



**ACCRELIST LTD.**  
**亚联盛控股公司**

UNEARTHING TOMORROW'S GEM  
发掘光辉 开创未来



**ANNUAL**  
**REPORT 2023**



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*This Annual Report has been prepared by the Company and its contents have been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. ("Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST").*

*This Annual Report has not been examined or approved by 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: Mr Mah How Soon, Registered Professional, RHT Capital Pte. Ltd., 36 Robinson Road, #10-06 City House, Singapore 068877, [sponsor@rhtgoc.com](mailto:sponsor@rhtgoc.com).*



# CORPORATE PROFILE

## MISSION STATEMENT

At Accrelist, our mission is to uncover new business opportunities and build sustainable businesses by developing creative strategies to unlock value and maximise long-term shareholder returns.

Accrelist Ltd. (“**Accrelist**”) seeks to create long-term value for our shareholders and business partners by unlocking and adding value to the companies we invest in. The Group continues to actively pursue new opportunities with a growing focus on medical aesthetics.

The Group’s wholly owned subsidiary corporations include the Accrelist Medical Aesthetics Group of Companies, branded as A.M Aesthetics, and A.M Skincare Pte. Ltd. (“**A.M Skincare**”).

A.M Aesthetics operates a chain of registered medical aesthetics clinics in Singapore and Malaysia which use state-of-the-art equipment and clinically proven solutions to deliver a wide range of highly reliable and effective treatments.

## BUSINESS PHILOSOPHY

People are an integral part of our business and they are at the core of our business philosophy.

Led by a strong leadership team and guided by sound business ethics, we aim to deliver value for all our stakeholders.

A.M Skincare is principally involved in the retail sale of pharmaceutical and medical goods. It develops and distributes its own original design manufacturer clinical skincare products (“**ODM**”) with support from South Korean dermatologists alongside other non-ODM products.

In addition, Accrelist holds a 53.15% controlling stake in Jubilee Industries Holdings Ltd. (“**Jubilee**”), a one-stop solutions provider within the Electronic Manufacturing Services (“**EMS**”) space through its Mechanical Business Unit (“**MBU**”), which engages primarily in precision plastic injection moulding (“**PPIM**”) and mould design and fabrication (“**MDF**”) services. MBU is armed with our vertically integrated capabilities and cost-efficient manufacturing locations, driven by our core values in precision, innovation and aesthetics to provide high-quality products for global customers. MBU produces plastic injection moulds for consumer electronics, household appliances, medical supplies, automotive and computer peripherals.

## VISION

Our vision is to deliver long-term value for shareholders through:

- Focused management expertise
- Excellent market knowledge
- An entrepreneurial spirit

MDF or “tooling” involves the design and fabrication of precision plastic injection moulds, a steel tool made up of many operating parts (“**tooling inserts**”) assembled together, and subsequently used in PPIM or sold directly to customers. It uses state-of-the-art steel cutting equipment, such as the Sodick 3-axis machine, and has the capability to fabricate precision moulds with high aesthetic value, being one of the leaders in surface polishing. Among the key strengths is the ability to build double-shot injection tools, a technique perfected over the years. MBU also builds complex engineering tools for some of the most stringent customers in the medical and automotive industry.

Headquartered in Singapore, Jubilee’s production facilities span across Malaysia and Indonesia. Jubilee’s products are sold to customers in Singapore, Malaysia, Indonesia, Vietnam, India, the People’s Republic of China, the United States and various European countries.

# CHAIRMAN'S MESSAGE



Dear Shareholders,  
On behalf of Accrelist Ltd. (“Accrelist” or the “Company”, together with its subsidiary corporations, the “Group”), I am pleased to present the Group’s latest annual report for the financial year ended 31 March 2023 (“FY2023”).

## UNLOCKING VALUE, DRIVING GROWTH

The global economic landscape has become ever more volatile, uncertain, and complex amidst ongoing instability and conflict which are further complicated by geopolitical tensions among major economies. Inflationary pressures sparked by rising energy and commodity prices have also emerged as a serious economic threat.

Amidst the external headwinds, the Group’s subsidiary, Jubilee Industries Holdings Ltd. (“Jubilee”) pursued a series of asset disposals, realising the gains in its investment in a listed company in Bursa Malaysia, EG Industries Berhad (“EG”), unlocking deep value within its Electronics Business Unit (“EBU”), and welcoming Optium Gains International Limited (“Optium”) as a strategic investor in its Mechanical Business Unit (“MBU”).

