ecoWise
ecoworld · better world

Working towards a GREEN FUTURE

ANNUAL REPORT 2024

VISION

To be the preferred environmental solutions and renewable energy provider with high integrity, corporate social responsibility and to create value for all stakeholders.

MISSION

To establish successful operations and management of renewable energy projects that contribute to social, economic and environmental benefits to stakeholders.

To establish awareness, propagate, promote and encourage use of environmentally friendly products derived from recycled waste.

To establish best practices in the manufacture and distribution of innovative value-added products that are in harmony with ecological principles.

To emphasise on research and development to provide environmentally friendly solutions to industrial processes.

CONTENTS

*This annual report has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**").*

*This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made or reports contained in this annual report.*

The contact person for the Sponsor is Ms. Lee Khai Yinn at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.

CORPORATE PROFILE

Founded in 1979, ecoWise Holdings Limited (the "Company" or "ecoWise", together with its subsidiaries, the "Group") is a Singapore-based company that focuses on three core business segments namely, Renewable Energy, Resource Recovery and Integrated Environmental Solutions Provider. The Group has been listed on the Singapore Exchange since 2003.

RENEWABLE ENERGY (RE)

In the Renewable Energy segment, the Group's co-generation biomass power plant in Sungei Kadut is one of the first in Singapore. In addition to generating electricity for its own consumption, the waste steam produced is also used in a wide array of industrial applications (e.g. processing food waste, providing ISO-tank heating services for major logistics companies). The waste steam application from the plant has the honour of being the first Clean Development Mechanism (CDM) project registered by a Singapore company under the United Nations Framework Convention on Climate Change (UNFCCC). In November 2011, the Group commenced operations of its tri-generation biomass power plant in Singapore at the iconic Gardens by the Bay. The power plant supplies renewable energy in the form of electricity to the power grid and heat energy to cool the two conservatories.

CORPORATE PROFILE

RESOURCE RECOVERY (RR)

The Group's Resource Recovery business segment spans across Singapore and Malaysia.

In Singapore, the Group prepares its own fuel feedstock for its biomass power plants in Singapore through the collection and processing of horticultural and wood wastes. Using steam generated from our biomass power plant in Sungei Kadut, the Group is also able to recover and re-purpose various food wastes into higher value animal feed. Besides, ecoWise has successfully developed a range of organic aqua-culture feeds from recycled materials with the use of proprietary technologies, creating a unique brand of 'made-from-recycled-material' aqua-culture feeds for Singapore and Asian markets.

In Malaysia, the Group's wholly-owned subsidiary, Sunrich Resources Sdn. Bhd. ("**SRR**", and together with its subsidiaries, "**SRR Group**") is one of the largest rubber compound manufacturer and tyre retreading group. SRR Group's vertically integrated business model spans the manufacturing of mainstream and specialised rubber compounds, manufacturing of new tyres, to manufacturing of tyre products under the brand names of Sunrich, Sun Rubber, Sun Tyre and STAP. In addition, SRR focuses on the provision of package services including total tyre-management in Malaysia in a bid to increase awareness and confidence in retreaded tyres as greener alternatives to new tyres.

INTEGRATED ENVIRONMENTAL MANAGEMENT SOLUTIONS (IEMS)

In the segment of Integrated Environmental Management Solutions (IEMS), the Group provides 'low carbon' environmental solutions targeted at addressing issues related to clean energy as well as waste and resources management. This includes a wide array of technical and consultative services ranging from process design and optimisation; engineering, procurement and construction; testing and commissioning to operation and maintenance of the engineering facilities.

RESEARCH AND DEVELOPMENT (R&D)

The R&D department in Singapore works in conjunction with different divisions of the Group. This team of researchers who are equipped with advanced technologies and know-hows with primary focus in the sustainable energy industry, will enable the Group to further its strategic interest and position it at the forefront of the circular economy. The R&D team also collaborates with renowned universities both locally and globally in pursuit of excellence and continuous improvement.

MESSAGE FROM CHAIRMAN

Dear Shareholders,

I am both gratified and humbled to report that we have successfully navigated through the various challenges confronting the Group which peaked in April 2022. These challenges included leadership transition, lapses and disruptions to our governance, finance, and operations.

We worked hard to stabilise the Group, operationally and financially. As at the end of this financial year, I'm delighted and quietly confident that better days lie ahead for the Group. For this, I wish to extend my heartfelt gratitude to my management team and the Board for their efforts and contributions.

As previously announced and presented in the annual report for the financial period ended 2023 ("**FP2023**"), my team and I executed several initiatives to address the financial pressures following the recall of loans by our bankers. With the understanding and indulgence of the Banks that the Group was experiencing unforeseen challenges, we successfully restructured all outstanding loans and have materially complied with the terms of these restructured loans.

Operationally, we took strategic steps in optimising two of our core business segments, Renewable Energy and Resource Recovery, allowing the Group to focus on higher-margin businesses and better resource allocation.

We seized opportunities to dispose of non-core assets for reasonable considerations. These assets comprised certain properties of the Group in Malaysia.

Regarding the Notice of Compliance, the independent reviewer completed its reports. We announced an executive summary of these reports on 28 March 2024. Although the independent review is completed, we are actively implementing the independent reviewer's recommendations to rectify and strengthen areas of internal controls. On 8 August 2024, the independent firm engaged by the Company to act as internal auditor completed their review. The internal auditor was tasked with conducting a follow-up review of the independent reviewer's recommendations and their implementation.

Renewable Energy

I am pleased to report that the Group's two biomass power plants at Gardens by the Bay and Sungei Kadut have continued to operate profitably.

Our active partnership with Gardens by the Bay aimed at achieving net-zero emissions for a low-carbon future, has positioned us as a reliable partner for business opportunities in the biomass waste to renewable energy sector.

Resource Recovery

Our Resource Recovery business, offering rubber technology services to the automotive, mining, transportation, construction, and agriculture industries, has not only retained its existing client base but has also attracted new clients who are drawn to our advanced rubber mixing plant.

Macroeconomic and Geopolitical Backdrop

Context is important when reviewing progress made during the financial year ended 30 April 2024 ("**FY2024**"). Over and above the challenges brought about by internal disputes which came to a head in June 2021, economies across the world were disrupted by containment measures brought about by the COVID-19 pandemic.

Just when we thought the worst of the pandemic was over in late 2021, the war in Ukraine broke out, which is still ongoing and shows no signs of abating. The impact of the containment measures and the war resulted in unprecedented global inflation and rising interest rates, further straining an already fragile global and regional economy.

The Middle East is now emerging as a potential conflict zone following the attack on Israel on 7 October 2023.

Additionally, a shift away from globalisation and an ideological divide threaten global trade, potentially leading to higher costs and a reduced market for our products and services.

MESSAGE FROM CHAIRMAN

Overall Progress on Delivery of our Business and Operations Strategy

With revenue growth expected to continue to be challenging, given the macro-economic and geopolitical backdrop described above, in FY2024, our primary focus has been on restructuring to eliminate unnecessary operational costs, refocussing on our core competencies, and enhancing the efficiency of our business units to achieve better financial performances.

Despite recording a loss for the FY2024, our operations have been cash flow positive, and we achieved a small profit of S$280,000 in the three-months period ended 30 April 2024. I sincerely hope that this profit, though modest, represents new shoots of growth for the Group. Considering the substantial costs the Company incurred in connection with the independent review and other associated expenses, the Group has demonstrated resilience and adaptability. I am, therefore, optimistic that our stabilisation efforts have paved the way for sustained profitability.

To further strengthen the Group's financial position, we will continue to monetise non-core assets in Malaysia, reducing our overall debt and ensuring sufficient working capital for our operations and potential expansion. To this end, on 2 August 2024, we announced the entry into a Placement and Underwriting Agreement for the issuance of up to 200,000,000 new shares with up to 200,000,000 detachable, transferrable and unlisted warrants. If fully subscribed for, the net proceeds will be used to augment our working capital requirements and for expansion opportunities, as and when they arise.

New Business Initiatives

Our Resource Recovery operations have long focused on food and beverage waste such as spent grain and soya wastes into valuable animal feed. In support of Singapore's Circular Economy goals, especially in reducing and upcycling food waste and protecting our food security. We hope that this initiative will position the Group as a vital link in the Circular Economy supply chain.

Building on our successful Gardens by the Bay project, the Group has been exploring collaboration opportunities with various industry leaders to explore ways to repurpose their waste for energy production or other sustainable applications.

Each new business venture is aimed towards helping companies and the community as a whole to reduce greenhouse gas emissions. This is aligned with our Group's overarching strategy: to build a green, sustainable enterprise and foster a "Green Future" for all.

Outlook

Given the uncertainties of an increasingly fractious world, it is hard to form a clear outlook for 2025 and beyond. Our base case assumes no major escalation of inflation globally, and world economies will find their footing in 2025.

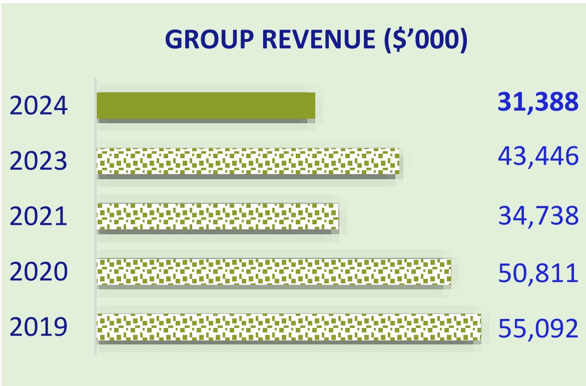
In relation to our businesses, we entered the new financial year with cautious optimism, with the knowledge that our response to the recent challenges revealed a tenacity and adaptability that will stand us in good stead in good or bad times. We are optimistic that the Group will be able resume our mission towards achieving our goal for "eco-World .. Better World".

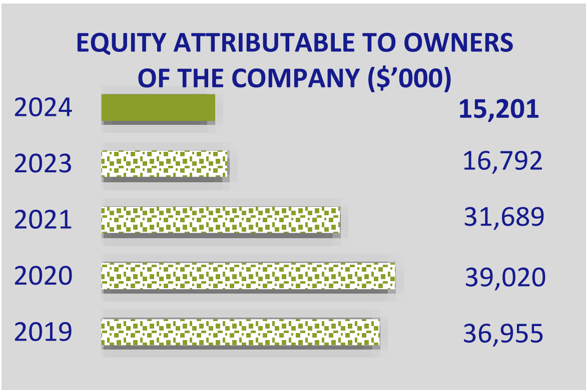
On behalf of the Board of Directors, I would like to express my appreciation to our shareholders, management and staff, professionals (i.e., auditors, Sponsor, lawyers, Company Secretary, etc.), bankers, business partners and associates, customers and suppliers for your continued support.

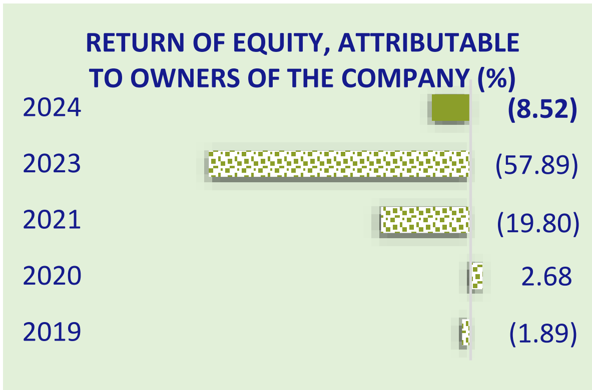
Mr Lee Thiam Seng
Executive Chairman and Chief Executive Officer

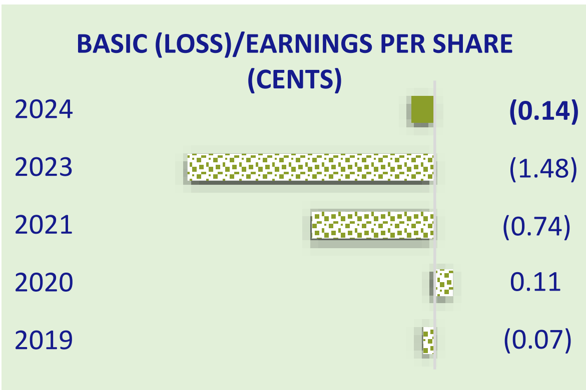
FINANCIAL HIGHLIGHTS

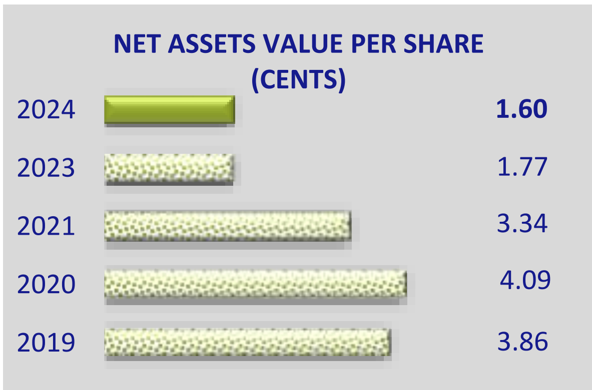
The financial statements for the financial period ended 30 April 2023 (**FP2023**) presented for comparative purposes cover an 18-month period from 1 November 2021 to 30 April 2023. This was due to the change in financial year end from 31 October to 30 April to better reflect the new management's efforts and performance from the date of the effective change of management and Board members in April 2022. All other financial statements presented for comparative purposes (i.e., **FY2021**, **FY2020** and **FY2019**) cover a 12-month financial period from 1 November to 31 October.











*Return on equity, attributable to owners of the Company for FP2023 and FY2021 are calculated based on the average shareholders' equity.

FINANCIAL HIGHLIGHTS

FINANCIAL RESULTS ($'000)	**FY 2024**	FP 2023	FY 2021	FY 2020
Revenue	**31,388**	43,446	34,738	50,811
Gross profit	**5,051**	3,905	4,406	10,594
(Loss)/Profit before income tax	**(897)**	(6,701)	(4,678)	2,688
(Loss)/Profit from continuing operations, net of tax	**(1,296)**	(6,857)	(4,458)	1,592
(Loss)/Profit from discontinued operations, net of tax	**-**	(7,225)	(2,374)	-
Net (Loss)/Profit	**(1,296)**	(14,082)	(6,832)	1,592
Non-controlling interest	**(1)**	(50)	167	545
(Loss)/Profit attributable to owners of the Company	**(1,295)**	(14,032)	(6,999)	1,047

STATEMENT OF FINANCIAL POSITION ($'000)	**FY 2024**	FP 2023	FY 2021	FY 2020
Property, plant and equipment	**7,778**	12,140	27,260	29,315
Right-of-use assets	**1,165**	5,558	1,309	1,441
Investment properties	**1,200**	1,486	1,678	2,017
Cash and cash equivalents	**746**	908	1,900	6,768
Current assets	**22,509**	16,407	16,946	30,996
Total assets	**35,577**	40,065	56,611	77,212
Current liabilities	**15,581**	17,771	17,022	22,376
Total liabilities	**20,413**	23,309	24,908	34,191
Working capital	**6,928**	(1,364)	(76)	8,620
Equity attributable to owners of the Company	**15,201**	16,792	31,689	39,020

RATIOS	**FY 2024**	FP 2023	FY 2021	FY 2020
Current ratio (times)	**1.44**	0.92	0.99	1.39
Return on equity, attributable to owners of the Company[(1)] (%)	**(8.52)**	(57.89)[(2)]	(19.80)[(2)]	2.68
Return on assets[(1)] (%)	**(3.64)**	(29.03)[(3)]	(10.46)[(3)]	1.38
Basic (loss)/earnings per share (cents)	**(0.14)**	(1.48)	(0.74)	0.11
Net assets value per share (cents)	**1.60**	1.77	3.34	4.09

Notes:
(1) In calculating return on equity, attributable to owners of the Company and return on assets, profit/(loss) attributable owners of the Company has been used.
(2) Return on equity attributable to owners of the Company for FP2023 and FY2021 are calculated based on the average equity attributable to owners of the Company.
(3) Return on assets for FP2023 and FY2021 are calculated based on the average of its total assets.

FINANCIAL AND OPERATIONS REVIEW

Statement of Comprehensive Income

Revenue for FY2024 of S$31.39 million was S$12.06 million, or 28% lower than the revenue for FP2023 of S$43.45 million, mainly due to the shorter financial period in FY2024, i.e., 12 months in FY2024 vs 18 months in FP2023. However, on an annualised basis, the total revenue of S$31.39 million in FY2024 was S$2.43 million higher than the 12-month annualised total revenue of S$28.96 million in FP2023, which was brought about mainly by the increase in revenue from the Resource Recovery segment as discussed below.

Revenue from the Resource Recovery segment of S$23.55 million in FY2024 was S$2.45 million higher compared to the 12-month annualised revenue of the Resource Recovery segment in FP2023 of S$21.10 million due to an increase in revenue from rubber compound business of S$4.14 million, offset by a decrease in revenue from tyre retreading of S$1.69 million.

Revenue from the Renewable Energy segment of S$7.73 million in FY2024 is comparable with the 12-month annualised revenue of the Renewable Energy segment in FP2023 of S$7.76 million.

Gross profit for FY2024 surged to S$5.05 million, a S$1.15 million increase compared to FP2023, despite the shorter financial period. The improvement in gross profit and gross margin was primarily driven by cost savings and efficiencies realised through tighter cost control measures implemented by management. These measures led to reduced utilities and other indirect costs, and expenses. Additionally, a decrease in depreciation expense contributed to the overall improvement in FY2024.

Other income/(loss) – net improved from a loss of S$676,000 in FP2023 to a gain of S$917,000 in FY2024. This was primarily due to the reversal of impairment losses in property, plant and equipment, and investment properties, a reduction in allowance for doubtful debts, and net currency exchange gains for the financial year.

Marketing and distribution expenses decreased by 56% to S$549,000 in FY2024 from S$1.24 million in the 18-month prior period FP2023. This significant reduction is primarily attributed to the shorter financial period. On an annualised basis, marketing and distribution expenses were S$278,000 lower than FP2023, primarily due to the Group’s tightened cost control measures.

Administrative expenses decreased by 28% to S$5.49 million in FY2024 from S$7.64 million in the 18-month prior period FP2023. However, on an annualised basis, administrative expenses increased by S$398,000 due to higher manpower costs and depreciation. Additionally, legal and professional fees increased due to the absence of reversals of over accruals in the previous financial period.

Finance costs decreased by 21% to S$823,000 in FY2024 from S$1.05 million in the 18-month prior period FP2023, primarily due to the shorter financial year. However, on an annualised basis, finance costs increased by S$125,000 in FY2024 due to the reclassification of a portion of finance cost to administrative expenses in FP2023.

The Group’s income tax expense surged to S$399,000 in FY2024, reflecting a S$243,000 increase compared to the S$156,000 recorded in FP2023. This increase was primarily attributed to provisions for income tax of profit-making entities in Malaysia.

The loss from discontinued operations in FP2023 (Nil in FY2024) was primarily attributed to impairment losses on disposal group assets classified as held for sale and amortisation of land use rights associated with the group's dormant and non-operating China subsidiaries.

As a result of the above, the Group recorded a net loss of S$1.30 million for FY2024, a significant improvement compared to the S$14.08 million loss recorded in FP2023.

Statement of Financial Position

Property, plant, and equipment decreased from S$12.14 million as at 30 April 2023 to S$7.78 million as at 30 April 2024. This was primarily due to the reclassification of S$2.17 million to assets held for sale, depreciation of S$1.73 million, and the disposal of assets worth S$397,000. Additionally, foreign exchange fluctuations negatively impacted the value of foreign currency-denominated property, plant, and equipment by S$503,000. These were partially offset by a reversal of impairment loss totaling S$240,000, new additions of S$46,000, and the transfer of S$159,000 from right-of-use assets.

Right-of-use assets decreased from S$5.56 million to S$1.17 million during the same period. This was mainly attributed to the reclassification of leased land in Seremban and Sabah, Malaysia, to assets held for sale, amounting to S$3.82 million. Additionally, annual depreciation of S$661,000 and transfer to property, plant, and equipment totaling S$159,000 contributed to the decrease.

Investment properties represent the Group’s properties leased to external parties.

Financial assets at fair value through profit or loss represent the Group's investment in CULCEC, which is undergoing liquidation. As of 30 April 2024, the Group reassessed CULCEC's fair value at S$1.01 million (RMB5.5 million) based on the latest information from the liquidator dated 24 May 2024. This valuation reflects the Group's expected net recovery after the liquidation and the subsequent distribution of remaining funds to shareholders. Consequently, a fair value loss of S$500,000 was recognised for the financial year ended 30 April 2024.

Lease receivables (comprising both current and non-current) pertain to the Group's investment in the biomass co-generation power plant at Gardens by the Bay, accounted for as a finance lease. The combined balance of lease receivables decreased from S$5.84 million to S$4.44 million between 30 April 2023 and 30 April 2024, primarily due to the conversion of customer billings to collections.

Inventories decreased by S$1.21 million from S$3.55 million as at 30 April 2023 to S$2.34 million as at 30 April 2024 as the Malaysian operations adopted a just-in-time inventory system to enhance cash flow management.

Trade and other receivables increased by S$1.92 million, from S$7.19 million as at 30 April 2023 to S$9.11 million as at 30 April 2024, primarily due to a surge in trade receivables in Malaysia stemming from higher sales to a key customer.

Other current assets, primarily comprising prepayments and deposits, posted a slight increase of S$57,000 from S$791,000 to S$848,000 between 30 April 2023 and 30 April 2024. This is mainly attributed to the increase in deposits, and partially offset by the amortisation of prepayments.

Cash and cash equivalents decreased by S$162,000 from S$908,000 as at 30 April 2023 to S$746,000 as at 30 April 2024. Refer to the "Statement of Cash Flow" section for the explanation of net decrease in cash and cash equivalents of the Group.

Loans and borrowings (comprising both current and non-current liabilities) decreased by S$2.42 million from S$10.74 million to S$8.32 million between 30 April 2023 and 30 April 2024. This is mainly due to regular loan repayments to Malaysian banks and monthly installments on Singapore property loans.

Lease liabilities (comprising both current and non-current portions) decreased by S$279,000 from S$816,000 to S$537,000 between 30 April 2023 and 30 April 2024. Whilst the repayments of S$722,000 contributed to this decrease, it was partially offset by an increase in finance lease liabilities of S$258,000 due to a lease extension at Sarimbun Recycling Park and the acquisition of a new motor vehicle valued at S$185,000.

Trade and other payables decreased by S$224,000 from S$7.46 million to S$7.24 million between 30 April 2023 and 30 April 2024, primarily due to a decrease of S$1.08 million in payables to third parties, and was partially offset by an increase of S$856,000 in other payables to a director and key management.

Income tax payable increased by S$180,000 from S$137,000 as at 30 April 2023 to S$317,000 as at 30 April 2024, mainly due to provision of income tax.

The Group's working capital significantly improved, shifting from a negative working capital of S$1.36 million as at 30 April 2023 to positive working capital of S$6.93 million as at 30 April 2024.

FINANCIAL AND OPERATIONS REVIEW

Statement of Cash Flows

Net cash inflows from operating activities for the financial year ended 30 April 2024 amounted to S$2.49 million. This was primarily driven by the net cash inflows before changes in working capital of S$2.67 million. Additionally, decreases in inventories and lease receivables of S$1.20 million and S$1.97 million, respectively, contributed to the net cash inflow. Conversely, increase in trade and other receivables of S$1.81 million and decrease in trade and other payables of S$1.35 million reduced the overall cash inflow. Furthermore, cash outflows for income tax and retirement benefits, totaling S$242,000, also reduced the net cash provided by operating activities.

Net cash inflows from investing activities for the financial year ended 30 April 2024 amounted to S$554,000. This was primarily due to cash inflows from the disposal of property, plant, and equipment of S$555,000 and assets held for sale of S$45,000, and offset by cash outflows for property, plant, and equipment additions of S$46,000.

Net cash used in financing activities for the financial year ended 30 April 2024 amounted to S$3.08 million. This was primarily from repayments of loans and borrowings of S$2.41 million, finance lease repayments of S$722,000, and interest payments of S$751,000. These cash outflows were partially offset by the proceeds from a loan obtained from a director and key management personnel amounting to S$798,000.

As a result of the above, the Group’s cash and cash equivalents decreased from S$779,000 to S$625,000 between 30 April 2023 and 30 April 2024.

BUSINESS OVERVIEW

Renewable Energy Segment
Singapore

With a robust and resilient business model, the two biomass power plants – ecoWise Marina Power at Gardens By The Bay ("**EMP**") and Co-Generation Biomass Power Plant at Sungei Kadut ("**SK**") continues to contribute significantly to the Group's revenue in Singapore. Concurrently, ecoWise is reviewing and optimising the operational efficiency and effectiveness on two fronts:

In maximising the profitability of the operations at EMP and to maintain the level of support provided, critical components of the plant at EMP are being upgraded and major equipment are being renewed to enhance cost savings in the long run.

Major upgrading works were carried out at SK to increase the overall efficiency and production capacity through the retrofitting of automation parts which will result in less downtime for scheduled maintenance.

Despite facing strong headwinds in this segment, ecoWise continues to remain as one of the most established biomass power plant designer, constructor and operator in Singapore with extensive know-how in this specific subject matter as evidenced by our operational stability over the years and the large network of stakeholders, business partners who have expressed continued interest in working with us in one way or another.

Resource Recovery Segment
Singapore

In line with the nation's net-zero emmission and decarbonisation efforts, ecoWise has been working tirelessly to achieve a truly circular economy that embodies the vision of ecoWise – playing our part in corporate social responsibility and creating value for our shareholders at the same time.

In addition to being a primer in the provision of resource recovery methods, ecoWise is constantly sourcing for and evaluating opportunities in the resource recovery market within Singapore, placing emphasis on higher value-added businesses and phasing out less profitable operations. As the main contributor to the Group's revenue for the Singapore business segment, our research and development team are working hard to identify gaps and opportunities in the recycling process that will enable us to work towards our goal of becoming a truly circular economy. We are also in close contact and collaboration with renowned research institutions to explore ways to maximise the value within the various waste materials which are commercially viable and feasible in the long run; such is the ethos and guiding principle in which ecoWise adopt towards the Resource Recovery segment.

As the resource recovery industry gains more traction, including new entrants to the industry, ecoWise will continue to remain focus and committed in providing quality products and services that aims to not only create value for both our customers and shareholders, but also benefit the society.

BUSINESS OVERVIEW

Resource Recovery Segment
Malaysia

SRR Group remain as one of Malaysia's largest rubber compound and retread tyre manufacturer. It continues to produce and market high quality products such as general rubber and high value rubber compounds, high quality retreaded and new tires.

The launching of Sunrich Tyres in year 2019 (which is the Company's in-house brand of new tyres that is specially designed and developed to be suitable for the local climate) has been widely accepted and the SRR Group plans to increase the capacity in the near future to cater for the high demand.

Through its subsidiary, the Company supplies its green retread (environmental friendly) tyres known as "Ekoprena Tyre", via its Tyre Management services to the local Mass Rapid Transit feeder buses in Malaysia. The Ekoprena Tyres consist of a specially developed epoxidised natural rubber compound that is developed in collaboration with the Malaysia Rubber Board (a local government authority). This reinforces the SRR Group's role in conserving the environment as one of the major benefits of using Ekoprena Tyres is to reduce carbon print.

SRR Group also exports rubber compound overseas and has plans to further increase the output line of its high value specialty rubber compounds in order to facilitate the high demands of the various rubber moulding industries.

Another carbon footprint reduction initiative identified in waste tyre management was in the recovery of carbon black, a material used abundantly in the fabrication of rubber compounds for many downstream applications. The production of recovered carbon black from end-of-life tyres presents an opportunity to reduce our reliance on virgin carbon black produced from fossil-based petroleum product such as coal tar, the initiative will at the same time introduce a regenerative cradle-to-cradle production platform increasing our business viability and sustainability.

BOARD OF DIRECTORS

MR LEE THIAM SENG

Chief Executive Officer & Executive Chairman

Date of first appointment as a director of the Company ("Director"):
12 November 2002

Date of last re-election as a Director:
30 May 2022

Length of service as a Director (as at 30 April 2024):
22 years

Board committee(s) served on:
- Sustainability Reporting Committee (Member)

Other principal commitments (other than directorship):
- NIL

Academic & professional qualifications:
- Master of Business Administration, National University of Singapore
- Chartered Financial Consultant, The American College
- Diploma (Merit) in Electrical Engineering, Singapore Polytechnic

Present directorships other than ecoWise and subsidiaries:
Listed company
- NIL

Non-listed company
- Ecohub Pte Ltd

Past directorships held over the preceding three years:
- Asia Cleantech Hub Pte. Ltd.
- Swee Chioh Fishery Pte. Ltd.

MR ALLAN TAN POH CHYE

Lead Independent Director

Date of first appointment as a Director:
14 April 2022

Date of last re-election as a Director:
30 May 2022

Length of service as a Director (as at 30 April 2024):
2 years

Board committee(s) served on:
- Audit Committee (Member)
- Remuneration Committee (Member)
- Nominating Committee (Chairman)
- Sustainability Reporting Committee (Member)

Other principal commitments (other than directorship):
- See below

Academic & professional qualifications:
- LLB, Hon, University of Buckingham
- Bar Finals Examination, Gray's Inn
- MA, Comparative Business Law, London-Guildhall University (now London Metropolitan University)
- Barrister-at-law, England and Wales
- Advocate and Solicitor, Singapore

Present directorships other than ecoWise:
Listed company
- Vibropower Corporation Limited

Non-listed company
- Altum Law Corporation

Past directorships held over the preceding three years:
- CNMC Goldmine Holdings Limited
- Allan Tan Law Practice
- Affinity Energy and Health Limited (listed on the ASX)
- Prima Ops Pte Ltd
- Nico Steel Holdings Limited

BOARD OF DIRECTORS

DR DANNY OH BENG TECK

Non-Executive Independent Director

Date of first appointment as a Director:
14 April 2022
Date of last re-election as a Director:
14 October 2023
Length of service as a Director (as at 30 April 2024):
2 years

Board committee(s) served on:
- Audit Committee (Member)
- Remuneration Committee (Chairman)
- Nominating Committee (Member)
- Sustainability Reporting Committee (Chairman)

Other principal commitments (other than directorship):
- See below

Academic & professional qualifications:
- PhD (Business Management), University of South Australia
- MSc (Construction Management), Dundee University, Scotland
- BSc (Geology), Beloit College, USA

Present directorships other than ecoWise:
Listed company
- Imperium Crown Limited

Non-listed company
- Cambrian Engineering Corporation Pte Ltd
- Cambrian Academy Pte Ltd
- Cambrian Lab Pte Ltd
- Cables & Utilities Detection Services Pte Ltd

Past directorships held over the preceding three years:
- China Powerplus Limited
- NM Backer Corporation Pte Ltd
- D.O. Recruitment Agency Pte Ltd
- Mclean Technologies Berhad

MR GAN FONG JEK

Non-Executive Independent Director

Date of first appointment as a Director:
14 April 2022
Date of last re-election as a Director:
14 October 2023
Length of service as a Director (as at 30 April 2024):
2 years

Board committee(s) served on:
- Audit Committee (Chairman)
- Remuneration Committee (Member)
- Nominating Committee (Member)
- Sustainability Reporting Committee (Member)

Other principal commitments (other than directorship):
- See below

Academic & professional qualifications:
- MSID, Member of Singapore Institute of Directors
- Fellow Chartered Accountant, Institute of Singapore Chartered Accountant
- EMBA, INSEAD
- EMBA, Tsinghua University
- Master of Business, Nanyang Business School
- Bachelor of Accountancy (Honours), Nanyang Technological University

Present directorships other than ecoWise:
Listed company
- Healthbank Holdings Limited
- Hatten Land Limited

Non-listed company
- Jubilee Capital Management Pte Ltd
- Jubilee Capital Partners Limited
- Jubilee Technology Fund Pte Ltd
- Bideford Global Holdings Limited
- Millennia Ventures Pte Ltd
- Optimatic Pte Ltd
- Decentralized Cyberspace Foundation Limited
- Isratrade (Asia) Pte Ltd
- Care Corner Senior Services Ltd (Non-Profit)
- Care Connexions Ltd (Non-Profit)
- Humaster Asia Pte Ltd
- Capio International Pte Ltd
- LGA International Pte Ltd
- Digital Treasures Capital VCC

Past directorships held over the preceding three years:
- Jubilee Technology Fund SPC
- Idea Cable Holdings Pte Ltd
- Alpha Supply Chain Group Pte Ltd
- Care Corner Singapore Ltd (Non-Profit)
- Latitude Technologies Ltd

MANAGEMENT

LEE THIAM SENG
Chief Executive Officer

Mr Lee joined the Board in November 2002 and was appointed as Executive Chairman in April 2004 and Chief Executive Officer in March 2007.

Mr Lee has more than 25 years of experience in the fields of waste management and environmental engineering solutions in the region. Mr Lee has been with the Group for more than 20 years and has extensive knowledge and experience in the industries in which the Group operates.

Mr Lee is responsible for setting strategic directions, formulating corporate strategies and overall management of the Group's businesses in the resource recovery, use of sustainable resources and renewable energy segments. He has been instrumental in the growth and diversification of the Group's business over the years, which has evolved from waste management in biomass energy generation and environmental engineering.

ALVIEDO RODOLFO JR SAN MIGUEL, JOJO
Chief Financial Officer

Mr Jojo Alviedo joined our Group in October 2022.

Mr Jojo Alviedo has amassed more than 20 years of international audit and advisory experience across Singapore, Philippines and Vietnam. Jojo held the post of Corporate Advisory Principal in Nexia TS Public Accounting Corporation, Singapore, as well as Assurance Senior Manager in PricewaterhouseCoopers, Singapore. During this time, he has garnered in depth experience in International Financial Reporting Standards, group audit, SOX 404 audit as well as initial public offering and reverse takeover projects. He has wide industry experience, including marine, engineering and construction, trading and manufacturing, technology and information, and freight and logistics. Mr Jojo Alviedo qualified as Certified Public Accountant in Philippines in 1992.

Mr Jojo Alviedo was also a CFO in a mainboard listed company in Singapore from 2012 to 2017.

Mr Jojo Alviedo is responsible for the Group's financial and accounting matters and compliance with financial reporting and regulatory requirements.

