During the financial year, the Group purchased property, plant and equipment with an aggregate cost of $495,028 (2021: $1,098,303). In 2021, an amount of $776,962 related to addition of property, plant and equipment in FY2020 that was unpaid as at 31 March 2020 and it was fully paid in the financial year ended 31 March 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

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

1 DOMICILE AND ACTIVITIES

AMOS Group Limited ('the Company') is incorporated in Singapore. The address of the Company's registered office is 156 Gul Circle, Singapore 629613. The Company is listed on the Singapore Exchange. As at financial year ended 31 March 2022, PeakBayou Ltd. holds 65.36% of shares in AMOS Group Limited, which is the largest shareholder of the Company. PeakBayou Ltd. is 100% owned by a private equity fund, ShawKwei Asia Value Fund 2017 ("ShawKwei"), a Cayman Islands limited partnership.

The Company is primarily involved in investment holding and the provision of management services to its subsidiaries.

The principal activities of the significant subsidiaries are disclosed in Note 7 to the financial statements.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)s"). The changes to significant accounting policies are described in Note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollar, which is the Company's functional currency. All financial information presented in Singapore dollar, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included in the following notes:

Note 4 to Note 6	–	impairment assessment of property, plant and equipment, ROU assets and intangible assets: key assumptions underlying recoverable amounts;
Note 7	–	impairment assessment of investment in subsidiary: key assumptions underlying recoverable amounts;
Note 9	–	determination of the net realizable value of inventory on the basis of significant unobservable inputs;
Note 30	–	measurement of expected credit loss ("ECL") allowance for trade receivables and contract assets: key assumptions in determining the probability of default rate; and

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

2 BASIS OF PREPARATION (CONTINUED)

2.4 Use of estimates and judgements (Continued)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognizes transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following Note 30 – Financial instruments.

2.5 Changes in significant accounting policies

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised SFRS(I)s and Interpretations of SFRS(I)s that are relevant to its operations, and effective for the current financial year.

The adoption of these new/revised SFRS(I)s and Interpretations of SFRS(I)s did not have any material effect on the financial results or position of the Group and the Company.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in Note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognized amount of any NCI in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,
- over the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(i) Business combinations (Continued)

When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Any contingent consideration payable is recognized at fair value at the date of acquisition and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognized in profit or loss.

When share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards) and relate to past services, then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based value of the replacement awards compared with the market-based value of the acquiree's awards and the extent to which the replacement awards relate to past and/or future service.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognized amounts of the acquiree's identifiable net assets, at the date of acquisition. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity investments, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

(iii) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognized at the carrying amounts recognized previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognized directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.1 Basis of consolidation (Continued)

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

(vi) Investments in associates (equity-accounted investees)

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investments in associates are accounted for using the equity method. They are recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its investment in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

(vii) Subsidiaries in the separate financial statements

Investments in subsidiaries are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are generally recognized in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Foreign currency (Continued)

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Singapore dollar at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollar at exchange rates at the dates of the transactions.

Foreign currency differences are recognized in OCI. However, if the foreign operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the NCI. When a foreign operation is disposed of such that control, significant influence is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of its investment in an associate that includes a foreign operation while retaining significant influence, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such a monetary item that are considered to form part of a net investment in a foreign operation are recognized in OCI, and are presented in the translation reserve in equity.

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables issued is initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortized cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(ii) Classification and subsequent measurement (Continued)

Non-derivative financial assets (Continued)

Financial assets at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(ii) Classification and subsequent measurement (Continued)

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. These financial liabilities comprised bank loans, bank overdrafts, lease liabilities and trade and other payables (excludes GST/VAT payables and provision for unutilized leave).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(iii) Derecognition

Financial assets

The Group derecognizes a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognized when the Group enters into transactions whereby it transfers assets recognized in its statements of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the consolidated statement of cash flows, bank overdrafts that are repayable on demand and that form an integral part of the Group's cash management are included in cash and cash equivalents.

(vi) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (Continued)

(vii) Intra-group financial guarantees in the separate financial statements

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of SFRS(I) 15.

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

Loss allowances for ECLs for financial guarantees issued are presented in the Company's statement of financial position as 'Other payables'.

3.4 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses. The cost of certain items of property, plant and equipment at 1 April 2017, the Group's date of transition to SFRS(I), was determined with reference to its fair value at that date.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

(iii) Revaluation of property, plant and equipment – Leasehold/Freehold land and buildings

Leasehold/Freehold land and buildings are measured at their revalued amounts, less accumulated depreciation and impairment losses recognized after the date of the revaluation. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the building at the end of the reporting period.

Any revaluation surplus is recognized in other comprehensive income and accumulated in equity under the revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss, in which case the increase is recognized in profit or loss. A revaluation deficit is recognized in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Property, plant and equipment (Continued)

(iv) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognized as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Depreciation is recognized from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for the current and comparative years are as follows:

• freehold buildings	40 years
• leasehold land and buildings	7 to 30 years
• leasehold improvements	3 to 19 years
• plant, machinery and equipment	
– tools and equipment	2 to 10 years
– test-bed	15 years
• supply boat	15 years
• motor vehicles	3 to 10 years
• furniture and fittings	2 to 10 years
• office equipment	2 to 10 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.5 Intangible assets and goodwill

(i) Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For the measurement of goodwill at initial recognition, see Note 3.1(i).

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the associates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Intangible assets and goodwill (Continued)

(ii) Intangible asset

Customer relationships acquired in a business combination are identified and recognized separately from goodwill. The cost of such intangible assets is their fair value as at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iii) Amortization

Amortization is calculated based on the cost of the asset, less its residual value.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use. The estimated useful lives for the current and comparative years are as follows:

• trademarks	infinite
• capitalized software costs	5 years
• customer relationships	4 – 8 years

Amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Non-current assets held for sale

Non-current assets classified as held for sale is measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets is classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

3.7 Inventories

Inventories comprise wire ropes, accessories and trading goods for marine supplies. Inventories are measured at the lower of cost and net realizable value. Cost is calculated using the first-in, first-out method for accessories and marine supplies and specific identification method for wire ropes. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realizable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment

(i) Non-derivative financial assets and contract assets

The Group recognizes loss allowances for ECLs on:

- financial assets measured at amortized costs;
- contract assets; and
- intra-group financial guarantee contracts ("FGC").

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held).

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments and FGCs. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- the financial asset remains outstanding for more than a reasonable range of past due days, taking into account consideration historical payment track record, current macroeconomics situation as well as general industry trend.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment (Continued)

(i) Non-derivative financial assets and contract assets (Continued)

General approach (Continued)

The Company considers a FGC to be in default when the debtor of the loan is unlikely to pay its credit obligations to the creditor and the Company in full, without recourse by the Company to actions such as realizing security (if any is held). The Company only applies a discount rate if, and to the extent that, the risks are not taken into account by adjusting the expected cash shortfalls.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statements of financial position

Loss allowances for financial assets measured at amortized cost and contract assets are deducted from the gross carrying amount of these assets.

Loss allowances for FGC are recognized as a financial liability to the extent that they exceed the initial carrying amount of the FGC less the cumulated income recognized.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment (Continued)

(ii) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, contract assets and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognized if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows and are utilized by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognized separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Employee benefit

(i) Employee leave entitlement

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

(ii) Retirement benefits cost

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

3.11 Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

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

3.12 Revenue

Goods and services sold

Revenue from sale of goods and services in the ordinary course of business is recognized when the Group satisfies a performance obligation ("PO") by transferring control of a promised good or service to the customer. The amount of revenue recognized is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods or services. The individual standalone selling price of a good or service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and/or services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the POs if it relates specifically to those POs.

The transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer. When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue may be recognized at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognized based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Revenue (Continued)

Goods and services sold (Continued)

Marine Supplies

Revenue is recognized at a point when the goods is delivered to the customers.

Supply and manufacture of rigging and lifting equipment

Revenue is recognized at a point when the goods is delivered and control of a promised good has been transferred to the customer. The amount of revenue recognized is the amount of the transaction price allocated to the satisfied PO.

Rendering of service (include inspection, testing and training)

Revenue from rendering of service such as inspection, testing and training, is recognized at a point in time upon the completion of the services rendered and acceptance by the customer.

Rental income

Rental income under operating leases is recognized on a straight-line basis over the term of lease.

3.13 Government grants

Government grants related to assets are recognized initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. These grants are then recognized in profit or loss as 'other income' on a systematic basis over the useful life of the asset. Grants that compensate the Group for expenses incurred are recognized in profit or loss are deducted against the expenses on a systematic basis in the same periods in which the expenses are recognized.

3.14 Leases

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

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Leases (Continued)

(i) As a lessee (Continued)

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

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The estimated useful lives for the current and comparative years are 1 to 21 years.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities in the statements of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Leases (Continued)

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 *Revenue from Contracts with Customers* to allocate the consideration in the contract.

3.15 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss for the financial year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.15 Tax (Continued)

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.16 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.17 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

3.18 New standards and interpretations not yet adopted

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 March 2022 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

4 PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings $	Leasehold land and buildings $	Leasehold improvements $	Plant, machinery and equipment $	Supply boat $	Motor vehicles $	Furniture and fittings $	Office equipment $	Construction in-progress $	Total $
Group										
Cost or valuation										
At 1 April 2020	5,787,818	49,500,000	3,144,176	31,920,571	1,079,241	2,080,182	4,014,837	6,483,656	503,309	104,513,790
Additions	–	–	–	878,377	–	19,838	51,459	43,087	105,542	1,098,303
Disposals	–	–	–	(1,104,434)	–	(208,644)	(67,392)	(24,668)	–	(1,405,138)
Transfer	–	–	–	135,424	–	–	–	–	(135,424)	–
Transfer to inventories	–	–	–	–	–	–	–	–	(47,213)	(47,213)
Effect of movements in exchange rates	120,172	–	(46,151)	(513,040)	–	(30,457)	(9,167)	(21,905)	(11,157)	(511,705)
At 31 March 2021	5,907,990	49,500,000	3,098,025	31,316,898	1,079,241	1,860,919	3,989,737	6,480,170	415,057	103,648,037
Additions	–	–	35,367	245,491	–	29,468	20,813	113,629	50,260	495,028
Disposals	–	–	(24,919)	(1,234,513)	–	(411,405)	(14,875)	(28,790)	(305,276)	(2,019,778)
Revaluation of property, plant and equipment	312,584	500,000	–	–	–	–	–	–	–	812,584
Transfer from inventories	–	–	–	1,002,717	–	–	–	–	–	1,002,717
Effect of movements in exchange rates	(333,273)	–	2,816	122,148	–	(1,890)	(3,223)	27,794	220	(185,408)
At 31 March 2022	**5,887,301**	**50,000,000**	**3,111,289**	**31,452,741**	**1,079,241**	**1,477,092**	**3,992,452**	**6,592,803**	**160,261**	**103,753,180**
Accumulated depreciation and impairment loss										
At 1 April 2020	215,200	2,284,615	909,523	18,230,197	447,255	1,577,994	2,580,940	4,982,573	164,191	31,392,488
Depreciation for the financial year	53,066	2,284,615	310,178	2,887,095	70,575	142,115	693,246	362,604	–	6,803,494
Disposals	–	–	–	(749,787)	–	(72,550)	(1,266)	(22,733)	–	(846,336)
Effect of movements in exchange rates	5,394	–	(17,994)	(249,167)	–	(27,627)	(2,366)	(12,728)	–	(304,488)
At 31 March 2021	273,660	4,569,230	1,201,707	20,118,338	517,830	1,619,932	3,270,554	5,309,716	164,191	37,045,158
Depreciation for the financial year	52,381	2,472,844	361,872	2,587,634	70,575	97,591	581,964	207,482	–	6,432,343
Disposals	–	–	(24,919)	(718,257)	–	(363,876)	(23,970)	(28,225)	(164,191)	(1,323,438)
Revaluation of property, plant and equipment	(319,446)	(5,711,538)	–	–	–	–	–	–	–	(6,030,984)
Effect of movements in exchange rates	1,826	–	1,345	187,822	–	(407)	(2,008)	32,155	–	220,733
At 31 March 2022	**8,421**	**1,330,536**	**1,540,005**	**22,175,537**	**588,405**	**1,353,240**	**3,826,540**	**5,521,128**	**–**	**36,343,812**
Carrying amounts										
At 31 March 2021	5,634,330	44,930,770	1,896,318	11,198,560	561,411	240,987	719,183	1,170,454	250,866	66,602,879
At 31 March 2022	**5,878,880**	**48,669,464**	**1,571,284**	**9,277,204**	**490,836**	**123,852**	**165,912**	**1,071,675**	**160,261**	**67,409,368**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Furniture and fittings $	Office equipment $	Total $
Company			
Cost			
At 1 April 2020	2,337	1,105,076	1,107,413
Additions	–	3,200	3,200
Disposals	(2,337)	(2,589)	(4,926)
At 31 March 2021, 1 April 2021 and 31 March 2022	**–**	**1,105,687**	**1,105,687**
Accumulated depreciation			
At 1 April 2020	1,247	976,562	977,809
Depreciation for the financial year	19	74,181	74,200
Disposals	(1,266)	(2,589)	(3,855)
At 31 March 2021	–	1,048,154	1,048,154
Depreciation for the financial year	–	27,286	27,286
At 31 March 2022	**–**	**1,075,440**	**1,075,440**
Carrying amounts			
At 31 March 2021	–	57,533	57,533
At 31 March 2022	**–**	**30,247**	**30,247**

The Group's freehold land and buildings include the cost of freehold land of $2,246,343 (2021: $2,386,881).

On the following assumption, if it's under a cost model, the carrying amount of the Group's freehold land and building would be $4,347,421 (2021: $4,684,739) and the carrying amount of the Group's leasehold land and building would be $25,819,605 (2021: $27,202,798).

The Group has pledged certain property, plant and equipment with carrying amount of $54,548,344 (2021: $50,565,100) to secure banking facilities granted to the Group (Note 16). Certain of the Group's plant and equipment with total carrying amount of $117,446 (2021: $98,871) are under lease liabilities (Note 17).

During the financial year, the Group transferred certain inventories with a carrying value of $1,002,717 from inventories to plant, machinery and equipment as there was a change in the use of the inventories where the Group was able to rent these equipment as rental assets.

In 2021, the Group transferred certain equipment with a carrying value of $47,213 from plant, machinery and equipment to inventories as there was a change in the use of the equipment where the Group was able to sell these equipment as trading inventories.

Revaluation of the freehold/leasehold land and buildings

The Group's freehold/leasehold lands and buildings were revalued on 14 February 2022 and 30 September 2021 by the accredited independent valuation firms in accordance with the requirements of SFRS(I) 13 *Fair Value Measurement*. The fair value of the Group's freehold/leasehold lands and buildings are determined based on market comparison approach that reflects most recent transaction prices for similar properties, after adjusting for relevant factors such as tenure, condition, location and floor size, and resulted in a revaluation surplus of $632,030 (2021: Nil) and $6,211,538 (2021: Nil) respectively have been credited in other comprehensive income and accumulated in equity under asset revaluation reserve (Note 15). The fair value is based on Level 3 fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

4 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Impairment assessment

During the financial year, certain operations of the Group continued to incur operating losses. Accordingly, there is a need for the Group to re-assess whether there are impairment indicators and where applicable, to assess the recoverable amounts of the non-financial assets (including property, plant and equipment, right-of-use assets, intangible assets and investment in subsidiaries) and determine if any impairment loss should be recognized or reversed.

For the purpose of impairment assessment, management has estimated the recoverable amounts based on their value-in-use.

As at 31 March 2022, the aggregate carrying amounts of property, plant and equipment, right-of-use assets and intangible assets attributed to the respective CGU are as follows:

	Energy CGU		**Marine Supply CGU**	
	2022	2021	**2022**	2021
	$	$	**$**	$
Property, plant and equipment	**34,067,828**	33,930,441	**33,306,601**	32,608,547
Right-of-use assets	**4,215,825**	5,045,459	**2,273,510**	2,873,480
Intangible assets	**1,311,705**	1,719,260	**1,648,616**	2,055,391
	39,596,358	40,695,160	**37,228,727**	37,537,418

Key assumptions used in the calculation of the value-in-use are as follows:

	Energy CGU		**Marine Supply CGU**	
	2022	2021	**2022**	2021
Value-in-use assumptions:				
Average growth rate in revenue	**17%**	5% to 20%	**19%**	20% to 26%
Terminal growth rate	**1.5%**	0%	**1.5%**	0%
Pre-tax discount rate	**11.0%**	13.0%	**10.0%**	11.0%

The cash flow projections were based on forecasts prepared by the management covering a five-year period, taking into account past experience and existing market conditions. For periods after fifth year, a terminal growth rate is calculated and applied to project future cash flows. The discount rates applied to the cash flow projections were estimated based on weighted average cost of capital of similar assets. The revenue growth rate was estimated based on industry growth rate as well as new project wins.

The estimated recoverable amount of Energy and Marine Supply CGU exceeded its carrying amount by approximately $70,420,000 and $20,877,000 (2021: $22,007,000 and $94,811,000) respectively. Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal the recoverable amount			
	Energy CGU		**Marine Supply CGU**	
	2022	2021	**2022**	2021
Average growth rate in revenue	**15%**	6%	**18%**	4.5% – 7%
Pre-tax discount rate	**17.2%**	12.5%	**12.5%**	9.0%

Based on management's assessment, no impairment is required as the recoverable amount of the property, plant and equipment, right-of-use assets and intangible assets to be higher than its carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

5 RIGHT-OF-USE ASSETS

Leases as lessee

The Group leases warehouse and factory facilities. The leases typically run for a period of 1 to 21 years, with an option to renew the lease after that date. Certain lease payments are renegotiated every five years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The Group also leases IT equipment and motor vehicle with contract terms of one to three years.

The Group leases warehouses, offices, motor vehicles and machineries with lease terms of 12 months or less, and lease of office equipment and machineries with low values. For these leases that are short-term and/or leases of low-value items, the Group has elected not to recognize right-of-use assets and lease liabilities for these leases.

The maturity analysis of the lease liabilities of the Group is disclosed in Note 30.

Information about leases for which the Group is a lessee is presented below.

	Properties $	Equipment $	Motor vehicle $	Total $
Group				
Cost				
At 1 April 2020	7,586,908	584,285	589,000	8,760,193
Additions	3,852,091	166,441	91,498	4,110,030
Derecognition of right-of-use assets*	(1,999,929)	–	–	(1,999,929)
Modification	303,729	–	–	303,729
Foreign exchange movement	(142,740)	(1,450)	(4,390)	(148,580)
At 31 March 2021	9,600,059	749,276	676,108	11,025,443
Additions	151,973	84,273	197,364	433,610
Modification	–	–	94,171	94,171
Derecognition of right-of-use assets*	(323,501)	(81,751)	(101,640)	(506,892)
Foreign exchange movement	(51,058)	7,902	(603)	(43,759)
At 31 March 2022	**9,377,473**	**759,700**	**865,400**	**11,002,573**
Accumulated depreciation				
At 1 April 2020	1,068,313	199,370	153,672	1,421,355
Depreciation for the financial year	1,829,636	164,492	293,853	2,287,981
Derecognition of right-of-use assets*	(611,090)	–	–	(611,090)
At 31 March 2021	2,286,859	363,862	447,525	3,098,246
Depreciation for the financial year	1,224,257	199,982	245,186	1,669,425
Derecognition of right-of-use assets*	(167,053)	(77,042)	(106,347)	(350,442)
Foreign exchange movement	(13,726)	3,715	11,443	1,432
At 31 March 2022	**3,330,337**	**490,517**	**597,807**	**4,418,661**
Carrying amounts				
At 31 March 2021	7,313,200	385,414	228,583	7,927,197
At 31 March 2022	**6,047,136**	**269,183**	**267,593**	**6,583,912**

* Derecognition of right-of-use assets refers to leases that are derecognized due to early termination of these leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

5 RIGHT-OF-USE ASSETS (CONTINUED)

Leases as lessee (Continued)

Amounts recognized in consolidated statement of profit or loss and other comprehensive income

	Group	
	2022	2021
	$	$
Leases under SFRS(I) 16		
Interest on lease liabilities (Note 23)	**482,558**	581,364
Expenses relating to short-term leases	**447,546**	817,095
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	**16,213**	8,176

Amounts recognized in consolidated statement of cash flows

	Group	
	2022	2021
	$	$
Total cash outflow for leases	**4,029,164**	4,598,710

Information about leases for which the Company is a lessee is presented below.

	Motor vehicle $
Company	
Cost	
At 1 April 2020, 31 March 2021 and 1 April 2021	74,330
Additions	126,103
Derecognition of right-of-use assets*	(74,330)
At 31 March 2022	**126,103**
Accumulated depreciation	
At 1 April 2020	33,038
Depreciation for the financial year	33,034
At 31 March 2021	66,072
Depreciation for the financial year	39,784
Derecognition of right-of-use assets*	(74,330)
At 31 March 2022	**31,526**
Carrying amounts	
At 31 March 2021	8,258
At 31 March 2022	**94,577**

* Derecognition of right-of-use assets refers to leases that are derecognized due to early termination of these leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

5 RIGHT-OF-USE ASSETS (CONTINUED)

Leases as lessor

Nature of the Group's leasing activities – Group as a lessor

The Group leased out its rigging and lifting equipment to various third parties for daily/monthly lease payments. The lease is classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Rental income from leased of rigging and lifting equipment to customers are disclosed in Note 21.

6 INTANGIBLE ASSETS

	Customer Relationship $	Trademark $	Software $	Total $
Group and Company				
Cost				
At 1 April 2020	5,874,849	431,812	2,910,132	9,216,793
Additions	–	52,416	1,165,424	1,217,840
At 31 March 2021	5,874,849	484,228	4,075,556	10,434,633
Additions	–	781	–	781
At 31 March 2022	**5,874,849**	**485,009**	**4,075,556**	**10,435,414**
Amortization				
At 1 April 2020	2,521,413	–	97,004	2,618,417
Amortization for the financial year	–	–	688,129	688,129
At 31 March 2021	2,521,413	–	785,133	3,306,546
Amortization for the financial year	–	–	815,111	815,111
At 31 March 2022	**2,521,413**	**–**	**1,600,244**	**4,121,657**
Impairment				
At 1 April 2020, 31 March 2021 and 31 March 2022	**3,353,436**	**–**	**–**	**3,353,436**
Carrying amounts				
At 31 March 2021	–	484,228	3,290,423	3,774,651
At 31 March 2022	**–**	**485,009**	**2,475,312**	**2,960,321**

Certain of the Group's intangible assets with total carrying amount of $2,475,312 (2021: $3,290,423) are under lease liabilities (Note 17).