SUBSIDIARIES MANAGEMENT

SINGAPORE

MR RAJENDRAN AJAY PRABHAKARAN
Assistant General Manager

MS CHRISTINE CHEONG
Head of Human Resource

MALAYSIA

MR STEVEN GAN SENG POE [1]
Sunrich Integrated Sdn Bhd
Director cum Executive Officer

MR LIM PENG KIAT
Sun Rubber Industry Sdn Bhd
Head of R&D

MR CHEW TONY
Sunrich Integrated Sdn Bhd
Head of QA&QC

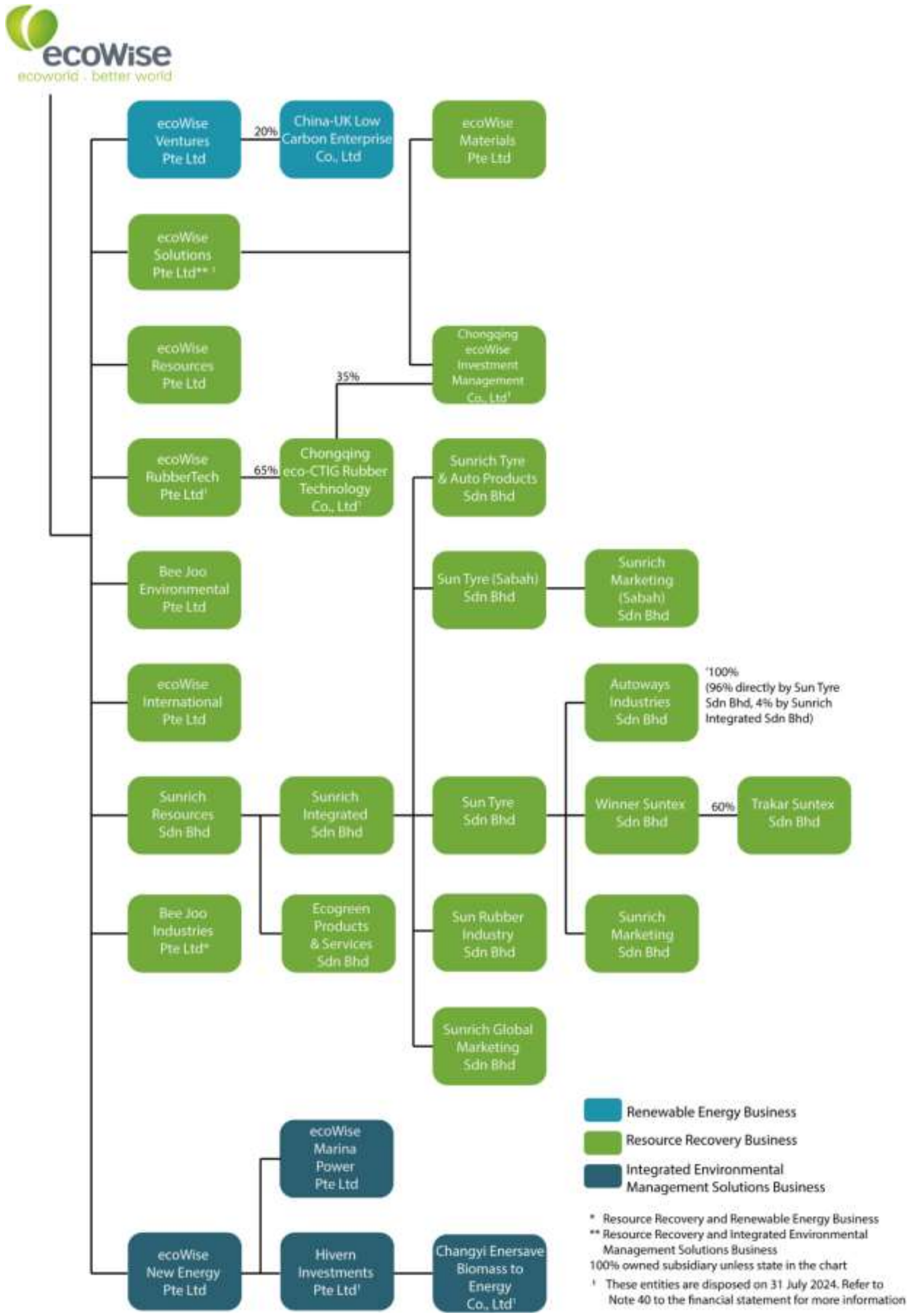
MR TAM SIEW WAN
Sun Rubber Industry Sdn Bhd
Head of Production

MR MOHANASUNDRAM A/L NADESON
Sun Tyre Sdn Bhd
Head of Production

MR CHU WUI NAM
Sun Rubber Industry Sdn Bhd
Head of Sales

(1) Mr Steven Gan Seng Poe was appointed as a Director for all the Company's subsidiaries in Malaysia with effect from 8 April 2022. Steven has a Bachelor of Science major in Mathematics from City of London Polytechnics and an MBA in Business Studies from University of South Australia. Steven has amassed more than 30 years of work experience in banking sector and manufacturing of rubber compound, plastic injection and tyre retreads.

CORPORATE STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE DIRECTOR

Mr. Lee Thiam Seng
(Executive Chairman and CEO)

INDEPENDENT DIRECTORS

Mr. Allan Tan Poh Chye
(Lead Independent Director)
Mr. Gan Fong Jek
Dr. Danny Oh Beng Teck

AUDIT COMMITTEE

Mr. Gan Fong Jek (Chairman)
Mr. Allan Tan Poh Chye
Dr. Danny Oh Beng Teck

NOMINATING COMMITTEE

Mr. Allan Tan Poh Chye (Chairman)
Mr. Gan Fong Jek
Dr. Danny Oh Beng Teck

REMUNERATION COMMITTEE

Dr. Danny Oh Beng Teck (Chairman)
Mr. Gan Fong Jek
Mr. Allan Tan Poh Chye

SUSTAINABILITY REPORTING COMMITTEE

Dr. Danny Oh Beng Teck (Chairman)
Mr. Lee Thiam Seng
Mr. Allan Tan Poh Chye
Mr. Gan Fong Jek
Mr. Alviedo Rodolfo Jr San Miguel, Jojo
(Member by invitation)

COMPANY SECRETARY

Ms. Siau Kuei Lian

INDEPENDENT AUDITOR

Baker Tilly TFW LLP
Public Accountants and Chartered Accountants
600 North Bridge Road,
#05-01 Parkview Square,
Singapore 188778

Partner-in-charge: Low See Lien
Effective from reporting period ended 30 April 2023

CONTINUING SPONSOR

SAC Capital Private Limited
1 Robinson Road,
#21-00 AIA Tower,
Singapore 048542

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue,
#14-07 Keppel Bay Tower,
Singapore 098632

PRINCIPAL BANKERS

DBS Bank Ltd
United Overseas Bank Limited
Malayan Banking Berhad
RHB Bank Berhad
Affin Bank Berhad
Al Rajhi Banking & Investment Corporation (Malaysia) Berhad
Ambank (Malaysia) Berhad

REGISTERED OFFICE/CONTACT DETAILS

Co. Registration No.: 200209835C

1 Commonwealth Lane,
One Commonwealth #07-28,
Singapore 149544
Tel: 65 6250 0001
Fax: 65 6250 0003
Website: www.ecowise.com.sg
Email: investorrelation@ecowise.com.sg

CORPORATE GOVERNANCE

Introduction

The Board of Directors (the "**Board**" or "**Directors**") of ecoWise Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**"), is committed to maintaining a high standard of corporate governance within the Group. We believe this is essential to the long-term viability and sustainability of the Group's business and performance, safeguards the interests of the Company's shareholders (the "**Shareholders**"), and enhances corporate value and accountability.

The corporate governance framework which the Company adopts, including board leadership and effectiveness, board appointments, remuneration, accountability and internal controls, and reporting of financial results is based upon practices which the Board believes are proportional to the size, risks, complexity and operations of the Group's businesses, and is reflective of the Group's values.

The Company is an investment holding company, quoted on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Group's core businesses, as at the date of this CG Report, are:

- Operation and maintenance of biomass co-generation plant;
- Processing and recycling of non-metal waste, horticultural waste and other waste; and
- Manufacturing and trading of retread tyres and related rubberised products

The Company adheres to the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**"). This Corporate Governance Report (this, or the "**CG Report**" or the "**Report**") aims to provide an explanation of how the "Principles" and "Provisions" of the Code have been applied, practically, throughout the year under review. Compliance with the Code is part of the continuing obligations of the Company under Rule 710 of the Listing Manual Section B: Rules of Catalist of SGX-ST (the "**Catalist Rules**").

Under the Code and the Catalist Rules, issuers are required to provide a detailed description of their corporate governance practices, referencing both the principles and provisions, and how their practices adhere to both. This transparency provides Shareholders and investors with material information about a company's corporate governance framework and helps them make informed decisions when investing in or engaging with the company.

This CG Report should be read in its entirety as certain sections of this CG Report may have an impact on specific disclosures made in other sections of the Company's Annual Report 2024.

The Code

The latest version of the Code, published in August 2018 and amended on 11 January 2023, is constructed around 13 core broad principles, supported and illustrated by provisions, which are designed to facilitate compliance. While issuers are expected to adhere to these provisions, deviations are permitted if they are accompanied by a clear and comprehensive explanation demonstrating how the Company's practices align with the intent and philosophy of the relevant principle(s).

Compliance with the Code

The Board confirms that, during the year under review, the Group has generally complied with the principles and provisions of the Code, save as otherwise explained in this Report below.

CORPORATE GOVERNANCE

BOARD STRUCTURE

The Company has a single-tier Board, with the executive management led by the Executive Chairman and Chief Executive Officer ("**CEO**"), Mr Lee Thiam Seng. There are four Directors on the Board, one of who is an Executive Director and the other three are Non-Executive Independent Directors ("**Non-Executive Independent Directors**"). Information about Directors who are seeking reappointment is set out in Appendix 7F of the Company's CG Report for the financial year ended on 30 April 2024 ("**FY2024**").

(A) BOARD MATTERS

The Board's Conduct of Affairs

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

The Company is headed by the Board which is responsible for the overall leadership and management of the Company. The Board works closely with the Executive Director and key management personnel of the Company and its subsidiaries (collectively, the "**Management**"). Management is responsible for the day-to-day management and operation of the Group's business, and is accountable to the Board in this regard.

The Board is ultimately responsible for the businesses of the Group, setting its strategic direction and establishing appropriate policies and is accountable to Shareholders.

The primary duty of the Board is to act in the best interests of the Company at all times. The Board also addresses issues relating to internal controls and risk management. The Non-Executive Independent Directors are respected professionals in their respective field of work, and bring a wide range of skills and experience to the Company, as well as independent judgment on strategy, risk and performance. The Board considers the present composition of the Board to be suitable and proportionate to the scale and scope of the Group's businesses and operations.

The independence of each Non-Executive Independent Director is assessed at least annually, and all of the Non-Executive Independent Directors are considered to be independent at the date of this Report – please refer to the section "Provision 2.1 – Independence".

While there is no fixed number of times the Board must meet in any given financial year, Board meetings are scheduled for the release of the Group's quarterly, half and full year financial results, and as and when circumstances require. The number of meetings of the Board and board committees held during the year under review is set out below under the section "Provision 1.5 - Board and Committee Meetings".

Where necessary, the Board may make decisions through written resolutions, email communications, or teleconference calls.

Provision 1.1 Fiduciary Duties, Code of Conduct and Ethics and Conflict of Interests

Each Director is a fiduciary of the Company and is expected to act in the best interest of the Company. The primary functions of the Board are to lead and provide direction for the Group, act objectively in the best interests of the Company, hold key management personnel – which comprise both executive officers (as defined in the Catalist Rules) and non-executive officers accountable for their performance, and enhance the value of the Shareholders in the long-term.

Apart from statutory and fiduciary responsibilities, each Director understands the Group's businesses in addition to his or her specific role as executive, or non-executive and independent director.

CORPORATE GOVERNANCE

While the Group does not have a formalised code of conduct and ethics, the Board sets the tone for the Group in respect of conduct and ethics, values and desired organisational culture, and also ensures proper accountability within the Group. The Board will work towards formalising the code of conduct and ethics in the next financial year.

The primary role of the Board includes the following:

- setting the strategic directions and long-term goals of the Group, and ensuring that adequate resources are available to meet these objectives;
- reviewing and approving corporate plans, annual budgets, investment and divestment proposals, major funding proposals and financial plans of the Group;
- monitoring management performance in achieving organisational goals;
- reviewing and evaluating the adequacy and integrity of the Group's internal controls, risk management and financial reporting systems;
- ensuring the Group's compliance with laws, regulations, policies and guidelines;
- reviewing and approving Interested Person Transactions ("**IPT**") and significant transactions that require announcements under the Catalist Rules;
- ensuring accurate and timely reporting in communication with Shareholders;
- determining the Group's values and standards including ethical standards;
- considering sustainability issues including environmental and social factors in the formulation of the Group's sustainability strategies;
- identifying key stakeholders' groups and recognising that their perception of the Company affects its reputation;
- ensuring that the Group meets good corporate governance standards; and
- exercising due diligence and independent judgement and acting in good faith and considering at all times the interests of the Company. In this regard, if any Director has a conflict or potential conflict of interest in relation to any matter, he/she will immediately declare and provide details of his/her interests and conflict at the Board meeting, and recuse himself/herself from any discussion on the matter and abstain from participating in any Board decisions.

Under sections 156 and 165 of the Companies Act 1967 of Singapore (the "**Companies Act**"), all Directors are required to update the Board on a timely basis, through the Company Secretary, of interests in new companies that were not previously disclosed to the Board. At the start of each financial year, all Directors must submit a letter to the Company Secretary of all their interests in other companies to be read and acknowledged by the Board as a whole.

Furthermore, all Directors are also required to declare their interests in respect of any transaction or proposed transaction the Group is entering into. They must recuse themselves from voting for transactions they are interested in or if there appears to be a conflict of interest, as determined by the Board, after being notified of the Director's interest.

CORPORATE GOVERNANCE

Provision 1.2 - Roles of Directors, Training and Development

Appointment Letter

Upon the appointment of a new Director, the Company will provide a formal letter of appointment to the Director explaining, among other matters, his/her role, obligations, duties and responsibilities, and membership of any of the Audit Committee ("**AC**"), Nominating Committee ("**NC**"), Remuneration Committee ("**RC**") and Sustainability Reporting Committee ("**SRC**").

Board Orientation and Training

The Board comprises the following members, all of whom have the appropriate core competencies and diversity of experience needed to enable them to effectively contribute to the Group. The composition of the Board as at the date of this Annual Report is as follows:

<u>**Name of Director**</u>

Mr Lee Thiam Seng	-	Executive Chairman and CEO
Mr Allan Tan Poh Chye	-	Lead Independent Director
Dr Danny Oh Beng Teck	-	Independent Director
Mr Gan Fong Jek	-	Independent Director

The Company recognises the importance of appropriate training for the Directors. All newly appointed Directors are given an orientation of the Group's businesses and operations, as well as information about the Company's history, missions, and values. The Company will also arrange for first-time Directors to attend relevant training in relation to the roles and responsibilities of a director of a listed company, organised by approved training providers (as prescribed under Practice Note 4D of the Catalist Rules), as required under Rule 406(3)(a) of the Catalist Rules. There was no new Director appointed during FY2024.

All Directors are encouraged to undergo continuous training to broaden their perspective and keep abreast of new statutory and regulatory requirements. Training is provided to Directors through a mix of in-house and external training programmes, at the Company's expense. In keeping with the Board's open policy for occasional training for all the Directors, a training budget has been set aside for Directors to select and attend external training to develop their skills, knowledge and keep updated on regulatory changes.

In FY2024, briefing and updates provided to the Directors included but not limited to the following:

- updates on the developments in financial reporting and governance standards, where relevant, by the external auditor of the Company to the AC and the Board; and

- updates on business and material developments pertaining to the Group's business by the Management to the Independent Directors.

Additionally, the Directors were also briefed by the Company Secretary and/or the Sponsor on changes to the Catalist Rules, the Code and Companies Act. All Directors have attended the sustainability training course as prescribed by the SGX-ST under Rule 720(6) of the Catalist Rules.

As part of the Company's continuing education for the Directors, the Company Secretary, the Sponsor and the Management circulate to the Board relevant articles, reports and press releases pertaining to material statutory and regulatory developments and the Group's business to keep Directors updated on the current requirements, industry trends and issues. News releases and guidance issued by the SGX-ST and the Accounting and Corporate Regulatory Authority ("**ACRA**") which are relevant to the Directors are circulated to the Board. Directors are also briefed by the external auditor on developments in the Singapore Financial Reporting Standards (International) and the related changes that affect the Group.

CORPORATE GOVERNANCE

Provision 1.3 - Matters Requiring Board Approval

The following are matters specifically reserved for the approval of the Board and instructions have been given to the Management on the requirement to refer these reserved matters to the Board:

- entering into contractual obligations, other than in the ordinary course of business;
- undertaking any corporate action, other than in the ordinary course of business;
- any business and transaction in the ordinary course of business with a value exceeding S$200,000;
- approving the policies, strategies and financial objectives and monitoring the performance of Management;
- overseeing the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance;
- approving the nominations of persons to the Board and appointments of persons to positions of Management;
- approving annual budgets, major funding proposals, corporate or financial restructuring, corporate development such as merger and acquisition strategy and assessment, post deal integration plan, investments or divestment proposals, and strike-off or liquidation of subsidiary or joint venture;
- approving major changes in the activities of the Group, including key policies;
- approving matters specified under the Catalist Rules on IPT;
- approving bank mandates and all other banking matters (e.g. opening of bank accounts, credit facilities, loan drawdowns and early repayment of loan) of the Group;
- approving limits of authority for the Group;
- approval of the issuance of shares, dividend payout, or other returns to shareholders;
- change in financial year end;
- granting of power of attorney by the Group;
- entry into any corporate guarantee and indemnity issued by the Group;
- recommendation for the changes in the Company’s Constitution;
- appointment of auditor and approval of audit plan;
- approval of the Annual Report of the Company, including but not limited to the Operating and Financial Review, Sustainability Report, Corporate Governance Report, Directors’ Report, and Financial Statements; and
- any other matters requiring the Board’s approval as prescribed under the relevant legislation and regulations, including the Catalist Rules.

(collectively, the “**Reserved Matters**”).

The Management has been instructed by the Board that all Reserved Matters must be referred to the Board for approval. Save for the Reserved Matters which require the Board’s decision and approval, Management is responsible for the day-to-day operation and administration of the Group.

The list of Reserved Matters is reviewed by the Board on an annual basis, taking its cue from businesses and transaction that took place during the year under review, operational and compliance issues arising and from reports of the Company’s internal and external auditor. The Board has implemented and updated certain corporate policies, including this Matters Reserved for the Board, in response to the recommendations from the independent reviewer pursuant to the Notice of Compliance (“**NOC**”) issued by Singapore Exchange Regulation Pte Ltd (“**SGX RegCo**”).

CORPORATE GOVERNANCE

Provision 1.4 - Board Committees

The Board has delegated specific responsibilities to four (4) committees namely, the SRC, the NC, the RC and the AC (collectively, the "**Board Committees**", each a "**Board Committee**") to assist the Board in the execution of its responsibilities and duties.

There are written terms of reference and operating procedures under which each Board Committee operates. These are reviewed when necessary and appropriate to ensure their continued relevance and efficacy. Each Board Committee discharges its function by dealing with issues that are relevant to their written terms of references, and makes recommendations to the Board, which will take into consideration such recommendations prior to making a decision. Minutes of all Board Committees meetings are circulated to the Board so that all Directors are aware of and kept updated as to the proceedings and matters discussed during such Board Committee meetings. While the Board Committees have the authority to assess specific issues and report back to the Board with their decisions and/or recommendations, the ultimate decision-making responsibilities on all matters lie with the entire Board. The composition of the respective Board Committees, terms of reference and a summary of activities of each Board Committee are set out in this Report.

The Sustainability Reporting Committee (the "**SRC**") was formed within clear and written terms of reference setting out its composition, functions, authorities and duties.

The composition of the SRC is as follows:

Composition of the SRC

(1) Dr Danny Oh Beng Teck (Chairman)
(2) Mr Lee Thiam Seng (Member)
(3) Mr Allan Tan Poh Chye (Member)
(4) Mr Gan Fong Jek (Member)
(5) Mr Alviedo Rodolfo Jr San Miguel, Jojo (Member by Invitation)

The primary functions of the SRC are to assist the Board in:

- Reviewing and adopting of all sustainability-related policies/standards;
- Overseeing management process to ensure compliance with sustainability-related policies/standards;
- Reviewing periodic reports (at least half-yearly) from Management on risk management;
- Reviewing internal review findings on how sustainability-related policies/standards are implemented; and
- Reviewing and approving Sustainability Reports before publishing.

The Company's sustainability report for FY2024 ("**FY2024 SR**") is prepared with reference to the Global Reporting Initiative ("**GRI**") Standards and complies with the requirements of the Catalist Rules on sustainability reporting. The FY2024 SR will be published as a standalone report within four months from the end of FY2024. The FY2024 SR discloses the material sustainability factors that the Company has identified as key to its mission and objectives of becoming a well-governed, responsible and sustainable business. Shareholders are encouraged to read the FY2024 SR when published to understand in more detail the material sustainability factors identified by the Company and the extent sustainability targets set during the last financial year have been achieved.

CORPORATE GOVERNANCE

Provision 1.5 - Board and Committee Meetings

Directors are required to attend all meetings of the Board and the Committees they serve on, and to devote enough time to the Company. Board and Committee papers are distributed in advance of meetings to give Directors time to have a thorough understanding of the matters on hand. Where there are urgent matters or issues they would be brought up for discussions at ad hoc meetings or during a scheduled meeting and information circulated thereafter for the Board to further assess and come to a decision. If Directors are not able to attend a meeting because of conflicts in their schedules, they receive all relevant papers and submit their comments to the other Directors, or to the Company Secretary before the scheduled meeting. If necessary, they can follow up with the chair of the meeting with further queries or an update of the discussions, and decisions made at the meeting.

The Board and Board Committees meet during scheduled and ad hoc meetings, as and when necessary. The Board and the AC meet at least 4 times during each financial year to approve the Company's quarterly and full year results announcements and attend to the business affairs of the Group. The SR, NC and RC meet at least once during each financial year to attend to and review the progress of any matter(s) that arose from the last respective meetings, and to discuss and recommend to the Board on matters regarding the progress of the Group's sustainability strategy and targets, remuneration and assessment of the Board and Directors, including the independence of Non-Executive Independent Directors. The schedule of Board and Board Committees meetings and Annual General Meeting ("**AGM**") for the next financial year is usually planned ahead at the beginning of the financial year, in consultation with the Directors. Where appropriate, decisions of the Board and Board Committees may also be made by way of written resolutions.

The table below reflects the composition of the Board and Board Committees during FY2024 and records the number of meetings and members' attendance.

Meetings of Board, AC, NC, RC and SRC

Type of meetings	Board of Director (BOD)	Audit Committee	Nominating Committee	Remuneration Committee	Sustainability Reporting Committee	General Meeting
No. of meetings held	**5**	**5**	**1**	**1**	**1**	**1**
Attendance						
Mr Lee Thiam Seng	5	5^	1^	1^	1	1
Mr Allan Tan Poh Chye	5	5	1	1	-	1
Dr Danny Oh Beng Teck	5	5	1	1	1	1
Mr Gan Fong Jek	5	5	1	1	-	1
Mr Alviedo Rodolfo Jr San Miguel, Jojo (1)	5^	5^	1^	1^	1	1

^ By invitation

(1) Mr Alviedo Rodolfo Jr San Miguel, Jojo is the Chief Financial Officer ("CFO") of the Company and a member by invitation of SRC .

CORPORATE GOVERNANCE

At the conclusion of each financial year, every Director is required to disclose their roles on other boards. This is to enable both the NC and the Board to evaluate whether the Directors are able to devote adequate time to the Company's matters. The Board considers, among other factors, expectations of particular investor groups, the attendance record of meetings held, the number of principal commitments of the Directors, as well as their performance and contribution.

Concurrently, during the final Board meeting of the financial year, the Board conducts an evaluation of the performance of each Director.

Provision 1.6 - Provision of Timely Information to the Board

As stated above, all relevant information is provided to the Board prior to each Board meeting. Additionally, Management is tasked with updating the Board on the fulfillment of resolutions or decisions adopted at prior Board meetings, as well as on an ad hoc basis, whenever there are any material or noteworthy changes affecting the Group’s operations.

Management’s proposals submitted to the Board for approval are accompanied with detailed background and explanatory information such as background facts, resource requirement, projected outcomes, financial impact, risk analysis, specific disclosure requirements under the Catalist Rules, conclusions and recommendations. Explanations of material variance between the actual results and assumptions or budgets are made at the next Board meeting(s).

From time to time, when the Company proposes to enter into a material transaction or a corporate action, a presentation will be made by the relevant Management personnel to the Board (either via a face-to-face meeting or by circulation of a proposal and/or presentation) to facilitate a robust discussion before the transaction is entered into or the corporate action takes place. The presentation sets out the analyses made by the relevant Management personnel and any specific issues which the Board should be appraised of so that the Board may make informed decision in respect of the proposed transaction.

Provision 1.7 - Access to Management, Company Secretary and Consultants of the Company

All Directors have separate and independent access to the Management, the Company Secretary, and if required, external advisors, at the Company’s expense. The Board confirms that the appointment and removal of the Company Secretary is a decision to be taken by the Board as a whole.

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 interest of the Company

Provision 2.1 - Independence

The Board adopts as the criteria for determining the independence of the Board the definition set out in the Practice Guidance of the Code, and takes into consideration whether any Director falls under any of the circumstances set out in Rule 406(3)(d) of the Catalist Rules. The Board considers an “Independent” Director as one who is independent in conduct, character and judgment, and has no relationship with the Company, its related corporations, its substantial Shareholders or its officers or any other relationship that could interfere, or be reasonably perceived to interfere, with the exercise by the Director’s independent business judgement in the best interests of the Company.

The NC assesses and determines the independence of a Director at the time of his appointment and periodically, at the end of each financial year.

CORPORATE GOVERNANCE

In FY2024, Mr Allan Tan Poh Chye was paid S$7,000 for professional services rendered to the Company outside of his duties as Non-Executive Independent Director. Altum Law Corporation, at which Mr Allan Tan Poh Chye is a director, had, subsequent to FY2024, provided legal services in the ordinary course of business to, and received customary fees from the Company. The NC has assessed the independence of Mr Allan Tan Poh Chye under the Code and is satisfied that the relationship described above will not interfere, or be reasonably perceived to interfere, with the exercise of his independent business judgement in the best interests of the Group, taking into account, among others, the aggregate fees paid by the Company to Altum Law Corporation is well below the threshold of S$50,000 for payments which are deemed significant under the Code.

Duration of Independent Directors' Tenure

On 11 January 2023, the SGX-ST amended the Catalist Rules to limit the tenure of Independent Directors to a maximum of nine (9) years from the date of his/her first appointment. Effective from 11 January 2023, Independent Directors who have served for more than nine (9) years from the date of his/her first appointment may no longer be designated as independent directors. To provide sufficient time for board appointments, Independent Directors whose tenure exceeds nine (9) years may continue to be considered independent until the conclusion of the next AGM of the issuer for the financial year ending on or after 31 December 2023.

As at the date of this Report, none of the Independent Directors has served more than nine (9) years from the date of his first appointment.

Provisions 2.2 & 2.3 - Majority of the Board

The Non-Executive Independent Directors make up an overwhelming majority of the Board. As at the date of this Report, the Board comprises four (4) Directors, three (3) of whom are Non-Executive Independent Directors and one (1) who is the Chairman and Executive Director of the Company. The Board has satisfied the requirement for (i) independent directors to make up a majority of the Board where the Chairman of the Board is not independent; and (ii) non-executive directors to make up a majority of the Board.

Provision 2.4 - Composition of Board & Board Committees

As at the date of this Report, the compositions of the Board and Board Committees are as follows:

Name of Director	Designation	Audit Committee	Nominating Committee	Remuneration Committee	Sustainability Reporting Committee
Mr Lee Thiam Seng	Executive Chairman and Chief Executive Officer	-	-	-	Member
Mr Allan Tan Poh Chye	Lead Independent Director	Member	Chairman	Member	Member
Dr Danny Oh Beng Teck	Independent Director	Member	Member	Chairman	Chairman
Mr Gan Fong Jek	Independent Director	Chairman	Member	Member	Member
Mr Alviedo Rodolfo Jr San Miguel, Jojo	-	-	-	-	Member by invitation

CORPORATE GOVERNANCE

The Board's composition, size and balance are reviewed at least annually by the NC to ensure the Board has the core competencies for effective functioning and informed decision-making. Board renewal and size and composition changes are considered together and weighted for relevant benefits in respect of foreseeable circumstances and requirements which are appropriate for the size and nature of activities of the Group's businesses and their compliance with applicable laws and the Catalist Rules.

During FY2024, there are no changes to the composition of the Board.

The Directors are of the opinion that the current size and composition of the Board is appropriate taking into account the diversity of skillsets and knowledge possessed by the current Board that are of assistance to guide and lead the Company in completing the directives under the NOC issued by the Singapore Exchange Regulation Pte. Ltd. ("**SGX RegCo**") on 25 June 2021 and to stabilise the Group's operations.

Diversity and Competency of the Board

The current Board comprises high-calibre individuals who have a wide range of expertise, experience and knowledge in the accounting and legal professions, and business management. The current NC is satisfied that taking into account the issues as set out, and the directives stipulated in the NOC and the nature and scope of the Group's current operations, the current size and the composition of the Board and the Board Committees are appropriate to guide the Company in resolving the issues and ensuring compliance with the directives stipulated in the NOC, and to stabilise the Group's operations.

There is a strong element of independence on the Board, and both the Board and NC believe that the Group will benefit from the diverse experience and skillsets possessed by members of the current Board. The biographies of the Directors are set out in "Board of Directors" section of this Annual Report.

At the current time, the Board's priority is to resolve all issues arising from past disagreements and fulfilling the directives under the NOC, while stabilising the Group's current operations.

Notwithstanding, the Board recognises the importance of gender diversity on the Board, and will strive to include female candidates in the selection process for any future director appointments. However, the Board also takes the view that the right blend of skillsets, industry knowledge, relevant experiences and overall suitability will remain the objective and overriding assessment of the suitability of a candidate, male or female.

The Board has adopted a diversity policy ("**Diversity Policy**") which aims to support the Group's business and strategic objectives better so that the Group may achieve sustainable growth through the enhanced decision-making process of diverse board comprised of different perspectives, business experience, industry disciplines, age, ethnicity, cultural background and other distinguishing qualities of its members.

The Diversity Policy provides a framework for achieving the Company's diversity objectives, which include:

- setting targets to achieve more diversity on the Board;
- plans and timelines for achieving the targets set;
- requirements to report progress made towards achieving the targets set within the timelines; and
- a description of how the combination of skills, talents, experience and diversity of its directors can serve the needs and plans of the Group.

The Board is committed to achieving gender diversity, and the NC will, when reviewing and assessing the composition of the Board, prioritise achieving gender diversity when the Company makes its next appointment of a new Director.

CORPORATE GOVERNANCE

The current members of the Board, while comprising only males, possess a range of skillsets, experiences, industry disciplines, ages, and cultural diversity. While the Board will strive to achieve diversity as set out in its Diversity Policy, it will only appoint a Director if his or her overall skills-set, experience are found to be suitable and appropriate for the Group's development and strategic objectives, based on recommendations made by the NC. No member of the Board will be a "diversity-hire" simply to satisfy the Diversity Policy of the Company.

Provision 2.5 – Meeting of Independent Directors without Management

The Non-Executive Independent Directors meet, without the presence of Management, as and when necessary to facilitate a system of checks and balances in respect of the authority and powers of the Management. During FY2024, the Independent Directors, led by the Lead Independent Director have met and/or communicated on a number of occasions, without the presence of the Management, to discuss and propose solutions to issues that have arisen in the course of business of the Group, and for the purpose of guiding the Management with respect to the Group's current operations. Where appropriate, the Lead Independent Director provides feedback to the Board and/or the Chairman of the Board as appropriate.

During FY2024, the Non-Executive Independent Directors travelled to the Group's subsidiaries in Malaysia to better understand the challenges faced by the Malaysian subsidiaries and the internal controls currently in place. Key issues of IT security, cashflow requirements and streamlining of the businesses of the Malaysian subsidiaries were discussed during and post the field trips. A key outcome of the trip has been to work with Management on better resource allocation between the tyre retreading and rubber compound production operations, and the need to seize opportunities to dispose of non-core assets to bolster and enhance the working capital requirements of the Group.

Chairman and Chief Executive Officer

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

Provision 3.1 - Separation between Chairman and Chief Executive Officer

Mr Lee Thiam Seng ("**Mr Lee**") currently assumes the roles of both the Chairman of the Board and the CEO of the Company. Given the scope and nature of the business activities of the Group, the Board is of the view that given Mr Lee's extensive knowledge and experience in the waste management, resource recovery and biomass energy business in the region, it is appropriate and effective for him to lead the Board in discussions on the issues and challenges faced by the Group in its business operations.

Although Mr Lee is the Chairman and CEO of the Company, the role of the Chairman is separate from that of the CEO and there is a clear division of the responsibilities between the Chairman on the one hand and CEO on the other. As CEO, Mr Lee is overall in charge of the management of the Group's businesses. As Chairman, Mr Lee leads the Board in discussion. However, as there is a Lead Independent Director and 3 out of 4 members of the Board are Non-Executive Independent Directors, the Board is of the opinion that the process of decision-making by the Board has been independent and based on collective decision without any individual or group of individuals dominating the Board's decision-making. The Board is also of the view that until the Group's businesses have stabilised and the Group's finances return to positive territory, it is appropriate for Mr Lee to continue to lead in the Group's businesses and operations.

Provision 3.2 – Responsibilities of Chairman and CEO

As Chairman of the Board, Mr Lee is responsible for:

- leading the Board to ensure its effectiveness on all aspects of its role;
- setting the Board agenda and ensuring the information flow and timing are adequate for discussion of all set agenda items, in particular strategic issues;
- setting the tone of Board discussion to promote open and frank debate and effective decision-making;
- ensuring effective communication with Shareholders;
- encouraging constructive relations within the Board, and between the Board and the Management;

CORPORATE GOVERNANCE

- facilitating the effective contribution of Non-Executive Directors; and
- continuous pursuit of high standards of corporate governance.

As CEO of the Company, Mr Lee is responsible for the Group's business strategy and operations, the implementation of the Group's corporate plans, policies and executive decision-makings.

Provision 3.3 - Lead Independent Director

The Board has appointed Mr Allan Tan Poh Chye as Lead Independent Director of the Company. The Lead Independent Director is available to Shareholders where they have concerns and where contact through the normal channels of communication with the Chairman and/or Management have failed to resolve or are inappropriate.

Board Membership

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

The NC formally discusses and agrees on the appointment or reappointment of Directors in a formal and open process, and makes its recommendation to the Board accordingly. In recommending the reappointment of Directors, the NC and the Board will consider the Director's past performance and whether he has fully discharged his duties and obligations. The NC and the Board will also consider whether the Director to be reappointed has been involved in companies with an adverse track record or a history of irregularities, including the reasons for the Director's resignation from a previous company, and whether the Director himself has been under any investigations, including by the professional association or regulatory body he is a member of.

When the need for a new Director arises, the NC will review the expertise, skills and attributes of the current Board as a whole, discuss the requirements required of the new Director, shortlist and interview candidates with the appropriate profiles for nomination to the Board.

Provision 4.1 - Establishment of the NC

The Board established the NC with written terms of reference which clearly set out its duties and responsibilities as follows:

- reviewing the Board structure, size and composition, having regard to the scope, nature and requirements of the Group's business operations, the diversity of skills, experience, gender and core competencies required for effective leadership and decision making on the Board;

- recommending to the Board on matters relating to (i) the Board succession plans for the Directors, in particular the appointment and/or replacement of the Chairman, the CEO and key management personnel; (ii) training and professional development programs for the Directors; and (iii) the appointment and re-appointment of the Directors;

- assessing the process and criteria for evaluating the performance of the Board as a whole, the Board Committees, as well as the contribution by each Director to the overall effectiveness of the Board;

- determining on an annual basis the independence of Directors; and

- identifying and making recommendation to the Board as to which Directors are to retire by rotation and be put for re-election at each AGM of the Company.

CORPORATE GOVERNANCE

Provision 4.2 - Majority of the NC is Independent

As at the date of this Report, the NC comprises the following three (3) members, all of whom, including the NC Chairman, are Independent Directors. The Lead Independent Director is a member of the NC. The NC comprises the following members:

(1) Mr Allan Tan Poh Chye (Chairman)
(2) Dr Danny Oh Beng Teck (Member)
(3) Mr Gan Fong Jek (Member)

Provision 4.3 - Process of Selection and Appointment of and Criteria to Identify and Evaluate Potential Directors, Channel of Search etc.

Selection and Appointment of Directors

The NC reviews the composition of the Board and identifies the skillsets which are required and will enhance the Board's overall effectiveness in the selection process for the appointment of new directors. Potential candidates are identified from various sources such as referrals from existing Board members and/or referrals from external sources, such as the Singapore Institute of Directors. Once suitable candidates have been identified, the NC will conduct an initial assessment of a candidate's qualifications, attributes and past experience followed by interviewing short-listed candidates. The proposed candidates' independence, expertise, background and the right skills-sets are considered before the NC makes its recommendations to the Board. Where required and appropriate, the NC may commission background checks and investigations into a particular candidate. In accordance with the Diversity Policy, the NC recognises and will prioritise female candidates so long as such candidates are determined to possess the right blend of skillsets, industry knowledge, relevant experiences and overall suitability.

Re-election of Directors

The Constitution of the Company requires all Directors to submit themselves for re-nomination and reelection at regular intervals and at least once every three (3) years. Regulation 107 of the Constitution provides that one-third of the Board or the number nearest to one-third is to retire by rotation at every AGM. Regulation 117 of the Constitution provides that newly appointed Directors are required to submit themselves for re-nomination and re-election at the next AGM following any casual appointment by the Board. Rule 720(4) of the Catalist Rules also requires that each Directors to submit himself for renomination and re-appointment at least once every three years.

Accordingly, the NC has recommended, and the Board has agreed, that at the forthcoming AGM, Mr Lee Thiam Seng and Mr Allan Tan Poh Chye will be retiring pursuant to Regulation 107 of the Constitution. Mr Lee Thiam Seng and Mr Allan Tan Poh Chye have consented and offered themselves up for re-election.

Each member of the NC is required to abstain from voting, approving or making a recommendation on any resolution of the NC in which he/she has an interest in the subject matter under consideration.

In its deliberations on the re-election and re-appointment of Mr Lee Thiam Seng and Mr Allan Tan Poh Chye, the NC took into consideration the relevant Director's competency, commitment, contribution and performance. This assessment includes attendance record, preparedness, level of participation and candour at meetings of the Board and Board Committees, as well as the quality of input and contributions. Please refer to the section entitled "Additional Information on Director Nominated for Re-election – Appendix 7F to the Catalist Rules" of this Annual Report for the information as set out in Appendix 7F to the Catalist Rules relating to Mr Lee Thiam Seng and Mr Allan Tan Poh Chye.

CORPORATE GOVERNANCE

Provision 4.4 - NC's Determination of Directors' Independence

The NC reviews, annually, the independence declarations made by the Independent Directors based on the criteria of independence provided in the Code and the Practice Guidance, Rule 406(3)(d) of the Catalist Rules and any other salient factors.

The NC has assessed the independence of the Non-Executive Independent Directors and found each of them to be independent. The Non-Executive Independent Directors have separately confirmed via a written declaration that they do not have any relationships, including immediate family relationships with the Company, its related corporations, its substantial Shareholders or its officers and any other relationships that could interfere or be perceived to interfere, with the exercise of their independent business judgement in the best interest of the Company. They have also confirmed that they do not fall under any of the circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. The Non-Executive Independent Directors did not own shares of the Company during the period under review, and were not or deemed to be in any situation that could compromise their independence of thought and decision. For completeness, please also refer to Provision 2.1 above on the disclosure of professional services provided by Mr Allan Tan Poh Chye to the Group.

Provision 4.5 - NC's Determination of Directors' Duties, Performance and Effectiveness

Directors' Commitments

All Directors declare their board representations as and when practicable. When a Director has multiple board representations, the NC also considers whether or not the Director is able to and has adequately carried out his or her duties as a Director of the Company. During FY2024, the NC reviewed and is satisfied that sufficient time and attention has been given by the Directors to the affairs of the Company and have adequately performed their duties.

When a Director has multiple board representations, the NC will consider whether or not the Director is able to and has adequately carried out his/her duties as a Director of the Company, taking into consideration the Director's number of listed company board representations and other principal commitments.

Appointment of Alternate Directors

While the Constitution allows for the appointment of alternate directors, the Board will only agree to such appointments in exceptional cases, such as when a Director has a medical emergency. The Board will employ the same criteria for the selection of any alternate Directors as it does when appoint a new Director. The Company does not currently have any alternate Director.

Key Information on Directors

The respective dates of initial appointments and re-elections of the Directors as well as the Directors' directorships in other listed companies and other principal commitments are set out in the section entitled "**Board of Directors**" of this Annual Report.

Board Performance

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

Provision 5.1 - NC Recommends for Board Approval Performance of Board, each Board Committee, the Chairman and Each Individual Director

Assessment of the Board and Board Committees

The NC is responsible for recommending and implementing the criteria and process to assess the effectiveness of the Board and the Board Committees and the contribution made by the Chairman and each Director to the overall effectiveness of the Board.

CORPORATE GOVERNANCE

Following the review of FY2024, the Board, with the concurrence of the NC, is of the view that the Board and its Board Committees operate effectively, and each Director has met the performance evaluation criteria and objectives for FY2024, and has contributed to the overall effectiveness of the Board. In addition, each NC member abstained from the voting or review process on matters in connection with his own performance and re-appointment (if applicable) as a Director of the Company.

Assessment checklists are disseminated to each member of the NC and the Chairman at the end of each financial year. The assessment results are discussed and the key areas for improvement and follow-up actions proposed are discussed at the NC meeting. No external facilitator was engaged for the assessment process in FY2024. However, the NC has full authority to engage an external facilitator to assist the NC in carrying out the evaluation process at the Company's expense, if the need arises.

Objective Performance Criteria for Board Evaluation & Evaluation of Individual Directors

The Board assessment checklist includes factors such as Board structure and size, the element of independence, conduct and frequency of meetings held, whether decisions are made after due consideration, corporate strategy and planning, risk management and internal control assessment, recruitment, financial reporting and communication with Shareholders. The assessment also includes measuring and monitoring whether objectives and targets set for the year have been met. The results of the evaluation are then presented to the Board.

For the period under review, the NC assessed and is satisfied that the Board, as a whole, and each of the Board committees operated as intended, and each Director performed and contributed to the overall effectiveness of the Board adequately. In making its assessment, the NC took into consideration the fact that no Director serves on more than 5 boards at any one time and each Independent Director has been able to devote time to the Company and discharge his duties adequately. No external facilitator was engaged for the assessment process.

(B) REMUNERATON MATTERS

Procedure 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.

The RC has set a framework for the remuneration of the Directors and key management personnel which has been approved and adopted by the Board.

Annual reviews of the compensation for the Executive Director and key management personnel are carried out by the RC to ensure their respective remuneration commensurates with their performance and contribution to the Group, giving due regard to financial, non-financial, business strategies and operations requirements of the Group. The performance of the Executive Director and other key management personnel is also reviewed periodically by the RC and the Board, as and when circumstances require.

CORPORATE GOVERNANCE

Provisions 6.1 & 6.2 - Establishment of RC and Remuneration Matters

Roles and Duties of the RC

The key terms of reference of the RC are:

- recommending to the Board all matters relating to remuneration, including but not limited to recommending a framework of remuneration and specific remuneration packages for Directors' fees, salaries, allowances, bonuses, share-based incentives and awards and benefits-in-kind, of the Directors and top five (5) key management personnel;
- reviewing and recommending to the Board the terms of the service agreements for Executive Directors;
- determining the appropriateness of the remuneration of Directors;
- considering the disclosure requirements for Directors' and top five (5) key management personnel's remuneration as required by the Code; and
- administering the ecoWise Performance Share Plan ("**PSP**").

For the period under review and for the immediate future, the RC has, in addition to the usual criteria, reviewed and recommended the remuneration of Directors and key management personnel based on the additional scope of work and time commitment the Directors and key management personnel have to put in to comply with the directives of the NOC as well as to stabilise the Group's operations.

For the financial year ending 30 April 2025, the RC did not make any recommendation of any increase to the remuneration of the Directors or key management personnel, except for Mr Steven Gan, the Director cum Executive Officer of the Group's Malaysian unit. The RC accepted the Management's proposal regarding Mr Steven Gan as he had agreed to return to the Group to help with stabilising its operations in 2021 at a remuneration level that was comparatively low when compared to market norms. The RC was of the view that to reward Mr Steven Gan, and for the sake of business continuity, the increment proposed was appropriate.

Composition of the RC

As at the date of this Report, the RC comprises the following three (3) members, all of whom, including the RC Chairman, are Independent Directors:

(1) Dr Danny Oh Beng Teck (Chairman)
(2) Mr Gan Fong Jek (Member)
(3) Mr Allan Tan Poh Chye (Member)

Provision 6.3 - RC Considers All Aspect of Remuneration and Terms of Service

Procedure for Setting Remuneration

The Group's remuneration policy is to provide compensation packages at market rates with a view to reward, attract, retain, and motivate the Management and Directors.

In particular, the RC reviews the specific remuneration package for each Executive Director and each key management personnel for fairness and that no key management personnel is favoured over another other than on merits. The RC's recommendation is, thereafter, submitted to the Board for its approval and implementation.

The Executive Director's remuneration package is based on the terms of his service contract. Non-Executive Independent Directors are paid a flat fee each, approved at the AGM by Shareholders on the basis of a proposed aggregate fee for the next financial year to end. Independent Directors are also eligible for share-based incentive awards.

No Director individually decides or is involved in the determination of his own remuneration. The RC's recommendations are submitted for endorsement and implementation by the Board.

CORPORATE GOVERNANCE

For the financial year ending 30 April 2025, the RC made no recommendation for any increase of the Directors' fee to be paid to the Non-Executive Independent Directors. No share-based incentive awards were granted either to any Director or key management personnel.

Service Contracts

The Company's obligations arising in the event of termination of the Executive Director and key management personnel are contained in the respective service contracts. The Executive Director does not receive Directors' fees and there are no post-retirement and severance benefits. The service contract of the Executive Director may be terminated with notice of 6 months. The service contract of the CFO is renewable at the discretion of the Company for terms of one year each, and can be terminated earlier than its stipulated term with written notice of 6 months. The RC is satisfied that the termination clauses are fair and reasonable. It should also be noted that the notice period for the Executive Director and key management personnel is longer than other staff of the Company. The RC, having reviewed the Executive Director's and key management personnel's service contracts, is of the view that in light of their responsibilities for the operations of the Group, a longer notice period is warranted to ensure sufficient time to identify a capable successor and to ensure a smooth hand-over.

Provision 6.4 - Remuneration Consultants

The RC has access to external advisers if deemed necessary when assessing and recommending remuneration packages for the Executive Director and key management personnel. For FY2024, the RC did not consult any external remuneration consultant.

Level and Mix of Remuneration

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

Provisions 7.1 & 7.3 - Linking of Remuneration to Corporate and Individual Performance and Alignment with Shareholders' Interest and Long-term Success of the Company

Remuneration of Executive Directors and Key Management Personnel

The RC ensures the Executive Director and key management personnel are adequately but not excessively remunerated when compared to the industry and comparable companies.

The compensation of the Executive Director and key management personnel is reviewed annually by the RC to ensure that such compensation is commensurate with their individual performance and that of the Group, with due regard given to the financial and commercial health and business needs of the Group.

Executive Directors of the Company do not receive Directors' fees but are remunerated in accordance with their service contracts. The remuneration for Executive Directors comprises a fixed and variable component. The fixed component takes the form of a fixed monthly salary, while the variable component is linked to the performance of the Group (e.g. net profit after tax of the Group against their key performance indication) and the relevant individual. This is designed to align remuneration with the interests of Shareholders and link rewards to corporate and individual performance to promote the long-term sustainability of the Group.

The service contract for the Executive Director is for a fixed appointment period and do not contain onerous removal clauses.

The RC is of the view that a combination of a fixed and variable components is appropriate for the Group's current financial position and operations. This relatively simple remuneration framework underpins the priority of the Group to stabilise its operations, improve internal controls as recommended by the independent reviewer pursuant to the NOC, and to ensure sufficient cash flows for its operations.

CORPORATE GOVERNANCE

Although the Group has managed to be cashflow positive from its operations, the RC acknowledges that overall, the Group continued to post a loss for FY2024. Under these circumstances, the RC believes that the current remuneration framework does not require adjustments, and will consider making changes once the Group becomes profitable once again.

Long-term Incentive Scheme

The RC administers the Company's PSP. The PSP scheme aspires to foster a greater ownership culture within the Group by aligning the interests of PSP participants with that of Shareholders. Through the PSP, the Group aims to strengthen its competitiveness in attracting key talents and retaining employees, particularly those with specific knowledge, skills and experience which are critical to the Group's operations and which would contribute to its continued development and growth.

The PSP was approved by Shareholders at the extraordinary general meeting held on 23 March 2007 and has been extended at the AGM held on 28 February 2017. The PSP will continue in force at the discretion of the RC, subject to a maximum period of 10 years, i.e. 22 March 2027 ("**PSP Term**").

A participant's award is determined at the discretion of the RC. Awards are granted based principally on performance, and incorporates performance targets to be achieved at agreed timelines by the Company and the grantees, which are aimed at delivering long-term shareholders' value.

Awards represent the right to receive fully paid shares, their equivalent cash value or a combination thereof, free of charge. Awards will be released to participants when the prescribed performance targets or service conditions have been achieved and within the vesting period.

The maximum number of ordinary shares that may be issued, when aggregated with new shares already issued pursuant to past awards granted, may not exceed 15% of the issued share capital of the Company from time to time during the PSP Term.

As disclosed above, no PSP was awarded during FY2024.

Contractual Provisions to Reclaim Incentive Components of Remuneration from Executive Directors

The current service agreement entered into with the Executive Director is for a three-year period. This has been approved by the RC and it does not contain contractual provisions permitting the Company to reclaim the incentive components of remuneration except in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. As Directors owe a fiduciary duty to the Company, the RC is of the view that the Company should be able to avail itself of remedies against the Executive Director in the event of a breach of his fiduciary duties.

Provision 7.2 - Remuneration of Non-Executive Directors

The Non-Executive Independent Directors do not participate in any discretionary bonus or other profit-linked payments. They receive a flat Directors' fee as disclosed above. At the Company's AGM held in respect of FP2023 on 14 October 2023, the Company obtained Shareholders' approval for Directors' fees amounting to S$180,000 for the financial period between 1 May 2023 to 30 April 2024 (FP2023: S$329,000), to be paid monthly in arrears.

At the forthcoming AGM, the RC has recommended no change to the total amount of Directors' fees for the financial year ending 30 April 2025, and the Board has tabled the same for Shareholders' approval.

CORPORATE GOVERNANCE

Disclosure on Remuneration

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

Provision 8.1 (a) - Disclosure on Remuneration of Directors

The breakdown of the remuneration and fees of each individual Directors (including the CEO who is a Director) in percentage terms for FY2024, is set out below. In considering the disclosure of remuneration of the Directors and key management personnel, the Board has taken into account the confidential nature and commercial sensitivity of remuneration matters and the negative impact such disclosure may have on the Group in attracting and retaining talent on a long-term basis. The Board believes that full detailed disclosure of the specific remuneration figures of each Director and the key management personnel (who are not Directors or the CEO) as recommended by the Code would be prejudicial to the interests of the Group. The Board has presented such information in remuneration bands no wider than S$250,000 and believes that such disclosure, together with disclosure of the breakdown of the level and mix of remuneration of Directors in the tables below, is sufficient to enable Shareholders to understand Company' s remuneration policies for Directors and key management personnel, and the relationship between remuneration and performance.

Directors	Directors Fees %	Base/Fixed Salary %	Variable or Performance Related Income/Bonus %	Benefits in kind %	ecoWise PSP %	Total %
Lee Thiam Seng	-	100	-	-	-	100
Allan Tan Poh Chye(1)	100	-	-	-	-	100
Danny Oh Beng Teck	100	-	-	-	-	100
Gan Fong Jek	100	-	-	-	-	100

(1) For FY2024, Mr Allan Tan Poh Chye was paid S$7,000 for professional services rendered to the Company outside of his duties as Non-Executive Independent Director.

CORPORATE GOVERNANCE

Provision 8.1 (b) - Disclosure on Remuneration of Key Personnel

The details of the remuneration of the top six (6) key management personnel (based on annual remuneration) of the Group for FY2024 is set out below.

Key Management Personnel	Base/Fixed Salary and Allowances %	Variable or Performance Related Income/Bonus %	Benefits in kind %	ecoWise PSP %	Total %
Below $250,000					
Alviedo Rodolfo Jr San Miguel, Jojo *(CFO)*	**100**	**-**	**-**	**-**	**100**
Steven Gan Seng Poe *(Director cum Executive Officer of the Group's Malaysian unit)*	**97**	**-**	**3**	**-**	**100**
Desmond Chan(1) (*General Manager)*	**100**	**-**	**-**	**-**	**100**
Gopinath S/O Madiaalakan(2) *(Safety and Operations Manager)*	**94**	**6**	**-**	**-**	**100**
Rajendran Ajay Prabhakaran *(Senior Manager Operations/Project)*	**93**	**7**	**-**	**-**	**100**
Christine Cheong *(Head of Human Resource)*	**95**	**5**	**-**	**-**	**100**

(1) Desmond Chan had resigned and left the organisation with effect from 31 March 2024.
(2) Gopinath S/O Madiaalakan had resigned and left the organisation with effect from 29 May 2024.

In FY2024, total remuneration paid to the top six (6) key management personnel in aggregate amounted to approximately S$726,989**.**

Information on the Link between Remuneration Paid to Executive Directors and Key Management Personnel

The fixed component of the remuneration paid to Executive Directors is based on the terms of their respective service agreements with the Company. Similarly, the fixed component of the remuneration paid to the top six (6) key management personnel is also based on the terms of their respective employment contracts with the Company. The variable component of the remuneration paid to Executive Directors and Management is linked to the performance of the Group and individual.

Provision 8.2 - Remuneration of Employees Related to Directors or the CEO

Save for Mr Lee Thiam Seng who is the Executive Chairman and CEO and a substantial shareholder of the Company, none of the employees in the Group is a substantial shareholder, or is an immediate family member of any Director, the CEO or a substantial shareholder and whose remuneration exceeded S$100,000 during FY2024.

CORPORATE GOVERNANCE

Provision 8.3 - Other Forms of Remuneration and Share Schemes

Employee Share Schemes

The PSP is administered by the RC in accordance with the rules contained therein. No share awards were granted under the PSP in FY2024, and no share awards remained outstanding as at 30 April 2024. The details of the PSP are illustrated under Provision 7 "Long-term Incentive Scheme" of this 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.

Provisions 9.1 & 9.2 - Board Oversight of Risk Management and Disclosure in Annual Report

The Board has overall responsibility for managing the Group's key risks to safeguard Shareholder's interests and the Group's assets.

The AC assists the Board in providing risk management oversight, while the day-today management and monitoring of existing internal control systems are delegated to Management which comprises the Executive Director and key management personnel of the Group.

The Company's external and internal auditors will bring to the Board's attention any material accounting or internal control weaknesses within the Group discovered in the course of their internal and statutory audits. In case of any issues arising from the external and internal auditors' comments and findings, the Board acts to put the recommended additional or revised controls made by the external and internal auditors in place promptly. The Board and the AC regularly review the adequacy and effectiveness of the Group's risk management and internal control systems, including financial, operational, compliance and information technology controls. Both existing and emerging risks are assessed against current controls in place to determine if any additional or enhanced controls need to be implemented. Based on the internal controls established and maintained by the Group, work performed by the external auditors as well as the internal auditors, and reviews performed by Management and the assurance from the CEO, the CFO and key management personnel, the Board, with the concurrence of the AC, is of the opinion that the system of internal controls, including financial, operational, compliance and information technology controls, and risk management systems put in place by Management is adequate and effective to address the financial, operational, compliance and information technology risks of the Group.

Assurance from the CEO, CFO, and key management personnel

The Board has received assurance from the Executive Chairman and CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances, except for the opening balances and limitation of scope in relation to the Company's China subsidiaries as raised in the audit report of the external auditor.

In addition, the Executive Chairman and CEO and the key management personnel who are responsible have also given assurance to the Board regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

In the financial year ending 30 April 2025, the AC and the Board will work together with Management to ensure that Management complete their reviews of significant risks, mitigating measures and internal controls and resume the regular internal audit activities addressing financial, operational, compliance and information technology controls, and risk management systems.

CORPORATE GOVERNANCE

Audit Committee

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

Provisions 10.1, 10.2 & 10.3 - Duties and Composition of AC

Roles and Duties of the AC

The AC assists the Board in maintaining a high standard of corporate governance, particularly by providing an independent review of the effectiveness of the Group's financial reporting system, management of financial, operational, compliance and information technology risks, and monitoring of the internal control systems.

The duties of the AC include:

- reviewing the external auditor's audit plans and auditor' findings and ensuring the effectiveness and adequacy of the Group's system of accounting controls;
- reviewing the internal auditor's internal audit plans and report of the Group and follow up actions, to ensure the effectiveness and adequacy of the internal control functions and risk management systems of the Group;
- reviewing the significant financial reporting issues and judgements of periodic financial statements and results announcement of the Group before submission to the Board for approval and announcement on SGXNet, so as to ensure the integrity of the financial statements and any announcements relating to the Group's financial performance;
- reviewing legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programs and any reports received from regulators;
- reviewing the adequacy, effectiveness, independence, scope, results and objectivity of the external auditor and internal auditor;
- reviewing the nature and extent of non-audit services provided by the external auditor;
- reviewing the assistance given by the Group's officers to the internal auditor and external auditor;
- making recommendations to the Board on the appointment, re-appointment and removal of external auditor, and approving the remuneration and terms of engagement of the external auditor;
- reviewing the Group's compliance with such functions and duties as may be required under the relevant statutes or the Catalist Rules, and by such amendments made thereto from time to time;
- reviewing IPT in accordance with the requirements of the Catalist Rules;
- reviewing the assurance from the CEO and CFO on the financial records and financial statements; and
- reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

Authority of AC

The AC has the explicit power to conduct or authorise investigations into any matters within the AC's scope of responsibility, full access to and co-operation by Management and full discretion to invite any director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly.

CORPORATE GOVERNANCE

AC Activities

The following are the activities carried out by AC during FY2024:

- reviewing and approving the annual audit plans of the external auditor;
- undertaking regular update meetings with the external auditor on the status of their respective audits;
- reviewing the internal audit findings;
- reviewing the findings of the independent reviewer appointed pursuant to the NOC;
- reviewing the reports to the AC by the external auditor;
- reviewing quarterly and full year financial statements (audited and unaudited), and recommending to the Board for approval;
- reviewed the assumptions made by the Management of the cashflow projections and impairment bases in the unaudited financial statements;
- reviewing the annual re-appointment of the external auditor and determining their remuneration, and making recommendations to the Board for approval;
- reviewing and approving the interested/related parties' transactions; and
- meeting with the external auditor and internal auditor without the presence of Management.

To keep abreast of the changes in accounting standards and issues which have a direct impact on financial statements, advice is sought from the external auditor when they attend the AC meetings.

Composition of the AC

As at the date of this Report, the AC comprises the following three (3) members, all of whom, including the AC Chairman, are Independent Directors:

(1) Mr Gan Fong Jek (Chairman)
(2) Mr Allan Tan Poh Chye (Member)
(3) Dr Danny Oh Beng Teck (Member)

Mr Gan Fong Jek graduated with a Bachelor of Accountancy from the Nanyang Technological University and is a Fellow Chartered Accountant of the Institute of Singapore Chartered Accountant. Mr Allan Tan Poh Chye has held various directorships in listed issuers both in Singapore and Australia and is familiar with the duties of the AC. Dr Danny Oh Beng Teck also has experience as director of listed issuers and as members of their audit committees. The Board is of the view that the members of the AC, collectively, are adequately qualified to discharge their responsibilities and they have the relevant financial management expertise or experience. Please refer to the "Board of Directors" section in the Annual Report for detailed information on the AC members, including their academic and professional qualifications.

The AC does not comprise former partners or directors of the Company's existing auditing firm or auditing corporation, none of the AC members have financial interest in the Company's existing auditing or auditing corporation.

CORPORATE GOVERNANCE

<u>External Auditor Function</u>

Annually, the AC reviews the independence and objectivity of the external auditor through discussions with the external auditor, as well as reviewing the non-audit services provided and the fees paid to them. The AC will review all non-audit services provided by the external auditor, to ensure that the non-audit services provided by the external auditor would not affect the independence and objectivity of the external auditor.

Baker Tilly TFW LLP ("**Baker Tilly**") was re-appointed as the external auditor of the Company at the AGM held on 14 October 2023 and to hold office until the conclusion of the forthcoming AGM of the Company for such terms as may be agreed by the Directors and Baker Tilly.

Following is a breakdown of fees paid to Baker Tilly for FY2024:

Audit fees: S$598,000
Non-audit fees: NIL
Total: S$598,000

In reviewing the nomination of Baker Tilly for re-appointment for the financial year ending 30 April 2025, the AC has considered the performance, adequacy of resources and experience of Baker Tilly. Consideration was also given to the experience of the audit engagement partners and audit team assigned to the Group's audit, as well as the size and complexity of the Group. Accordingly, the AC and the Board are satisfied with the standard and quality of work performed by Baker Tilly.

For FY2024, the Company confirms that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of audit firms for the Group. The AC and the Board are satisfied with the standards and the effectiveness of the audits performed by the independent external auditor of the subsidiaries and significant associated companies of the Group, other than those of the Company. The AC had evaluated and was satisfied with the performance of the external auditor based on the Audit Quality Indicators Disclosure Framework introduced by the ACRA in October 2015, for FY2024.

As there are no non-audit services provided during FY2024, the AC is of the view that the objectivity and independence of the external auditor are not in any way impaired. As such, the AC has recommended to the Board that Baker Tilly be nominated for re-appointment as external auditor at the forthcoming AGM.

The Board would like to bring to Shareholders' attention the qualifications in respect of the Company's consolidated financial statements for FY2024 expressed by the external auditor in their audit report dated 15 August 2024. In compliance with the requirements of the Catalist Rules, the Company will release an announcement regarding the qualifications made by the external auditor.

Provisions 10.4 & 10.5 - Internal Audit function and Meeting with Internal and External Auditors

The AC and the Board recognise its respective responsibilities in ensuring a sound system of internal controls (including financial, operational, compliance and information technology controls) and risk management systems to safeguard Shareholders' investments and the Company's assets. Rule 719(1) of the Catalist Rules requires an issuer to have an adequate and effective system of internal controls, addressing financial, operational, compliance and information technology risks, and risk management systems. Effective internal controls not only refer to financial controls but include, among others, business risk assessment, operational and compliance controls.

The internal auditors report directly to the AC which decides its appointment, termination and remuneration. The internal auditors have unrestricted access to all the Company's documents, records, properties and personnel of the Group and have good standing within the Group. For each financial year, the Audit Committee will review and approve the audit plans and the results of the Internal Auditors' review of the Company's system of internal controls.

CORPORATE GOVERNANCE

Ernst & Young Advisory Pte. Ltd. ("**EY**"), the independent reviewer appointed by the Company pursuant to the NOC issued by the SGX RegCo, completed its internal review. An executive summary of EY's report was announced by the Company on 28 March 2024. In response to EY's findings, the Board and Management implemented the recommendations by EY to rectify and strengthen the Group's internal controls. This included updating policies and handbooks to align with the Board's enhanced control framework.

To further enhance the Group's operating procedures and internal controls, the Board engaged another independent internal auditor, NLA Risk Consulting Pte. Ltd. ("**NLA**"), with effect from 30 April 2024. NLA is tasked with conducting a follow-up review of EY's recommendations and their implementation. NLA completed its review and issued an Internal Control Review Report containing its findings and recommendations as well as Management's responses and action plans, which the AC reviewed and approved.

NLA is a corporate member of the Institute of Internal Auditors Singapore. The firm is part of NLA DFK, a group of accounting and advisory entities with a history in Singapore since 1948. NLA DFK is a member firm of DFK International, a top 10 international association of independent accounting entities and business advisers. The firm currently maintains an outsourced internal audit portfolio of about 20 companies listed on the SGX-ST in various industries, including construction, property development, manufacturing, healthcare, logistics, engineering services and trading. The Engagement Team comprises a Director, a Manager and is supported by a team of trained internal auditors. The Director has over 20 years of relevant experience and is a Certified Internal Auditor while the Manager has more than 10 years of relevant experience and is also a Certified Internal Auditor. The hiring, removal, evaluation of the internal auditors and compensation to be paid to them is recommended by the AC and approved by the Board.

The AC has assessed and is satisfied that NLA is independent, effective and adequately resourced, taking into consideration that NLA is staffed with persons with the relevant qualifications and experience, with its processes guided by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

Meeting with External and Internal Auditor without Management

The AC has met with the external auditor and the internal auditor without the presence of Management, at least once during FY2024.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meeting

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.

Provisions 11.1, 11.2 & 11.3 - General meetings

Shareholders' Participation at General Meetings

Shareholders are informed of shareholders' meetings through notice contained in the Company's Annual Report or circulars sent to all Shareholders. These notices are also published and posted onto the SGXNet within the mandatory period. The Annual Report, circulars, notice of general meetings, and accompanying proxy form and other documents related to the general meetings are also made available on the Company's website at https://www.ecowise.com.sg/en/investor-relations/announcements. For a printed copy of Annual Report/circular, the Company has sent together with the notice of AGM a letter for Shareholders to request for a printed copy.

CORPORATE GOVERNANCE

Shareholders are encouraged to submit questions in relation to any resolution set out in the notice of AGM to the Company in advance of the AGM. The Company will provide responses to substantial queries and relevant comments from Shareholders prior to the AGM within the stipulated times set out in the notice of AGM. Minutes of the AGM will subsequently be published on the SGXNet and the Company's website together within one (1) calendar month of the AGM.

Proxy forms are sent with notice of general meeting to all Shareholders. A Shareholder may appoint up to two (2) proxies to attend and vote on his behalf at the meeting through proxy forms deposited seventy-two (72) hours before the meeting. The Company strongly encourages and supports Shareholders to participate at the general meetings of the Company. While the Company's Constitution currently provides for a limit of up to two (2) proxies for each Shareholder (including nominee companies), the Company has, in compliance with the spirit of the Code, allowed nominee companies to specify, in writing, the names of the beneficial Shareholders of the Company who are attending the Company's general meetings as observers.

Voting by Poll at General Meetings of the Company

To enhance Shareholder participation, the Group puts all resolutions at general meetings of the Company to vote by poll and announces the results by showing the number of votes cast for and against each resolution and the respective percentage to the audience at the general meetings of the Company. The rules, including the voting procedures, will be clearly explained at such general meetings. All votes will be counted and announced immediately at the meeting, and the detailed results of the total number and percentage of votes cast for and against each resolution will be announced via SGXNet after the conclusion of the general meeting on the same day.

For FY2024, as the AGM will be held physically, Shareholders who wish to vote on any or all of the resolutions at the AGM may attend personally or appoint proxy by completing the proxy form for the AGM, and submit the proxy form by post or by email to the Company seventy-two (72) hours before the AGM.

Conduct of Resolution

The resolutions tabled at the general meetings are on each substantially separate issue, unless the issues are interdependent and linked so as to form one significant proposal. If a scenario arises where the resolutions are inter-conditional, the Company will explain the reasons and material implications in the notice of the meeting.

The Company typically ensures there are separate resolutions at general meetings on each distinct issue. Detailed information on each item in the general meeting's agenda is provided in the explanatory notes to the notice of the general meeting.

Attendees at General Meeting

All Directors, key management staff, the Company's external auditor and legal advisors (if necessary) are required to attend the general meetings of the Company. The procedures of general meetings provide Shareholders the opportunity to ask questions relating to each resolution tabled for approval and open communication are encouraged by the Shareholders with the Directors on their views on matters relating to the Company. The Company's external auditor will also normally be present to address Shareholders' queries on the conduct of the audit and the preparation and content of the auditor's report.

For the financial period under review, the Company held an annual general meeting on 14 October 2023 ("**FP2023 AGM**") during which all Directors were present. Other than the FP2023 AGM, the Company did not convene any other general meeting.

CORPORATE GOVERNANCE

Provision 11.4 – Absentia Voting

As the authentication of Shareholder identity information and other related security issues still remains a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, email or fax.

Provision 11.5 - Minutes of General Meetings

The proceedings of each of the general meeting will be properly recorded, including substantial or relevant comments or queries from shareholders relating to the agenda of the general meetings and responses from the Board and Management. In compliance with the requirements of the Catalist Rules, the Company will publish the minutes of the AGM and any other general meetings it holds on its corporate website and the SGXNet within one (1) month from the conclusion of the AGM and other general meetings.

Provision 11.6 - Dividend Policy

The Company recognises Shareholders' desire to receive return on their investment and always endeavours to maximise their return. The Company does not have a formal dividend policy in place. In determining whether dividends should be paid, the Board takes into consideration the Company's working capital requirements and the need to retain profits for future investment. The Board is not recommending dividend distribution to Shareholders for FY2024 as the Group made a net loss and there is no distributable income or reserves available for the payment of dividends.

Engagement with Shareholders

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

Provisions 12.1, 12.2 & 12.3 - Shareholder engagement

Communication with Shareholders

The Company believes that prompt disclosure of pertinent information and high standard of disclosure are the keys to raise the level of corporate governance. The Board believes in regular and timely communication with Shareholders. The Company currently does not have a formalised written investor relations policy but in line with the continuous disclosure obligations of the Group pursuant to Appendix 7A — Corporate Disclosure Policy of the Catalist Rules, the Group ensures that all Shareholders are equally and timely informed of all major developments that impact the Group. Shareholders with any queries are encouraged to reach out to the Company via investorrelation@ecowise.com.sg, or by calling our office at +65 6250 0001, during office hours.