The amortization expense was included under "Administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

The recoverable amounts of the intangible assets are determined from value-in-use calculations. Refer to Note 4 for details of impairment assessment performed over intangible assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

7 SUBSIDIARIES

	Company	
	2022	2021
	$	$
Investments in subsidiaries	**53,982,006**	53,982,006
Interest in subsidiary	**29,254,803**	13,924,492
Advances to subsidiaries	**48,379,096**	51,420,956
Due from subsidiaries	**426,152**	851,975
Loans due from subsidiaries	**38,081,511**	40,761,254
Financial guarantee to subsidiaries	**187,283**	232,634
	170,310,851	161,173,317

In financial year 2022, the Company waived the loan due from AMOS International (S) Pte Ltd ("AIS"). Accordingly, the loan has been reclassified from loan due from subsidiary to interest in subsidiary and it forms part of investment in AIS when settlement is neither planned nor likely to occur in the foreseeable future.

Advances to subsidiaries and amount due from subsidiaries are interest free with no fixed term of repayment.

Loans due from subsidiaries bear interest of 3.5% to 4.0% (2021: 3.5% to 4.0%) per annum with no fixed term of repayment.

Acquisition of non-controlling interests without a change in control

On 9 November 2021, the Company's wholly-owned subsidiaries, AMOS Supply Pte. Ltd and AMOS International (S) Pte. Ltd. acquired additional 10% equity interest in AMOS Supply Korea Co Ltd ("ASK") and AMOS Korea Co Ltd ("AK") from its non-controlling interests for a cash consideration of US$1 (equivalent to $1) each.

The net liabilities of ASK and AK as at 31 October 2021 were $241,140 and $2,141,000 respectively. The carrying values of the additional 10% equity interest acquired were liability of $24,112 and $214,101 respectively. Therefore, the difference between the consideration paid and the carrying value of the additional interest acquired has been recognized within equity as premium paid for acquisition of non-controlling interests.

The following summarizes the effects of the change in the Group ownership interest in ASK and AK on the equity attributable to equity holders of the Company.

	ASK	**AK**	**Total**
	$	**$**	**$**
Group			
Consideration paid for acquisition of non-controlling interests	1	1	2
Carrying amount of non-controlling interests acquired	24,112	214,101	238,213
Decrease in equity attributable to equity holders of the Group	24,113	214,102	238,215

Impairment assessment

The recoverable amounts of the cash generating units used in assessing for impairment are determined from value-in-use calculations. The key assumptions used for the value-in-use calculations are those regarding the discount rates and revenue growth rates. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the cash generating units. The revenue growth rates are based on industry growth forecasts as well as new project wins.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

7 SUBSIDIARIES (CONTINUED)

Impairment assessment (Continued)

The cash flow projections were based on forecasts prepared by the management covering a five-year period which taking into account of past experience and existing market conditions. For periods after fifth year, a terminal growth rate is calculated and applied to project future cash flows. The pre-tax rate used to discount the cash flows and the forecasted growth rate to extrapolate cash flow projections beyond the five-year period are 11.0% and 10.0% (2021: 12.5% and 9.0%) and 1.5% and 1.5% (2021: 0%) for Energy and Marine Supply CGU respectively.

The estimated recoverable amount of Energy and Marine Supply CGU exceeded its carrying amount by approximately $85,866,000 and $3,159,000 (2021: $56,714,000 and $59,134,000) respectively. Management has identified that a reasonably possible change in two key assumptions could cause the carrying amount to exceed the recoverable amount. The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal the recoverable amount			
	Energy CGU		Marine Supply CGU	
	2022	2021	**2022**	2021
Average growth rate in revenue	**15%**	6%	**19%**	4.5% – 7%
Pre-tax discount rate	**19.8%**	12.5%	**10.3%**	9.0%

Based on management's assessment, no impairment is required as the recoverable amount of the investment in subsidiaries and loan to subsidiaries to be higher than its carrying amount.

Details of the significant subsidiaries are as follows:

Name of subsidiaries	Principal activities	Principal place of business	Ownership interest 2022 %	Ownership interest 2021 %
AMOS Supply Pte. Ltd.[(1)]	Supply and manufacture of rigging and lifting equipment and provision of related services	Singapore	**100**	100
AMOS Malaysia Sdn. Bhd.[(2)]	Supply and manufacture of rigging and lifting equipment and provision of related services	Malaysia	**100**	100
AMOS Power Pte. Ltd.[(1)]	Supply of rigging and lifting equipment	Singapore	**100**	100
AMOS Korea Co., Ltd[#]	Provision of marine supplies and services and general merchandise	South Korea	**100**	90
AMOS Azerbaijan LLC[#]	Supply and manufacture of rigging and lifting equipment and provision of related services	Azerbaijan	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

7 SUBSIDIARIES (CONTINUED)

Details of the significant subsidiaries are as follows (Continued):

Name of subsidiaries	Principal activities	Principal place of business	Ownership interest 2022 %	2021 %
AMOS Europe (UK) Limited[(2), (3)]	Supply and manufacture of rigging and lifting equipment and provision of related services	United Kingdom	**100**	100
AMOS Middle East Holdings FZE[(2)]	Investment holding	United Arab Emirates ("UAE")	**100**	100
AMOS Middle East FZE[(2)]	Supply and manufacture of rigging and lifting equipment and provision of related services	UAE	**100**	100
AMOS International (S) Pte. Ltd.[(1)]	Business of marine supplies and general traders	Singapore	**100**	100
AMOS (Shanghai) Co., Ltd[(2)]	General traders and commission agent	People's Republic of China	**100**	100
AMOS International (HK) Limited[(2)]	Business of marine supplies and general traders	Hong Kong	**100**	100
AMOS Supply Korea Co Ltd[(4)#]	Supply and manufacture of rigging and lifting equipment and provision of related services	South Korea	**–**	90

(1) Audited by Baker Tilly TFW LLP (2021: Audited by KPMG, Singapore).
(2) Audited by member firms of the Baker Tilly International Network (2021: Audited by member firms of KPMG).
(3) The subsidiary has a 100% held branch which has its principal place of business in Azerbaijan.
(4) The subsidiary amalgamated into AMOS Korea Co., Ltd with effect from 31 March 2022.
\# Not required to be audited as the Company was exempted from audit during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

8 DEFERRED TAX ASSETS AND LIABILITIES

	Deferred tax assets		Deferred tax liabilities	
	2022	2021	**2022**	2021
	$	$	**$**	$
Group				
Inventories	**–**	–	**–**	10,300
Other items	**19,408**	20,623	**–**	(71,376)
	19,408	20,623	**–**	(61,076)

The following are the deferred tax assets and liabilities recognized by the Group and the movements thereon, during the reporting period:

	Note	Accelerated tax depreciation	Unutilized tax losses	Unutilized capital allowances and other timing differences	Net
		$	$	$	$
Group					
At 1 April 2020		–	506,416	(201,677)	304,739
(Credit)/Charge to profit or loss	24	–	(506,416)	161,224	(345,192)
At 31 March 2021		–	–	(40,453)	(40,453)
Credit to profit or loss	24	–	–	59,861	59,861
At 31 March 2022		**–**	**–**	**19,408**	**19,408**

At the end of the reporting period, the deferred tax liabilities for temporary differences associated with undistributed earnings of subsidiaries have not been recognized because the Group is in a position to control the timing of reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

9 INVENTORIES

	Group	
	2022	2021
	$	$
Raw materials and products		
– Accessories and trading goods	**21,505,790**	25,072,838
– Wire ropes	**13,955,002**	16,331,647
	35,460,792	41,404,485
Carrying amount of inventories pledged as security for bank borrowings	**13,879,721**	14,204,646

The following amounts are recognized in profit or loss:

	Group	
	2022	2021
	$	$
Inventories recognized as an expense in cost of sales	**71,686,615**	78,558,920
Write-down of inventories included in cost of sales	**–**	1,206,666

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

9 INVENTORIES (CONTINUED)

Where necessary, inventories are written down to net realizable value where the cost of inventories may not be recoverable. Management determined the net realizable value based on the conditions, aging and types of material of inventories and current market conditions. The required level of write-down could change significantly as a result of changes in market conditions. Adjustments to the carrying amount of inventories may be made in future periods in the event that their carrying amounts may not be recoverable resulting from future loss events.

10 TRADE RECEIVABLES

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Trade receivables	**26,591,888**	29,215,225	**–**	–
Amounts due from subsidiaries	**–**	–	**2,829,947**	2,682,594
	26,591,888	29,215,225	**2,829,947**	2,682,594
Less allowance for impairment loss (Note 30)	**(1,589,654)**	(2,810,609)	**–**	–
	25,002,234	26,404,616	**2,829,947**	2,682,594

Amounts due from subsidiaries

Outstanding balances with subsidiaries are unsecured and are trade balances in nature. There is no allowance for doubtful debts arising from these outstanding balances as the Expected Credit Loss ("ECL") is not material.

Credit and market risks, and impairment losses

The Group and the Company's exposure to credit and currency risks, and impairment losses for trade receivables and contract assets are disclosed in Note 30.

11 OTHER RECEIVABLES

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Advance payments to suppliers	**2,366,489**	2,573,334	**21,003**	6,670
Less allowance for impairment loss (Note 30)	**(1,511,123)**	(1,557,815)	**–**	–
	855,366	1,015,519	**21,003**	6,670
Deposits	**594,835**	837,216	**10,950**	2,830
Prepayments	**727,276**	1,022,586	**290,652**	279,933
GST recoverable	**1,205,145**	1,085,815	**–**	–
Recoverable from third parties	**162,583**	537,720	**14,083**	6,670
Other receivables	**3,545,205**	4,498,856	**336,688**	296,103

Credit and market risks, and impairment losses

The Group and the Company's exposure to credit and currency risks, and impairment losses for other receivables (excludes prepayments and GST recoverable), are disclosed in Note 30.

The Group provide an impairment on other receivables of $1,511,123 (2021: $1,557,815) (Note 22) due to non-recovery of advance payment to supplier.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

12 ASSETS HELD FOR SALE

In 2021, the Group sold the following land and building property with proceeds of $2,384,212, transaction costs incurred of $13,181 and recognized an impairment loss of $952,146 in other operating expenses to write down the carrying value to its estimated market price that was obtained from an external valuation report.

The details of the land and building disposed in the financial year ended 31 March 2021 are as follow:

Address	Description	Existing	Site area (sqm)	Approximately lettable/ strata area (sqm)
Lot PTD 4963, Mukim of Sungai Tiram, Johor, Malaysia	Industrial land	Industrial land	40,870	40,870

13 CASH AND BANK BALANCES

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Cash on hand	**88,222**	63,123	**10**	10
Fixed deposits	**10,000**	60,006	**–**	–
Bank balances	**5,417,012**	9,009,701	**1,245,822**	228,649
Restricted cash at bank	**1,762,687**	1,004,047	**–**	–
	7,277,921	10,136,877	**1,245,832**	228,659

14 SHARE CAPITAL

	Group and Company			
	2022	2021	**2022**	2021
	Number of ordinary shares		**$**	$
Issued and paid-up:				
At 1 April	**2,597,374,250**	2,597,374,250	**166,255,912**	166,255,912
Rights issue	**974,015,343**	–	**13,149,207**	–
Shares issuance expense	**–**	–	**(175,490)**	–
Shares consolidation	**(3,392,820,137)**	–	**–**	–
At 31 March	**178,569,456**	2,597,374,250	**179,229,629**	166,255,912

On 1 June 2021, the Company allotted and issued three (3) Rights Shares for every eight (8) existing ordinary shares in the capital of the Company for total proceeds of $13,149,207.

On 11 August 2021, the Company consolidated every twenty (20) existing ordinary shares into one (1) consolidated ordinary share.

The fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

14 SHARE CAPITAL (CONTINUED)

Capital management

The primary objective of the management of the Group's capital structure is to maintain a level of equity in order to achieve an optimal cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows. As the Company is part of a larger group, the Company's sources of additional capital and policies for distribution of excess capital may also be affected by the Group's capital management objectives.