Timely Information to Shareholders via SGXNet

Information is communicated to Shareholders on a timely basis and made through:

- Annual Reports of the Company. The Board makes every effort to ensure that the annual report includes all relevant information about the Group, including future developments, disclosures required by the Singapore Companies Act 1967, the Catalist Rules and the Singapore Financial Reporting Standards;
- SGXNet announcements and news releases; and
- the Group's website at www.ecowise.com.sg on which Shareholders can access information relating to the Group.

CORPORATE GOVERNANCE

Regular Dialogue with Shareholders

The Group is committed to providing regular communication with its shareholders. For FY2024, the Company did not organise any shareholders' dialogue, apart from the announcements made.

Participation by Shareholders at general meetings is strongly encouraged by the Company as it is a major platform for Shareholders to engage in dialogue with the Company directly. All Directors, key management staff, the Company's external auditor and legal advisors (if necessary) attend the general meetings of the Company. Shareholders are encouraged to have open communication with the Directors on their views on matters relating to the Company. General meetings of the Company also provide excellent opportunities for the Company to understand the views of the Shareholders. To further enhance receiving input from Shareholders and stakeholders, a template enquiry form is embedded in the Company's website and both Shareholders and stakeholders can utilise the form to facilitate communication with the Company.

(E) MANAGING STAKEHOLDERS' RELATIONSHIPS

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.

Provision 13.1, 13.2 and 13.3 - Stakeholder Engagement

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to work towards sustainable growth. The Company's efforts on sustainability are focused on creating sustainable value for our key stakeholders, which include communities, customers, employees, regulators, shareholders and suppliers.

The Company publishes a Sustainability Report annually which provides details on its sustainability strategy and key sustainability focus areas. For FY2024, the Sustainability Report will be prepared with reference to the Global Reporting Initiatives ("**GRI**") Standards and disclose on the Company's material sustainability factors, which include: (i) total customer satisfaction, (ii) water conservation, (iii) energy conservation and emissions reduction, (iv) responsible waste management and effluent management, (v) workplace health and safety, (vi) talent attraction and retention, (vii) diversity in hiring process, (viii) corporate social responsibility and (ix) responsible business conduct and ethics.

Detailed approach to the stakeholder engagement and materiality assessment are disclosed in the Company's Sustainability Report. The Company's sustainability report for FY2024 will be published separately on the SGXNet and the Company's website.

To promote regular, effective and fair communication with Shareholders, the Company maintains a corporate website at www.ecowise.com.sg, through which Shareholders are able to access up-to-date information on the Group. The website provides, amongst others, the Company's annual reports, announcements, and the profiles of the Company, Directors and Management. Members of public who has enquiry, may also email the Company at investorrelation@ecowise.com.sg.

(F) OTHER CORPORATE GOVERNANCE MATTERS

Code of Business Conduct

As a part of the process to further strengthen the Group's internal controls, the Code of Business Conduct has been established. By the Code of Business Conduct, the Group aims to conduct its business fairly, honestly and in compliance with all applicable laws, rules and regulations of the countries in which the Group operates. All Directors, officers and other employees of the Group are to adhere to this Code of Business Conduct.

CORPORATE GOVERNANCE

IPT

The Group has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC for review and the transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Group and the Company's minority shareholders.

The Group has not obtained a general mandate from Shareholders IPTs pursuant to Rule 920 of the Catalist Rules. On 28 July 2022, Mr Lee, Executive Chairman and CEO of the Company, granted a short-term, unsecured and interest-free loan for a total amount of S$750,000 to the Company. The loan is repayable on or before 31 December 2022, subject to an extension to be mutually agreed upon by both parties. Since 1 January 2023, the loan bears an interest rate of 6.5% per annum and is repayable on demand. On 25 March 2024, Mr Lee granted an additional loan of S$200,000 for additional working capital to meet certain refundable deposits required for new contract secured by the Group. As at 30 April 2024, the loan from Mr Lee has a remaining balance of S$821,0000 (30 April 2023: S$621,000) plus accrued interest amounting to S$58,000.

There were no IPTs, as defined in Chapter 9 of the Catalist Rules, above S$100,000 entered into by the Group during FY2024.

Dealings in Company's Securities

The Group has put in place an internal code on dealings with securities ("**Internal Code**") which, amongst others, prohibits the dealing in securities of the Company by Directors and officers while in possession of price-sensitive information. This Internal Code has been issued to Directors and officers setting up the implications on insider trading.

The Internal Code prohibits the dealing in securities of the Company by Directors and officers while in possession of price-sensitive information, and during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one (1) month before the announcement of the Group's half year and full-year results, ending on the date of the announcement. Further, Directors and officers are advised not to deal in the Company's securities on short-term considerations. Directors are required to notify the Company their securities dealings within two (2) business days of such dealings and the Company shall disseminate the notifications received to the market via SGXNet within one (1) business day of receiving such notifications.

In addition, Directors and officers are cautioned to observe insider trading laws at all times.

Material Contracts

With reference to Rule 1204(8) of the Catalist Rules, the Company confirms that save as disclosed in the IPT section above, the audited financial statements and the service agreements between the Company and its Executive Directors, no material contracts (including loans) were entered into between the Company or any of its subsidiaries involving the interests of the CEO, any Director or controlling Shareholder, which are either subsisting at the end of the financial year reported on or, if not then subsisting, entered into since the end of the previous financial year.

Non-Sponsorship Fees

With reference to Rule 1204(21) of the Catalist Rules, no non-sponsorship fees were paid to SAC Capital Private Limited in FY2024.

CORPORATE GOVERNANCE

Whistleblowing

The Group has implemented a whistle-blowing policy whereby accessible channels are provided for employees to raise concerns about possible improprieties in matters of financial reporting or other matters which they become aware of and to ensure that:

(i) independent investigations are carried out in an appropriate and timely manner;

(ii) appropriate action is taken to correct the weakness in internal controls and policies which allowed the perpetration of fraud and/or misconduct and to prevent a recurrence; and

(iii) administrative, disciplinary, civil and/or criminal actions that are initiated following the completion of investigations are appropriate, balance and fair, while providing reassurance that employees will be protected from reprisals or victimisation for whistle-blowing in good faith and without malice.

The Group is committed to high standard of ethical, moral and legal business conduct. In line with this commitment and the Group's commitment to open communication, this policy aims to provide avenue for anyone to raise concerns about misconducts in the Group and at the same time assure them that their identity will be kept confidential, and they will be protected from victimisation for whistle-blowing in good faith.

The AC is responsible for oversight and monitoring of whistle-blowing and will report to the Board on such matters at Board meetings. Cases that are significant are reviewed by the AC for adequacy and independence of investigation actions and resolutions. The whistle-blowing policy, its procedures and contact details of the AC have been made available on the Company's website. There was no such incident reported to the AC during FY2024.

CORPORATE GOVERNANCE

Additional Information on Directors Nominated for Re-election – Appendix 7F to the Catalist Rules

Mr Lee Thiam Seng and Mr Allan Tan Poh Chye are the Directors seeking for re-election at the forthcoming AGM of the Company to be convened on 30 August 2024 (“**AGM**”) (collectively the “**Retiring Directors**” and each a “**Retiring Director**”)

Pursuant to Rule 720(5) of the Catalist Rules, the information relating to the Retiring Directors as set out in Appendix 7F relating to the Directors who are retiring and being eligible, offer themselves for re-election at the forthcoming AGM are set out below.

Name of Director	**Mr Lee Thiam Seng**	**Mr Allan Tan Poh Chye**
Date of Appointment	12 November 2002	14 April 2022
Date of last re-election	30 May 2022	30 May 2022
Age	63	59
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board has accepted the NC’s recommendation, who has reviewed and considered Mr Lee Thiam Seng’s qualifications, expertise, past experience and overall contribution since he was appointed as a Director of the Company and is satisfied that Mr Lee Thiam Seng is suitable for re-election as Executive Chairman and Chief Executive Officer of the Company and member of the Sustainability Reporting Committee.	The Board has accepted the NC’s recommendation, who has reviewed and considered Mr Allan Tan Poh Chye’s qualifications, expertise, past experience and overall contribution since he was appointed as a Director of the Company and is satisfied that Mr Allan Tan Poh Chye is suitable for re-election as Lead Independent Director of the Company, Chairman of the Nominating Committee, and member of the Audit, Remuneration and Sustainability Reporting Committees.
Whether appointment is executive, and if so, the area of responsibility	Executive Mr Lee Thiam Seng is responsible for setting directions, formulating corporate strategies and overall management of the Group’s businesses in the resource recovery, use of sustainable resources and renewable energy segments.	Non-Executive
Job Title(e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Chairman and Chief Executive Officer and a member of the Sustainability Reporting Committee	Lead Independent Director, Nominating Committee Chairman, a member of Audit Committee, Remuneration Committee and Sustainability Reporting Committee

CORPORATE GOVERNANCE

Professional Qualifications	Master of Business Administration, National University of Singapore Chartered Financial Consultant, The American College Diploma (Merit) in Electrical Engineering, Singapore Polytechnic	LLB, Hon, University of Buckingham Bar Finals Examination, Gray's Inn MA, Comparative Business Law, London-Guildhall University (now London Metropolitan University) Barrister-at-law, England and Wales Advocate and Solicitor, Singapore
Working experience and occupation(s) during the past 10 years	2002 – present: Executive Chairman and Chief Executive Officer of the Company	2013 to 2018 - Partner at Virtus Law LLP (informal alliance with Stephenson Harwood LLP) 2019 to 2020 - Principal Lawyer at Allan Tan Law Practice 2020 to present - Director at Altum Law Corporation
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 35,509,388 Shares Deemed interest: 218,229,375 Shares	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	None	None
Undertaking submitted to the listed issuer in the form of Appendix 7H (Catalist Rule 720(1))	Yes	Yes
Other Principal Commitments Including Directorships	**Other Principal Commitment:** **Present Directorship:** • EcoWise Holdings Limited – Executive Chairman and Chief Executive Officer. Director of the subsidiaries of the EcoWise Holdings Limited Group. • ecoHub Pte Ltd	**Other Principal Commitment:** **Present Directorship:** • Vibropower Corporation Limited • Altum Law Corporation **Past Directorship (for the past 5 years):** • CNMC Goldmine Holdings Limited • Allan Tan Law Practice

CORPORATE GOVERNANCE

	Past Directorship (for the past 5 years): • Asia Cleantech Hub Pte. Ltd. • Swee Chioh Fishery Pte. Ltd.	• Affinity Energy and Health Limited (listed on the ASX) • Prima Ops Pte Ltd • Nico Steel Holdings Limited

The general statutory disclosures of the Directors are as follows:

Name of Director		**Mr Lee Thiam Seng**	**Mr Allan Tan Poh Chye**
Questions:			
(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	Yes. Mr Tan was appointed nominee director of Prima Ops Pte Ltd. ("Prima"), a private company, on March 2018 when it was first incorporated. Prima was a start-up company whose business was in the teaching of the English and Chinese languages via an app on mobile and hand-held devices (the "business"). Mr Tan was appointed nominee director of Prima as part of the legal services he provided to the controlling shareholder of Prima when said controlling shareholder acquired the business from the vendor in order to satisfy the resident director requirement under the Companies Act. Mr Tan was not involved the management of the business. Mr Tan resigned in February of 2019 after Prima reconstituted its board. Prima was put into liquidation due to creditors' voluntary winding up as at 15 January 2020.
(c)	Whether there is any unsatisfied judgment against him?	No	No

CORPORATE GOVERNANCE

(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

CORPORATE GOVERNANCE

(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?		No	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?		No	No
(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

CORPORATE GOVERNANCE

	(iv)	any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(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

DIRECTORS' STATEMENT

The directors present their statement to the members (the "Statement") together with the accompanying audited financial statements of ecoWise Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position and the statement of changes in equity of the Company for the financial year ended 30 April 2024.

Opinion of the directors

In the opinion of the directors, except for the matters raised in the report of the external auditors,

(a) the accompanying consolidated financial statements and the statement of financial position of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position and performance, changes in equity and cash flow of the Company and of the Group for the reporting year ended 30 April 2024; and

(b) at the date of the statement, after considering the measures taken by the Company and the Group with respect to Company's and the Group's ability to continue as a going concern as described in Note 2(b) to the consolidated financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Subject to the foregoing, the board of directors approved and authorised these financial statements for issue.

Directors

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

<u>Executive director</u>
Lee Thiam Seng

<u>Independent directors</u>
Allan Tan Poh Chye
Gan Fong Jek
Dr Danny Oh Beng Teck

Directors' interests in shares

The directors of the Company holding office at the end of the reporting year had no interests in the shares or debenture of the Company or other related corporations as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Companies Act 1967 (the "Act") except as follows:

Name of directors and companies in which interests are held	Direct interests: At beginning of the reporting year	Direct interests: At end of the reporting year
The Company - ecoWise Holdings Limited	Number of ordinary shares with no par value	
Lee Thiam Seng	35,509,388	35,509,388

Name of directors and companies in which interests are held	Deemed interests: At beginning of the reporting year	Deemed interests: At end of the reporting year
The Company - ecoWise Holdings Limited	Number of ordinary shares with no par value	
Lee Thiam Seng	218,229,375	218,229,375

DIRECTORS' STATEMENT

Directors' interests in shares (cont'd)

The directors' interests in the ordinary shares of the Company at 21 May 2024 were the same at 30 April 2024.

By virtue of section 7 of the Act, Mr. Lee Thiam Seng is deemed to have an interest in all related corporations of the Company.

Arrangements to enable directors to acquire benefits by means of the acquisition of shares

Neither at the end of nor at any time during the reporting year was the Company a party to any arrangements whose objects are, or one of whose objects is, to enable directors of the Company to acquire benefits by means of the acquisition of shares or debenture of the Company or any other related corporation, except as mentioned below.

Share options

During the reporting year, there was no grant of any shares under the Share Plan (see below) by the Company and no grant of any option to take up unissued shares of the Company or any related corporation in the Group.

There were no shares issued during the reporting year by virtue of the exercise of any grant under the Share Plan or any option to take up unissued shares of the Company or a related corporation in the Group, whether granted before or during the reporting year.

There were no unissued shares of the Company or a related corporation in the Group under the Share Plan or under any option at the end of the reporting period.

ecoWise Performance Share Plan

The ecoWise Performance Share Plan (the "Share Plan") was approved by the members of the Company at an extraordinary general meeting held on 23 March 2007 and further extended for a period of 10 years at the annual general meeting held on 28 February 2018. The Share Plan provides for the grant of ordinary shares of the Company, their equivalent cash value or combinations thereof, to selected employees of the Company and its subsidiaries, including the directors of the Company, and other selected participants. Under the Share Plan, the maximum number of ordinary shares to be awarded to eligible participants shall not exceed 15% of the issued ordinary shares of the Company on the date preceding the grant of the award.

The Share Plan shall continue in force at the discretion of the remuneration committee, subject to a maximum period of 10 years commencing from 23 March 2018. The Share Plan may continue beyond the above stipulated period with the approval of members of the Company by ordinary resolution in a general meeting and of any relevant authorities which may then be required.

The Share Plan is administered by the remuneration committee comprising four independent directors, Dr Danny Oh Beng Teck (Chairman), Mr. Gan Fong Jek and Mr. Allan Tan Poh Chye. Ordinary shares are vested when the remuneration committee is satisfied that the prescribed performance target(s) have been achieved and the vesting period (if any) has expired. The vesting periods may be extended beyond the performance achievement periods as set out by the remuneration committee.

DIRECTORS' STATEMENT

ecoWise Performance Share Plan (cont'd)

The lapsing of the award is provided for upon the occurrence of certain events, which include:

(a) the misconduct of an eligible participant;
(b) the termination of the employment of an eligible participant;
(c) the bankruptcy of an eligible participant;
(d) the retirement, ill health, injury, disability or death of an eligible participant; and/or
(e) a take-over, amalgamation, winding-up or restructuring of the Company.

The Company may deliver ordinary shares pursuant to awards granted under the Share Plan by way of:

(a) issuance of new ordinary shares;
(b) delivery of existing ordinary shares purchased from the market or ordinary shares held in treasury; and/or
(c) cash in lieu of ordinary shares, based on the aggregate market value of such ordinary shares.

There were no outstanding performance shares to be issued as at 30 April 2024.

Performance shares vested at the vesting date are dependent on the level of achievement against the pre-set performance conditions and targets.

Details of performance shares granted under the Share Plan to directors and other participants are as follows:

	Number of ecoWise performance shares				
	Performance shares granted during reporting year ended 30 April 2024	Aggregate performance shares granted since commencement of Share Plan to 30 April 2024 [1]	Aggregate performance shares vested since commencement of Share Plan to 30 April 2024 [1]	Aggregate performance shares cancelled / lapsed since commencement of Share Plan to 30 April 2024 [1]	Aggregate performance shares outstanding at 30 April 2024
Lee Thiam Seng*	–	13,767,825	13,219,388	548,437	–
Other participants	–	31,464,400	29,474,400	1,990,000	–
	–	45,232,225	42,693,788	2,538,437	–

* Executive director
(1) After adjustments for rights cum warrants issue on 1 November 2007 and rights issue on 26 September 2008 and net of cancellations.

Directors' contractual benefits

Since the end of the preceding financial period, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the director is a member or with a company in which the director has a substantial financial interest in, except as disclosed in the financial statements and this annual report.

DIRECTORS' STATEMENT

Report of audit committee

The members of the audit committee at the date of this report are as follows:

Gan Fong Jek	(Chairman of audit committee and independent director)
Allan Tan Poh Chye	(Lead independent director)
Dr Danny Oh Beng Teck	(Independent director)

The audit committee performs the functions specified by section 201B (5) of the Act. Among other functions, it performed the following:

(a) Reviewed the audit plans and findings of the independent external auditor and the assistance given by management to them.

(b) Reviewed in conjunction with the Management on the adequacy and effectiveness of the Company's risk management system and internal controls, including financial, operational, compliance and information technology.

(c) Reviewed the key findings from Ernst & Young Advisory Pte. Ltd. ("EY"), the internal auditor engaged by the Company pursuant to the Notice of Compliance ("NOC") issued by Singapore Exchange Regulation Pte. Ltd. ("SGX RegCo") on 25 June 2021 and the expanded scope of internal audited directed by SGX RegCo on 11 May 2022. The key areas highlighted in the NOC includes the adequacy and effectiveness of financial reporting internal controls, release of announcements, escalation and information flow to the Board, safeguarding of the Company's assets, the service agreements entered by Chongqing ecoWise Investment Management Co., Ltd, disclosures of related party relationships, transactions and balances, and the unconsolidated entities in China.

(d) Reviewed the financial statements of the Group and the Company preceding to their submission to the directors of the Company for adoption.

(e) Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

(f) Reviewed the independence of the external auditor, noting that during the reporting period, no non-audit services were performed by the external auditor nor were they engaged for any.

(g) Reviewed the internal audit report on the agreed scope of work on the procurement and payment management of the Company's subsidiary, Sun Rubber Industry Sdn. Bhd.

(h) Engaged an internal auditor to review and enhance the Company's operating procedures and internal controls in relation to the areas of concern identified in the independent review by EY.

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report of the Company. It also includes an explanation of how the independent auditor's objectivity and independence are safeguarded where the independent auditor provides non-audit services.

Independent auditor

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

On behalf of the directors

Lee Thiam Seng Director	Dr Danny Oh Beng Teck Director

15 August 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ECOWISE HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of ecoWise Holdings Limited (the "Company ") and its subsidiaries (collectively, the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 April 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information.

We do not express an opinion on the accompanying financial statements of the Group and statement of financial position and statement of changes in equity of the Company. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

1) *Opening balances and limitation of scope in relation to China subsidiaries (Disposal group classified as held for sale)*

   A disclaimer of opinion was rendered on the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial period ended 30 April 2023. The extract of the basis for disclaimer of opinion is disclosed in Note 41 to the financial statements.

   1a) *Limitation of scope in relation to the China subsidiaries* (*Disposal group classified as held for sale)*

   As disclosed in Note 11 to the financial statements, the assets and liabilities directly associated with the China subsidiaries classified as Disposal group held for sale amount to $938,000 and $2,140,000 respectively. The China subsidiaries included Chongqing ecoWise Investment Management Co., Ltd. ("CQEIM"), Changyi Enersave Biomass to Energy Co., Ltd. ("CEBEC") and Chongqing eco-CTIG Rubber Technology Co., Ltd. ("CECRT") (collectively, the "China subsidiaries").

   Since the preceding financial period, management is unable to provide sufficient justification that the criteria to be classified as held for sale have been satisfactorily met in accordance with SFRS (I) 5 *Non-current Assets Held for Sale and Discontinued Operations*.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ECOWISE HOLDINGS LIMITED (cont'd)

Report on the Audit of the Financial Statements (cont'd)

Basis for Disclaimer of Opinion (cont'd)

1) *Opening balances and limitation of scope in relation to China subsidiaries (Disposal group classified as held for sale) (cont'd)*

1a) *Limitation of scope in relation to the China subsidiaries* (D*isposal group classified as held for sale) (cont'd)*

In addition, the matters forming the basis of disclaimer of opinion relating to the China subsidiaries presented in the preceding financial period (Note 41) remain pertinent to the current period financial statements. The details are described below:

a) the service agreements entered by CQEIM and the related accounting implications;

b) the disclosure of related party relationships, transactions and balances in relation to the China subsidiaries;

c) the completeness of the China subsidiaries included for the Group's consolidation purpose;

d) the accounting of long outstanding payable in relation to CEBEC;

e) the recoverability of receivables in relation to the China subsidiaries.

We were also unable to obtain sufficient appropriate audit evidence such as obtaining confirmations from lawyers, banks, related parties, and third parties and supporting documents for verification of certain balances and transactions for the China subsidiaries.

1b) *Internal audit under "Notice of Compliance" ("NOC")*

Furthermore, as disclosed in Note 39 and 41 of the financial statements, Singapore Exchange Regulation Pte. Ltd. ("SGX RegCo") has issued a NOC which requires the Company to commission an internal audit.

As disclosed in Note 39, SGX RegCo directed the internal auditor, Ernst & Young Advisory Pte. Ltd. ("EY") to conduct a review of the key areas highlighted in the NOC, including the adequacy and effectiveness of financial reporting internal controls, release of announcements, escalation and information flow to the Board and safeguarding of the Company's assets. Subsequent to this, an expanded scope of internal audit was directed by SGX RegCo to include the service agreements entered by Chongqing ecoWise Investment Management Co., Ltd., disclosures of related party relationships, transactions and balances, and the unconsolidated entities in China.

As of 28 March 2024, the internal audit under NOC conducted by EY had been completed. The key findings of the internal audit are disclosed in Note 39 of the financial statements. Based on the findings, we are unable to satisfy ourselves with regards to the recording of the transactions in relation the China subsidiaries that occurred during the period covered by the internal audit and the possible effects of these transactions and findings on the financial information of the China subsidiaries, classified as disposal group held for sale, as reported in these financial statements for the financial year ended 30 April 2024 and the corresponding period ended 30 April 2023.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ECOWISE HOLDINGS LIMITED (cont'd)

Report on the Audit of the Financial Statements (cont'd)

Basis for Disclaimer of Opinion (cont'd)

1) *Opening balances and limitation of scope in relation to China subsidiaries (Disposal group classified as held for sale) (cont'd)*

Consequently, we are also unable to satisfy ourselves with regards to:

i) the loss from discontinued operations (net of tax) of $Nil (financial period 2023: $7,225,000) and assets and liabilities directly associated to the disposal group classified as held for sale as disclosed in Note 11 to the financial statements;

ii) the basic and diluted loss per share attributable to equity holders of the Company for loss from discontinued operations as disclosed in Note 13 to the financial statements;

iii) the reasonableness and appropriateness of the gross carrying amount of trade and other receivables and cash and cash equivalents of $2,143,000 and $292,000, less accumulated impairment loss of $2,143,000 and $292,000 respectively, as at 30 April 2024, and its related credit risk disclosures in accordance with SFRS(I) 7 *Financial Instruments: Disclosures* as disclosed in Note 11 to the financial statements;

iv) the reasonableness and appropriateness of the gross carrying amount of property, plant and equipment of $4,226,000 (2023: $4,226,000), less accumulated impairment loss of $4,226,000 (2023: $4,226,000) as at 30 April 2024, in relation to the disposal group classified as held for sale as disclosed in Note 11 to the financial statements;

v) any other gain or loss to be recognised on the remeasurement of the disposal group classified as held for sale;

vi) the cash flows effects of the discontinued operations to the consolidated statement of cash flows of the Group as disclosed in Note 11 to the financial statements;

vii) the disclosure of related party information relating to the disposal group; and

viii) the disclosure of segment information relating to the disposal group.

In view of the matters described in the *Basis for Disclaimer of Opinion* on the financial statements for the preceding financial period ended 30 April 2023 and the Basis of Disclaimer paragraphs (1a) and (1b) above, we are unable to determine whether the opening balances as at 1 May 2023 are fairly stated. Since the opening balances as at 1 May 2023 enter into the determination of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended 30 April 2024, we are unable to determine whether any adjustments might have been found necessary in respect of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended 30 April 2024.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ECOWISE HOLDINGS LIMITED (cont'd)

Report on the Audit of the Financial Statements (cont'd)

Basis for Disclaimer of Opinion (cont'd)

2) *Impairment assessment of the Group's property, plant and equipment in Malaysia*

As of 30 April 2024, the carrying amount of the Group's property, plant and equipment amounted to $7,778,000 (2023: $12,140,000), as disclosed in Note 14 to the financial statements. In Malaysia, the property, plant and equipment amounted to $5,025,000 (2023: $9,465,000).

As disclosed in Note 41 to the financial statements, we were unable to satisfy ourselves if the opening balances of the property, plant and equipment and accumulated losses as at 1 November 2021 contained misstatements and consequently, we were unable to determine if the impairment loss recognised during the preceding financial period ended 30 April 2023 of $452,000, was appropriate.

Our opinion on the current financial year's financial statements is modified because of the possible effect of these matters on the comparability of the current financial year's figures and the corresponding figures.

3) *Valuation of equity investment at fair value through profit or loss*

As disclosed in Note 25 of the financial statements, the carrying amount of the Group's equity investment at fair value through profit or loss ("FVTPL") in relation to China-UK Low Carbon Enterprise Co., Ltd ("CULCEC") was $1,013,000 (30 April 2023: $1,513,000), and a fair value loss of $500,000 was recognised during the financial year. Fair value of the investment in unquoted equity shares are determined based on the expected amounts to be realised through the sale of assets and repayment of obligations as assessed by management based on the information provided by liquidator as at end of the financial year.

As disclosed in Note 41, to the financial statements, we have issued a disclaimer of opinion on, among others, the FVTPL as of 30 April 2023. Since the opening balances as of 1 May 2023 affect the determination of the current financial year's consolidated profit or loss, we are unable to determine whether any other adjustments might have been necessary with respect to the fair value loss of FVTPL recorded by the Group, for the financial year ended 30 April 2024, and the comparability of the fair value loss recorded in the current financial year and its corresponding figures.

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 Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ECOWISE HOLDINGS LIMITED (cont'd)

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct the audit of the Group and Company's financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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.

Report on Other Legal and Regulatory Requirements

In our opinion, in view of the significance of the matters referred in the *Basis for Disclaimer of Opinion* section of our report, we do not express an opinion on whether 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

15 August 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the financial year ended 30 April 2024

	Note	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000
Continuing operations			
Revenue	6	**31,388**	43,446
Cost of sales		**(26,337)**	(39,541)
Gross profit		**5,051**	3,905
Other income and (other losses)	7	**917**	(676)
Marketing and distribution expenses		**(549)**	(1,240)
Administrative expenses		**(5,493)**	(7,643)
Finance costs	8	**(823)**	(1,047)
Loss before income tax		**(897)**	(6,701)
Income tax expense	12	**(399)**	(156)
Loss, net of tax from continuing operations		**(1,296)**	(6,857)
Loss from discontinued operations, net of tax	11	**-**	(7,225)
Loss for the year/period		**(1,296)**	(14,082)
<u>Other comprehensive loss</u>			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations, net of tax		**(239)**	(828)
Cash flow hedges, net of tax	26	**(48)**	9
Item that may not be reclassified subsequently to profit or loss			
Defined benefit plan - actuarial loss	31	**(9)**	(46)
Other comprehensive loss, net of tax		**(296)**	(865)
Total comprehensive loss		**(1,592)**	(14,947)
Loss attributable to:			
Owners of the Company, net of tax		**(1,295)**	(14,032)
Non-controlling interests, net of tax		**(1)**	(50)
		(1,296)	(14,082)
Total comprehensive loss attributable to:			
Owners of the Company		**(1,591)**	(14,897)
Non-controlling interests		**(1)**	(50)
		(1,592)	(14,947)
<u>Loss per share for loss attributable to equity holders of the Company</u>	13		
From continuing and discontinued operations (cents)			
Basic and diluted		**(0.14)**	(1.48)
From continuing operations (cents)			
Basic and diluted		**(0.14)**	(0.72)
From discontinued operations (cents)			
Basic and diluted		**–**	(0.76)

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

STATEMENTS OF FINANCIAL POSITION

As at 30 April 2024

	Note	Group		Company	
		2024	2023	**2024**	2023
		$'000	$'000	**$'000**	$'000
ASSETS					
Non-current assets					
Property, plant and equipment	14	**7,778**	12,140	**8**	90
Right-of-use assets	15	**1,165**	5,558	**175**	-
Investment properties	16	**1,200**	1,486	**-**	-
Intangible assets	17	**-**	-	**-**	-
Land use rights	18	**-**	-	**-**	-
Investments in subsidiaries	19	**-**	-	**19,191**	21,438
Investment in an associate	20	**-**	-	**-**	-
Lease receivables, non-current	22	**2,925**	4,474	**-**	-
Total non-current assets		**13,068**	23,658	**19,374**	21,528
Current assets					
Other non-financial assets, current	23	**848**	791	**26**	90
Financial assets at fair value through profit or loss	25	**1,013**	1,513	**-**	-
Inventories	24	**2,335**	3,546	**-**	**-**
Trade and other receivables	21	**9,113**	7,188	**5,850**	6,174
Lease receivables, current	22	**1,516**	1,369	**-**	-
Derivative financial assets	26	**-**	16	**-**	-
Cash and cash equivalents	27	**746**	908	**17**	141
		15,571	15,331	**5,893**	6,405
Non-current assets held for sale	10	**6,000**	20	**-**	-
Disposal group assets classified as held for sale	11	**938**	1,056	**-**	-
Total current assets		**22,509**	16,407	**5,893**	6,405
Total assets		**35,577**	40,065	**25,267**	27,933
EQUITY AND LIABILITIES					
Equity					
Share capital	28	**47,890**	47,890	**47,890**	47,890
Accumulated losses		**(28,723)**	(27,428)	**(37,612)**	(33,847)
Foreign currency translation reserve ("FCTR")	29	**(5,668)**	(5,327)	**-**	-
FCTR of disposal group classified as held for sale	11	**(423)**	(525)	**-**	-
Other reserves	30	**2,125**	2,182	**-**	-
Equity attributable to owners of the Company		**15,201**	16,792	**10,278**	14,043
Non-controlling interests		**(37)**	(36)	**-**	-
Total equity		**15,164**	16,756	**10,278**	14,043
Non-current liabilities					
Provisions	31	**338**	1,096	**-**	-
Loans and borrowings	32	**3,645**	3,448	**-**	-
Lease liabilities	33	**127**	341	**86**	-
Deferred tax liabilities	12	**722**	653	**-**	-
Total non-current liabilities		**4,832**	5,538	**86**	-
Current liabilities					
Income tax payables		**317**	137	**54**	65
Trade and other payables	34	**7,237**	7,461	**14,830**	13,816
Provisions	31	**771**	-	**-**	-
Derivative financial liabilities	26	**32**	-	**-**	-
Loans and borrowings	32	**4,674**	7,288	**-**	-
Lease liabilities	33	**410**	475	**19**	9
		13,441	15,361	**14,903**	13,890
Liabilities directly associated with disposal group classified as held for sale	11	**2,140**	2,410	**-**	-
Total current liabilities		**15,581**	17,771	**14,903**	13,890
Total liabilities		**20,413**	23,309	**14,989**	13,890
Total equity and liabilities		**35,577**	40,065	**25,267**	27,933

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

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 30 April 2024

Group	Total equity $'000	Non-controlling interests $'000	Attributable to owners of the company subtotal $'000	Share capital $'000	Accumulated losses $'000	FCTR $'000	FCTR of disposal group classified as held for sale $'000	Other reserves $'000
At 1 May 2023	16,756	(36)	16,792	47,890	(27,428)	(5,327)	(525)	2,182
Loss for the year	(1,296)	(1)	(1,295)	-	(1,295)	-	-	-
Other comprehensive (loss)/income								
Exchange differences on translating foreign operations, net of tax	(239)	-	(239)	-	-	(341)	102	-
Cash flow hedges, net of tax	(48)	-	(48)	-	-	-	-	(48)
Defined benefit plan - actuarial loss	(9)	-	(9)	-	-	-	-	(9)
Total comprehensive (loss)/income for the year	(1,592)	(1)	(1,591)	-	(1,295)	(341)	102	(57)
At 30 April 2024	**15,164**	**(37)**	**15,201**	**47,890**	**(28,723)**	**(5,668)**	**(423)**	**2,125**
At 1 November 2021	31,703	14	31,689	47,890	(13,396)	(5,024)		2,219
Loss for the period	(14,082)	(50)	(14,032)	-	(14,032)	-	-	-
Other comprehensive (loss)/income								
Exchange differences on translating foreign operations, net of tax	(828)	-	(828)	-	-	(828)	-	-
Cash flow hedges, net of tax	9	-	9	-	-	-	-	9
Defined benefit plan - actuarial loss	(46)	-	(46)	-	-	-	-	(46)
Total comprehensive loss for the period	(14,947)	(50)	(14,897)	-	(14,032)	(828)	-	(37)
Reserve attributable to disposal group classified as held for sale	-	-	-	-	-	525	(525)	-
At 30 April 2023	16,756	(36)	16,792	47,890	(27,428)	(5,327)	(525)	2,182

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

STATEMENTS OF CHANGES IN EQUITY (cont'd)

For the financial year ended 30 April 2024

Company	Total equity $'000	Share capital $'000	Accumulated losses $'000
At 1 May 2023	14,043	47,890	(33,847)
Loss for the year/Total comprehensive loss for year	(3,765)	–	(3,765)
At 30 April 2024	**10,278**	**47,890**	**(37,612)**
At 1 November 2021	20,384	47,890	(27,506)
Loss for the period/Total comprehensive loss for period	(6,341)	–	(6,341)
At 30 April 2023	14,043	47,890	(33,847)

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 30 April 2024

	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Cash flows from operating activities		
Loss before tax from continuing operations	**(897)**	(6,701)
Loss from discontinued operations	**-**	(7,225)
	(897)	(13,926)
Adjustments for:		
Depreciation of property, plant and equipment (Note 14)	**1,732**	3,478
Depreciation of right-of-use assets (Note 15)	**661**	1,968
Depreciation of investment properties (Note 16)	**453**	149
Gain on disposal of asset held for sale	**(25)**	-
Gain on disposal of property, plant and equipment	**(158)**	(232)
Fair value loss in FVTPL (Note 25)	**500**	-
Impairment (reversal)/loss on investment properties (Note 16)	**(167)**	43
Impairment loss on right-of-use assets (Note 15)	**-**	37
Impairment (reversal)/loss on property, plant and equipment (Note 14) (Note (a))	**(240)**	4,678
(Reversal of)/allowance for doubtful debts (Note 7) (Note (a))	**(115)**	2,710
Inventories written off (Note 24) (Note (a))	**9**	208
Amortisation of land use rights (Note 18) (Note (a))	**-**	84
Provision for retirement benefit obligations expenses, net	**9**	(16)
Finance income (Note 6)	**(569)**	(1,106)
Finance costs	**823**	1,047
Net foreign exchange loss	**657**	837
Operating cash flows before changes in working capital	**2,673**	(41)
Inventories	**1,202**	1,122
Trade and other receivables	**(1,810)**	(2,017)
Lease receivables	**1,971**	2,989
Other non-financial assets	**(19)**	527
Trade and other payables	**(1,350)**	667
Provisions	**61**	-
Net cash flows from operations	**2,728**	3,247
Income tax paid	**(188)**	(719)
Retirement benefit obligations paid	**(54)**	-
Net cash flows from operating activities	**2,486**	2,528
Cash flows from investing activities		
Acquisition of property, plant and equipment	**(46)**	(1,190)
Proceeds from disposal of property, plant and equipment	**555**	552
Proceeds from disposal of assets held for assets	**45**	-
Net cash flows from/(used in) investing activities	**554**	(638)

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

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)

For the financial year ended 30 April 2024

	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Cash flows from financing activities		
Repayments of loans and borrowings	**(2,417)**	(809)
Lease liabilities - principal portion paid	**(722)**	(1,487)
Loan from directors and key management personnel	**798**	621
Interest expense paid	**(751)**	(1,025)
Decrease in restricted cash balance	**8**	-
Net cash flows used in financing activities	**(3,084)**	(2,700)
Net decrease in cash and cash equivalents	**(44)**	(810)
Effect of exchange rate changes on cash and cash equivalents	**(110)**	(183)
Cash and cash equivalents, beginning balance	**779**	1,772
Cash and cash equivalents, ending balance (Note 27(a))	**625**	779

(a) The loss from discontinued operations of China subsidiaries in the preceding financial period consist of the impairment loss on property, plant and equipment amounted to $4,226,000, allowance for doubtful debts amounted to $2,782,000, inventories written off amounted to $132,000 and amortisation of land use rights amounted to $84,000.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

1 Corporate information

ecoWise Holdings Limited ("the Company") is incorporated in Singapore with limited liability. It is listed on the Catalist which is a share market on Singapore Exchange Securities Trading Limited ("SGX-ST").

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors.

The principal activities of the Company are those of an investment holding company and provision of management services to its subsidiaries.

The principal activities of the subsidiaries are disclosed in Note 19 to the financial statements.

The registered office and principal place of business of the Company is located at 1 Commonwealth Lane, #07-28 One Commonwealth, Singapore 149544.

2 Material accounting policies

(a) Basis of preparation

The financial statements of the Group are presented in Singapore Dollar ("$"), which is the Company's functional currency and all financial information presented in Singapore dollar are rounded to the nearest thousand ("$'000") except when otherwise indicated. The financial statements have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)"). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with SFRS(I) requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within next financial year are disclosed in Note 3.

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

2 Material accounting policies (cont'd)

(b) Going concern

The Group recorded a loss after tax from continuing operations of $1,296,000 for the current reporting year (2023: $6,857,000), it has continued to generate positive cash flows from operating activities of $2,486,000 (2023: $2,528,000). Furthermore, the Group's current position has also improved significantly, with net current assets of $6,928,000 as at 30 April 2024 compared to the net current liabilities $1,364,000 as at 30 April 2023. The Company also recorded a loss of $3,765,000 (2023: $6,341,000) and it is in a net current and net liabilities position of $9,010,000 and $10,278,000 respectively (2023: $7,485,000 and $14,043,000).

Management expects the Group's operations, cash flows and financial position to improve further because of management's continuous efforts as follows:

a) Stabilising the operations in Singapore and Malaysia by
   (i) securing more orders from existing customers;
   (ii) obtaining orders from new customers; and
   (iii) resuming former products and services that had been inactive or lost in the past;

b) Working with strategic partners to offer more products and services that are synergistic with current operations;

c) Exploring collaboration opportunities with various technology companies in areas such as digitalisation, ICA (instrumentation, computerisation, and automation) and modularisation of process units for developing and owning intellectual properties and proprietary know-how in the environmental industries;

d) Monetising the Group's non-core assets through disposal. As disclosed in Note 10, the Group has actively pursued the sale of properties reclassified as non-current assets held for sale. Notably, subsequent to balance sheet date, a wholly-owned subsidiary has entered into a conditional Sale and Purchase Agreement for a Malaysian property (Note 40(a)); and

e) the Company has entered into a Placement and Underwriting Agreement to raise additional funds through a private placement to enable the Group to further strengthen its balance sheet and financial health by increasing available resources for operational and growth needs. (Note 40(c)).

Having considered the cash flows projection of the Group and the measures described above, the Group and the Company's financial statements have been prepared under the going concern assumption.

(c) Basis of presentation

New and revised standards that are adopted

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

2 Material accounting policies (cont'd)

(c) Basis of presentation (cont'd)

New and revised standards that are adopted (cont'd)

The adoption of these new and revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company except as disclosed below:

Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: Disclosure of Accounting Policies
The amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments require entities to disclose their material accounting policies rather than their significant accounting policies, and provide guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The Group has adopted the amendments to SFRS(I) 1-1 on disclosures of accounting policies. The amendments have no impact on the measurement, recognition and presentation of any items in the Group's and the Company's financial statements.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting date but are not yet effective for the financial year ended 30 April 2024 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.

(d) Revenue recognition

Sale of goods - Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Services - Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation over time as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group provides the service to the customer.

Distinct goods or services in a series - For distinct goods or services in a series such as routine or recurring service contracts where the promise under the contract is for a specified quantity of goods or services that meets the over time criteria or is a stand-ready or single continuous service and if the nature of each good or service is distinct, substantially the same and has the same pattern of transfer or each time increment is distinct, then revenue is recognised at the amount that the entity has the right to bill a fixed amount for each unit of goods or service provided.

Finance lease income from finance lease arrangement is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

(e) Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided.

A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2 Material accounting policies (cont'd)

(e) Employee benefits (cont'd)

Short-term employee benefits (cont'd)

For employee leave entitlement, the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the Group is contractually obliged or where there is constructive obligation based on past practice.

Defined contribution benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The Group's legal or constructive obligation is limited to the amount that it is obligated to contribute to independently administered funds, such as the Central Provident Fund in Singapore and Employees Provident Fund in Malaysia.

Defined benefit plan

The Group operates an unfunded defined benefit plan for qualifying employees of its subsidiaries in Malaysia. In accordance with the terms of their employment contracts, the benefits are calculated based on the last drawn salaries, length of services and the rates set out in the employment contracts. The Group's obligations under the defined benefit plan, calculated using the projected unit credit method, are determined based on actuarial assumptions and computations. Actuarial assumptions are updated for any material transactions and changes in circumstances at the end of each reporting period.

(f) Foreign currency transactions

Translation of financial statements of other entities

The assets and liabilities of foreign operations are translated to Singapore dollars at closing rates at the reporting date. The income and expenses of foreign operations are translated to Singapore dollars at the average exchange rates.

Foreign currency differences are recognised in other comprehensive income ("OCI"). When a foreign operation is disposed of, 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.

(g) Income tax

Current income tax

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

Current income taxes are recognised in income statement except to the extent that the tax relates to items recognised outside income statement, either in other comprehensive income or directly in equity which the tax is also recognised outside income statement (either in other comprehensive income or directly in equity respectively). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

2 Material accounting policies (cont'd)

(g) Income tax (cont'd)

Deferred tax

Deferred tax is provided using the liability method, on all temporary differences at the balance sheet date, arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except where the deferred tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and at the time of the transactions, affect neither the accounting nor taxable profit or loss and not give rise to equal taxable and deductible temporary difference.

Deferred tax liability is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised.

(h) Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and accumulated impairment losses.

Cost includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets as follows:

Leasehold land	-	Over lease periods of 60 to 67 years
Leasehold properties and improvements	-	Over lease periods of 8 to 48 years
Plant and equipment	-	3 to 30 years

The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each financial year-end. The effects of any revision are recognised in profit or loss when the changes arise.

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

(i) Leases

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

When a Group entity is the lessee

The Group applies a single recognition and measurement approach for all contracts that are, or contain, a lease, except for short-term leases (i.e. for leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low-value assets (e.g. leases of tablet and personal computers, small items of office equipment and telephones). For these exempted leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

2 Material accounting policies (cont'd)

(i) Leases (cont'd)

When a Group entity is the lessee (cont'd)

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease liabilities are presented within "borrowings" in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liabilities (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a modification such as a change in the lease term, a change in the lease payment (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date of the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, initial direct costs, less any lease incentive received.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets. To the extent that the cost related to a right-of-use asset, the costs are included in the related right-of-use assets, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. If ownership of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The depreciation starts at the commencement date of the lease. Upon completion of the lease repayment, the Group will classify the right-of-use assets to property, plant and equipment.

When a Group entity is the lessor

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Finance lease income from finance lease arrangement is recognised over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

2 Material accounting policies (cont'd)

(i) Leases (cont'd)

When a Group entity is the lessor (cont'd)

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognised in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable.

Initial direct cost incurred by the Group in negotiating and arranging finance leases are added to finance lease receivables and reduce the amount of income recognised over the lease term. When a contract includes both lease and non-lease components, the Group applies FRS 115 to allocate the consideration under the contract to each component.

(j) Investment properties

Investment property is measured at cost on initial recognition and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

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

Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful life or over the lease terms of 6 to 18 years. The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at the end of each reporting period. The effects of any revision are included in profit or loss when the changes arise.

(k) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group 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.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of the investment, the difference between disposal proceeds and the carrying amounts of the investments are recognised in income statement.

(l) Inventories

Inventories are measured at the lower of cost and net realisable value. The costs of raw materials, work-in-progress and finished goods are measured using the first in first out method and the costs of consumables are measured using the weighted average method.

Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of overheads based on normal operating capacity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

2 Material accounting policies (cont'd)

(m) Financial instruments

Recognition and derecognition of financial instruments

A financial asset or a financial liability is recognised in the statements of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting. At initial recognition, the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. A financial asset is derecognised 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 substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. A financial liability is removed from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

Classification and measurement of financial assets

The Group classifies financial assets at amortised cost or fair value, depending on the classification of the financial assets. Financial assets classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, finance lease receivables, and cash and cash equivalents are classified in this category. The Group classifies the equity instruments at FVTPL.

Fair value through profit or loss ("FVTPL")

The Group subsequently measures all its equity investments at their fair values. Equity investments are classified as FVTPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other income and other loss".

(n) Provisions for other liabilities

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

Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

(o) Share capital

Ordinary shares

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

2 Material accounting policies (cont'd)

(o) Share capital (cont'd)

Treasury shares

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the consideration paid including any directly attributable incremental cost is presented as a component within equity attributable to the Company's equity holders, until they are cancelled, sold or reissued.

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

3 Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting period are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Expected credit loss allowance on trade receivables

The Group uses a provision matrix to calculate ECL for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical defaults rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The estimates on ECL have included the expected effects that the current macroeconomic uncertainties and inflationary pressures have on the recoverability of the Group's receivables. The information about the ECL and the carrying amount of the Group's trade receivables is disclosed in Note 21.

Impairment assessment of disposal group assets classified as held for sale

The Group owns a 24 MW biomass co-generation power plant (the "CEBEC Plant") located in Changyi, Shandong Province, People's Republic of China ("PRC"). The CEBEC Plant is held by Changyi Enersave Biomass to Energy Co., Ltd. ("CEBEC"), a Company registered in the PRC. The immediate parent Company of CEBEC is Hivern Investments Pte. Ltd. ("Hivern"). Both CEBEC and Hivern are wholly-owned subsidiaries in the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

3 Critical judgements, assumptions and estimation uncertainties (cont'd)

Impairment assessment of disposal group assets classified as held for sale (cont'd)

As at 30 April 2024, the carrying value of land use rights classified as asset held for sale is approximately RMB5,021,000 equivalent to $938,000 (2023: $1,056,000).

The CEBEC Plant has not commenced operations since it was acquired by the Group in the reporting period ended 2013. The plant requires major retrofitting and re-commissioning before it can be placed into commercial operations as the contractor engaged by CEBEC did not deliver the plant to the Company in accordance with the technical specifications set out in the Engineering, Procurement and Construction Contract (the "EPC Contract"). The CEBEC plant has been fully impaired in the preceding financial period ended 30 April 2023.

The Group had assessed the recoverable amount of the land use rights to be higher than the carrying amount, which is determined based on site inspection and valuation report from an independent professional valuer by reference to current market prices of similar properties. Accordingly, no further impairment is required on the disposal group assets classified as held for sale at 30 April 2024.

In addition, another China subsidiary, CECRT, was not in operation since prior years. In the preceding reporting period ended 30 April 2023, the Group recognised a write-down of $4,226,000 and fully impaired the property, plant and equipment in relation to the China subsidiaries.

Valuation of financial asset at fair value through profit or loss

As disclosed in Note 25, in the preceding financial period, the Group's application for the liquidation of CULCEC was approved by the court in PRC on 21 December 2020. The carrying amount of the financial asset is determined at $1,513,000 based on the Group's share of the net assets of CULCEC based on information provided by the liquidator.

The Group has assessed and determined the fair value of CULCEC on 30 April 2024 is at $1,013,000 (RMB5.5 million). This amount represents the net expected amounts to be realised through sale of assets, net of repayment obligations of CULCEC. Accordingly, a fair value loss of $500,000 is recognised in the current reporting year.

Management may also use qualitative assessment of whether changes or events subsequent to the relevant transaction would imply a change in the investment's fair value. Although management believes that the assumptions concerning the estimate of expected amounts to be realised are appropriate, changes in estimates and assumptions could result in changes in the carrying values of these financial assets. Because of the inherent uncertainty of the valuation, management's estimate of fair values which are derived from the reported proportionate share of the fair value of the underlying net assets of the investment, may differ significantly from the values that would have been used had a ready market existed for the investment.

Assessment of carrying values of other property, plant and equipment and right-of-use assets

An assessment is made for the reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts of cash-generating unit is measured based on the higher of fair value less costs of disposal or value in use calculations. When value in use calculations are undertaken, significant assumptions will be used. Management is required to estimate the expected future cashflows from the asset or cash-generating unit and a suitable discount rate, in order to determine the present value of those cashflows.

As disclosed in Note 14, the Group recognises an impairment loss of $28,000 (2023: impairment loss of $452,000) on the property, plant and equipment in relation to the Malaysia entities. The Group also recognises a reversal of impairment loss of $268,000 on the property, plant and equipment in relation to the Singapore entities.

3 Critical judgements, assumptions and estimation uncertainties (cont'd)

Measurement of impairment of subsidiaries

The Company assesses at each balance sheet date whether there are any indicators of impairment for investments in subsidiaries. Investments in subsidiaries are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying amount of the investment exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

When value in use calculations are undertaken, management is required to estimate the expected future cash flows from the business and a suitable terminal growth rate and pre-tax weighted average cost of capital, in order to determine the present value of those cash flows. The carrying amount of investments in subsidiaries is disclosed in Note 19.

Net realisable value of inventories

The allowance for impairment of inventories assessment requires a degree of estimation and judgement. The level of the loss allowance is assessed by taking into account the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in Note 24.

Income tax

The entity recognises tax liabilities and tax assets based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition, management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised. A deferred tax asset is recognised for unused tax losses if it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. Moreover, the measurement of a deferred tax asset or liability reflects the manner in which the entity expects to recover the asset's carrying value or settle the liability. As a result, due to their inherent nature assessments of likelihood are judgemental and not susceptible to precise determination. The income tax amounts are disclosed in Note 12.

Liabilities directly associated with disposal group classified as held for sale

Included in the liabilities directly associated with disposal group classified as held for sale as disclosed in Note 11, there is a long outstanding payable to outside parties by a subsidiary in the People's Republic of China, CEBEC, amounted to RMB3,560,000 (approximately $665,000), which arose in 2013. The external law firm engaged by the Group as management's expert advised on 2 March 2022 that CEBEC is not liable to repay the amount if there has been no request for repayment from the creditor concerned within the statutory time bar period. During the preceding financial period, CEBEC has received a letter of demand from the creditor on 1 June 2022. There is uncertainty as to whether the statutory time bar period had been met before the receipt of the letter of demand from the creditor on 1 June 2022. Management has assessed that no adjustment is required on the payable amount as recorded.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

4 Related party relationships and transactions

The financial reporting standard on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

The ultimate controlling party is Lee Thiam Seng, a director and controlling shareholder.

a) Related party transactions

There are transactions and arrangements between the Group and its related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intra-Group transactions and balances that have been eliminated in the consolidated financial statements are not disclosed as related company transactions and balances.

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Related parties:		
Loan from director	**200**	621
Loan from key management personnel	**598**	–
Interest expenses	**58**	15
Professional fees	**7**	10

Significant transactions with related parties above are mainly with directors and key management personnel of the Group.

b) Key management compensation

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Salaries and other short-term employee benefits	**1,357**	2,033

Included in the above amounts are the following items:

Remuneration of directors of the Company	**450**	882
Remuneration of directors of the subsidiaries	**93**	6
Fees to directors of the Company	**180**	339
Fees to directors of the subsidiaries	**–**	–

4 Related party relationships and transactions (cont'd)

b) Key management compensation (cont'd)

Key management compensation, excluding directors' fees are included under employee benefits expense.

Further information about the remuneration of individual directors is provided in the report on corporate governance.

Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

5 Financial information by operating segments

a) Information about operating segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported results or financial position of the reporting entity.

For management reporting purposes, the Group is organised into three strategic operating segments that offer different products and services. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

As disclosed in Note 11, the Group has decided to discontinue the operations and dispose certain subsidiaries previously included in the Integrated Environmental Management Solutions, Resource Recovery and Renewable Energy segments in China. The assets and liabilities related to these subsidiaries have been presented as a disposal group held for sale, and the results from these three subsidiaries are presented separately on the income statement as "Discontinued operations".

The segments and types of products and services are as follows:

- Renewable Energy - Design, build and operate biomass co-generation systems, generate power for sale and provision of services related to the applications of heat.

- Resource Recovery - Process, recycle and repurpose waste and salvageable materials into environmentally friendly products for industrial applications, such as washed copper slag, compost and retreaded tyres.

- Integrated Environmental Management Solutions - Provision of resource management and integrated environmental engineering solutions for industrial waste and energy management, including designing, optimising, engineering, procurement, fabricating, commissioning, managing and maintenance of waste, energy management facilities and vertically integrated was-to-feed process for fish and aquiculture business.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

5 Financial information by operating segments (cont'd)

a) Information about operating segment profit or loss, assets and liabilities (cont'd)

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the reporting entity are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the significant accounting policies.

Performance is measured based on segment results before allocation of corporate management fees, finance income, dividend income, finance costs and income tax, as included in the internal management reports. Segment results are used to measure performance as management believes that such information is the most relevant in evaluating the results of the operating segments relative to other entities that operate in similar industries.

All assets are allocated to reportable segments other than corporate assets which are classified as unallocated assets. All liabilities are allocated to the reportable segments based on the operations of the segments other than deferred tax liabilities and corporate liabilities which are classified as unallocated liabilities.

Major revenue from external customers for products and services or similar Group of products or services is as follows:

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Sale of rubberised products	**22,856**	7,877

5 Financial information by operating segments (cont'd)

b) Profit or loss from continuing operations and reconciliations

	Renewable Energy		**Resource Recovery**		**Integrated Environmental Management Solutions**		**Eliminations**		**Group**	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000
Revenue										
Revenue from external customers	**7,728**	11,634	**23,551**	31,647	**109**	165	**–**	–	**31,388**	43,446
Inter-segment revenue	**2,783**	1,224	**30**	1,256	**212**	639	**(3,025)**	(3,119)	**–**	–
Segment revenue	**10,511**	12,858	**23,581**	32,903	**321**	804	**(3,025)**	(3,119)	**31,388**	43,446
Segment results before allocation of corporate management fees	**222**	2,026	**2,351**	(4,056)	**220**	(379)	**(1,513)**	(3,043)	**1,280**	(5,452)
Allocated corporate management fees	**(791)**	(1,346)	**(722)**	(1,697)	**–**	–	**1,513**	3,043	**–**	–
Segment results	**(569)**	680	**1,629**	(5,753)	**220**	(379)	**–**	–	**1,280**	(5,452)
Unallocated corporate results									**(1,354)**	(206)
Loss before finance income, dividend income, finance costs and income tax expense									**(74)**	(5,658)
Finance income									**–**	4
Finance costs									**(823)**	(1,047)
Income tax expense									**(399)**	(156)
Loss net of tax from continued operations, net of tax									**(1,296)**	(6,857)
Loss net of tax from discontinued operations, net of tax	**–**	(3,435)	**–**	(2,320)	**–**	(1,470)	**–**	–	**–**	(7,225)
Loss for the year									**(1,296)**	(14,082)

5 Financial information by operating segments (cont'd)

c) Assets and liabilities reconciliation

Group	Renewable Energy		Resource Recovery		Integrated Environmental Management Solutions		Eliminations		Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000
Assets										
Segment assets	**22,606**	31,214	**32,947**	44,032	**10,192**	14,451	**(31,593)**	(51,135)	**34,153**	38,562
Disposal group assets classified as held for sale	**938**	1,056	**–**	–	**–**	–	**–**	–	**938**	1,056
Income tax recoverable allocated to operating segments	**38**	–	**217**	–	**–**	–	**–**	–	**255**	–
Unallocated corporate assets									**231**	447
Total assets									**35,577**	40,065
Liabilities										
Segment liabilities	**48,473**	52,457	**16,767**	19,199	**10,959**	6,988	**(69,123)**	(71,506)	**7,076**	7,138
Loans and borrowings allocated to operating segments	**–**	–	**6,597**	8,829	**1,722**	1,907	**–**	–	**8,319**	10,736
Income tax payable allocated to operating segments	**–**	11	**168**	47	**96**	13	**–**	–	**264**	71
Unallocated income tax payable									**54**	65
Deferred tax liabilities									**722**	653
Liabilities directly associated with disposal group classified as held for sale	**1,620**	1,824	**386**	435	**134**	151	**–**	–	**2,140**	2,410
Unallocated corporate liabilities									**1,838**	2,236
Total liabilities									**20,413**	23,309
Capital expenditure allocated to operating segments										
Property, plant and equipment	**11**	77	**28**	561	**–**	–	**–**	–	**39**	638
Right-of-use assets	**–**	–	**–**	6,357	**–**	–	**–**	–	**–**	6,357
Unallocated corporate capital expenditure on property, plant and equipment and right-of-use assets									**192**	–
Total capital expenditure									**231**	6,995

5 Financial information by operating segments (cont'd)

d) Other material items

Group	Renewable Energy 1.5.2023 to 30.4.2024 $'000	Renewable Energy 1.11.2021 to 30.4.2023 $'000	Resource Recovery 1.5.2023 to 30.4.2024 $'000	Resource Recovery 1.11.2021 to 30.4.2023 $'000	Integrated Environmental Management Solutions 1.5.2023 to 30.4.2024 $'000	Integrated Environmental Management Solutions 1.11.2021 to 30.4.2023 $'000	Discontinued operations 1.5.2023 to 30.4.2024 $'000	Discontinued operations 1.11.2021 to 30.4.2023 $'000	Elimination 1.5.2023 to 30.4.2024 $'000	Elimination 1.11.2021 to 30.4.2023 $'000	Group 1.5.2023 to 30.4.2024 $'000	Group 1.11.2021 to 30.4.2023 $'000
Depreciation of property, plant and equipment and investment properties:												
Allocated to operating segments	**526**	1,369	**1,431**	1,818	**210**	380	**–**	–	**–**	–	**2,167**	3,567
Unallocated corporate depreciation											**18**	60
											2,185	3,627
Depreciation of right-of-use assets:												
Allocated to operating segments	**360**	533	**291**	1,435	**–**	–	**–**	–	**–**	–	**651**	1,968
Unallocated corporate depreciation											**10**	–
											661	1,968
Loss/(gain) on disposal of property, plant and equipment:												
Allocated to operating segments	**2**	(19)	**(169)**	(173)	**–**	–	**–**	–	**–**	–	**(167)**	(192)
Unallocated corporate depreciation	**–**	–	**–**	–	**–**	–	**–**	**–**	**–**	–	**9**	(40)
											(158)	(232)
Amortisation of land use rights	**–**	–	**–**	–	**–**	–	**–**	84	**–**	–	**–**	84
Impairment loss/(reversal) on property, plant and equipment	**–**	–	**28**	452	**(268)**	–	**–**	4,226	**–**	–	**(240)**	4,678
Impairment loss on investment properties	**–**	–	**–**	–	**(167)**	43	**–**	–	**–**	–	**(167)**	43
Gain on disposal of asset held for sale	**–**	–	**(25)**	–	**–**	–	**–**	–	**–**	–	**(25)**	–
Provision for benefit obligations expenses, net	**–**	–	**9**	6	**–**	–	**–**	–	**–**	–	**9**	6
(Reversal)/ allowance for doubtful receivables	**–**	–	**(115)**	(72)	**–**	–	**–**	2,782	**–**	–	**(115)**	2,710

5 Financial information by operating segments (cont'd)

e) Geographical information

Group	Revenue		Non-current assets	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000
Singapore	**11,027**	13,498	**3,842**	4,725
Malaysia	**4,957**	12,263	**6,301**	14,459
Australia	**14,728**	17,027	**–**	–
Others	**676**	658	**–**	–
	31,388	43,446	**10,143**	19,184

Revenue are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude any financial instruments.

f) Information about major customers

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Top 1 customer in resource recovery segment	**14,481**	16,709
Top 2 customers in resource recovery and renewable energy segments	**4,345**	8,175

6 Revenue

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
#A. Revenue classified by type of good or service:		
Sale of goods	**23,856**	33,208
Service income	**6,840**	8,842
Finance lease income	**569**	1,106
Others	**123**	290
Total revenue	**31,388**	43,446
#B. Revenue classified by duration of contract:		
Short term contracts	**26,295**	36,078
Long term contracts	**5,093**	7,368
Total revenue	**31,388**	43,446
#C. Revenue classified by timing of revenue recognition:		
Point in time	**26,295**	36,078
Over time	**5,093**	7,368
Total revenue	**31,388**	43,446

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

7 Other income and (other losses)

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Gain on disposal of property, plant and equipment	**158**	232
Government grant income	**68**	101
Foreign exchange transaction gain/(loss), net	**560**	(591)
Reversal of allowance of doubtful debt	**116**	72
Impairment loss on investment properties	**–**	(43)
Write-off of property, plant and equipment	**–**	(3)
Fair value loss on financial asset at fair value through profit or loss	**(500)**	–
Gain on disposal of assets held for sale	**25**	–
Interest income from financial institutions	**–**	4
Impairment reversal/(loss) on property, plant and equipment	**240**	(452)
Reversal of impairment loss on investment properties	**167**	–
Insurance claim	**15**	–
Bad debts written-off	**(1)**	–
Others	**69**	4
Net	**917**	(676)
Presented in profit or loss as:		
Other income and gains	**1,418**	413
Other losses	**(501)**	(1,089)
	917	(676)

a) Administrative expenses

Included in administrative expense are the following items:

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Auditors' remuneration:		
- Auditors of the Company	**525**	555
- Network firms of the auditors of the Company	**73**	90
Non-audit fees		
- Auditors of the Company	**–**	–
- Network firms of the auditors of the Company	**–**	–
- Non-network firm	**196**	333

8 Finance costs

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Interest expense on:		
- Borrowings from financial institutions	**709**	884
- Loan from a director	**58**	–
- Lease liabilities	**42**	141
- Retirement benefits	**14**	22
	823	1,047

9 Employee benefits expenses

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Short term employee benefits expense	**5,096**	8,360
Contributions to defined contribution plans	**380**	704
Provision for retirement benefit obligations expense, net	**18**	25
Other benefits	**399**	566
	5,893	9,655
The employee benefits expenses are charged as follows:		
Cost of sales	**3,069**	5,598
Administrative expenses	**276**	3,408
Marketing and distribution expenses	**2,548**	649
	5,893	9,655

10 Non-current assets held for sale

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
At beginning of the year/period	**20**	–
Reclassified from property, plant and equipment	**2,175**	20
Reclassified from right-of-use assets	**3,825**	–
Disposals	**(20)**	–
At end of the year/period	**6,000**	20

During the financial year, the Group began actively committed to a programme to locate buyers, following the approval of the Group's Board on 12 May 2022 to sell properties in Negeri Sembilan and Sabah, Malaysia, the properties and the plant and equipment therein were reclassified as "non-current assets held for sale" in the statements of financial position.

Subsequent to the end of financial year, on 31 May 2024, Sunrich Integrated Sdn. Bhd., a wholly-owned subsidiary of the Group has entered into a conditional Sale and Purchase Agreement ("SPA") with a third party buyer ("Purchaser") to dispose the property in Negeri Sembilan, Malaysia. The details are disclosed in Note 40.

As at the end of the reporting year, the carrying values of the Group's non-current assets held for sale that are pledged as securities to secure loans and borrowings (Notes 32) is $5,845,000 (2023: $nil).

11 Discontinued operations and Disposal group classified as held for sale

In the preceding reporting period, following the resignation of former executive director who was the legal representative for Chongqing ecoWise Investment Management Co., Ltd. ("CQEIM"), Chongqing eco-CTIG Rubber Technology Co., Ltd. ("CECRT") and Changi Enersave Biomass to Energy Co, Ltd. ("CEBEC") in China, Management and the Board formally decided to discontinue the operations and dispose these subsidiaries (or hereinafter also referred to as the "China Subsidiaries"). As presented under this Note 11, for both the current reporting year and the preceding reporting period, the China Subsidiaries did not contribute any revenue to the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

11 Discontinued operations and Disposal group classified as held for sale (cont'd)

However, due to the travel restrictions in China until July 2023 and challenges encountered in effecting a change of legal representative with the former executive director, the change of legal representative for the China Subsidiaries has not been executed yet. The Group is currently exploring all avenues to expedite the change of legal representative for the China subsidiaries.

Trade and other receivables and cash and cash equivalents

At 31 October 2021, trade and other receivables and cash and cash equivalents amounted to $2,143,000 and $292,000. The management applies the SFRS(I) 9 *Financial Instruments* simplified approach for measuring expected credit loss for trade receivables and general approach for measuring expected credit loss for cash and cash equivalents.

In the preceding financial year, due to the increase of credit risk, full impairment loss of $2,143,000 and $292,000 has been recognised in the profit or loss.

The assets and liabilities related to CQEIM, CECRT and CEBEC (which previously contributed to the Integrated Environmental Management Solutions, Resource Recovery and Renewable Energy segment, respectively in China) have been presented as a disposal group held for sale, and the results from the three subsidiaries are presented separately on the income statement as "Discontinued operations".

An analysis of the results of the discontinued operations and the results recognised on the remeasurement of disposal is as follows:

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Revenue	**–**	–
Cost of sales	**–**	–
	–	–
Other income	**–**	–
Distribution expenses	**–**	–
Administrative expenses	**–**	(7,225)
Loss before and after tax from discontinued operations	**–**	(7,225)

The impact of the discontinued operations on the cash flows of the Group are as follows:

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Operating cash flows	**–**	7,225

Details of disposal group classified as held for sale are as follows:

	Group	
	2024 $'000	2023 $'000
Land use rights	**938**	1,056

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

11 Discontinued operations and Disposal group classified as held for sale (cont'd)

Liabilities directly associated with disposal group as held for sale are as follows:

	Group	
	2024	2023
	$'000	$'000
Trade payables	**316**	357
Other payables	**1,280**	1,441
Income tax payable	**544**	612
	2,140	2,410
Reserve		
Currency translation reserve	**423**	525

12 Income tax

a) Components of income tax (credit)/expense recognised in profit or loss

	Group	
	1.5.2023 to 30.4.2024	1.11.2021 to 30.4.2023
	$'000	$'000
<u>Current tax expense</u>		
Current tax expense	**82**	154
Withholding tax expense	**–**	37
Under provision in respect of preceding periods	**216**	146
Subtotal	**298**	337
<u>Deferred tax expense</u>		
Deferred tax expense/(credit)	**231**	(256)
(Over)/under provision in respect of preceding periods	**(130)**	75
Subtotal	**101**	(181)
Total income tax expense	**399**	156

12 Income tax (cont'd)

a) Components of income tax (credit)/expense recognised in profit or loss (cont'd)

Income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17% (2023: 17%) to profit or loss before income tax as a result of the following differences:

	Group	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000
Loss before income tax	**(897)**	(6,701)
Discontinued operations	**–**	(7,225)
	(897)	(13,926)
Income tax expense at the above rate	**(152)**	(2,367)
Effect of different tax rates in different countries	**(19)**	(1,840)
Withholding tax expense	**–**	37
Expenses non-deductible for tax purposes	**481**	4,366
Income not subject to tax	**(292)**	(481)
Singapore statutory stepped income exemption	**(4)**	–
Under provision of current tax in respect of preceding periods	**216**	146
(Over)/under provision of deferred tax in respect of preceding periods	**(130)**	75
Deferred tax assets not recognised	**375**	256
Utilisation of previously unrecognised deferred tax assets	**(76)**	–
Others	**–**	(36)
Total income tax expense	**399**	156

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

12 Income tax (cont'd)

b) Movements in deferred tax (liabilities)/assets in the statements of financial position

Group	At 31 October 2021 $'000	Recognised in profit or loss $'000	Expired during the year $'000	Exchange differences $'000	At 30 April 2023 $'000	Recognised in profit or loss $'000	Exchange differences $'000	At 30 April 2024 $'000
Property, plant and equipment	(978)	320	(230)	10	(878)	88	33	**(757)**
Right-of-use assets	(276)	(188)	376	–	(88)	83	–	**(5)**
Lease liabilities	171	87	(174)	–	84	(77)	–	**7**
Unutilised tax losses	1,510	–	(1,510)	–	–	–	–	**–**
Unutilised capital allowances	266	(81)	(86)	–	99	(99)	–	**–**
Provision for retirement benefit obligations	117	–	(117)	–	–	34	(1)	**33**
Provisions	447	38	(361)	–	124	(124)	–	**–**
Other items	(41)	5	42	–	6	(6)	–	**–**
Deferred tax assets not recognised	(2,209)	–	2,209	–	–	–	–	**–**
	(993)	181	149	10	(653)	(101)	32	**(722)**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

12 Income tax (cont'd)

c) Unrecognised deferred tax assets

Group	2024 Gross amount $'000	2024 Tax effect $'000	2023 Gross amount $'000	2023 Tax effect $'000
Unutilised tax losses	**8,901**	**2,041**	7,272	1,689
Unutilised capital allowance	**248**	**60**	916	180
Provisions	**688**	**117**	645	109
Excess of tax value over carrying value of plant and equipment	**(1,460)**	**(284)**	(1,809)	(343)
	8,377	**1,934**	7,024	1,635

No deferred tax asset has been recognised in respect of the above balance as the future taxable profit streams are not certain.