The Group and Company defines "capital" as including all components of equity.

The Board regularly reviews the Group's and Company's capital structure and makes adjustments to reflect economic conditions, business strategies and future commitments.

No significant changes were made in the objectives, policies or processes relating to the management of the Company's capital structure during the financial year. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

15 OTHER RESERVES

Other reserves comprise of merger reserves and asset revaluation reserves.

	Group	
	2022	2021
	$	$
Merger reserves	**(19,769,268)**	(19,769,268)
Asset revaluation reserves	**27,210,546**	20,366,978
At 31 March	**7,441,278**	597,710

Merger reserves

Merger reserves arise when the Group acquired Amos International Holdings Pte. Ltd. ("AIH") and its group of subsidiaries which has been amalgamated and transferred into AIS previously.

Asset revaluation reserves

The asset revaluation reserves arise from the revaluation of leasehold/freehold land and buildings.

	Group	
	2022	2021
	$	$
At 1 April	**20,366,978**	20,366,978
Gain on revaluation (Note 4)	**6,843,568**	–
At 31 March	**27,210,546**	20,366,978

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

16 BANK BORROWINGS

	Group	
	2022	2021
	$	$
Current liabilities		
– Bank loans (secured)	**8,523,146**	27,461,348
– Bank overdraft (secured)	**–**	2,797,413
	8,523,146	30,258,761
Non-current liabilities		
– Bank loans (secured)	**15,075,878**	–
	23,599,024	30,258,761

The bank loans bear floating interest rates ranging from 1.9% to 5.2% (2021: 1.6% to 3.7%) and fixed interest rate of 2.1% (2021: Nil%) per annum. The bank overdrafts bear interest rates at the bank's prevailing prime lending rate is 4.3% (2021: 3.1% to 4.3%) per annum. Bank overdraft was fully paid during the financial year. Bank loans at floating interest rates are contractually repriced on a short-term basis, typically six months or less.

As at 31 March 2022, certain bank loans of the Group are secured by:

(a) Legal mortgage over a leasehold land and building of the Group (Note 4)

(b) Legal mortgage over a freehold land and building of the Group (Note 4)

(c) A corporate guarantee by the Company

(d) Inventories of certain subsidiaries subject to the satisfaction of bank covenant where the fair market value (Note 9) does not exceed the Inventories Loan-To-Value ratio

Bank covenants are monitored on a regular basis by management to ensure compliance with the agreement.

In keeping with typical practices for commercial bank loans, a portion of the Group's banking facilities are expected to meet specified financial ratios and minimum net worth covenants for the Group and its subsidiaries. In the event of the Group and its subsidiaries breaching any of these covenants, then should the covenant not be waived the outstanding loan facilities might be repayable at any time demanded by the commercial bank.

The Group discovered that it had technically breached a specific bank loan covenant as at 31 March 2022. On 31 March 2022, the Group has obtained a waiver letter for the breach of loan covenant from the bank and accordingly, classified the borrowings as non-current liabilities as it has a final maturity date in November 2029.

The estimated fair values of the bank loans approximate their carrying values as the loans are repriced on a timely basis depending on movements in the market lending rates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

16 BANK BORROWINGS (CONTINUED)

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Bank loans $	Lease liabilities (Note 17) $	Total $
Balance at 1 April 2020	32,914,335	9,900,826	42,815,161
Changes from financing cash flows			
Repayment of bank loans	(5,513,989)	–	(5,513,989)
Interest paid	(894,644)	(581,364)	(1,476,008)
Repayment of lease liabilities	–	(3,192,075)	(3,192,075)
Modification of right-of-use assets	–	(1,263,647)	(1,263,647)
Total changes from financing cash flows	(6,408,633)	(5,037,086)	(11,445,719)
Other changes			
Liability related			
Interest expense	894,644	581,364	1,476,008
New lease liabilities	–	5,554,155	5,554,155
Foreign exchange movement	61,002	160,827	221,829
Total liability-related other changes	955,646	6,296,346	7,251,992
Balance at 31 March 2021	27,461,348	11,160,086	38,621,434
Balance at 1 April 2021	27,461,348	11,160,086	38,621,434
Changes from financing cash flows			
Repayment of bank loans	(4,869,270)	–	(4,869,270)
Interest paid	(697,192)	(482,558)	(1,179,750)
New bank loan obtained	1,177,536	–	1,177,536
Repayment of lease liabilities	–	(3,082,847)	(3,082,847)
Total changes from financing cash flows	(4,388,926)	(3,565,405)	(7,954,331)
Other changes			
Liability related			
Interest expense	697,192	482,558	1,179,750
New lease liabilities	–	433,610	433,610
Modification of lease liabilities	–	94,171	94,171
Derecognition of lease liabilities	–	(169,558)	(169,558)
Foreign exchange movement	(170,590)	(4,994)	(175,584)
Total liability-related other changes	526,602	840,781	1,362,389
Balance at 31 March 2022	**23,599,024**	**8,430,468**	**32,029,492**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

17 LEASE LIABILITIES

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Current liabilities				
– Lease liabilities	**2,898,392**	3,051,783	**1,169,117**	1,496,546
Non-current liabilities				
– Lease liabilities	**5,532,076**	8,108,303	**380,828**	1,451,971
	8,430,468	11,160,086	**1,549,945**	2,948,517

Terms and debt repayment schedule

Terms and conditions of outstanding bank borrowings and lease liabilities are as follows:

			2022		2021	
	Nominal interest rate	**Year of maturity**	**Face value**	**Carrying amount**	Face value	Carrying amount
	%		**$**	**$**	$	$
Group						
Secured loan and bank overdraft	1.9 to 5.2	2022 to 2030	**26,836,566**	**23,599,024**	39,334,354	30,258,761
Lease liabilities	2.2 to 18.0	2022 to 2041	**10,506,590**	**8,430,468**	13,713,775	11,160,086
			37,343,156	**32,029,492**	53,048,129	41,418,847
Company						
Lease liabilities	2.4 to 5.7	2021 to 2024	**1,606,671**	**1,549,945**	3,128,473	2,948,517

18 TRADE PAYABLES

	Group	
	2022	2021
	$	$
Third parties	**13,166,209**	16,178,503

The average credit period of trade payables is 30 days to 90 days (2021: 30 days to 90 days). No interest is charged on the outstanding balances.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

19 OTHER PAYABLES

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Third parties (Non-trade)	**3,667,009**	5,367,396	**294,189**	394,444
Accruals of expenses	**2,150,261**	3,608,073	**253,630**	868,240
Interest payable to third party	**9,379**	92,850	**–**	–
Due to subsidiaries	**–**	–	**1,142,827**	1,029,067
GST/VAT payables	**43,130**	36,955	**18,056**	35,536
Provision for unutilized leave	**1,103,314**	1,364,417	**121,451**	164,071
Financial guarantee to subsidiaries (Note 27)	**–**	–	**187,283**	232,634
	6,973,093	10,469,691	**2,017,436**	2,723,992

The other payables to third parties relate to non-trade transactions that is interest free and repayable on demand. Amount due to subsidiaries are interest free and repayable on demand.

20 PROVISIONS

	Provision for cancellation of contract
	$
Group	
At 1 April 2020, 31 March 2021 and 1 April 2021	408,000
Reversed during the financial year (Note 22)	(408,000)
At 31 March 2022	–

21 REVENUE

Group	**Timing of revenue recognition**	**Segment**	**2022**	2021
			$	$
Marine supplies	Sales of goods (revenue recognized at a point in time)	Marine	**44,740,985**	56,371,643
Supply and manufacture of rigging and lifting equipment	Sales of goods (revenue recognized at a point in time)	Energy	**46,229,312**	43,372,010
Rendering of service	Service revenue (recognized at a point in time)	Energy	**4,159,405**	4,680,082
Rental revenue	Rental (revenue recognized over time)	Energy	**4,219,599**	4,096,717
			99,349,301	108,520,452

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

21 REVENUE (CONTINUED)

Contract balances

The following table provides information about trade receivables, contract assets and contract liabilities from contracts with customers.

	Note	**2022**	2021	1.4.2020
		$	$	$
Group				
Trade receivables	10	**25,002,234**	26,404,616	32,056,004
Contract assets		**2,626,722**	2,228,059	1,859,037
Contract liabilities		**(1,446,972)**	(3,351,361)	(909,423)

The contract assets primarily relate to the Group's rights to consideration for work completed/delivered but not billed at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to advance consideration received from customers for sale of goods or rendering of services.

The amount of $2,228,059 (2021: $1,859,037) recognized in the Group's contract assets at the beginning of the period has been recognized as trade receivables for the financial year ended 31 March 2022.

The amount of $2,403,915 (2021: $909,423) recognized in the Group's contract liabilities at the beginning of the period has been recognized as revenue for the financial year ended 31 March 2022.

	Note	**2022**	2021	1.4.2020
		$	$	$
Company				
Trade receivables	10	**2,829,947**	2,682,594	–
Contract assets		**1,627,614**	1,094,874	2,860,042

The Company's contract assets relate to management service performed but not billed at the reporting date.

The amount of $1,094,874 (2021: $2,860,042) recognized in the Company's contract assets at the beginning of the period has been recognized as trade receivables for the financial year ended 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

22 OTHER OPERATING INCOME/EXPENSES

	Note	Group 2022 $	Group 2021 $
Other operating income:			
Interest income		**4,244**	21,117
Sundry income		**568,048**	852,514
Government grants		**–**	144,990
Rental income		**16,924**	3,988
Trade payables written back		**259,786**	26,512
Gain on disposal of property, plant and equipment		**177,237**	28,810
Gain on modification of right-of-use assets		**–**	178,536
Gain on derecognition of right-of-use assets and lease liabilities		**13,108**	–
Doubtful trade receivables recovered		**285,462**	549,490
Other receivables recovered		**20,292**	–
Reversal of provision for cancellation of contract	20	**408,000**	–
		1,753,101	1,805,957
Other operating expenses:			
Trade receivables written off		**69,638**	6,457
Impairment of assets held for sales	12	**–**	952,146
Loss on disposal of club membership		**26,500**	–
Property, plant and equipment written off		**–**	476
Restructuring cost		**–**	1,178,447
Professional and consultancy fees		**2,003,643**	1,773,537
Foreign exchange loss		**669,856**	1,609,039
Other expenses		**8,436**	–
		2,778,073	5,520,102

23 FINANCE COSTS

	Group 2022 $	Group 2021 $
Bank facility fee	**90,715**	157,000
Interest expense on:		
Bank loans	**697,192**	894,644
Lease liabilities	**482,558**	581,364
	1,270,465	1,633,008

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

24 TAX EXPENSE

	Group	
	2022	2021
	$	$
Current tax expense		
Current	**(29,521)**	(69,210)
	(29,521)	(69,210)
Deferred tax expense		
Current	**59,861**	–
Over provision in prior years (Note 8)	**–**	(345,192)
	59,861	(345,192)
	30,340	(414,402)
Reconciliation of effective tax rate		
Loss before tax	**(13,968,797)**	(20,254,583)
Income tax benefit at 17% (2021: 17%)	**(2,374,695)**	(3,443,277)
Effect of non-deductible items	**664,668**	1,843,747
Effect of exemption and incentives	**(63,537)**	(15,325)
Effect of different tax rate of overseas operations	**90,063**	39,538
Effect of deferred tax benefits not recognized	**1,909,828**	1,998,808
Utilization of deferred tax benefits previously not recognized	**(306,508)**	(439,701)
Under/(over) provision of deferred tax in prior years	**59,861**	(349,316)
Others	**50,660**	(48,876)
	30,340	(414,402)

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

The corporate tax rates applicable to companies incorporated in Singapore and foreign subsidiaries of the Group are 17% (2021: 17%) and from 10% to 25% (2021: 11% to 25%) respectively for the year of assessment 2023 onwards.

As at 31 March 2022, the Group has tax losses of $97,257,832 (2021: $91,543,292), that are available for offset against future taxable profits of the companies in which the losses arose, for which no deferred tax asset is recognized due to uncertainty of its recoverability.

Unrecognized deferred tax assets and deferred tax liabilities

Deferred tax assets and liabilities have not been recognized in respect of the following items:

	Assets		Liabilities	
	2022	2021	**2022**	2021
	$	$	**$**	$
Unutilized tax losses and capital allowances	**16,533,832**	15,722,869	**–**	–
Unrecognized deferred tax assets/(liabilities)	**16,533,832**	15,722,869	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

24 TAX EXPENSE (CONTINUED)

Unrecognized deferred tax assets and deferred tax liabilities (Continued)

The total tax loss carryforwards for the year can be reconciled as follows:

	Local $	Foreign $	Total $
At 1 April 2020	73,221,113	12,208,795	85,429,908
Arising during the financial year	7,288,500	488,508	7,777,008
Utilized during the financial year	(704,054)	(959,570)	(1,663,624)
At 31 March 2021	79,805,559	11,737,733	91,543,292
Deferred tax asset on above:			
Not recognized	13,566,945	2,155,924	15,722,869
At 1 April 2021	79,805,559	11,737,733	91,543,292
Arising during the financial year	8,653,520	516,560	9,170,080
Utilized during the financial year	(2,221,262)	(1,234,278)	(3,455,540)
At 31 March 2022	**86,237,817**	**11,020,015**	**97,257,832**
Deferred tax asset on above:			
Not recognized	**14,660,429**	**1,873,403**	**16,533,832**

The realization of the future income tax benefits from the tax loss carryforwards for the local subsidiaries is available for an unlimited future period subject to conditions imposed by law including the retention of majority shareholders as defined.

The realization of the future income tax benefits from the tax loss carryforwards for the foreign subsidiaries is available for a maximum of five to ten years subject to agreement with the Inland Revenue Board of the country in which the foreign subsidiaries operate.

Future tax benefits arising from these tax loss carryforwards have not been recognized in the financial statements as there is no reasonable certainty of their recovery in future periods.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

25 LOSS FOR THE FINANCIAL YEAR

Loss for the financial year has been arrived at after charging:

	Group	
	2022	2021
	$	$
Directors' remuneration:		
– of the Company	**305,894**	150,000
Employee benefits expense (including directors' remuneration)		
Salaries and related benefits		
– distribution costs	**7,251,988**	6,219,807
– administrative expenses	**9,209,858**	8,985,217
– cost of sales	**3,822,311**	5,311,904
	20,284,157	20,516,928
Costs of defined contribution plan		
– distribution costs	**382,948**	285,334
– administrative expenses	**274,359**	258,408
– cost of sales	**177,517**	310,495
	834,824	854,237
Foreign exchange loss net	**669,856**	1,609,039
Audit fees paid or payable to		
– auditor of the Company	**186,000**	56,700
– auditor of the subsidiaries*	**167,215**	296,100
– other auditors	**41,010**	39,803
	394,225	392,603
Non-audit fees paid or payable to		
– auditor of the subsidiaries	**–**	12,462
– auditor of the Company	**–**	–
Aggregate amount of fees paid to auditors	**394,225**	405,065
Operating lease expenses (Note 5)	**463,759**	825,271

* Related to audit fee paid to independent member firms of the Baker Tilly International network for the financial year ended 31 March 2022 (2021: member firms of KPMG).

26 LOSS PER SHARE

The calculation of the loss per share attributable to the ordinary equity holders of the Group is based on the following data:

	Group	
	2022	2021*
	$	$
Net loss attributable to shareholders of the Company	**(13,862,259)**	(20,583,453)
	Number of shares	
Weighted average number of ordinary shares for purpose of loss per share*	**178,074,234**	175,606,126
Basic and diluted loss per share (cents per share)	**(7.78)**	(11.72)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

26 LOSS PER SHARE (CONTINUED)

There are no dilutive equity instruments for 2022 and 2021.

* With the completion of the issuance of rights shares on 11 August 2021, prior year comparatives for loss per share were restated per SFRS(I)1-33 *Earnings per share* through retrospective application of a bonus factor to the weighted average number of shares. The bonus factor is derived from the division of fair value per share immediately before the exercise of rights by the theoretical ex-rights fair value.

The weighted average number of ordinary shares for 2021 has been retrospectively adjusted to reflect the Share Consolidation Exercise as disclosed in Note 14.

27 COMMITMENT AND CONTINGENCIES

Contingent liability – Guarantees

The Company has granted corporate guarantees to banks in respect of bank facilities utilized by the subsidiaries of the Group. The maximum amount that the Group and the Company could be forced to settle, if the full guaranteed amount is claimed by the counterparty to the guarantee is $22,276,598 and $22,276,598 respectively (2021: $33,198,822 and $30,401,409 respectively). The earliest period that the guarantee could be called is within 1 year (2021: 1 year) from the end of the reporting period.

28 RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The related party balances are unsecured, interest-free, and repayable on demand and expected to be settled in cash, unless otherwise stated. The tables below disclose the related party transactions other than those already disclosed elsewhere in this Financial Statements.

Key management personnel compensation

The remuneration of directors and other members of key management are as follows:

	Group	
	2022	2021
	$	$
Short-term employee benefits	**1,226,058**	1,313,855
Post-employment benefits	**28,088**	43,527
	1,254,146	1,357,382

29 SEGMENT INFORMATION

For the purpose of the resource allocation and assessment of segment performance, the Group's chief operating decision maker has focused on the business operating units which in turn, are segregated based on their services. This forms the basis of identifying the operating segments of the Group under SFRS(I) 8 *Operating Segments.*

Operating segments are aggregated into a single reporting segment if they have similar economic characteristics. The Group's reportable segments under SFRS(I) 8 *Operating Segments* are set out below:

Energy

The Energy business segment relates to the supply and manufacture of rigging, lifting equipment and provision of related services for the global offshore oil and gas industry.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

29 SEGMENT INFORMATION (CONTINUED)

Marine

This segment provides marine supplies and services and general merchandise.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment results represent the results of each segment and is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

For the purposes of monitoring segment performance and allocating resources between segments, the chief operating decision maker monitors the tangible, intangible and financial assets and liabilities attributable to each segment.

All assets and liabilities are allocated to reportable segments. Assets and liabilities, if any, used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments.

	Energy $	Marine $	Others $	Total $
31 March 2022				
Revenue				
Sales	54,766,446	44,813,573	–	99,580,019
Inter-segment sales	(158,130)	(72,588)	–	(230,718)
Sales to external customers	**54,608,316**	**44,740,985**	**–**	**99,349,301**
Loss from operations				
Segment results	1,290,558	(13,790,463)	(198,427)	(12,698,332)
Interest expense	(678,108)	(590,054)	(2,303)	(1,270,465)
Income tax credit/(expense)	42,005	(11,665)	–	30,340
Loss for the financial year	**654,455**	**(14,392,182)**	**(200,730)**	**(13,938,457)**
Assets				
Segment assets	**65,447,357**	**83,773,290**	**1,707,344**	**150,927,991**
Liabilities				
Segment liabilities	**22,080,325**	**31,053,061**	**495,456**	**53,628,842**
31 March 2022				
Other information				
Gain on disposal of property, plant and equipment	185,650	(8,413)	–	**177,237**
Trade receivables written off	(24,349)	(48,495)	–	**(72,844)**
Reversal of impairment loss on trade receivables	549,845	359,527	–	**909,372**
Allocable depreciation and amortization	(3,579,656)	(5,270,153)	(67,070)	**(8,916,879)**
Allocable additions to non-current assets	511,969	291,346	126,104	**929,419**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

29 SEGMENT INFORMATION (CONTINUED)

	Energy $	Marine $	Others $	Total $
31 March 2021				
Revenue				
Sales	52,475,807	56,612,127	–	109,087,934
Inter-segment sales	(326,998)	(240,484)	–	(567,482)
Sales to external customers	52,148,809	56,371,643	–	108,520,452
Loss from operations				
Segment results	(7,360,749)	(9,625,513)	(456,866)	(17,443,128)
Restructuring costs	(899,002)	(279,445)	–	(1,178,447)
Interest expense	(933,007)	(699,368)	(633)	(1,633,008)
Income tax expense	(217,034)	(197,368)	–	(414,402)
Loss for the financial year	(9,409,792)	(10,801,694)	(457,499)	(20,668,985)
Assets				
Segment assets	75,168,453	87,348,052	590,554	163,107,059
Liabilities				
Segment liabilities	30,264,502	41,381,400	247,578	71,893,480
Other information				
Impairment of assets held for sale	(952,146)	–	–	(952,146)
Gain on disposal of property, plant and equipment	57,438	(27,556)	(1,072)	28,810
Trade receivables written off	903	(7,360)	–	(6,457)
Impairment loss on trade receivables	(503,409)	(590,377)	–	(1,093,786)
Inventory written down	(960,511)	(246,155)	–	(1,206,666)
Allocable depreciation and amortization	(3,770,762)	(5,213,480)	(107,233)	(9,091,475)
Allocable additions to non-current assets	4,738,355	1,684,616	3,200	6,426,171

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

29 SEGMENT INFORMATION (CONTINUED)

Geographic information

The Group operates mainly in the geographic areas of Singapore, Azerbaijan, Middle East, Malaysia, Australia, Asia, Europe, China and Others. The Group's revenue from external customers and information about its segment assets (non-current assets) by geographic location are detailed below:

	Group	
	2022	2021
	$	$
Revenue from external customers (based on revenue by country)		
Singapore	**54,670,329**	66,485,810
Azerbaijan	**2,492,439**	2,725,659
South Korea	**6,580,146**	6,124,132
United Kingdom	**13,824,326**	11,407,222
United Arab Emirates	**6,658,377**	5,709,424
China	**10,275,081**	10,727,059
Asia(1)	**4,848,603**	5,341,146
	99,349,301	108,520,452
Non-current assets (based on location of assets)		
Singapore	**58,968,647**	58,220,587
Malaysia	**3,457,451**	2,599,752
South Korea	**7,401,461**	7,518,772
United Arab Emirates	**4,661,901**	5,396,020
Others(2)	**2,525,657**	4,658,827
	77,015,117	78,393,958

(1) Revenue from countries in "Asia" include revenue from customers in countries that individually account for less than 10% of the Group's revenue.

(2) Location for "Others" includes China, United Kingdom, Kazakhstan, Vietnam, Azerbaijan and Indonesia that individually account for less than 10% of the Group's non-current assets.

Information about major customers

There are no revenues from transactions with any single external customer that amounts to 10% or more of the Group's revenue.

30 FINANCIAL INSTRUMENTS

Financial risk management

Overview

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

30 FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management (Continued)

Risk management framework

The Group's overall financial risk management strategy seeks to minimized potential adverse effects of financial performance of the Group. The Board of Directors reviews the overall financial risk management on specific areas, such as credit risk, liquidity risk and market risk. Risk management is monitored by finance department under the policies approved by Board of Directors.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The carrying amounts of financial assets and contract assets represent the Group and the Company's maximum exposures to credit risk, before taking into account any collateral held. The Group and the Company do not require any collateral in respect of their financial assets.