Other than the unutilised tax losses arising from certain Malaysia subsidiaries of $7,551,000 (2023: $6,468,000) which will expire between 2030 to 2034 (2023: 2030 and 2033), the remaining temporary differences do not expire under current tax legislation. The realisation of the future income tax benefits from these unutilised tax losses is subject to the conditions imposed by laws of the countries in which the entities in the Group operates, including the retention of majority shareholders as defined.

13 Loss per share

The following table illustrates the numerators and denominators used to calculate basic and diluted amount per share of no par value:

	Group					
	Continuing operations		Discontinued operations		Total	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000
Loss, net of tax attributable to owners of the Company	**(1,295)**	(6,807)	**–**	(7,225)	**(1,295)**	(14,032)
	'000	'000	**'000**	'000	**'000**	'000
Weighted average number of equity shares	**948,846**	948,846	**948,846**	948,846	**948,846**	948,846
	Cents	Cents	**Cents**	Cents	**Cents**	Cents
Basic and diluted loss per share	**(0.14)**	(0.72)	**–**	(0.76)	**(0.14)**	(1.48)

13 Loss per share (cont'd)

The weighted average number of equity shares refers to shares in circulation during the reporting year.

Basic loss per share is calculated by dividing loss, net of tax attributable to owners of the parent by the weighted average number of ordinary shares outstanding during each reporting year.

Diluted loss per share is calculated by dividing loss, net of tax attributable to owners of the parent by the weighted average number of ordinary shares outstanding during each reporting year and the weighted average number of ordinary shares that would be issued on the conversion of all share options (potential dilutive ordinary shares) into outstanding shares.

14 Property, plant and equipment

Group	Construction-in-progress $'000	Leasehold land $'000	Leasehold properties and improvements $'000	Plant and equipment $'000	Total $'000
Cost					
At 1 November 2021	19,288	2,667	16,465	44,369	82,789
Foreign exchange adjustments	(241)	(131)	(677)	(1,218)	(2,267)
Additions	–	–	18	776	794
Disposals	–	(2,536)	(4,146)	(3,500)	(10,182)
Reclassification	(83)	–	393	(310)	–
Reclassification to assets held for sale	(18,964)	–	–	(9,670)	(28,634)
At 30 April 2023	–	–	12,053	30,447	42,500
Foreign exchange adjustments	–	–	(304)	(634)	(938)
Additions	–	–	–	46	46
Disposals	–	–	(396)	(663)	(1,059)
Written off	–	–	–	(117)	(117)
Reclassification from right-of-use assets [(i)]	–	–	–	471	471
Reclassification to assets held for sale	–	–	(2,184)	(204)	(2,388)
At 30 April 2024	**–**	**–**	**9,169**	**29,346**	**38,515**
Accumulated depreciation and impairment loss					
At 1 November 2021	16,686	225	5,454	33,164	55,529
Foreign exchange adjustments	–	(10)	(79)	(758)	(847)
Depreciation for the period	–	–	669	2,809	3,478
Disposals	–	(215)	(1,150)	(2,499)	(3,864)
Reclassification	20	–	232	(252)	–
Impairment loss for the period	2,258	–	–	2,420	4,678
Reclassification to assets held for sale	(18,964)	–	–	(9,650)	(28,614)
At 30 April 2023	–	–	5,126	25,234	30,360
Foreign exchange adjustments	–	–	(57)	(378)	(435)
Depreciation for the year	–	–	258	1,474	1,732
Disposals	–	–	(93)	(569)	(662)
Written off	–	–	–	(117)	(117)
Reclassification from right-of-use assets [(i)]	–	–	–	312	312
Impairment (reversal)/loss for the year	–	–	(268)	28	(240)
Reclassification to assets held for sale	–	–	(127)	(86)	(213)
At 30 April 2024	–	–	**4,839**	**25,898**	**30,737**
Carrying value					
At 30 April 2023	–	–	6,927	5,213	12,140
At 30 April 2024	–	–	**4,330**	**3,448**	**7,778**

[(i)] When the right-of-use assets under hire purchase arrangement is fully repaid, the Group reclassifies its cost, accumulated depreciation and accumulated impairment losses from right-of-use assets to the property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

14 Property, plant and equipment (cont'd)

Company	Plant and equipment $'000
Cost	
At 1 November 2021	616
Additions	1
Disposal	(285)
At 30 April 2023	332
Additions	7
Disposal	(190)
At 30 April 2024	**149**
Accumulated depreciation	
At 1 November 2021	244
Depreciation for the period	59
Disposal	(61)
At 30 April 2023	242
Depreciation for the year	18
Disposal	(119)
At 30 April 2023	**141**
Carrying value	
At 30 April 2023	90
At 30 April 2024	**8**

The depreciation expense is charged as follows:

	Group		Company	
	1.5.2023 to 30.4.2024 $'000	1.11.2021 to 30.4.2023 $'000	**1.5.2023 to 30.4.2024 $'000**	1.11.2021 to 30.4.2023 $'000
Cost of sales	**1,254**	2,406	–	–
Administrative expenses	**459**	1,014	**18**	59
Marketing and distribution expenses	**19**	58	–	–
Total	**1,732**	3,478	**18**	59

In the preceding financial period, the Group conducted a review of the useful life of leasehold properties and improvement following the negotiation of the office units lease renewal with the landlord preceding to the end of the current lease term. The Group revised the estimated useful life of leasehold properties and improvement from five to between one to three years, based on the shorter of the remaining lease term. The revision in estimate has been applied on a prospective basis from 1 November 2021. The effect of the above revision on depreciation charge in current and future periods is as follows:

	2023 $'000	**2024 $'000**	**2025 $'000**
Increase in depreciation expense	**67**	**49**	**25**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

14 Property, plant and equipment (cont'd)

a) Securities pledged

As at the end of the reporting year, the carrying values of the Group's property, plant and equipment that are pledged as securities to secure loans and borrowings (Note 32) are as follows:

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Leasehold properties and improvements	**4,319**	6,352	–	–
Plant and equipment	**2,674**	3,463	–	–
	6,993	9,815	–	–

The properties which are reclassified to non-current assets held for sale and the properties which are classified under right-of-use assets and investment properties are also pledged to the financial institutions as securities. The details are disclosed in Note 10, Note 15, and Note 16.

b) Impairment review

During the reporting year, a subsidiary carried out a review of the recoverable amount of its leasehold properties under the Integrated Environmental Management Solutions segment because of the improvements in the market environment and the operations. The recoverable amount of the properties was valued at $1,650,000 (2023: $1,500,000) which was determined on the basis of its fair value less cost of disposal. The fair value of the properties was determined by an independent professional valuer by reference to current market prices of similar properties. This fair value measurement is categorised in Level 3 of the fair value of hierarchy. As a result of the review, an impairment reversal of $268,000 (2023: $nil) was recognised in profit or loss for the reporting year ended 30 April 2024.

At the end of the reporting year, the carrying value of the Group's property, plant and equipment in Malaysia was approximately $5,025,000 (2023: $9,465,000). During the reporting year, an impairment assessment was performed for the plant and equipment under certain loss-making subsidiaries in Malaysia which is under resource recovery segment. The recoverable amount of the plant and machinery of $49,000 (2023: $80,000) was determined at the higher of the fair value less cost of disposal or value-in-use. The recoverable amount of the plant and machinery of the loss-making subsidiaries was determined based on scrap value which was computed using equivalent price index at the balance sheet date. The fair value is based on Level 2 fair value hierarchy. As a result of the review, the Group recognises an impairment loss of $28,000 (2023: impairment loss of $452,000).

15 Right-of-use assets

Group	Leasehold Lands $'000	Plant and Machinery $'000	Motor Vehicles $'000	Office Equipment $'000	Total $'000
Costs					
At 1 November 2021	2,193	–	–	–	2,193
Addition	5,714	385	971	133	7,203
Effects of movements in exchange rates	(127)	(9)	(22)	(3)	(161)
Disposal	(444)	(52)	(528)	(130)	(1,154)
Impairment loss	–	(37)	–	–	(37)
At 30 April 2023	7,336	287	421	–	8,044
Addition	258	–	185	–	443
Reclassification to property, plant and equipment	–	(311)	(160)	–	(471)
Reclassification to assets held for sale	(4,125)	–	–	–	(4,125)
Effects of movements in exchange rates	(235)	24	(18)	–	(229)
At 30 April 2024	**3,234**	**–**	**428**	–	**3,662**
Accumulated depreciation					
At 1 November 2021	884	–	–	–	884
Effects of movements in exchange rates	(6)	(2)	(13)	–	(21)
Depreciation charge	1,131	159	662	16	1,968
Disposal	(10)	(13)	(306)	(16)	(345)
At 30 April 2023	1,999	144	343	–	2,486
Effects of movements in exchange rates	(18)	(5)	(15)	–	(38)
Depreciation charge	592	13	56	–	661
Reclassification to property, plant and equipment	–	(152)	(160)	–	(312)
Reclassification to assets held for sale	(300)	–	–	–	(300)
At 30 April 2024	**2,273**	**–**	**224**	**–**	**2,497**
Carrying value					
At 30 April 2023	5,337	143	78	–	5,558
At 30 April 2024	**961**	**–**	**204**	**–**	**1,165**

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

15 Right-of-use assets (cont'd)

Company	Motor Vehicles $'000
Cost	
At 1 November 2021/30 April 2023	–
Additions	185
At 30 April 2024	**185**
Accumulated depreciation	
At 1 November 2021/30 April 2023	–
Depreciation for the year	10
At 30 April 2024	**10**
Carrying value	
At 30 April 2023	–
At 30 April 2024	**175**

The depreciation expense is charged to profit or loss is as follows:

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Cost of sales	**517**	1,668	**–**	–
Marketing and distribution expenses	**46**	107	**–**	–
Administrative expenses	**98**	193	**10**	–
	661	1,968	**10**	–

As at the end of the reporting year, the carrying values of the Group's right-of-use assets that are pledged as securities to secure loans and borrowings (Note 32) is $641,000 (2023: $4,771,000).

The leases for leasehold lands, plant and machinery, motor vehicles and office equipment are usually for fixed periods of 3 to 5 years but may have extension options. Lease terms contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes. Two of the leases have variable payments linked to an index.

16 Investment properties

	Group	
	2024	2023
	$'000	$'000
Cost		
At beginning/end of the year/period	**3,780**	3,780
Accumulated depreciation and impairment loss		
At beginning of the year/period	**2,294**	2,102
Depreciation for the year/period	**453**	149
Impairment (reversal)/loss for the year/period	**(167)**	43
At end of the year/period	**2,580**	2,294
Carrying value		
At beginning of the year/period	**1,486**	1,678
At end of the year/period	**1,200**	1,486
Rental and service income from investment properties	**110**	227
Direct operating expenses (including repairs and maintenance) arising from investment properties that generated rental income during the year	**–**	19
Allocation of the depreciation expense:		
Administrative expenses	**78**	84

As at the end of the reporting year, the carrying value of investment properties in two office units amounted to $1,100,000 (2023: $868,000) are pledged as securities to secure loans and borrowings disclosed in Note 32.

Management estimated the fair value using the valuation method as described below. The fair value disclosure categorised within the fair value hierarchy below, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows:

Management estimated the fair value using the valuation method for the properties below:

Properties	Description	Location	Tenure and unexpired lease term
Property 1	Leasehold factory	7 Sungei Kadut Street 6, Singapore 728853	6 years expiring on 10 April 2025
Property 2	2 office units	1 Commonwealth Lane, One Commonwealth, Singapore 149544	30 years expiring on 29 March 2038

For both the current financial year and preceding financial period, Management estimated that the fair value of Property 1 is approximate to its carrying value as the leasehold property is near its end of the expiring lease term.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

16 Investment properties (cont'd)

The fair value of the Property 2 is determined by external property valuers, having appropriate professional qualifications and experience in the location and category of property being valued at 30 April 2024. Property 2 is categorised within the fair value hierarchy, a description of the valuation techniques and the significant other observable inputs used in the fair value measurement are as follows:

Gross floor area:	2,864 square feet
Fair value:	$1,100,000 (2023: $1,000,000)
Fair value hierarchy:	Level 3
Valuation technique for recurring fair value measurements:	Comparison with market evidence of recent transaction prices for similar properties.
Significant observable inputs and range (weighted average):	Price per square foot - $384 (2023: $349)
Relationship of unobservable inputs to fair value:	N.A.
Sensitivity on management's estimates - 10% variation from estimate	Impact - lower by $100,000; higher by $100,000

17 Intangible assets

Group	Trademarks $'000	Customer relationships $'000	Goodwill $'000	Total $'000
Cost				
At 1 November 2021	1,508	43	225	1,776
Foreign exchange adjustments	(117)	(3)	(17)	(137)
At 30 April 2023	1,391	40	208	1,639
Foreign exchange adjustments	(65)	(2)	(12)	(79)
At 30 April 2024	**1,326**	**38**	**196**	**1,560**
Accumulated amortisation and impairment losses				
At 1 November 2021	1,508	43	225	1,776
Foreign exchange adjustments	(117)	(3)	(17)	(137)
At 30 April 2023	1,391	40	208	1,639
Foreign exchange adjustments	(65)	(2)	(12)	(79)
At 30 April 2024	**1,326**	**38**	**196**	**1,560**
Carrying value				
At 30 April 2023	–	–	–	–
At 30 April 2024	**–**	**–**	**–**	**–**

During preceding period, trademarks and goodwill were impaired due to weaker performance. This arose from review by management of the recoverable amounts.

18 Land use rights

	Group	
	2024	2023
	$'000	$'000
Cost		
At beginning of the year/period	**–**	2,301
Transfer to Disposal group assets classified as held for sale	**–**	(2,301)
At end of the year/period	**–**	–
Accumulated amortisation		
At beginning of the year/period	**–**	1,161
Amortisation for the year included in administrative expenses	**–**	84
Transfer to Disposal group assets classified as held for sale	**–**	(1,245)
At end of the year/period	**–**	–
Carrying value		
At beginning of the year/period	**–**	1,140
At end of the year/period	**–**	–

The land use rights relate to a parcel of land located in the People's Republic of China and will be expiring on 11 December 2057.

19 Investments in subsidiaries

	Company	
	2024	2023
	$'000	$'000
Unquoted equity shares at cost	**28,724**	28,724
Allowance for impairment	**(14,033)**	(11,786)
Subtotal	**14,691**	16,938
Loans due from subsidiaries	**16,136**	16,136
Estimated credit allowance	**(11,636)**	(11,636)
Subtotal	**4,500**	4,500
Total carrying amount	**19,191**	21,438
Movements in above allowance for impairment:		
Balance at beginning of the year/period	**11,786**	7,861
Charge to profit or loss included in other losses	**2,247**	3,925
Balance at end of the year/period	**14,033**	11,786
Movements in above allowance for loans due from subsidiaries:		
Balance at beginning of the year/period	**11,636**	10,529
Charge to profit or loss included in other losses	–	1,107
Balance at end of the year/period	**11,636**	11,636

Loans due from subsidiaries are unsecured and interest-free. The settlement of these amounts is neither planned nor likely to occur in the future. As these amounts are in substance, a part of the Company's net investments in subsidiaries, they are stated at cost less estimated credit allowance.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

19 Investments in subsidiaries (cont'd)

The subsidiaries held by the Group and the Company are as follows:

Name of subsidiary and principal activities	Country of incorporation/ place of operation	Cost of investment held by the Company		Effective equity interests held by the Group	
		2024	2023	**2024**	2023
		$'000	$'000	**%**	%
Held by the Company					
Bee Joo Environmental Pte. Ltd. [(a)] General waste management services	Singapore	**2,611**	2,611	**100**	100
Bee Joo Industries Pte. Ltd. [(a)] Processing and recycling of horticultural and other waste and operating of biomass co-generation plant	Singapore	**2,155**	2,155	**100**	100
ecoWise International Pte. Ltd. [(a)] International Procurement and trading of rubberised related goods and research and experimental development on environment and clean technologies	Singapore	**1,000**	1,000	**100**	100
ecoWise Resources Pte. Ltd. [(c)] Processing and recycling of horticultural and other waste	Singapore	**1,450**	1,450	**100**	100
ecoWise RubberTech Pte. Ltd. [(c)] Processing of rubberised related goods and investment holding	Singapore	**1,000**	1,000	**100**	100
ecoWise Solutions Pte. Ltd. [(a)] Developing and commercialising ecology solutions, research and development of technologies relating to environmental solutions	Singapore	**8,340**	8,340	**100**	100
ecoWise Ventures Pte. Ltd. [(a)] Investment holding	Singapore	*****	*	**100**	100
Ecowise New Energy Pte. Ltd. [(c)] Investment holding	Singapore	*****	*	**100**	100
Sunrich Resources Sdn. Bhd. [(b)] Investment holding	Malaysia	**12,168**	12,168	**100**	100

* Less than $1,000

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

19 Investments in subsidiaries (cont'd)

The subsidiaries held by the Group and the Company are as follows (cont'd):

Name of subsidiary	Country of incorporation/ place of operation	Principal activities	Effective equity interests held by the Group 2024 %	2023 %
Held by subsidiaries				
ecoWise Marina Power Pte. Ltd. [(a)]	Singapore	Operation and maintenance of biomass co-generation plant	**100**	100
Hivern Investments Pte. Ltd. [(c)]	Singapore	Investment holding	**100**	100
ecoWise Materials Pte. Ltd. [(a)]	Singapore	Processing and recycling of used copper slag	**100**	100
Sunrich Integrated Sdn. Bhd. [(b)]	Malaysia	Investment holding	**100**	100
Autoways Industries Sdn. Bhd. [(b)]	Malaysia	Trading of re-tread tyres and related rubberised products	**100**	100
Ecogreen Products and Services Sdn. Bhd. [(b)]	Malaysia	Production, trading and consultancy services related to biomass products	**100**	100
Sun Tyre (Sabah) Sdn. Bhd. [(b)]	Malaysia	Re-treading of tyres, dealing in rubberised products and investment holding	**100**	100
Sunrich Marketing (Sabah) Sdn. Bhd. [(b)]	Malaysia	Trading of re-tread tyres and related rubberised products	**100**	100
Sun Rubber Industry Sdn. Bhd. [(b)]	Malaysia	Manufacturing and trading of rubberised products and investment holding	**100**	100
Sunrich Global Marketing Sdn. Bhd. [(b)]	Malaysia	Dormant	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

19 Investments in subsidiaries (cont'd)

The subsidiaries held by the Group and the Company are as follows (cont'd):

Name of subsidiary	Country of incorporation/ place of operation	Principal activities	Effective equity interests held by the Group	
			2024 **%**	2023 **%**
Held by subsidiaries (cont'd)				
Sun Tyre & Auto Products Sdn. Bhd. [(b)]	Malaysia	Trading of new and re-tread tyres and related rubberised products	**100**	100
Sun Tyre Sdn. Bhd.[(b)]	Malaysia	Re-treading of tyres, dealing in rubberised products and investment holding	**100**	100
Sunrich Marketing Sdn. Bhd.[(b)]	Malaysia	Trading of re-tread tyres and related rubberised products	**100**	100
Trakar Suntex Sdn. Bhd.[(b)]	Malaysia	Trading of re-tread tyres and related rubberised products	**60**	60
Winner Suntex Sdn. Bhd.[(b)]	Malaysia	Trading of re-tread tyres and related rubberised products	**100**	100
Chongqing eco-CTIG Rubber Technology Co., Ltd.[(d)]	People's Republic of China	Re-treading of tyres and dealing in rubberised products	**100**	100
Chongqing ecoWise Investment Management Co., Ltd. [(d)]	People's Republic of China	Service provider for project and investment consultancy and management	**100**	100
Changyi Enersave Biomass to Energy Co., Ltd. [(d)]	People's Republic of China	Generation and sale of electricity and heat	**100**	100

(a) Audited by Baker Tilly TFW LLP.

(b) Audited by Baker Tilly Malaysia, member firm of Baker Tilly Network.

(c) For the purpose of consolidation, the unaudited management financial statements for the reporting year ended 30 April 2024 have been used. The impact arising from the use of the subsidiaries' unaudited management financial statements is not expected to be significant to the financial statements of the Group.

(d) Classified as asset held for sale at the end of preceding financial period.

19 Investments in subsidiaries (cont'd)

Impairment loss

During the financial year, three subsidiaries in Singapore are subjected to impairment test due to continued operating losses and operating losses incurred during the year respectively. The Company performed an assessment of the recoverable amounts of its investment in these 3 subsidiaries based on fair value less cost of disposal.

For Subsidiary 1, the recoverable amount is estimated based on the fair value of the leasehold properties as determined by independent valuers with experience in the location and category of the assets being valued. Details of the fair value measurement are disclosed in Note 16. The other assets and liabilities of the subsidiary are financial assets and liabilities such as trade and other receivables, cash and bank balances, and trade and other payables, where their carrying amounts are reasonable approximations of fair value. The Company recognised a further impairment loss of $1,615,000 (2023: $3,749,000) in profit or loss for the year. The recoverable amount for the subsidiary is $nil (2023: $1,615,000).

For Subsidiary 2, the subsidiary had only financial assets and liabilities such as trade and other receivables, cash and bank balances, and other payables where their carrying amounts are reasonable approximations of fair value. The Company recognised a full impairment loss of $1 million (2023: $nil) in profit or loss for the year. The recoverable amount for the subsidiary is $nil (2023: $1 million).

For Subsidiary 3, the subsidiary had only financial assets and liabilities such as trade and other receivables, cash and bank balances, and other payables where their carrying amounts are reasonable approximations of fair value. The Company recognised a reversal impairment loss of $368,000 (2023: impairment loss of $2,611,000) in profit or loss for the year. The recoverable amount for the subsidiary is $368,000 (2023: $nil).

20 Investment in an associate

	Group	
	2024	2023
	$'000	$'000
Unquoted equity interest at cost	–	1,513
Transfer to financial assets at fair value through profit or loss	–	(1,513)
	–	–

The unquoted investment represented the Group's 20% equity interest in China-UK Low Carbon Enterprise Co., Ltd ("CULCEC"), which is held by a subsidiary. CULCEC is incorporated and operated in People's Republic of China with its principal activity of investment holding. The Group's effective equity interest is 20%.

In March 2020, the business license of CULCEC expired and the Group applied to the court in China for the liquidation of CULCEC so that residual assets of this associate CULCEC could be distributed to its shareholders.

On 21 December 2020, the court in China approved the commencement of liquidation process of CULCEC. In the preceding reporting period, this asset has been reclassified to fair value through profit or loss, refer to Note 25.

21 Trade and other receivables

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Trade receivables				
Outside parties	**9,667**	7,962	**30**	37
Less: allowance for impairment	**(861)**	(1,014)	**(25)**	(25)
Net	**8,806**	6,948	**5**	12
Subsidiaries	–	–	**2,531**	2,016
Subtotal	**8,806**	6,948	**2,536**	2,028
Other receivables				
Outside parties	**370**	306	–	–
Less: allowance for impairment	**(63)**	(66)	–	–
Net	**307**	240	–	–
Subsidiaries	–	–	**3,314**	4,146
Subtotal	**307**	240	**3,314**	4,146
Total trade and other receivables	**9,113**	7,188	**5,850**	6,174

	Group	
	2024	2023
	$'000	$'000
Movements in above allowance for trade receivables:		
Balance at beginning of the year/period	**1,014**	1,214
Foreign exchange adjustments	**(37)**	(78)
(Write-back)/Charged to profit or loss	**(115)**	498
Utilised during the year/period	**(1)**	(620)
Balance at end of the year/period	**861**	1,014
Movements in above allowance for other receivables:		
Balance at beginning of the year/period	**66**	19
Foreign exchange adjustments	**(3)**	(3)
Charged to profit or loss	–	2,212
Utilised during the year/period	–	(2,162)
Balance at end of the year/period	**63**	66

Trade receivables are subject to the expected credit loss model under the financial reporting standard on financial instruments. The methodology applied for impairment loss is the simplified approach to measuring expected credit losses ("ECL") which uses a lifetime expected loss allowance for all trade receivables. The expected lifetime losses are recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the expected credit losses. The allowance matrix is based on its historical observed default rates (over a period of 12 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The Group has established a credit policy, whereby each new customer is analysed individually for credit worthiness. Each entity within the Group is responsible for managing and analysing the credit risk of each of its new customers before payment and delivery terms and conditions are offered. For existing customers, an on-going credit evaluation is performed on customers' financial conditions. The exposure to credit risk is controlled by setting credit limits to individual customers.

The credit terms granted to customers are generally between 14 to 90 days (2023: 14 to 90 days).

21 Trade and other receivables (cont'd)

(a) Ageing analysis of trade receivables that are past due at the end of the reporting year but not impaired is as follows:

Group	Gross amount		Loss allowance	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Current	**7,883**	6,222	–	–
Past due less than 60 days	**774**	552	–	–
Past due 61 to 90 days	**36**	248	–	(74)
Past due 91 to 180 days	**136**	58	–	(58)
Past due over 180 days	**838**	882	**(861)**	(882)
	9,667	7,962	**(861)**	(1,014)

(b) Ageing analysis of trade receivables at the end of the reporting year that are impaired is as follows:

	Group	
	2024	2023
	$'000	$'000
Past due 61 to 90 days	–	(74)
Past due 91 to 180 days	–	(58)
Past due over 180 days	**(861)**	(882)
	(861)	(1,014)

The above estimated credit loss allowance for trade receivables is based on individual accounts at the end of the reporting year.

There are no collateral held as security and other credit enhancements for the trade receivables.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

At end of the reporting year, approximately 74% (2023: 72%) of trade receivables are due from three customers as follows:

	Group	
	2024	2023
	$'000	$'000
Top 1 customer	**5,769**	4,320
Top 2 customers	**6,300**	4,795
Top 3 customers	**6,509**	4,979

At the end of the first reporting period a loss allowance is recognised at an amount equal to 12 month expected credit losses because there has not been a significant increase in credit risk since initial recognition.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

Other receivables due from subsidiaries are unsecured, non-interest bearing and have no fixed terms of repayment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

22 Lease receivables

In the reporting year ended 31 October 2012, the Group completed the construction of a biomass co-generation plant under a Design, Build and Operate Agreement ("DBO Agreement") entered with a customer. Under the DBO Agreement, the Group will operate and maintain the plant to supply electricity and heat to the customer for a term of 15 years since February 2012.

The Group assessed that the terms and conditions of the DBO Agreement contains a lease arrangement under SFRS(I) 16 on leases. The lease is classified as a finance lease as the present value of the minimum lease receivables amount to at least substantially all of the fair value of the biomass co-generation plant at the inception of the lease. Consequently, the Group accounts for its investment in the biomass co-generation plant from plant and equipment as finance lease receivables. The Group continues to be the legal owner of the plant.

A summary of the maturity analysis of lease payments receivables that shows undiscounted lease payments to be received on an annual basis is as follows:

	Group	
	2024	2023
	$'000	$'000
Minimum lease payments receivable:		
Not later than one year	**1,932**	1,938
Between 1 and 2 years	**1,932**	1,932
Between 2 and 3 years	**1,302**	1,932
Between 3 and 4 years	–	1,335
Between 4 and 5 years	–	–
Receivable after 5 years	–	–
Total	**5,166**	7,137
Unearned finance income	**(725)**	(1,294)
Net investment in the leases	**4,441**	5,843
Presented in statements of financial position as:		
Non-current	**2,925**	4,474
Current	**1,516**	1,369
	4,441	5,843

The imputed finance income on the lease receivables was determined based on the interest rate implicit in the lease. The effective interest rate is 10.6% (2023: 10.6%) per annum.

The finance lease income is disclosed in Note 6.

At each subsequent reporting date, an evaluation is made whether there is a significant change in credit risk by comparing the debtor's credit risk at initial recognition (based on the original, unmodified cash flows) with the credit risk at the reporting date (based on the modified cash flows). Adjustment to the loss allowance is made for any increase or decrease in credit risk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

23 Other non-financial assets

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Income tax receivables	**255**	224	–	–
Prepayments	**241**	246	**25**	39
Deposits to secure services	**352**	435	**1**	165
Less: Allowance for impairment	–	(114)	–	(114)
Net	**352**	321	**1**	51
	848	791	**26**	90

	Group and Company	
	2024	2023
	$'000	$'000
Movements in above allowance:		
Balance at beginning of the year/period	**114**	114
Written off during the year/period	**(114)**	–
Balance at end of the year/period	–	114

24 Inventories

	Group	
	2024	2023
	$'000	$'000
Raw materials	**1,107**	1,525
Work-in-progress	**375**	284
Finished goods	**422**	755
Consumables	**350**	368
Goods in transits	**81**	614
	2,335	3,546

Inventories are stated after allowance for obsolescence as follows:

Balance at beginning of the year/period	**316**	240
Charge to profit or loss included in cost of sales	**9**	208
Written off during the year/period	**(4)**	(132)
Balance at end of the year/period	**321**	316

Raw materials, consumables and changes in finished goods and work-in-progress recognised as cost of sales during the reporting year amounted to $15,226,419 (2023: $21,909,000).

A floating charge amounting to $1,838,000 (2023: $3,047,000) has been created over certain inventories of the Group as security to secure loans and borrowings (Note 32(c)).

25 Financial assets at fair value through profit or loss

	Group	
	2024	2023
	$'000	$'000
Unquoted investment in China	**1,013**	1,513

As disclosed in the Note 20, the unquoted investment represented the Group's 20% equity interest in China-UK Low Carbon Enterprise Co., Ltd ("CULCEC") which was reclassified from investment in an associate to financial assets at fair value through profit or loss in the reporting period ended 30 April 2023.

In March 2020, the business license of CULCEC expired and the Group applied to the court in China for the liquidation of CULCEC so that residual assets of this associate CULCEC could be distributed to its shareholders.

Fair value of the investment in unquoted equity shares are determined based on the expected amounts to be realised through the sale of assets and repayment of obligations as assessed by management based on the information provided by liquidator as at end of financial year.

Movement for unquoted equity shares at fair value for the financial year is as follows:

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Balance at the beginning of the financial year/period	**1,513**	–	**–**	–
Reclassified from investment in an associate	–	1,513	**–**	–
Fair value loss for the financial year	**(500)**	–	**–**	–
Balance at the beginning of the financial year/period	**1,013**	1,513	**–**	–

As of the date of approval of these consolidated financial statements by the board of directors for issue, the liquidation has not been completed.

26 Derivative financial instruments

	Group	
	2024	2023
	$'000	$'000
<u>Current assets:</u>		
Derivative financial instruments with positive fair values		
Forward foreign exchange contracts - cash flow hedges	**–**	16
<u>Current liabilities:</u>		
Derivative financial instruments with negative fair values		
Forward foreign exchange contracts - cash flow hedges	**(32)**	–

The movements during the reporting year are as follows:

	2024	2023
Balance at beginning of the year/period	**16**	7
(Loss)/gain recognised in other comprehensive income	**(48)**	9
Balance at end of the year/period	**(32)**	16

26 Derivative financial instruments (cont'd)

These include the gross amount of all notional values for contracts that have not yet been settled or cancelled. The amount of notional value outstanding is not necessarily a measure or indication of market risk, as the exposure of certain contracts may be offset by that of other contracts.

Group	Reference currency	Principal 2024 $'000	Principal 2023 $'000	Fair value 2024 $'000	Fair value 2023 $'000
Forward currency contracts	AUD/MYR	**3,999**	1,072	**(32)**	16

Forward foreign currency contracts are utilised to hedge against significant future transactions and cash flows. They are used where possible to reduce the exposure in the fluctuations of foreign currency rates. The forward foreign currency contracts are primarily denominated in the currencies of the Group's principal markets. The Group does not enter into derivative contracts for speculative purposes.

The forward foreign currency contracts are not traded in an active market. As a result, their fair values are based on valuation techniques currently consistent with generally accepted valuation methodologies for pricing financial instruments, and incorporate all factors and assumptions that knowledgeable, willing market participants would consider in setting the price (Level 2).

The fair value (Level 2) of forward foreign currency contracts is based on the current value of the difference between the contractual exchange rate and the market rate at the end of the reporting year. The valuation technique uses market observable inputs.

27 Cash and cash equivalents

	Group 2024 $'000	Group 2023 $'000	Company 2024 $'000	Company 2023 $'000
Not restricted in use	**625**	779	**17**	141
Restricted in use	**121**	129	-	-
	746	908	**17**	141

Details of restricted cash balances are as follows:

	Group 2024 $'000	Group 2023 $'000
Under operating activities:		
Fixed deposits held by banks as security for performance bonds	**92**	92
Under financing activities:		
Fixed deposits held by banks as security for loans and borrowings	**29**	37
	121	129

Other than the amounts that are restricted in use, cash and cash equivalents represent amounts with less than 90 days maturity.

The rates of interest for the cash on interest earning accounts are between 1.50% and 3.05% (2023: 0.05% and 3.84%) per annum.

27 Cash and cash equivalents (cont'd)

(a) Cash and cash equivalents in the consolidated statement of cash flows

	Group	
	2024	2023
	$'000	$'000
Cash and cash equivalents in the statements of financial position	**746**	908
Cash and cash equivalents restricted in use	**(121)**	(129)
	625	779

(b) Reconciliation of liabilities arising from financing activities

			Non-cash		
	At beginning of the year/ period $'000	Cash flows $'000	New leases $'000	Interest expense $'000	At end of the year/ period $'000
2024					
Loans and borrowings	**10,736**	**(3,126)**	**-**	**709**	**8,319**
Loan from a director	**621**	**200**	**-**	**58**	**879**
Loan from a key management personnel	**-**	**598**	**-**	**-**	**598**
Gross lease liabilities	**816**	**(764)**	**443**	**42**	**537**
2023					
Loans and borrowings	11,545	(1,693)	-	884	10,736
Loan from a director	-	621	-	-	621
Gross lease liabilities	2,303	(1,628)	-	141	816

The reconciliation of liabilities above excluded the provision for retirement benefit obligations.