Impairment losses on trade receivables recognized in profit or loss were as follows:

	Group	
	2022	2021
	$	$
(Reversal of)/impairment loss on trade receivables	**(909,372)**	1,093,786

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk associated with the industry and country in which customers operate, as these factors may have an influence on credit risk. Details of concentration of revenue are included in Note 30.

The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information, and in some cases bank references. Sale limits are established for each customer; these limits are reviewed quarterly. Customers failing to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

There is no concentration of customer's credit risk at Group level.

The Company is exposed to a concentration of credit risk as trade receivables and loans to subsidiary corporations amounting to about 39% (2021: 46%) and 84% (2021: 86) of the respective balances are due from one subsidiary corporation. This subsidiary corporation has been assessed to be creditworthy and management has assessed that no impairment loss allowance is required.

The Group does not require collateral in respect of trade receivables. The Group does not have trade receivables and contract assets for which no loss allowance is recognized because of collateral.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30 FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

Trade receivables and contract assets (Continued)

Exposure to credit risk

Expected credit loss assessment for individual customers

The Group segments its trade receivables based on the risk profile of their clients which include the industries and/or country that their customers operate. The Group used data that is determined to be predictive of the risk of loss (including but not limited to industry-specific probability risk of default, financial information and available public information of their customers and past experience of the customers' repayment patterns) to determine the applicable credit loss rates to trade receivables.

In determining the expected credit losses for their trade receivables, the Group used the following bases:

– Trade receivables that have been outstanding beyond the expected range of past due days and for which there is no reasonable expectation of recovery are deemed to be credit-impaired. These trade receivables are fully provided.

– The expected credit losses for non-credit impaired trade receivables are estimated using either (i) a probability of default rate (derived from a credit ratings agency), which takes into consideration the industry and country where the customer operates in, or (ii) the past historical experience of collections from the customers.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets for individual customers as at 31 March.

	Gross carrying amount $	Impairment loss allowance $
2022		
Credit-impaired receivables	1,447,325	1,447,325
Not credit-impaired receivables:		
Not past due	13,051,170	59,559
Past due 1 – 30 days	3,455,132	19,137
Past due 31 – 60 days	2,436,790	15,023
Past due 61 – 90 days	1,877,177	8,371
Past due more than 90 days	6,951,016	40,239
	29,218,610	**1,589,654**
2021		
Credit-impaired receivables	1,437,321	1,437,321
Not credit-impaired receivables:		
Not past due	17,653,329	759,447
Past due 1 – 30 days	3,070,266	150,731
Past due 31 – 60 days	3,273,707	162,106
Past due 61 – 90 days	2,144,129	105,179
Past due more than 90 days	3,864,532	195,825
	31,443,284	2,810,609

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30 FINANCIAL INSTRUMENTS (CONTINUED)

Trade receivables and contract assets (Continued)

Exposure to credit risk (Continued)

Expected credit loss assessment for individual customers (Continued)

The Group applied the expected credit loss rates ranging from 0.1% to 1.0% (2021: 0.43% to 9.47%). In cases where the Group used the probability of default rates as the basis of ECL estimates, the Group obtained those rates applicable to the construction-related industry, transportation and services industry, and the energy and natural resources industry from a credit rating agency. The customers' country of operations were also taken into account in applying the rates.

Movements in allowance for impairment in respect of trade receivables and contract assets and other financial assets at amortized cost

The movement in the allowance for impairment in respect of trade receivables and contract assets, and other financial assets amortized cost was as follows:

	Trade receivables and contract assets $	Other financial assets at amortized cost $	Total $
At 1 April 2020 per SFRS(I) 9	2,807,307	–	2,807,307
Impairment loss recognized – not credit-impaired	(101,002)	–	(101,002)
Impairment loss recognized – credit-impaired	649,073	1,557,815	2,206,888
Amounts written off	(544,769)	–	(544,769)
At 31 March 2021 per SFRS(I) 9	2,810,609	1,557,815	4,368,424
At 1 April 2021 per SFRS(I) 9	2,810,609	1,557,815	4,368,424
Reversal of impairment loss recognized	(909,372)	–	(909,372)
Allowance written back as collectable	(285,154)	–	(285,154)
Allowance written off as uncollectible	(17,139)	–	(17,139)
Foreign currency translation	(9,290)	(46,692)	(55,982)
At 31 March 2022 per SFRS(I) 9	**1,589,654**	**1,511,123**	**3,100,777**

Non-trade receivables from subsidiaries

The Company applies the SFRS(I) 9 Financial Instruments general approach for measuring expected credit losses for its advances, due from, loans and financial guarantee to subsidiaries.

The Company assessed the latest performance and financial position of the subsidiaries, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30 FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk (Continued)

Guarantees

The Group's policy is to provide financial guarantees only for wholly-owned subsidiaries' liabilities. As at 31 March 2022, the Company has issued a guarantee to certain banks in respect of credit facilities granted to three (2021: four) subsidiaries (see Notes 16 and 27).

The Company has issued corporate guarantee to several banks for banking facilities granted to subsidiaries. As the Company does not hold any collateral, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position, except for the corporate guarantees provided to banks on subsidiaries' loans. Based on management's assessment at the end of the reporting period, the Group considers the 12-month expected credit loss for corporate guarantee to be immaterial as its subsidiaries have the financial capacity to meet the contractual cash flow obligations.

Cash and cash equivalents

The credit loss for cash and cash equivalents are immaterial as at 31 March 2022 and 31 March 2021.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include estimated contractual interest payments and exclude the impact of netting agreements:

	Carrying amount $	Contractual cash flows $	Less than 1 year $	1-2 years $	2-5 years $	More than 5 years $
Group						
31 March 2022						
Non-derivative financial liabilities						
Secured bank loans	23,599,024	26,836,566	9,015,079	4,367,651	7,205,480	6,248,356
Lease liabilities	8,430,468	10,506,590	2,841,965	1,280,955	1,978,101	4,405,569
Trade and other payables (excludes GST/VAT payables and provision for unutilized leave)	18,992,858	18,992,858	18,992,858	–	–	–
	51,022,350	**56,336,014**	**30,849,902**	**5,648,606**	**9,183,581**	**10,653,925**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30 FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (Continued)

Exposure to liquidity risk (Continued)

	Carrying amount $	Contractual cash flows $	Less than 1 year $	1-2 years $	2-5 years $	More than 5 years $
Group						
31 March 2021						
Non-derivative financial liabilities						
Secured bank loans	27,461,348	36,453,590	36,453,590	–	–	–
Lease liabilities	11,160,086	13,713,775	3,481,464	2,818,002	2,444,929	4,969,380
Trade and other payables (excludes GST/VAT payables and provision for unutilized leave)	25,246,822	25,246,822	25,246,822	–	–	–
Bank overdraft	2,797,413	2,880,764	2,880,764	–	–	–
	66,665,669	78,294,951	68,062,640	2,818,002	2,444,929	4,969,380
Company						
31 March 2022						
Non-derivative financial liabilities						
Trade and other payables (excludes GST/VAT payables and provision for unutilized leave)	1,877,929	1,877,929	1,877,929	–	–	–
Lease liabilities	1,549,945	1,606,671	1,218,989	387,682	–	–
Financial guarantee contracts (Note 27)	22,276,598	22,276,598	22,276,598	–	–	–
	25,704,472	**25,761,198**	**25,373,516**	**387,682**	**–**	**–**
31 March 2021						
Non-derivative financial liabilities						
Trade and other payables (excludes GST/VAT payables and provision for unutilized leave)	2,524,385	2,524,385	2,524,385	–	–	–
Lease liabilities	2,948,517	3,128,473	1,622,768	1,175,190	330,515	–
Financial guarantee contracts (Note 27)	30,401,409	30,401,409	30,401,409	–	–	–
	35,874,311	36,054,267	34,548,562	1,175,190	330,515	–

The maturity analyses show the contractual undiscounted cash flows of the Group and the Company's financial liabilities on the basis of their earliest possible contractual maturity.

As disclosed in Note 16, the Group has a secured bank loan which contains a covenant. The covenant is monitored on a regular basis by management to ensure compliance with the agreement.

If there is a breach of this covenant may require the Group to repay the loan earlier than indicated in the table above.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30 FINANCIAL INSTRUMENTS (CONTINUED)

Exposure to liquidity risk (Continued)

In 2021, the Group has received the loan covenant waiver letter from the bank subsequent to the end of the reporting date. If the Group had received the waiver before the reporting date, the contractual undiscounted cash flows of the Group to repay the secured bank loans will be as indicated in the table below:

	Carrying amount $	Contractual cash flows $	Less than 1 year $	1-2 years $	2-5 years $	More than 5 years $
Group						
31 March 2021						
Non-derivative financial liabilities						
Secured bank loans	27,461,348	36,453,590	11,985,232	11,049,098	5,357,966	8,061,294

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Group is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings, including inter-company sales, purchases and inter-company balances, that are denominated in a currency other than the respective functional currencies of Group entities. The functional currencies of Group entities are primarily the Singapore dollar (SGD) and US dollar (USD). The currencies in which these transactions primarily are denominated are the Singapore dollar (SGD), US dollar (USD), Euro (EUR).

The Group does not hedge against foreign exchange exposure as the currency risk is not expected to be significant.

Exposure to currency risk

The summary of quantitative data about the exposure to currency risk as reported to the management of the Group and the Company are as follows:

	31 March 2022			31 March 2021		
	SGD $	**EUR $**	**USD $**	SGD $	EUR $	USD $
Group						
Cash and bank balances	**–**	**158,059**	**904,253**	–	121,040	1,751,088
Trade receivables	**173,439**	**5,435,518**	**10,558,713**	173,439	4,493,461	11,192,502
Other receivables	**829**	**1,060,674**	**6,445,497**	81	1,113,119	7,296,258
Trade payables	**(4,522,667)**	**(2,181,499)**	**(4,270,078)**	(5,231,702)	(2,142,015)	(4,878,429)
Other payables	**(6,519,034)**	**(1,102,452)**	**(1,893,672)**	(7,153,936)	(1,113,118)	(5,233,749)
Net statement of financial position exposure	**(10,867,433)**	**3,370,300**	**11,744,713**	(12,212,118)	2,472,487	10,127,670

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30 FINANCIAL INSTRUMENTS (CONTINUED)

Market risk (Continued)

Currency risk (Continued)

Exposure to currency risk (Continued)

	USD	
	2022	2021
	$	$
Company		
Cash and bank balances	**9,285**	117,298
Trade receivables	**817,967**	663,863
Other receivables	**–**	184,636
Other payables	**–**	(26,550)
Net statement of financial position exposure	**827,252**	939,247

Sensitivity analysis

The following table details the sensitivity to a 5% strengthening and weakening in United States dollar, Euro, Singapore dollar against the respective functional currencies of the entities of the Group as at 31 March would have increased/(decreased) profit or loss by the amount show below.

	Group Profit or (loss)	
	2022	2021
	$	$
SGD (5% strengthening)	**(450,998)**	(506,803)
USD (5% strengthening)	**487,406**	420,298
EUR (5% strengthening)	**139,867**	102,608
SGD (5% weakening)	**450,998**	506,803
USD (5% weakening)	**(487,406)**	(420,298)
EUR (5% weakening)	**(139,867)**	(102,608)

Sensitivity analysis of the Company's foreign exchange risk exposure is not presented as a reasonably possible change of 5% in the foreign currencies exchange rates against the Company's functional currency, with all other variables held constant will have no significant impact on the Company's net profit or loss.

Interest rate risk

The primary source of the Group's interest rate risk relates to interest-bearing bank borrowings as disclosed in Note 16. As the interest for bank borrowings are based on variable rates, the Group is exposed to risk arising from the changes in interest rate. This risk is not hedged.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30 FINANCIAL INSTRUMENTS (CONTINUED)

Market risk (Continued)

Interest rate risk (Continued)

Exposure to interest rate risk

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments, as reported to the management was as follows:

	Group Nominal amount		Company Nominal amount	
	2022	2021	**2022**	2021
	$	$	**$**	$
Fixed rate instruments				
Bank loan	**1,108,157**	–	**–**	–
Bank overdraft	**–**	2,797,413	**–**	–
Lease liabilities	**8,430,468**	11,160,086	**1,549,945**	2,948,517
	9,538,625	13,957,499	**1,549,945**	2,948,517
Variable rate instruments				
Bank loans	**22,490,867**	27,461,348	**–**	–

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at FVTPL. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss significantly.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss	
	100 bp increase	**100 bp decrease**
	$	**$**
Group		
31 March 2022		
Variable rate instruments	**(226,825)**	**226,825**
Cash flow sensitivity (net)	**(226,825)**	**226,825**
31 March 2021		
Variable rate instruments	(276,780)	276,780
Cash flow sensitivity (net)	(276,780)	276,780

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30 FINANCIAL INSTRUMENTS (CONTINUED)

Capital management policies and objectives

Estimation of fair values

The carrying amounts of financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair value because of the short period to maturity.

Other long-term financial liabilities

Fair value is calculated based on the present value of future cash flows, discounted at the market rate of interest at the reporting date. As at 31 March 2022, the carrying amount of long-term financial liabilities are estimated to approximate to their fair value. Fair value is measured using the Level 2 valuation inputs.

Accounting classifications

The carrying amounts of financial assets and financial liabilities by accounting classifications are as follows:

		Group	
	Note	2022	2021
		$	$
Financial assets at amortized cost			
Trade receivables	10	**25,002,234**	26,404,616
Other receivables (excludes prepayments and GST recoverable)	11	**1,612,784**	2,390,455
Cash and cash equivalents	13	**7,277,921**	10,136,877
		33,892,939	38,931,948
Financial liabilities at amortized cost			
Bank overdraft	16	**–**	2,797,413
Secured bank loans	16	**23,599,024**	27,461,348
Lease liabilities	17	**8,430,468**	11,160,086
Trade payables	18	**13,166,209**	16,178,503
Other payables (excludes GST/VAT payables and provision for unutilized leave)	19	**5,826,649**	6,824,663
		51,022,350	64,422,013

		Company	
	Note	2022	2021
		$	$
Financial assets at amortized cost			
Trade receivables	10	**2,829,947**	2,682,594
Other receivables (exclude prepayments and GST recoverable)	11	**46,036**	16,170
Cash and cash equivalents	13	**1,245,832**	228,659
		4,121,815	2,927,423
Financial liabilities at amortized cost			
Lease liabilities	16	**1,549,945**	2,948,517
Other payables (excludes GST/VAT payables and provision for unutilized leave)	16	**1,877,929**	2,524,385
		3,427,874	5,472,902

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2022

30 FINANCIAL INSTRUMENTS (CONTINUED)

Financial instruments not measured at fair value

Other financial liabilities include bank overdrafts, secured and unsecured bank loans, finance lease liabilities and trade and other payables (excluding GST/VAT payables and provision for unutilized leave).

31 AUTHORIZATION OF FINANCIAL STATEMENTS

The consolidated financial statements of the Group and the statement of financial position of the Company as at 31 March 2022 were authorized for issue in accordance with a resolution of the directors on 12 July 2022.

SHAREHOLDERS' STATISTICS

As at 20 June 2022

SHARE CAPITAL

Issued and Fully Paid Up Capital	:	S$181,674,662.13**
Class of Shares	:	ordinary shares
Number of Shares	:	178,569,456
Voting Rights	:	1 vote per share
Treasury Shares and Subsidiary Holdings	:	Nil

** This is based on records kept with the Accounting and Corporate Regulatory Authority ("ACRA") and differs from the accounting records of the Company which is S$179,229,629 due to certain share issue expenses.

Based on the information provided, to the best knowledge of the Directors and the substantial shareholders of the Company, approximately 18.82% of the issued ordinary shares of the Company is held in the hands of the public as at 20 June 2022. Accordingly, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

Analysis of Shareholders

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	125	11.11	5,781	0.01
100 – 1,000	415	36.89	148,369	0.08
1,001 – 10,000	355	31.56	1,717,227	0.96
10,001 – 1,000,000	222	19.73	19,413,494	10.87
1,000,001 AND ABOVE	8	0.71	157,284,585	88.08
TOTAL	**1,125**	**100.00**	**178,569,456**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	PEAKBAYOU LTD.	117,203,527	65.64
2	LIGHTHOUSE LOGISTICS LIMITED	27,755,288	15.54
3	DBS NOMINEES (PRIVATE) LIMITED	3,325,778	1.86
4	TEO BEE HUA	2,531,468	1.42
5	LEW SIEW POH	1,986,600	1.11
6	CITIBANK NOMINEES SINGAPORE PTE LTD	1,709,358	0.96
7	UOB KAY HIAN PRIVATE LIMITED	1,645,100	0.92
8	TEO BEE CHIONG	1,127,466	0.63
9	GOH GUAN SIONG (WU YUANXIANG)	901,005	0.50
10	TEO SZE YAO (ZHANG SHIYAO)	881,278	0.49
11	PHILLIP SECURITIES PTE LTD	873,201	0.49
12	KHWAJA ASIF RAHMAN	850,000	0.48
13	RAFFLES NOMINEES (PTE.) LIMITED	740,515	0.41
14	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	698,650	0.39
15	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	508,110	0.28
16	PAUL GO KIAN LEE	500,000	0.28
17	MOHAMMED HUMAYUN KABIR	474,795	0.27
18	TAN GUAN YU, DARREL	442,730	0.25
19	OCBC SECURITIES PRIVATE LIMITED	422,870	0.24
20	COMFORT SHIPPING PTE. LTD.	420,000	0.24
	TOTAL	**164,997,739**	**92.40**

SHAREHOLDERS' STATISTICS

As at 20 June 2022

Substantial Shareholders

	Shareholdings registered in the name of substantial shareholder		Shareholdings in which the substantial shareholders are deemed to be interested	
Name of Substantial Shareholder	**No. of Shares**	**%**	**No. of Shares**	**%**
PeakBayou Ltd.	117,203,527	65.64	–	–
Lighthouse Logistics Limited	27,755,288	15.54	–	–
Kyle Arnold Shaw, Jr(1)(2)	–	–	144,958,815	81.18

Notes:

(1) Kyle Arnold Shaw, Jr. is the sole manager of ShawKwei Investments LLC, which is the sole general partner of Shaw Kwei Asia Value Fund 2017, L.P., which is in turn the sole shareholder of PeakBayou Ltd.

(2) Kyle Arnold Shaw, Jr. is the director and shareholder of Shaw Kwei & Partners Ltd, which is the sole shareholder of Lighthouse Logistics Limited. Shaw Kwei & Partners Ltd, as the sole general partner, holds the shares of Lighthouse Logistics Limited on behalf of Asia Value Investment Fund 3, L.P.

NOTICE OF ANNUAL GENERAL MEETING

This Notice has been made available on SGXNET and the Company's website at https://www.amosgroup.com/investor. A printed copy of this Notice will NOT be despatched to Shareholders.

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of the Company will be held via live webcast on Thursday, 28 July 2022 at 10.00 a.m. to transact the following business:–

Ordinary Business

1. To receive and adopt the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2022 and the Auditors' Report thereon. **[Resolution 1]**

2. To re-elect Mr David Wood Hudson, the Director retiring pursuant to Regulation 110 of the Company's Constitution.
[See Explanatory Note 1] **[Resolution 2]**

3. To re-elect Ms Edwina Cheung Pui Yin, the Director retiring pursuant to Regulation 114 of the Company's Constitution.
[See Explanatory Note 2] **[Resolution 3]**

4. To approve the sum of S$370,000/- as Directors' fees for the financial year ending 31 March 2023 to be paid quarterly in arrears. (FY2022: S$320,000) **[Resolution 4]**

5. To note Messrs Baker Tilly TFW LLP as Auditors of the Company and to authorize the Directors to fix their remuneration. **[Resolution 5]**

6. To transact any other business that may be transacted at an Annual General Meeting.

Special Business

To consider and, if thought fit, to pass the following as Ordinary Resolution, with or without modifications:–

7. Authority to allot and issue shares in the capital of the Company

That pursuant to Section 161 of the Companies Act, 1967 (the "**Act**"), the Constitution and the listing rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company 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 warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force):

(i) issue additional instruments as adjustments in accordance with the terms and conditions of the Instruments made or granted by the Directors while this Resolution was in force; and

(ii) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force or such additional Instruments in (b)(i) above,

NOTICE OF ANNUAL GENERAL MEETING

provided 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 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares issued other than on a pro rata basis to existing shareholders (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) (as calculated in accordance with sub-paragraph (2) below); and

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) shall be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) at the time of the passing of this Resolution, after adjusting for:–

(a) new Shares arising from the conversion or exercise of convertible securities which were issued and outstanding or subsisting at the time of the passing of this Resolution;

(b) new Shares arising from the exercise of share options or vesting of share awards which were issued and outstanding or subsisting at the time this Resolution is passed, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the SGX-ST Listing Manual; and

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

(3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the listing rules of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) 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 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 the earlier.
[See Explanatory Note 3] **[Resolution 6]**

8. Renewal of the Share Buy-back Mandate

That:

(a) for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued Shares of the Company not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) on-market purchases transacted through the SGX-ST's trading system or on another stock exchange on which the issuer's equity securities are listed ("**Market Acquisitions**") or

(ii) off-market acquisitions in accordance with an equal access scheme as defined in Section 76C of the Act ("**Off-Market Acquisitions**"),

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, Other Exchange, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buyback Mandate**");

NOTICE OF ANNUAL GENERAL MEETING

(b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next Annual General Meeting of the Company is held;

(ii) the date by which the next Annual General Meeting of the Company is required by law to be held; or

(iii) the date on which purchases and acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated;

(c) in this Resolution:

"**Prescribed Limit**" means that number of Shares representing 10% of the issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares and subsidiary holdings);

"**Maximum Price**" in relation to a Share to be purchased, means the purchase price (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of a Market Acquisition of a Share, 105% of the Average Closing Price; and

(ii) in the case of an Off-Market Acquisition of a Share, 120% of the Average Closing Price,

where:

"**Average Closing Price**" is the average of the closing market prices of a Share over the last five (5) market days on which the Shares were transacted on the SGX-ST or, as the case may be, Other Exchange, preceding the day of the Market Acquisition or, as the case may be, the day of the making of the offer pursuant to an Off-Market Acquisition, and deemed to be adjusted for any corporate action that occurs during the relevant five market days period and the day on which the purchases are made;

"**day of the making of the offer**" means the day on which the Company makes an offer for the purchase or acquisition of Shares from shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Acquisition; and

"**market day**" means a day on which the SGX-ST is open for trading in securities; and

(d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

[See Explanatory Note 4] **[Resolution 7]**

9A. Proposed Extension of the AMOS Employee Share Option Scheme

That the share option scheme to be known as the AMOS Employee Share Option Scheme (the "**AMOS ESOS**"), the details and rules of which have been set out in the Appendix, be and is hereby approved and adopted substantially in the form set out in the rules of the AMOS ESOS, and the Directors of the Company be and are hereby authorized:

(a) to establish and administer the AMOS ESOS;

NOTICE OF ANNUAL GENERAL MEETING

(b) to modify and/or amend the AMOS ESOS from time to time provided that such modification and/or amendment is effected in accordance with the rules of the AMOS ESOS and to do all such acts and to enter into such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the AMOS ESOS;