28 Share capital

Group and Company	Number of ordinary shares with no par value		Share capital	
	2024	2023	**2024**	2023
	'000	'000	**$'000**	$'000
Balance at beginning/end of the year/period	**948,846**	948,846	**47,890**	47,890

Ordinary shares

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements apart from the listing requirement highlighted in the note below.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

28 Share capital (cont'd)

Treasury shares

	Number of treasury shares		Fair value	
	2024	2023	**2024**	2023
	'000	'000	**$'000**	$'000
Balance at beginning/end of the year/period	**(8,637)**	(8,637)	**(280)**	(280)

The Company has not acquired any shares through purchases in the Singapore Exchange during the financial year/period ended 30 April 2024 and 30 April 2023.

Capital management

The Company is committed to maintain an optimal capital structure to safeguard the Company's ability to continue as a going concern, to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing products and services commensurately with the level of risk. The management sets the amount of capital in proportion to risk. There were no changes in the approach to capital management during the reporting year.

The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debts.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt/adjusted capital. Net debt is calculated as total borrowings less cash and cash equivalents. Adjusted capital comprises all components of equity, that is, its total equity.

The debt-to-adjusted capital ratio is set out below:

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Loans and borrowings (Note 32)	**8,319**	10,736	–	–
Lease liabilities (Note 33)	**537**	816	**105**	9
Less: Cash and cash equivalents (Note 27)	**(746)**	(908)	**(17)**	(141)
Net debt	**8,110**	10,644	**88**	(132)
Adjusted capital:				
Total equity	**15,164**	16,756	**10,278**	14,043
Less: Amount accumulated in equity in relation to cash flow hedge	**(32)**	16	**–**	–
Adjusted capital	**15,196**	16,740	**10,278**	14,043
Debt-to-adjusted capital ratio	**53.4%**	63.6%	**0.9%**	-0.9%

The favourable change as shown by the increase in the debt-to-adjusted capital ratio for the reporting year resulted primarily from the unfavourable change with increased in accumulated losses and lower cash and cash equivalents balance.

29 Foreign currency translation reserve

	Group	
	2024	2023
	$'000	$'000
At beginning of the year/period	**(5,327)**	(5,024)
Exchange differences on translating foreign operations	**(341)**	(828)
Reclassification on disposal group classified as held for sale	**–**	525
At end of the year/period	**(5,668)**	(5,327)

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

30 Other reserves

	Group	
	2024	2023
	$'000	$'000
Hedging reserve (Note 30(a))	**(32)**	16
Other reserve (Note 30(b))	**2,212**	2,212
Defined benefit plan (Note 30(c))	**(55)**	(46)
	2,125	2,182

Other reserves are not available for cash dividends unless realised.

(a) Hedging reserve

The hedging reserve relates to the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

(b) Other reserve

	Group	
	2024	2023
	$'000	$'000
At beginning/end of the year/period	**2,212**	2,212

Other reserve relates to the difference between the change in non-controlling interests when acquiring additional equity interests in subsidiaries and the fair value of the consideration given for the acquisitions. There is no change in both periods.

(c) Defined benefit plan

Defined benefit plan relates to changes in the actuarial assumptions or the actual performance in the defined pension plan, resulting in gains or losses from the expected and actual returns on plan assets and changes in actuarial assumptions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

31 Provisions

	Group	
	2024	2023
	$'000	$'000
Provision for retirement benefit obligations (Note 31(a))	**338**	386
Provision for reinstatement cost (Note 31(b))	**710**	710
Provision for unutilised leave	**61**	–
	1,109	1,096
Presented as:		
Non-current liabilities	**338**	1,096
Current liabilities	**771**	–
	1,109	1,096

(a) Retirement benefit obligations

The Group operates a defined benefit plan for qualifying employees of its subsidiaries in Malaysia. Under the plan, the employees are entitled to two weeks of their last drawn salary for every year of employment served after fulfilling certain conditions. No other post-retirement benefits are provided. The plan is not held separately by an independent administrated fund as the plan is not a funded arrangement. Those employees who joined the subsidiaries in Malaysia on or after 15 July 2010 are not entitled to such retirement benefits.

The movements in the provision for retirement benefit obligations and the amounts recognised in the profit or loss during the reporting year are as follows:

	Group	
	2024	2023
	$'000	$'000
At beginning of the year/period	**386**	411
Foreign exchange adjustments	**(17)**	(31)
Current service cost	**18**	30
Interest expense on retirement benefit obligations	**14**	22
Defined benefit plan actuarial gains	**(9)**	(46)
Retirement benefit obligations paid	**(54)**	–
At end of the year/period	**338**	386

The principal actuarial assumptions used in respect of the Group's defined benefit plan are as follows:

	Group	
	2024	2023
	$'000	$'000
Discount rate	**4.16**	4.16
Expected rate of salaries increase	**5.00**	5.00

The assumptions relating to longevity used to compute the retirement benefit obligations are based on the published mortality tables commonly used by the actuarial professionals in Malaysia.

(b) Provision for reinstatement cost

	Group	
	2024	2023
	$'000	$'000
Balance at beginning/end of the year/period	**710**	710

31 Provisions (cont'd)

(b) Provision for reinstatement cost (cont'd)

The provision is based on estimated costs to be incurred to reinstate leasehold properties and an investment property to their original condition at the end of the lease. The estimate is based on a quotation from an external contractor.

32 Loans and borrowings

	Group	
	2024	2023
	$'000	$'000
Non-current liabilities		
Loans and borrowings with floating interest rate		
Bank loan A (Note 32(a))	**429**	–
Bank loan B (Note 32(b))	**1,114**	1,216
Bank loan D (Note 32(d))	**2,102**	2,232
Total non-current portion	**3,645**	3,448
Current liabilities		
Loans and borrowings with floating interest rate		
Bank loan A (Note 32(a))	**75**	574
Bank loan B (Note 32(b))	**104**	117
Bank loan C (Note 32(c))	**1,371**	1,652
Bank loan D (Note 32(d))	**784**	1,115
Bank loan E (Note 32(e))	**1,817**	2,982
Bankers' acceptances A (Note 32(d))	**285**	299
Revolving credit (Note 32(c))	**238**	549
Total current portion	**4,674**	7,288
Total non-current and current loans and borrowings	**8,319**	10,736
The non-current portion is repayable as follows:		
Due within 2 to 5 years	**2,896**	2,649
Due after 5 years	**749**	799
Total non-current portion	**3,645**	3,448

The carrying amounts of the current and non-current portions are reasonable approximation of fair values (Level 2).

The range of interest rates per annum paid were as follows:

	Group	
	2024	2023
	%	%
Floating interest rates:		
Bank loans	**2.18 to 10.15**	1.88 to 10.15
Bankers' acceptances	**5.10 to 5.30**	6.81
Revolving credit	**7.90**	4.77 to 7.65

(a) Bank loan A

Bank loan A bears floating interest rates. The loan is secured by a charge over two office units classified under investment properties (Note 16) and guaranteed by the Company. It is repayable in monthly instalments over 10 years commencing from February 2020.

In the preceding financial period, the Group did not comply with one of the covenants in the loan facility agreement that requires the total loan not to exceed 50% of the fair market value of the properties held as security. Accordingly, the bank loan was classified under current liabilities as at 30 April 2023.

32 Loans and borrowings (cont'd)

(b) Bank loans B

Bank loan B bears floating interest rates. The loan is secured by a charge over three office units classified under property, plant and equipment (Note 14(a)) and guaranteed by the Company and a related company. It is repayable in monthly instalments over 15 years commencing from January 2018.

(c) Bank loans C and revolving credit

Borrowings from Al Rajhi Banking & Investment Corporation (Malaysia) Bhd

At the end of the preceding reporting year, there was a breach of the terms in the loan agreement with Al Rajhi Bank. The Group did not maintain the required gearing ratio of 1.5 and the debt service coverage ratio of 1.35 for the credit facilities under Al Rajhi Bank. Furthermore, the Group failed to comply with a specific condition in the loan facility agreements, which required two executive directors of the Company to maintain their positions in the subsidiaries throughout the tenures of the facilities. This condition was breached due to the resignation of one of the executive directors.

As a result of these breaches, on 20 June 2022, the Group received a supplemental letter of offer from Al Rajhi Bank that revised the terms and conditions of the loan agreements. These revisions included shortening the maturity date from up to 150 days to 90 days and adjusting the interest rate from a cap of 10% per annum to the Bank's ECOF plus 3.00% per annum. Additionally, on 13 December 2022, the limit of the offered facilities was reduced from RM5,000,000 to RM3,165,000.

Breach of bank covenant

As the Group breached certain bank loan covenants under Bank loan C at 30 April 2024, in accordance with the accounting requirements, the corresponding loan facility has been classified as current in the financial statements as of 30 April 2024.

(d) Bank loans D and bankers' acceptances A

Borrowings from Affin Bank Berhad

The bank loans D includes 2 term loans which are repayable over 72 monthly instalments by July 2028 and repayable over 180 monthly instalments by June 2035 respectively. The term for each bankers' acceptances is 3 months (2023: 3 months) and is repayable in full on the last day of the term.

(e) Bank loans E

Borrowings from Malayan Banking Berhad

The bank loans E includes term loan of RM8,664,398 which are repayable over 38 monthly instalments by December 2025. There was a term loan with principal amount of RM2,579,099 and tenure of 18 months which has been fully settled during the financial year.

These borrowings are secured by a charge over the Group's leasehold land, leasehold properties and improvements, plant and equipment and pledges of inventories and fixed deposits as disclosed in Notes 10, 14(a), 15, 16 and 24.

As the bank loans E are secured by the non-current assets held for sales and immediate repayment is required once the disposal of the property is completed. It is classified under the current liabilities.

33 Lease liabilities

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Current	**410**	475	**19**	9
Non-current	**127**	341	**86**	–
	537	816	**105**	9

A summary of the maturity analysis of lease liabilities is disclosed in Note 37(b). The cash outflows in relation to the lease liabilities are shown in the consolidated statement of cash flows and Note 27(b). The related right-of-use assets are disclosed in Note 15. The total cash outflow including the short-term leases and leases of low-value assets are amounted to $703,000 (2023: $1,640,000).

The range of interest rates per annum paid were as follows:

	Group	
	2024	2023
	%	%
Finance lease liabilities	**2.88 to 6.50**	2.28 to 6.50

There were no future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities above.

Apart from the disclosures made in other notes to the financial statements, amounts relating to leases include the following:

	Group	
	2024	2023
	$'000	$'000
Expense relating to short-term leases and leases of low-value assets included in administrative expenses	**13**	12

34 Trade and other payables

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Trade payables				
Outside parties and accrued liabilities	**4,572**	5,578	**849**	1,058
Subsidiaries	**–**	–	**3,114**	2,143
Subtotal	**4,572**	5,578	**3,963**	3,201
Other payables				
Outside parties	**1,188**	1,262	**3**	3
Director	**879**	621	**879**	650
Key management	**598**	–	**–**	–
Subsidiaries	**–**	–	**9,985**	9,962
Subtotal	**2,665**	1,883	**10,867**	10,615
Total trade and other payables	**7,237**	7,461	**14,830**	13,816

34 Trade and other payables (cont'd)

Other payables to subsidiaries are unsecured, interest free and repayable on demand.

Other payable to a director represents loan from the director, and it is unsecured, interest rate at 6.5% (2023: 6.5%) per annum and repayable on demand.

Other payable to a key management represents loan from the key management, and it is unsecured, interest rate at 1.0% per annum (2023: nil) and repayable on demand.

35 Capital commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	Group	
	2024	2023
	$'000	$'000
Commitments to purchase of property, plant and equipment	**156**	–

36 Operating lease income commitments - as lessor

A maturity analysis of the undiscounted lease amounts to be received on an annual basis for a minimum of each of the first five years and a total of the amounts for the remaining years is as follows:

	Group	
	2024	2023
	$'000	$'000
Not later than 1 year	**75**	112
Later than 1 year and not later than 5 years	**–**	75
	75	187

37 Financial instruments

(a) Categories of financial assets and liabilities

The following table categorises the carrying amounts of financial assets and financial liabilities recorded at the end of the reporting year:

	Group		Company	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Financial assets				
Financial assets at amortised cost	**14,345**	14,020	**5,868**	6,365
Derivative financial assets at FVTPL	**–**	16	**–**	–
Financial assets at FVTPL	**1,013**	1,513	**–**	–
	15,358	15,549	**5,868**	6,365
Financial liabilities				
Financial liabilities at amortised cost	**16,093**	19,013	**14,935**	13,825
Derivative financial liabilities at FVTPL	**32**	–	**–**	–
	16,125	19,013	**14,935**	13,825

Further quantitative disclosures are included throughout these financial statements.

37 Financial instruments (cont'd)

(b) Financial risk management

The board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. Risk management is carried out under policies approved by the board of directors.

Risks management policies are established to identify and analyse the risks faced by the Group, to set appropriate risks' limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in the Group's activities and market conditions.

The Group has exposure to the following financial risks:

- Credit risk;
- Liquidity risk;
- Interest rate risk; and
- Foreign currency risk.

The Group's overall financial risk management strategy seeks to minimise the potential material adverse effects from these exposures. The information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing risks are presented below.

Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner. These arise principally from cash balances with banks and receivables. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counterparties are entities with acceptable credit ratings.

For expected credit losses (ECL) on financial assets, the three-stage approach in the financial reporting standards on financial instruments is used to measure the impairment allowance. Under this approach the financial assets move through the three stages as their credit quality changes.

Trade receivables, contract assets and lease receivables

The Group has applied the simplified approach to measure the lifetime expected credit losses for trade receivables, contract assets and lease receivables that do not have significant financing component. On initial recognition, a day-1 loss is recorded equal to the 12 month ECL (or lifetime ECL for trade receivables), unless the assets are considered credit impaired. For credit risk on trade receivables an ongoing credit evaluation is performed on the financial condition of the debtors and an impairment loss is recognised in profit or loss. The Group's exposure to credit risk on trade receivables is influenced mainly by the individual characteristics of each customer. Management considers the demographics of the Group's customer bases, including the default risk of the industry and country which customers operate, as these factors may have an influence on credit risk.

Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

37 Financial instruments (cont'd)

(b) Financial risk management (cont'd)

Credit risk on financial assets (cont'd)

Other financial assets at amortised cost

The Group has applied the general approach to measure the expected credit losses of other receivables and cash and cash equivalents that do not have significant financing component. The Group's exposure to credit risk on other receivables and cash and cash equivalents are immaterial as at 30 April 2024 and 30 April 2023.

Note 27 discloses the maturity of the cash and cash equivalents balances. Cash and cash equivalents are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

Liquidity risk - financial liabilities maturity analysis

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.

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual undiscounted cash flows):

Group	**Less than 1 year $'000**	**Due within 2 to 5 years $'000**	**Due after 5 years $'000**	**Total $'000**
2024				
Loans and borrowings	**4,744**	**3,099**	**840**	**8,683**
Lease liabilities	**429**	**105**	**15**	**549**
Trade and other payables	**7,294**	–	–	**7,294**
	12,467	**3,204**	**855**	**16,526**
2023				
Loans and borrowings	4,712	3,006	3,980	11,698
Lease liabilities	524	284	–	808
Trade and other payables	7,461	–	–	7,461
	12,697	3,290	3,980	19,967

Company	**Less than 1 year $'000**	**Due within 2 to 5 years $'000**	**Due after 5 years $'000**	**Total $'000**
2024				
Lease liabilities	**23**	**92**	**15**	**130**
Trade and other payables	**14,887**	–	–	**14,887**
	14,910	**92**	**15**	**15,017**
2023				
Lease liabilities	13	–	–	13
Trade and other payables	13,816	–	–	13,816
	13,829	–	–	13,829

37 Financial instruments (cont'd)

(b) Financial risk management (cont'd)

Liquidity risk - financial liabilities maturity analysis (cont'd)

The undiscounted amounts on the loans and borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the end of the reporting period.

The average credit period taken to settle trade payables is approximately 99 (2023: 99) days. The other payables are with short-term durations.

See Note 2(b) for the going concern assumption.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to interest-earning financial assets and interest-bearing financial liabilities. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates.

The interest rate risk exposure is mainly from changes in fixed and floating interest rates. The breakdown of the significant financial instruments by type of interest rate is as follows:

	Group		**Company**	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Financial assets				
Fixed rates	**4,595**	5,972	**–**	–
Financial liabilities				
Floating rates	**8,319**	10,736	**–**	–

Sensitivity analysis	**Group**	
	2024	2023
	$'000	$'000
Financial liabilities		
A hypothetical variation in floating interest rates by 100 basis points with all other variables held constant, would have an increase/decrease in pre-tax profit for the year by	**83**	107

The analysis has been performed for floating interest rate over a year for financial instruments. The impact of a change in interest rates on floating interest rate financial instruments has been assessed in terms of changing of their cash flows and therefore in terms of the impact on profit or loss. The hypothetical changes in basis points are not based on observable market data (unobservable inputs).

Foreign currency risk

The Group has exposure to foreign currency movements on financial assets and financial liabilities denominated in foreign currencies. It also has foreign currency risk on sales and purchases that are denominated in foreign currencies. The currencies giving rise to this risk is primarily the Australian dollar, Chinese Renminbi, United States dollar and Euro. The Group hedges its foreign currency exposure should the need arise through the use of forward foreign currency contracts.

37 Financial instruments (cont'd)

(b) Financial risk management (cont'd)

Foreign currency risk (cont'd)

Other than as disclosed elsewhere in the financial statements, the Group's significant exposures to foreign currencies are as follows:

Group	Australian Dollar * $'000	Chinese Renminbi $'000	United States Dollar $'000	Euro $'000	Total $'000
2024					
Financial assets					
Cash and cash equivalents	**2**	–	**29**	–	**31**
Trade and other receivables	**6,392**	**1,517**	**590**	**117**	**8,616**
Total financial assets	**6,394**	**1,517**	**619**	**117**	**8,647**
Financial liabilities					
Trade and other payables	**(587)**	**(127)**	**(1,847)**	**(53)**	**(2,614)**
Net statement of financial position exposure	**5,807**	**1,390**	**(1,228)**	**64**	**6,033**
Forward currency contracts	**(3,999)**	–	–	–	**(3,999)**
Net exposure	**1,808**	**1,390**	**(1,227)**	**64**	**2,034**
2023					
Financial assets					
Cash and cash equivalents	2	–	25	–	27
Trade and other receivables	5,565	1	639	138	6,343
Total financial assets	5,567	1	664	138	6,370
Financial liabilities					
Trade and other payables	(465)	(5)	(1,843)	–	(2,313)
Net statement of financial position exposure	5,102	(4)	(1,179)	138	4,057
Forward currency contracts	(1,072)	–	–	–	(1,072)
Net exposure	4,030	(4)	(1,179)	138	2,985

Other than as disclosed elsewhere in the financial statements, the Company's significant exposures to foreign currencies are as follows:

Company	Malaysia Ringgit **2024** **$'000**	Malaysia Ringgit 2023 $'000
Financial assets		
Trade and other receivables	**131**	9
Financial liabilities		
Trade and other payables	**(18)**	–
Net financial assets	**113**	9

37 Financial instruments (cont'd)

(b) Financial risk management (cont'd)

Foreign currency risk (cont'd)

Sensitivity analysis:

A hypothetical 10% (2023: 10%) strengthening of the above currencies against the functional currency of the respective subsidiaries of the Group at the end of the reporting year would increase/(decrease) pre-tax profit for the reporting year by the amounts shown below. A 10% (2023: 10%) weakening of the above currencies against the functional currency of the respective subsidiaries would have an equal but opposite effect.

This analysis has been carried out without taking into consideration of hedged transactions and assumes all other variables remain constant.

	Group		**Company**	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
A hypothetical 10% strengthening in the exchange rate of the functional currency $ against AUD with all other variables held constant would have an unfavourable effect on pre-tax profit of	**181**	403	–	–
A hypothetical 10% strengthening in the exchange rate of the functional currency $ against all other currencies with all other variables held constant would have an unfavourable effect on pre-tax profit of	**23**	(104)	**11**	–

The hypothetical sensitivity rate used in the above table is the reasonably possible change in foreign exchange rates.

(c) Fair values of assets and liabilities

Fair value hierarchy

The Group and Company classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

c) Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

37 Financial instruments (cont'd)

(c) Fair values of assets and liabilities (cont'd)

Fair value hierarchy (cont'd)

Fair value measurements of financial instruments that are carried at fair value

The following table presents the level of fair value hierarchy for each class of financial instruments measured at fair value on the reporting year at 30 April 2024:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Group				
2024				
Financial assets				
Financial assets at FVTPL	**–**	**–**	**1,013**	**1,013**
Financial liabilities				
Derivative financial liabilities at FVTPL	**–**	**32**	**–**	**32**
2023				
Financial assets				
Financial assets at FVTPL	–	–	1,513	1,513
Derivative financial assets at FVTPL	–	16	–	16

Fair value of financial instruments by classes that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

38 Legal case

In September 2016, Changyi Enersave Biomass to Energy Co., Ltd, ("CEBEC"), a wholly-owned subsidiary in the Group, commenced arbitration proceedings in Weifang Arbitration Commission in Shandong, People's Republic of China against its contractor, China Huadian Engineering Co., Ltd, ("Hua Dian"), for failure to perform the Engineering, Procurement and Construction Contract ("EPC Contract") between the two parties in relation to the CEBEC Plant.

On 23 December 2017, the decisions of the arbitral tribunal (the "2017 arbitration award") were as follows:

(i) Hua Dian is to abide by the EPC Contract and deliver to CEBEC a CEBEC plant in accordance with the technical specifications set out thereunder, within 6 months from 23 December 2017;

(ii) Hua Dian's counter-claim in the amount of RMB31,657,659 (approximately $6,299,000) (the "Remainder Amount"), representing the unpaid amounts under the EPC Contract, is in abeyance until delivery of a CEBEC plant compliant with the technical specifications as laid out in the EPC Contract; and

(iii) An interim award of RMB18,800,000 (approximately $3,860,000) is awarded to CEBEC for failure to perform the EPC contract, which shall be set-off against the Remainder Amount.

38 Legal case (cont'd)

On 26 July 2018, CEBEC applied to the Beijing Court to enforce the 2017 arbitration award as Hua Dian failed to deliver a plant in accordance to the technical specifications within 6 months from 23 December 2017. On 24 May 2019, the Beijing Court rejected CEBEC's application due to unclear enforcement criteria, especially the different understanding about delivering a up to standard biomass power plant. Subsequently, management appealed to Beijing High Court. On 24 December 2019, the Beijing High Court rejected the appeal for the same reason as Beijing Court.

During the reporting year 2020, CEBEC commenced a second arbitration proceeding against Hua Dian in Weifang Arbitration Commission in Shandong, People's Republic of China. CEBEC sought for the dispute to be resolved at the Weifang Arbitration Commission despite obtaining an earlier arbitration award due to Hua Dian's insistence for payments of the remaining contract sum before carrying out any rectification work at the plant and the lack of specific definition in the EPC contract of a up to standard biomass power plant. The claims were as follows:

(a) The EPC contract signed between Hua Dian and CEBEC be nullified or voided;

(b) Hua Dian was responsible to reinstate the land where the CEBEC Plant is located to its original condition by removing all equipment and machinery relating to the CEBEC Plant within 90 days from the date of the arbitration award;

(c) Hua Dian was obliged to refund the contract sum paid by CEBEC under the EPC contract and expenses paid on behalf of Hua Dian by CEBEC amounting to RMB148,326,885 (approximately $29,600,000) and RMB2,577,957 (approximately $515,000) respectively;

(d) Hua Dian was required to compensate CEBEC for operating losses amounting to RMB41,259,848 (approximately $8,200,000); and

(e) Hua Dian was required to bear the cost of arbitration.

On 3 March 2021, Weifang Arbitration Commission rejected the second arbitration application by CEBEC and rejected Hua Dian's counterclaim to dismiss the arbitration.

In a legal opinion dated 9 February 2022 obtained by management, the Group's external legal counsel in the PRC stated that the Weifang Arbitration Commission's adjudication does not affect the validity of the 2017 arbitral award disclosed above.

No further legal actions were taken since 3 March 2021. Based on the directors' assessment of the events, there is no provision required.

39 Notice of Compliance and Extraordinary General Meeting

Suspension of trading and receipt of Notice of Compliance ("NOC")

On 18 June 2021, the trading of the Company's shares was suspended from trading on SGX.

On 25 June 2021, the Company received a Notice of Compliance from Singapore Exchange Regulation Pte Ltd ("SGX RegCo"). On 28 June 2021, the Company received SGX RegCo's directives in relation to the Notice of Compliance.

39 Notice of Compliance and Extraordinary General Meeting (cont'd)

Extraordinary general meeting

On 19 May 2021, the Company received a Requisition Notice from three (3) of the shareholders to convene an extraordinary general meeting ("EGM") for the purposes of considering and voting on the following resolutions:

- That Cao Shixuan be removed from his office as a Director of the Company with effect from the date of the EGM;
- That Damien Seah Yang Hwee be appointed as a Director of the Company with effect from the date of the EGM;
- That Yeo Lai Hock, Nichol be appointed as a Director of the Company with effect from the date of the EGM;
- That Tan Siok Sing Calvin be appointed as a Director of the Company with effect from the date of the EGM;
- That any directors of the Company who may be appointed between the date of this Notice and the date of the EGM be removed; and
- To transact any other business.

On 10 August 2021, the Company had been served with (i) a writ of summons ("Writ of Summons") as the 4th Defendant, and (ii) an application for immediate interim injunctions dated 10 August 2021 filed by solicitors for Mr Cao Shixuan (Deputy Chief Executive Officer and Executive Director) ("Plaintiff") in the High Court of Singapore. The other defendants are Mr Lee Thiam Seng (Executive Chairman and Chief Executive Officer) ("1st Defendant") and the remaining Requisitionists, being Mr Tan Jin Beng Winston ("2nd Defendant") and Mr Tan Swee Boon ("3rd Defendant") (collectively, the "1st to 3rd Defendants"). The Plaintiff's lawyers have stated that the Company is a nominee defendant and the Plaintiff is not seeking any remedies against the Company.

The application for the interim injunctions, in response to the requisitioning of the first EGM that the Company received on 19 May 2021, was heard on 12 August 2021 by the High Court of Singapore. After hearing lawyers for the parties, the High Court granted an interim injunction in favour of the Plaintiff ("Injunction Order"), prohibiting the 1st to 3rd Defendants from convening the EGM on 13 August 2021. On 24 February 2022, the Company received a notice of discontinuance of the Writ of Summons ("Notice of Discontinuance") from the lawyers acting for Mr Cao Shixuan ("Mr Cao") to inform that Mr Cao has wholly discontinued any action against all four Defendants, including the Company and Mr Lee Thiam Seng, pursuant to the Writ of Summons. The Notice of Discontinuance was filed with the Court on 23 February 2022.

On 27 August 2021, EY was engaged by the Company to conduct a review of the key areas highlighted in the NOC, including the adequacy and effectiveness of financial reporting internal controls, release of announcements, escalation and information flow to the Board and safeguarding of the Company's assets (the "Internal Review"). Unless otherwise mentioned, the period of the Internal Review is from 1 November 2019 to 31 July 2021.

On 22 October 2021, the Company received a letter (the "Special Notice") from Lee Thiam Seng (Chief Executive Officer and Executive Director), Tan Swee Boon, Tan Jin Beng Winston, Cheong Hwei Keng, Ang Boon Meng, Poh Yuan Rui, Mok Tang Heng, Zhang Fan, Liu Bin, Heng Choon Cher, Teo Boon Ling, Yang Shuqin, Tan Kok Huat and Tan Chee Chew (collectively, the "Relevant Shareholders"), constituting a special notice under Section 152(2)1 read with Section 185 of the Companies Act 1967 ("Companies Act") of the intention of the Relevant Shareholders to convene an extraordinary general meeting of the Company ("EGM") pursuant to Section 177 of the Companies Act. A notice of the EGM dated 22 October 2021 was issued by the Relevant Shareholders, to convene an EGM pursuant to Section 177 of the Companies Act ("Notice of EGM"). The EGM was to be held by way of electronic means at 2 pm on 26 November 2021, for the purposes of considering the resolutions set out in the Notice of EGM.

39 Notice of Compliance and Extraordinary General Meeting (cont'd)

Extraordinary general meeting (cont'd)

On 12 November 2021, Mr Cao had applied for injunction filed by the solicitors for Mr Cao in the High Court of Singapore, against the convening of the EGM by Mr Lee Thiam Seng, Mr Tan Jin Beng Winston and Mr Tan Swee Boon.

On 26 November 2021, the Company has been informed by Mr Lee Thiam Seng, for and on behalf of the Relevant Shareholders, that the Relevant Shareholders have voluntarily postponed the EGM. The Relevant Shareholders will inform the Company of the new date and time of the EGM. Accordingly, the Relevant Shareholders did not convene the EGM on 26 November 2021.

On 16 March 2022, the Company received an email (the "Special Notice 2") from Tan Swee Boon, Tan Jin Beng Winston, Liu Bin, Poh Yuan Rui, Heng Choon Cher, Teo Boon Ling, Yang Shuqin and Tan Kok Huat (collectively, the "Relevant Shareholders of Special Notice 2"), constituting a special notice under Section 152(2)1 read with Section 185 of the Companies Act 1967 ("Companies Act") of the intention of the Relevant Shareholders of Special Notice 2 to convene an extraordinary general meeting of the Company ("EGM 2022") pursuant to Section 177 of the Companies Act. A notice of the EGM 2022 dated 15 March 2022 was issued by the Relevant Shareholders of Special Notice 2, to convene an EGM 2022 pursuant to Section 177 of the Companies Act ("Notice of EGM 14 April 2022"). The EGM 2022 was to be held by way of electronic means at 2.30 pm on 14 April 2022, for the purposes of considering the resolutions set out in the Notice of EGM 14 April 2022.

On 13 April 2022, Mr Cao Shixuan and Mr Er Kwong Wah, Executive Director and Lead Independent Director, resigned as directors of the Company.

On 14 April 2022, the Company received the scrutineers' report on the results of the EGM 2022 from the Relevant Shareholders of Special Notice 2. The scrutineers' report showed that resolutions set out in the Notice of EGM 14 April 2022 were approved by majority shareholders who voted at EGM 2022. Following the conclusion of EGM 2022, Dr Danny Oh Beng Teck, Mr Gan Fong Jek and Mr Allan Tan Poh Chye were appointed as Non-Executive Independent Directors of the Company with effect from 14 April 2022.

Extension of internal audit scope under NOC

On 11 May 2022, the audit of the interim financial statements of the Group for the six-month period ended 30 April 2021 as required under the NOC was completed.

On 11 May 2022, SGX RegCo has directed the internal auditor, EY to expand the scope of the internal audit to include, *inter alia*, the following: (a) the service agreements entered by Chongqing ecoWise Investment Management Co., Ltd.; (b) disclosures of related party relationships, transactions and balances; and (c) the unconsolidated entities in China.

Findings of the internal audit under NOC

On 28 March 2024, the internal auditor, EY, has completed the Internal Review (including the Expanded Scope) and has provided the final full reports on their findings (the "Internal Review Reports") to the Board and the Company. The Company has made the announcement and uploaded an executive summary of the Internal Review Reports (the "Executive Summary") which set out the detailed summary of all the facts, key findings and recommendations which are discussed in the Internal Review Reports.

Certain key findings highlighted by EY in the Executive Summary are as below:

(a) It appears that certain key matters of the Transactions were not reported to the Board, including updates on the Arbitration; incorporation and acquisition of companies in China and the plan to liquidate CULCEC. There were also instances where updates to the Board were either unclear or inaccurate.

39 Notice of Compliance and Extraordinary General Meeting (cont'd)

Findings of the internal audit under NOC (cont'd)

Certain key findings highlighted by EY in the Executive Summary are as below (cont'd):

(b) Announcements on SGXNet were not made for certain key matters. Such matters include the acquisition of Chongqing Lvke and incorporation of Wuhan Lvke in 2017.

(c) HKCB was involved in three transactions with the Company, namely the acquisition of the Company's subsidiaries ecoWise Energy Pte Ltd ("EWE") and Wuhan ecoWise Energy ("WEE") in 2019; the management/disposal of CQEIM's properties and the failed acquisition of a stake in CULCEC by HKCB in 2020. In this period, there were business connections between Mr. Cao and Mr. Chen Zheng Chen ("Mr. Chen"). Based on the documents provided to EY, EY did not find evidence to show that Mr. Cao had disclosed these business connections to the Board at the material times of the three transactions. Information gathered by EY in the course of its work did not reveal any familial relationships between Mr. Cao and Mr. Chen.

(d) In his clarifications to SGX RegCo, Mr. Cao stated that HKCB was appointed to manage and dispose the CQEIM's properties because CQEIM had failed to find buyers despite efforts made over a few months, and that HKCB had the connections to secure the disposal of the properties. EY was not provided with and also did not find evidence to support the efforts made by CQEIM, nor evidence that due diligence procedures were conducted to assess the capabilities of HKCB prior to its appointment.

(e) EY is unable to determine the actual selling prices of the CQEIM properties. In the clarifications to SGX RegCo, Mr. Cao said that the prices were based on valuation reports issued by professional valuers. However, the valuers appear to have been appointed after the appointment of HKCB and after title deeds were transferred to the new owners, which raises questions as to whether the disposal prices were indeed based on the valuation reports.

(f) CQEIM's properties were transferred to their new owners shortly after HKCB was appointed. Copies of the title deeds provided to EY do not show the full names of the new owners. EY was unable to proceed with formal enquires with the China government agencies for information on the current owners due to the lack of official CQEIM company documents. EY's analysis revealed that one of the individuals appointed by HKCB to pay for the CQEIM's properties could be a former employee of the Group. Another payer of the CQEIM's properties is a company that was registered on 12 November 2021, and it was a wholly owned indirect subsidiary of CBE (formerly EWE) and HKCB. At this time, Mr. Cao and Mr. Ivan Lye ("Mr. Lye") (the former Assistant Group Financial Controller and former Company Secretary) were both directors of CBE.

(g) Based on the information available to EY, it appears that there could still be monies due from HKCB/new owners of the CQEIM Properties as of October 2021. Given that HKCB was dissolved on 3 March 2023, the Company should consider seeking legal advice to recover the monies due if they are still outstanding.

(h) With respect to the approval for incorporating and/or acquiring the PRC Entities, minutes of a Board meeting show that the idea of incorporating a new entity for carbon trading was discussed, but EY did not see further discussions and/or approval on the same. Publicly available information shows that Mr. Cao was the first legal representative of Chongqing Lvke and Executive Director of Wuhan Lvke after their respective acquisition/incorporation. Mr. Cao and Mr. Chen were at different points in time, the legal representatives of the PRC Entities prior to January 2019.

(i) EY further noted that an employee of Chongqing eco-CTIG Rubber Technology Co. Ltd ("CECRT"), current indirect subsidiary of the Group, was also an employee of the PRC Entities between 2017 and January 2019. A document provided to EY suggests that there was an arrangement in 2017 between HKCB/Mr. Chen and EWH to allow HKCB to appoint their employees as the legal representative and shareholder of the PRC Entities, even though HKCB had no direct relationship with the PRC Entities at the time the document was issued.

39 Notice of Compliance and Extraordinary General Meeting (cont'd)

Findings of the internal audit under NOC (cont'd)

Certain key findings highlighted by EY in the Executive Summary are as below (cont'd):

(j) Certain key control lapses were noted during EY's review, including instances where payment amounts were split to circumvent the existing Delegation of Approval ("DOA") matrix to supposedly expedite the payment process; insufficient documentation to support payment; no documented policies on matters that require company announcement; no formalised policy on nature/type of matters that should be escalated to the Board; lack of oversight over certain entities and poor data retention practices of the Company.

EY has provided recommendations to improve the internal controls of the Group. In the course of EY's works, it has also identified certain areas of concern with respect to Catalist Rules and Companies Act 1967 as summarised in the Executive Summary. EY has advised the Company to seek professional legal advice on the same and take the necessary remedial action where necessary.

On 28 March 2024, SGX RegCo refers to the findings of the internal audit by EY and require the Company to provide a satisfactory trading resumption proposal that include, among others, the following:

(a) a clean audit opinion for the latest set of financial statements,
(b) a viable and sustainable business,
(c) demonstration of its ability to operate as a going concern,
(d) assessment and confirmations by the Board and sponsor on the adequacy of working capital for at least 12 months following trading resumption, and
(e) an independent attestation on the effectiveness and adequacy of its internal controls, which takes into account EY's recommendations (where still relevant) and its operating environment.

SGX RegCo will investigate the potential listing rule breaches highlighted in the EY Report and refer any potential contraventions of the law to the relevant authorities.

On 30 April 2024, the Board had engaged another independent firm to act as internal auditor, and their scope of work, amongst others, includes the review and enhancement of the Company's operating procedures and corresponding internal controls in relation to the areas of concern identified in the independent review by EY.

This review which was performed by the internal auditor has been completed on 8 August 2024. Other than the recording and measurement of the transactions in China subsidiaries that were presented as "Disposal Group" on the balance sheet as at 30 April 2024 which were to be disposed of subsequently (refer to Note 40), the Board believes that there are no further unidentified or unknown impact arising from the NOC that could affect the financial statements.

Overall, the Board is satisfied that the subsequent enhancements that are put in place are adequate to address the areas of concern identified in the internal audit report by EY.

40 Subsequent events

(a) On 31 May 2024, Sunrich Integrated Sdn. Bhd., a wholly-owned subsidiary of the Group has entered into a conditional Sale and Purchase Agreement ("SPA") with a third party buyer to dispose the property in Negeri Sembilan, Malaysia, for a purchase consideration of RM14 million (equivalent to $4 million). The completion of the SPA is subject to certain conditions, which include, among others, the grant of relevant State Authority's consent to transfer the property to the Purchase.

40 Subsequent events (cont'd)

(b) On 31 July 2024, the Group has entered into Share Sale and Purchase Agreements with a third-party buyer, Mr. Chhoa Kiat Lim, Thomas for the disposal and sale of all the issued and paid-up equity interest of ecoWise Solutions Pte. Ltd. ("EWS"), ecoWise RubberTech Pte. Ltd. ("ERT") and Hivern Investments Pte. Ltd. ("Hivern"). The total consideration of disposal is $3, at $1 for each entity.

The disposal excludes the investment properties and 100% equity interests in ecoWise Materials Pte. Ltd. owned by EWS ("Excluded Assets").

Other than the Excluded Assets, the third-party buyer will acquire all assets and liabilities (including contingent assets and liabilities). Upon the disposal, the following entities will cease to be the subsidiaries of the Group:

(i) Hivern,
(ii) ERT,
(iii) EWS,
(iv) CEBEC (wholly subsidiary of Hivern),
(v) CQEIM (wholly subsidiary of EWS), and
(vi) CECRT (35% equity interest owned by CQEIM and 65% equity interest owned by ERT)

As disclosed in Note 11, the disposal group's liabilities exceeded its assets by $1,202,000 as at 30 April 2024, and the foreign currency translation reserve of the disposal group classified as held for sale is amounted to $423,000.

The completion of the disposal is subject to the formal and proper resignation of the specified director from the Board of the disposal group.

(c) On 2 August 2024, the Company has entered into a Placement and Underwriting Agreement with a Placement Agent, SAC Capital Private Limited. The Company proposes to raise additional funds through a private placement by issuing:

(i) up to an aggregate of 200,000,000 new ordinary shares ("Placement Shares") at a placement price of S$0.015 for each Placement Share (the "Placement"); and

(ii) up to 200,000,000 detachable, transferrable and non-listed warrants ("Warrants") at the warrant issue price of S$0.001 for each Warrant, on the basis of one (1) Warrant for each Placement Share, with each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company ("Warrant Share") at a warrant exercise price of S$0.0165 for each Warrant Share (the "Warrant Issue").

41 Basis for disclaimer of opinion on the financial statement for the financial year end

The independent auditor's report dated 28 September 2023 contained a disclaimer of opinion on the financial statements for the financial period from 1 November 2021 to 30 April 2023. The extract of the basis for disclaimer of opinion, which should be read in conjunction with the Group's 2023 Annual Report as all figures and references are in respect of the financial statements for the financial period from 1 November 2021 to 30 April 2023, is as follows:

Basis for Disclaimer of Opinion

1) Opening balances and limitation of scope in relation to the China subsidiaries

The independent auditor's report on the consolidated financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 October 2021 expressed a disclaimer of opinion. The extract of the basis for disclaimer of opinion is disclosed in Note 43 to the financial statements.

41 Basis for disclaimer of opinion on the financial statement for the financial year end (cont'd)

Basis for Disclaimer of Opinion (cont'd)

1) Opening balances and limitation of scope in relation to the China subsidiaries (cont'd)

In view of the matters described in the Basis for Disclaimer of Opinion on the financial statements for the financial year ended 31 October 2021, we are unable to determine whether the opening balances as at 1 November 2021 are fairly stated. Since the opening balances as at 1 November 2021 enter into the determination of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial period ended 30 April 2023, we are unable to determine whether any adjustments might have been found necessary in respect of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial period ended 30 April 2023.

Furthermore, on the following matters which were similarly disclaimed by the predecessor auditors (Note 43) and relating to the China subsidiaries including Chongqing ecoWise Investment Management Co., Ltd. ("CQEIM"), Changyi Enersave Biomass to Energy Co., Ltd. ("CEBEC") and Chongqing eco-CTIG Rubber Technology Co., Ltd. ("CECRT") (collectively, the "China subsidiaries") which have a continuing relevance to the current period financial statements are described below:

a) the service agreements entered by CQEIM and the related accounting implications;

b) the disclosure of related party relationships, transactions and balances in relation to the China subsidiaries;

c) the completeness of the China subsidiaries included for the Group's consolidation purpose;

d) the accounting of long outstanding payable in relation to CEBEC;

e) the recoverability of receivables in relation to the China subsidiaries.

We were unable to obtain sufficient appropriate audit evidence such as confirmations from the lawyers, banks, related parties and third parties, and supporting documents for verification of certain balances and transactions for the China subsidiaries. We were also unable to carry out the necessary audit procedures to complete the review of subsequent events of the China subsidiaries from 30 April 2023 up to the date of this report.

Accordingly, we are unable to satisfy ourselves with regards to the recording and measurement of all transactions relating to China subsidiaries that may have occurred or are related to the above-mentioned matters during the financial period ended 30 April 2023 and whether the profit or loss, assets and liabilities are complete and fairly stated as at 30 April 2023, and the possible effect of these matters on the comparability of the current financial period's figures and the corresponding figures.

2) Disposal Group classified as held for sale (in relation to the China subsidiaries)

As at 30 April 2023, assets and liabilities in relation to the China subsidiaries have been reclassified as disposal group classified as held for sale which amounted to $1,056,000 and $2,410,000 respectively, as disclosed in Note 11 to the financial statements. The results of the Chinese subsidiaries have also been presented as "Discontinued operations" in the current financial period with the preceding financial year comparatives similarly re-presented

As at the date of this report, the sale of the China subsidiaries has not been completed and due to the circumstances described in Note 11, management is unable to provide further justification that the criteria to be classified as held for sale have been satisfactorily met in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations*. Consequently, we are unable to obtain sufficient appropriate audit evidence to ascertain the appropriateness of the classification and measurement of the disposal group classified as held for sale as at 30 April 2023.

41 Basis for disclaimer of opinion on the financial statement for the financial year end (cont'd)

Basis for Disclaimer of Opinion (cont'd)

2) Disposal Group classified as held for sale (in relation to the China subsidiaries) (cont'd)

In addition to Basis for Disclaimer (1), we are also unable to satisfy ourselves whether the loss from discontinued operations, and assets and liabilities directly associated to the disposal group classified as held for sale are complete and fairly stated as at 30 April 2023, including but not limited to the items described below:

(i) the loss from discontinued operations (net of tax) of $7,225,000 and assets and liabilities directly associated to the disposal group classified as held for sale as disclosed in Note 11 to the financial statements;

(ii) the basic and diluted loss per share attributable to equity holders of the Company for loss from discontinued operations as disclosed in Note 13 to the financial statements;

(iii) the reasonableness and appropriateness of expected credit loss recognised in the consolidated profit or loss and disclosures of credit risk related to the receivables as disclosed in Note 38(b) to the financial statements;

(iv) the reasonableness and appropriateness of impairment loss recognised in the consolidated profit or loss in relation to the disposal group classified as held for sale as disclosed in Note 11 to the financial statements;

(v) any other gain or loss to be recognised on the remeasurement of the disposal group classified as held for sale;

(vi) the cash flows effects of the discontinued operations to the consolidated statement of cash flows of the Group as disclosed in Note 11 to the financial statements;

(vii) the disclosure of related party information relating to disposal group; and

(viii) the disclosure of segment information relating to the disposal group.

3) Internal audit under "Notice of Compliance" ("NOC")

Included in the basis for disclaimer of opinion of the financial year ended 31 October 2021, as disclosed in Note 43 to the financial statements, Singapore Exchange Regulation Pte. Ltd. ("SGX RegCo") has issued a NOC which required the Company to commission an internal audit.

As at the date of this report, the NOC review is still on-going. Consequently, we are unable to determine the potential financial impact, if any, arising from the findings of the NOC. We are also unable to determine whether any additional audit procedures or any adjustments arising thereon may be required, and whether there will be any impact on the financial statements.

4) Impairment assessment of the Group's property, plant and equipment in Malaysia

As disclosed in Note 15 to the financial statements, the carrying amount of the Group's property, plant and equipment in Malaysia was $9,465,000 (31 October 2021: $16,800,000) and an impairment loss of $452,000 was recognised to write down the carrying amount of the Group's property, plant and equipment in Malaysia to its recoverable amount during the financial period ended 30 April 2023. Furthermore, in Note 43 to the financial statements, the basis for disclaimer of opinion of the preceding financial year included the impairment assessment on the Group's property, plant and equipment in Malaysia.

41 Basis for disclaimer of opinion on the financial statement for the financial year end (cont'd)

Basis for Disclaimer of Opinion (cont'd)

4) Impairment assessment of the Group's property, plant and equipment in Malaysia (cont'd)

Since the opening balances as at 1 November 2021 enter into the determination of the current period's consolidated profit or loss, we are unable to determine whether adjustments to the current period's consolidated profit or loss and accumulated losses as at 1 November 2021 might be necessary in respect of the impairment loss of $452,000 recognised during the current financial period ended 30 April 2023. We were also unable to determine whether the necessary disclosures as required by SFRS (I) 1-36 were complete.

5) Valuation of equity investment at fair value through profit or loss (previously classified as investment in an associate)

As at 30 April 2023, the carrying amount of the Group's equity investment at fair value through profit or loss in relation to China-UK Low Carbon Enterprise Co., Ltd ("CULCEC") was $1,513,000 (31 October 2021: $1,513,000 classified as investment in an associate).

As disclosed in the Note 26 to the financial statements, the Group owned a 20% equity interest in CULCEC, which was previously accounted for as investment in an associate. The liquidation of CULCEC was approved by the court in China on 21 December 2020. As at 30 April 2023, the Group reclassified the investment in an associate to equity investment at fair value through profit or loss in accordance with SFRS(I) 9 *Financial Instruments*.

As at 30 April 2023, the Group assessed the fair value of the investment in unquoted equity shares by reference to the liquidator report dated on 31 December 2020 as there has been no update on the liquidation status of CULCEC. We are unable to satisfy ourselves that the carrying amount of the Group's equity investment at fair value through profit or loss as at 30 April 2023 is fairly stated, and whether the classification of the Group's investment in an associate as at 31 October 2021 was appropriate.

6) Use of the going concern assumption

We draw attention to Note 2(b) to the financial statements with respect to the Group's and the Company's ability to continue as going concerns. During the financial period ended 30 April 2023, the Group incurred a net loss of $14,082,000 (2021: $6,832,000). As at 30 April 2023, the Group's and the Company's current liabilities exceeded the current assets by $1,364,000 (31 October 2021: $76,000) and $7,486,000 (31 October 2021: $6,320,000) respectively. These conditions give rise to material uncertainties on the ability of the Group and the Company to continue as going concerns.

The ability of the Group and of the Company to meet their liabilities as and when they fall due depends on the conclusion of the courses of action described in Note 2(b). We were not provided with sufficient appropriate audit evidence to perform required assessment in order to conclude on the appropriateness of management's use of the going concern basis of accounting.

If the Group and Company are unable to continue in operational existence for the foreseeable future, the Group and the Company may be unable to discharge their liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded on the statements of financial positions of the Group and the Company. In addition, the Group and Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 30 April 2024

42 Comparative figures

The financial statements for the current financial year cover the financial year from 1 May 2023 to 30 April 2024 whereas the financial statements for the preceding financial periods covered the financial period from 1 November 2021 to 30 April 2023 and financial year from 1 November 2020 to 31 October 2021. As such, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows of the Group and the statement of changes in equity of the Company and related notes for the current financial year and preceding financial period/year are not comparable.

43 Authorisation of financial statements for issue

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 April 2024 were authorised for issue in accordance with a resolution of the board of directors of the Company on 15 August 2024.

STATISTICS OF SHAREHOLDINGS

AS AT 31 JULY 2024

Class of shares	:	Ordinary Share
Number of issued shares (excluding treasury shares and subsidiary holdings)	:	948,845,729
Issued and fully paid-up capital	:	S$53,886,908.57
Voting rights	:	One vote per share (excluding treasury shares and subsidiary holdings)
Number of treasury shares and as a percentage of total number of shares outstanding	:	8,637,300 (0.91%)
Subsidiary holdings and as a percentage of total number of shares outstanding	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	19	1.04	912	0.00
100 - 1,000	60	3.28	41,417	0.00
1,001 - 10,000	261	14.28	1,923,033	0.20
10,001 - 1,000,000	1,425	77.95	164,116,919	17.30
1,000,001 AND ABOVE	63	3.45	782,763,448	82.50
TOTAL	**1,828**	**100.00**	**948,845,729**	**100.00**

PERCENTAGE OF SHAREHOLDING IN PUBLIC HANDS

Based on the information available to the Company as at 31 July 2024, approximately 57.19% of the issued ordinary shares of the Company are held in the hands of public. Accordingly, the Company has complied with Rule 723 of the Catalist Rules which requires that at least 10% of the issued ordinary shares (excluding preference shares, convertible equity securities and treasury shares) of the Company in a class that is listed is at all times held in the hands of the public.

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	303,866,487	32.02
2	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	88,015,500	9.28
3	TAN JIN BENG WINSTON	64,566,833	6.80
4	CAO SHIXUAN	42,535,114	4.48
5	SOLIGNY BRUNO LUDOVIC	27,898,700	2.94
6	TAN SWEE BOON	25,950,000	2.73
7	SUNNY ONG KENG HUA	25,000,000	2.63
8	PHILLIP SECURITIES PTE LTD	20,894,315	2.20
9	CHING WEE LING (ZHONG HUILING)	12,148,000	1.28
10	KWOK HOI SUI	10,538,200	1.11
11	LEE THIAM SENG	10,009,388	1.05
12	CHAN BUANG HENG	8,119,850	0.86
13	NG CHEOW BOO	7,094,000	0.75
14	KOH YEW CHOO	5,783,000	0.61
15	TEO BOON LING	5,732,950	0.60
16	JENNY KWOK	5,650,000	0.60
17	KNG CHIN KAIT	5,094,000	0.54
18	ANG CHIAN SHOW	5,009,000	0.53

STATISTICS OF SHAREHOLDINGS

AS AT 31 JULY 2024

19	DBS NOMINEES (PRIVATE) LIMITED	4,806,700	0.51
20	GAN CHIN CHYE EDMUND (YAN JINCAI)	4,764,300	0.50
	TOTAL	**683,476,337**	**72.02**

SUBSTANTIAL SHAREHOLDERS AS AT 31 JULY 2024

As shown in the Register of Substantial Shareholders:

	DIRECT INTEREST			DEEMED INTEREST	
NAME OF SHAREHOLDER	No. of Ordinary Shares	%		No. of Ordinary Shares	%
ecoHub Pte. Ltd.	218,229,375	23.00		-	-
Ma Ong Kee	88,000,000[1]	9.27		-	-
Tan Jin Beng Winston	64,566,833	6.80		-	-
Lee Thiam Seng	35,509,388[2]	3.74		218,229,375[3]	23.00

Notes:

(1) Mr Ma Ong Kee holds 88,000,000 shares through his nominee account with Morgan Stanley Asia (Singapore) Securities Pte Ltd, representing 9.27% of the issued share capital of the Company.

(2) Mr Lee Thiam Seng holds 25,500,000 shares through his nominee account with Citibank Nominees Singapore Pte Ltd. and 10,009,388 shares with CDP.

(3) Mr Lee Thiam Seng is the sole shareholder of ecoHub Pte. Ltd. which in turn holds 218,229,375 shares (of which all are held through Citibank Nominees Singapore Pte Ltd). Accordingly, Lee Thiam Seng has a deemed interest in the 218,229,375 shares held by ecoHub Pte. Ltd.

ECOWISE HOLDINGS LIMITED
(Company Registration No. 200209835C)
(Incorporated in the Republic of Singapore)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of ecoWise Holdings Limited (the "**Company**") will be held at SAFRA Toa Payoh, 293 Toa Payoh Lorong 6, Level 3, Reef Function Room, Singapore 319387 on Friday, 30 August 2024 at 3:00 p.m., to transact the business set out below. This Notice has been made available on SGXNet and the Company's website at the URL https://www.ecowise.com.sg/en/investor-relations/announcements.

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 30 April 2024, together with the Auditors' Report thereon.
(Resolution 1)

2. To re-elect Mr Lee Thiam Seng, who is retiring pursuant to Regulation 107 of the Constitution of the Company.
(Resolution 2)
[See Explanatory Note (i)]

3. To re-elect Mr Allan Tan Poh Chye, who is retiring pursuant to Regulation 107 of the Constitution of the Company.
(Resolution 3)
[See Explanatory Note (i)]

4. To approve the payment of Directors' fees of up to S$180,000 for the financial year ending 30 April 2025, to be paid monthly in arrears.
(Resolution 4)

5. To re-appoint Messrs Baker Tilly TFW LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.
(Resolution 5)

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

7. **Authority to allot and issue shares**

That pursuant to Section 161 of the Companies Act 1967 (the "**Companies Act**") and the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Catalist Rules**"), 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 (as well as adjustments to) 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 that this authority may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority was in force,

provided that:

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

(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 Issued Shares shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this authority is given, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

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

(iii) any subsequent bonus issue, consolidation or sub-division of Shares.

Adjustments in accordance with sub-paragraphs (2)(i) or (2)(ii) are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of the resolution approving the mandate.

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

(4) (unless revoked or varied by the Company in general meeting) such 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.

(Resolution 6)

[See Explanatory Note (ii)]

8. **Authority to grant awards, allot and issue Shares under the ecoWise Performance Share Plan**

That pursuant to Section 161 of the Companies Act, the Directors be and are hereby authorised and empowered to offer and grant awards in accordance with the provisions of the ecoWise Performance Share Plan (the "**Share Plan**") and to allot and issue from time to time, such number of Shares as may be required to be allotted and issued pursuant to the awards granted under the Share Plan (including but not limited to allotment and issuance of Shares at any time, whether during the continuance of such authority or thereafter, pursuant to awards made or granted by the Company whether granted during the subsistence of this authority or otherwise), provided always that the total number of new Shares issued and/or issuable pursuant to the Share Plan, and any other share option schemes of the Company shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings, if any) from time to time, and such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

(Resolution 7)

[See Explanatory Note (iii)]

By Order of the Board

Siau Kuei Lian
Secretary
Singapore, 15 August 2024

Explanatory Notes:

(i) Mr Lee Thiam Seng will, upon re-election as a Director, remain as the Executive Chairman and Chief Executive Officer of the Company, and a member of the Sustainability Reporting Committee. Detailed information on Mr Lee Thiam Seng can be found under the sections entitled "**Board of Directors**", and "**Additional Information on Directors Nominated for Re-Election**" of the Company's Annual Report 2024.

Mr Allan Tan Poh Chye will, upon re-election as a Director, remain as Lead Independent Director, Chairman of the Nominating Remuneration and a member of the Sustainability Reporting, Audit and Remuneration Committees. Mr Allan Tan Poh Chye is considered by the Board of Directors of the Company (the "**Board**") to be independent for the purpose of Rule 704(7) of the Catalist Rules. Detailed information on Mr Allan Tan Poh Chye can be found under the sections entitled "**Board of Directors**", and "**Additional Information on Directors Nominated for Re-Election**" of the Company's Annual Report 2024. Save as disclosed in the Company's Annual Report 2024, Mr Allan Tan Poh Chye has no relationship with the Company, its related corporations, its substantial shareholders or its officers, which may affect his independence.

(ii) Ordinary Resolution 6 proposed in item 7 above is to empower the Directors of the Company to issue Shares and to make or grant Instruments (such as warrants or debentures) convertible into shares, and to issue Shares in pursuance of such Instruments, up to a number not exceeding, in total, one hundred per cent (100%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company, of which not exceeding fifty per cent (50%) may be issued other than on a *pro rata* basis to existing Shareholders. For determining the aggregate number of shares that may be issued, the percentage of Issued Shares shall be based on the total number of Issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company at the time this Resolution is passed after adjusting for new Shares arising from the conversion or exercise of convertible securities or exercising share options or vesting of share awards which are outstanding or subsisting at the time when this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of shares.

(iii) Ordinary Resolution 7 proposed in item 8 above is to empower the Directors of the Company to offer and grant awards, and to allot and issue new Shares pursuant to the Share Plan (which was approved by Shareholders at the Extraordinary General Meeting of the Company held on 23 March 2007 and extended accordingly for a period of ten (10) years at the AGM of the Company held on 28 February 2017), as may be modified by the Remuneration Committee from time to time, provided that the aggregate number of Shares to be allotted and issued pursuant to the Share Plan shall not exceed fifteen per cent (15%) of the total number of Issued Shares (excluding treasury shares and subsidiary holdings) from time to time.

Notes:

(1) The AGM of the Company will be held, in a wholly physical format at SAFRA Toa Payoh, 293 Toa Payoh Lorong 6, Level 3, Reef Function Room, Singapore 319387, on Friday, 30 August 2024 at 3:00 p.m.. **There will be no option for Shareholders to participate virtually.** Printed copies of the Notice of AGM, the Proxy Form and the Request Form will be despatched to Shareholders. These documents together with the Company's Annual Report 2024 are available on the Company's website at the URL: https://www.ecowise.com.sg/en/investor-relations/announcements, and the SGXNet at the URL: https://www.sgx.com/securities/company-announcements.

(2) A Shareholder who wishes to request a printed copy of the Company's Annual Report 2024 may do so by completing and returning the Request Form which is despatched to him or her, by 22 August 2024:

(a) personally or by post to the registered office of the Company's Share Registrar at Boardroom Corporate & Advisory Services Pte Ltd at 1 Harbourfront Ave, #14-07 Keppel Bay Tower, Singapore 098632; or

(b) by email to the Company's Share Registrar at srs.requestform@boardroomlimited.com.

(3) If a Shareholder wishes to submit questions related to the resolutions tabled for approval at the AGM prior to the AGM, all questions must be submitted no later than 3:00 p.m. on 22 August 2024 via electronic mail to investorrelation@ecowise.com.sg and provide the following particulars, for verification purpose:

- full name as it appears on his/her/its CDP records;
- NRIC/Passport/UEN number;
- contact number and email address; and
- the manner in which the shares are held in the Company (e.g. via CDP).

Please note that the Company will not be able to answer questions from persons who provide insufficient details to enable the Company to verify his/her/its shareholder status.

Investors who hold shares through Relevant Intermediaries*, including under the Central Provident Fund Investment Scheme ("**CPF Investors**") or the Supplementary Retirement Scheme ("**SRS Investors**") should approach their CPF Agent Banks/SRS Operators to submit their questions based on the abovementioned instructions.

Alternatively, Shareholders may also ask questions during the AGM.

(4) The Company will endeavour to address all substantial and relevant questions received from Shareholders by 25 August 2024, 3:00 p.m., being not less than forty-eight (48) hours before the closing date and time for the lodgement of the Proxy Form, via SGXNet and the Company's website. The Company will also address any subsequent clarifications sought or follow-up questions during the AGM in respect of substantial and relevant matters. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions will be individually addressed. The minutes of the AGM shall thereafter be published within one (1) month after the conclusion of the AGM on (i) the SGXNet at the URL https://www.sgx.com/securities/company-announcements; and (ii) the Company's website at the URL https://www.ecowise.com.sg/en/investor-relations/announcements.The minutes will include the responses to substantial and relevant questions received from Shareholders which are addressed during the AGM.

(5) A Shareholder of the Company (other than a Relevant Intermediary*) entitled to attend, speak and vote at the AGM of the Company is entitled to appoint not more than two (2) proxies or Chairman to attend, speak and vote in his/her/its stead at the AGM of the Company. A Shareholder can appoint the Chairman of the AGM as his/her/its proxy, but this is not mandatory. A proxy need not be a Shareholder of the Company.

(6) Where a Shareholder appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing one hundred per cent (100%) of the shareholding and any second proxy as an alternate to the first named.

If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies (except where the Chairman of the AGM is appointed as the Shareholder's proxy) will vote or abstain from voting at his/her/their discretion. In the absence of specific direction as to the voting given by a Shareholder, the appointment of the Chairman of the AGM as the Shareholder's proxy for the relevant resolutions will be treated as invalid.

(7) A Shareholder who is a Relevant Intermediary* may appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her/it (which number and class of shares shall be specified). Where such Shareholder appoints more than two (2) proxies, the appointments shall be invalid unless the Shareholder specifies the number of shares in relation to which each proxy has been appointed.

(8) The instrument appointing a proxy or proxies or the Chairman of the AGM as proxy must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, falling which the instrument may be treated as invalid.

(9) The completed Proxy Form must be submitted to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, (i) if sent personally or by post, be deposited at the registered office of the Company's Share Registrar at 1 Harbourfront Ave, #14-07 Keppel Bay Tower, Singapore 098632, or (ii) if submitted electronically, via e-mail to investorrelation@ecowise.com.sg by 3:00 p.m. on 27 August 2024 (being not less than seventy-two (72) hours before the time appointed for holding the AGM (or at any adjournment thereof)) and in default, the Proxy Form for the AGM shall not be treated as valid.

(10) Investors who hold shares through Relevant Intermediaries*, including CPF Investors or the SRS Investors, and who wish to appoint the Chairman of the AGM as their proxy should approach their respective Relevant Intermediaries*, including CPF Agent Banks or SRS Operators, to submit their votes at least seven (7) working days before the AGM (i.e. by 3:00 p.m. on 21 August 2024).

(11) The Company shall be entitled to reject the instrument appointing the proxy, proxies or the Chairman of the AGM as proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy, proxies or the Chairman of the AGM as proxy.

(12) In the case of a Shareholder whose Shares are entered against his/her/its name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001), the Company may reject any instrument appointing the proxy, proxies or the Chairman of the AGM as proxy lodged if such Shareholder, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore, and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under by the Central Provident Fund Act 1953 of Singapore 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.

PERSONAL DATA PRIVACY

By (a) submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, or (b) submitting any question prior to the AGM of the Company in accordance with this Notice, a Shareholder of the Company (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Shareholder 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 or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, (iii) addressing substantial and relevant questions from Shareholders received before the AGM and if necessary, following up with the relevant Shareholders in relation to such questions, (iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines by the relevant authorities, and (v) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty.

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*This Notice has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). This Notice has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this Notice, including the correctness of any of the statements or opinions made or reports contained in this Notice.*

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

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ECOWISE HOLDINGS LIMITED

Company Registration No. 200209835C
(Incorporated In the Republic of Singapore)

PROXY FORM
FOR ANNUAL GENERAL MEETING
(Please see notes overleaf before completing this Form)

IMPORTANT:

1. The AGM of the Company will be held, in a wholly physical format at SAFRA Toa Payoh, 293 Toa Payoh Lorong 6, Level 3, Reef Function Room, Singapore 319387 on Friday, 30 August 2024 at 3:00 p.m.. **There will be no option for Shareholders to participate virtually.**
2. Investors who hold shares through Relevant Intermediaries*, including under the Central Provident Fund Investment Scheme ("**CPF Investors**") or the Supplementary Retirement Scheme ("**SRS Investors**"), and who wish to appoint the Chairman of the AGM as their proxy should approach their respective Relevant Intermediaries*, including CPF Agent Banks or SRS Operators, to submit their votes at least seven (7) working days before the AGM (i.e. by 3:00 p.m. on 21 August 2024).
3. This Proxy Form is not valid for use by CPF Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
4. Please read the notes to the Proxy Form.

I/We* ______________________ (Name) ______________________ (*NRIC/Passport/Company Registration No.) of

____ (Address)

being a *shareholder/shareholders of ecoWise Holdings Limited (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing *him/her/them, the Chairman of the Annual General Meeting of the Company (the "**AGM**") as *my/our *proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the AGM to be held at SAFRA Toa Payoh, 293 Toa Payoh Lorong 6, Level 3, Reef Function Room, Singapore 319387, on Friday, 30 August 2024 at 3:00 p.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against, or abstain from voting on the Resolutions to be proposed at the AGM as indicated hereunder. **If no specific direction as to voting is given, the *proxy/proxies (except where the Chairman of the AGM is appointed as *my/our proxy) will vote or abstain from voting at *his/her/their discretion. In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as *my/our proxy for that resolution will be treated as invalid. All Resolutions put to vote at the AGM shall be decided by way of poll.**

No.	Resolutions relating to:	No. of votes For**	No. of votes Against**	No. of votes Abstain**
1	Adoption of the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 30 April 2024, together with the Auditors' Report thereon			
2	Re-election of Mr Lee Thiam Seng as a Director of the Company			
3	Re-election of Mr Allan Tan Poh Chye as a Director of the Company			
4	Approval of Directors' fees amounting to S$180,000 for the financial year ending 30 April 2025, to be paid monthly in arrears			
5	Re-appointment of Messrs Baker Tilly TFW LLP as the independent auditors of the Company and to authorise the Directors to fix their remuneration			
6	Authority to allot and issue shares			
7	Authority to grant awards, allot and issue shares under the ecoWise Performance Share Plan			

Notes:

* Delete accordingly

** If you wish to exercise all your votes "For" or "Against" or "Abstain" the relevant resolution, please mark an "X" in the relevant box provided in respect of that resolution. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing the proxy/Chairman of the AGM not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.

Dated this __________ day of ________________ 2024

Total number of shares in:	No. of shares
(a) CDP Register	
(b) Register of Members	

Signature of Shareholder(s) or,

Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

Notes:

1. Please insert the total number of shares in the capital of the Company ("**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 2001 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.

2. A Shareholder of the Company (other than a Relevant Intermediary*) entitled to attend, speak and vote at the AGM of the Company is entitled to appoint not more than two (2) proxies or Chairman to attend, speak and vote in his/her/its stead at the AGM of the Company. A Shareholder can appoint the Chairman of the AGM as his/her/its proxy, but this is not mandatory. A proxy need not be a Shareholder of the Company.

3. Where a Shareholder appoints two (2) proxies, he shall specify the proportion of his shareholding to be represented by each proxy. If no such proportion or number is specified, the first named proxy may be treated as representing one hundred per cent (100%) of the shareholding and any second proxy as an alternate to the first named.

   If no specific direction as to voting is given or in the event of any other matter arising at the AGM and at any adjournment thereof, the proxy/proxies (except where the Chairman of the AGM is appointed as the Shareholder's proxy) will vote or abstain from voting at his/her/their discretion. In the absence of specific direction as to the voting given by a Shareholder, the appointment of the Chairman of the AGM as the Shareholder's proxy for the relevant resolutions will be treated as invalid.

4. A Shareholder who is a Relevant Intermediary* may appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her/it (which number and class of shares shall be specified). Where such Shareholder appoints more than two (2) proxies, the appointments shall be invalid unless the Shareholder specifies the number of shares in relation to which each proxy has been appointed.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

6. The completed Proxy Form must (i) if sent personally or by post, be deposited at the registered office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd, at 1 Harbourfront Ave, #14-07 Keppel Bay Tower, Singapore 098632, or (ii) if submitted electronically, be submitted via email to investorrelation@ecowise.com.sg, and in either case, no later than 3:00 p.m. on 27 August 2024 (being not less than seventy-hours (72) hours before the time appointed for holding the AGM (or at any adjournment thereof) and in default, the Proxy Form for the AGM shall not be treated as valid.

7. Investors who hold shares through Relevant Intermediaries*, including under the Central Provident Fund Investment Scheme ("**CPF Investors**") or the Supplementary Retirement Scheme ("**SRS Investors**"), and who wish to appoint the Chairman of the AGM as a proxy should approach their respective Relevant Intermediaries*, including CPF Agent Banks or SRS Operators, to submit their votes at least seven (7) working days before the AGM (i.e. by 3:00 p.m. on 21 August 2024).

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore, and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under the Central Provident Fund Act 1953 of Singapore providing for the making of investments from the contributions and interest standing to the credit of Shareholders of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

General:

The Company shall be entitled to reject the instrument appointing a proxy, proxies or the Chairman of AGM if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy, proxies or the Chairman of AGM. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy, proxies or the Chairman of the AGM lodged if the Shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy

By submitting an instrument appointing a proxy or proxies, the Shareholder is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of AGM dated 15 August 2024.

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ecoWise Holdings Limited

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