(c) to offer and grant options ("**Options**") in accordance with the rules of the AMOS ESOS (as may be modified from to time) and to allot and issue and/or transfer from time to time such number of shares in the capital of the Company ("**Shares**") as may be required to be issued and/or transferred pursuant to the exercise of Options, provided that the total number of Shares over which new Options may be granted on any date, when added to (a) the total number of new Shares allotted and issued and/or to be allotted and issued and issued Shares (including treasury shares) delivered and/or to be delivered pursuant to Options already granted under the AMOS ESOS, and (b) the total number of Shares issued and issuable and/or transferred or transferable in respect of all options or awards granted under any other share schemes of the Company, shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) on the day preceding that date; and

(d) to complete and do all such acts and things (including executing such documents as may be required) as they may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and authorized by this resolution.
[See Explanatory Note 5] **[Resolution 8]**

9B. Proposed Grant of Authority to Offer and Grant Options at a Discount under the AMOS ESOS

That subject to and contingent upon the passing of Ordinary Resolution 8:

(a) the Directors of the Company be and are hereby authorized to offer and grant Options in accordance with the rules of the AMOS ESOS with exercise prices set at a discount to the Market Price (as defined in the Appendix); and

(b) the maximum discount that may be given under the AMOS ESOS be up to 20% of the Market Price (as defined in the Appendix) for the Shares at the time of the grant of the Option.
[See Explanatory Note 6] **[Resolution 9]**

By Order of the Board

Maureen Low
Company Secretary

13 July 2022
Singapore

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(1) Mr David Wood Hudson, if re-elected, will remain as the Chairman of the Nominating Committee and Remuneration Committee and a member of the Audit Committee. Mr David Wood Hudson will be considered as an Independent Director of the Company. Pursuant to Rule 720(6) of the Listing Manual, further information on Mr David Wood Hudson is set out on page 12 of the Company's Annual Report.

(2) Ms Edwina Cheung Pui Yin, if re-elected, will remain as a member of the Audit Committee, Nominating Committee and Remuneration Committee. Ms Edwina Cheung Pui Yin will be considered as an Independent Director of the Company. Pursuant to Rule 720(6) of the Listing Manual, further information on Ms Edwina Cheung Pui Yin is set out on page 11 of the Company's Annual Report.

(3) The ordinary resolution 6 in item 7 above, if passed, will empower the Directors from the date of this Annual General Meeting until the date of the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held or such authority is revoked or varied by the Company in general meeting, whichever is earlier, to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments up to an aggregate number not exceeding 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) in the capital of the Company, of which the aggregate number issued other than on a pro rata basis to all existing shareholders of the Company shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as more particularly set out in the resolution.

(4) The ordinary resolution 7 in item 8 above, if passed, will empower the Directors, from the date of the above Annual General Meeting to purchase or other acquire Shares by way of Market Acquisition or Off-Market Acquisition, provided that the aggregate number of Shares to be purchased or acquired under the Share Buy Back Mandate does not exceed the Prescribed Limited, and at such price(s) as may be determined by the Directors of the Company from time to time up to but not exceeding the Maximum Price. The information relating to this resolution is set out in the Appendix enclosed together with the Annual Report.

(5) The ordinary resolution 8 in item 9A above, if passed, the AMOS ESOS shall continue to be in force at the discretion of the Committee, subject to a maximum period of twenty (20) years, commencing on the date on which the AMOS ESOS is adopted by Shareholder and will empower the Directors, from the date of this Annual General Meeting until the date of the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held or such authority is revoked or varied by the Company in general meeting, whichever is earlier, to offer and grant options and to issue Shares in the capital of the Company pursuant to the AMOS ESOS, provided that the aggregate number of Shares to be issued under the AMOS ESOS shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company for the time being. The information relating to this resolution is set out in the Appendix enclosed together with the Annual Report.

(6) The ordinary resolution 9 in item 9B above, if passed, will empower the Directors to offer and grant Options at a discount of up to 20% to Market Price under the AMOS ESOS. The information relating to this resolution is set out in the Appendix enclosed together with the Annual Report.

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. As a precautionary measure and to minimize physical interactions and COVID-19 transmission risks, Members will not be able to attend the AGM in person. 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), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the AGM as proxy at the AGM, are set out below. Any reference to a time of day is made by reference to Singapore time.

3. Members will be able to observe and/or listen to the AGM proceedings through a live audio-visual webcast via their mobile phones, tablets or computers. In order to do so, Members must preregister at the Company's pre-registration website at the URL https://complete-corp.com/amosgroup-agm/ from now till 25 July 2022, 10.00 a.m., to enable the verification of Members' status.

   Following the verification, authenticated Members will receive an email, which will contain unique user ID and password details as well as instructions on how to access the live audio-visual webcast of the AGM proceedings, by 27 July 2022, 12 noon. Members who do not receive an email by 27 July 2022, 12 noon, but have registered by the 25 July 2022 deadline should contact the Company's Polling Agent, Complete Corporate Services Pte. Ltd. at +65 6329 2745 or via email to amosgroup-agm@complete-corp.com.

4. Members may also submit questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the AGM, in advance of the AGM. In order to do so, their questions must be submitted in the following manner by 20 July 2022, 5.00 p.m.:

   (a) if submitted electronically, be submitted:

      (i) via the Company's pre-registration website at the URL https://complete-corp.com/amosgroup-agm/; or

      (ii) via email to the Company's Polling Agent, Complete Corporate Services Pte. Ltd., at amosgroup-agm@complete-corp.com; or

   (b) if submitted by post, be deposited at the office of the Company, at 156 Gul Circle, Singapore 629613.

NOTICE OF ANNUAL GENERAL MEETING

Members who submit questions via email or by post to the Company must provide the following information:

(1) the Member's full name;

(2) NRIC/Passport Number/Company Registration No. (last 4 digits);

(3) the Member's address; and

(4) the manner in which the Member holds Shares in the Company (e.g., via CDP, scrip, CPF or SRS).

The Company will endeavour to address all substantial and relevant questions submitted in advance of the AGM prior to or during the AGM. The Company will publish the responses to the substantial and relevant questions together with the AGM Results on SGXNET. The minutes will also include the responses to the substantial and relevant questions which are addressed during the AGM.

Members will not be able to ask questions at the AGM live during the webcast, and therefore it is important for Members who wish to ask questions to submit their questions in advance of the AGM.

5. If a Member (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 Member must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

6. The Proxy Form must be submitted to in the following manner:

   (a) if submitted by post, be lodged at the registered office of the Company at 156 Gul Circle, Singapore 629613; or

   (b) if submitted electronically, be submitted via email to amosgroup-agm@complete-corp.com.

   in either case, by 25 July 2022, 10.00 a.m., being 72 hours before the time fixed for the AGM.

   A Member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before sending it by email to the email address provided above.

   In view of the Covid-19 restriction orders in Singapore and the related safe distancing measures which may make it difficult for Members to submit completed Proxy Forms by post, Members are strongly encouraged to submit completed Proxy Forms electronically via email.

7. Members who hold shares through relevant intermediaries, including CPF and SRS investors, and who wish to participate in the AGM by (a) observing and/or listening to the AGM proceedings through live audio-visual webcast; (b) submitting questions in advance of the AGM; and/or (c) appointing the Chairman of the AGM as proxy to attend, speak and vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks or SRS Operators) through which they hold such shares as soon as possible in order to make the necessary arrangements for them to participate in the AGM.

   In addition, CPF and SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 18 July 2022, 5.00 p.m., being 7 working days before the date of the AGM.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Act:

   (a) a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

   (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

8. The Chairman of the AGM, as proxy, need not be a Member of the Company.

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

IMPORTANT

1. The AGM (as defined below) is being convened, and will be held, by way of 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. 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), submission of questions to the Chairman of the AGM in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the AGM as proxy at the AGM, are set out in the Notice of AGM.
3. As a precautionary measure and to minimize physical interactions and COVID-19 transmission risks, Members will not be able to attend the AGM in person. If a Member (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.
4. If a CPF or SRS investor wishes to appoint the Chairman of the AGM as proxy, he/she should approach their respective CPF Agent Banks or SRS Operators to submit his/her votes by 18 July 2022, 5.00 p.m., being 7 working days before the date of the AGM.
5. Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the AGM as a Member's proxy to attend, speak and vote on his/her/its behalf at the AGM.

AMOS GROUP LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No: 201004068M

PROXY FORM

I/We ____ (Name)

NRIC/Passport/Co. Registration No. ________________________________

of ____ (Address)
being a member/members of **AMOS GROUP LIMITED** hereby appoint Chairman as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the Annual General Meeting (the "**AGM**") of the Company to be held at **via live webcast on Thursday, 28 July 2022 at 10.00 a.m.** and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the AGM as indicated hereunder. In appointing the Chairman of the AGM as proxy, a Member must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

Voting would be conducted by poll. Please indicate your vote "For" or "Against" or "Abstain" with a tick [√] within the box provided.

No.	Resolutions Relating To:	For	Against	Abstain
AS ORDINARY BUSINESS				
1	Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2022 and the Auditors' Report thereon			
2	Re-election of Mr David Wood Hudson			
3	Re-election of Ms Edwina Cheung Pui Yin			
4	Approval of Directors' fees FY2023			
5	Re-appointment of Baker Tilly TFW LLP			
AS SPECIAL BUSINESS				
6	Authority to issue new shares			
7	Renewal of Share Buy Back Mandate			
8	Proposed extension of the AMOS Employee Share Option Scheme			
9	Proposed Grant of Options under the AMOS Employee Share Option Scheme at a Discount			

Dated this ________ day of ________________ 2022

Total Number of Shares Held

____
Signature(s) of Member(s) and
Common Seal of Corporate Member

IMPORTANT
PLEASE READ NOTES OVERLEAF

Notes:

1 As a precautionary measure and to minimize physical interactions and COVID-19 transmission risks, Members will not be able to attend the AGM in person. If a Member (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 Member must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the form of proxy, failing which the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

2 Members who hold shares through relevant intermediaries, including CPF and SRS investors, and who wish to participate in the AGM by (a) observing and/or listening to the AGM proceedings through live audio-visual webcast; (b) submitting questions in advance of the AGM; and/or (c) appointing the Chairman of the AGM as proxy to attend, speak and vote on their behalf at the AGM, should contact the relevant intermediary (which would include, in the case of CPF and SRS investors, their respective CPF Agent Banks or SRS Operators) through which they hold such shares as soon as possible in order to make the necessary arrangements for them to participate in the AGM.

   CPF and SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 18 July 2022, 5.00 p.m., being 7 working days before the date of the AGM.

   "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50:

   (a) a banking corporation licensed under the Banking Act (Cap. 19) or its wholly-owned subsidiary which provides nominee services and holds shares in that capacity;

   (b) a capital markets services licence holder which provides custodial services for securities under the Securities and Futures Act (Cap. 289) and holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

3 The Chairman of the AGM, as proxy, need not be a Member of the Company.

4 Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, (Cap 289)), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), 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 form of proxy will be deemed to relate to all the shares held by you.

5 The Proxy Form must be submitted to in the following manner

   (a) if submitted by post, be lodged at the registered office of the Company at 156 Gul Circle, Singapore 629613; or

   (a) if submitted electronically, be submitted via email to amosgroup-agm@complete-corp.com.

   in either case, by 25 July 2022, 10.00 a.m., being 72 hours before the time fixed for the AGM.

   A Member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before sending it by email to the email address provided above.

General:

The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of members whose shares are entered in the Depository Register, the Company may reject an instrument of proxy lodged if the member, being the appointer, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 July 2022.

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AMOS

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