Jubilee disposed of its shareholdings in EG via on-market transactions in Bursa Malaysia in February 2023 for a total consideration of approximately S\$8.6 million. Jubilee also

completed the disposal of its stake in WE Components Pte. Ltd. (“WEC”) in August 2023, following the first disposal completed in March 2023, for a total consideration of approximately S\$24.4 million.

The deep value unlocked reflects our long-term vision as the Group took a strategic decision early on in FY2017 to extend a convertible loan to Jubilee to support its growth, which was later converted into Jubilee shares in FY2018, the same period during which the Group identified aesthetic medical services (“AMS”) as a new area of growth for the Group.

In its home market of Singapore, the Accrelist Medical Aesthetics (“A.M Aesthetics”) brand continues to gain greater recognition as one of the market leaders as it continues to expand its presence as well as on social media. Despite economic uncertainties abroad, we are encouraged by the resilient demand from domestic consumers and will continue to focus on driving growth for the Group’s AMS segment.

## OVERVIEW OF FY2023

For FY2023, the Group reported revenue of S\$36.5 million from continuing operations, comprising of AMS and subsidiary, Jubilee’s MBU, a decrease of S\$4.0 million or 10.0% as compared to S\$40.6 million for financial year ended 31 March 2022 (“FY2022”).

AMS revenue increased by S\$3.9 million or 39.0% from S\$10.2 million for FY2022 to S\$14.1 million for FY2023 due to the continued expansion of the Group’s clinic network, the expansion of existing clinics to serve more customers, and enhanced marketing. AMS gross profit increased by S\$0.4 million from S\$5.8 million for FY2022 to S\$6.2 million for FY2023.

MBU revenue decreased by S\$8.0 million or 26.3% from S\$30.4 million for FY2022 to S\$22.4 million for FY2023. This was mainly due to slower demand in plastic injection amidst

intense competition from alternative materials. The MBU also faces significant external headwinds amidst a slower-than-expected economic recovery and softened demand in its key market in China.

The EBU was classified separately as discontinued operations in line with Jubilee's disposal of its stake in WEC. The electronic components industry in which the EBU operated is characterised by high capital requirements, with minimal profit margins from the distribution of electronic component products. The EBU faced an exceptionally challenging market environment to pursue the scale needed to generate sufficient profits. It was therefore in Jubilee's best interest to divest the EBU to unlock value and optimise its allocation of resources.

## OUTLOOK AND PLANS FOR THE FUTURE

The Group's AMS segment continues to grow, supported by resilient demand in an expanding market with favourable long-term prospects. Amidst an ageing population with rising affluence, the growing acceptance and accessibility of minimally invasive procedures has also opened new opportunities as younger customers and men also begin to seek aesthetic treatments.

In Singapore, the Group continues to position A.M Aesthetics as one of the market leaders while pursuing network expansion. The Group successfully completed its acquisition of 51% equity interest in SJY Medical Pte. Ltd. in July 2023, following which four clinics have been added to the network. The four clinics located at Novena Medical Centre, Nex Serangoon, Jurong Point and SingPost Centre have since been rebranded under the A.M Aesthetics brand. In addition, other existing clinics have also been expanded to serve more customers.

Beyond Singapore, A.M Aesthetics continues to seek growth opportunities across the region. The Group's wholly-owned subsidiary, Accrelist Medical Aesthetics (BM) Pte. Ltd., has incorporated a company in Thailand, Accrelist Medical Aesthetics (Bangkok) Co., Ltd., and a company in the People's Republic of China, Accrelist Medical Aesthetics (Hainan) Co., Ltd., for the purpose of expanding its medical aesthetics business. We will continue to expand regionally to broaden the Group's AMS revenue stream beyond Singapore, with a focus on tapping into new growth opportunities in China.

The MBU faces various external challenges, including rising cost pressures from resin, its key raw material, pricing pressures from customers, and foreign exchange volatility. To mitigate these challenges, the MBU will seek qualification for alternative sources of raw materials as well as implement new initiatives to improve cost management and raise operational efficiencies.

The MBU also continues to expand its product offering with higher margins while diversifying its customer base. In addition, the MBU is expected to gain access to new customers, deeper expertise and stronger financial resources through synergies with Optium.

We are encouraged by the MBU's mould design and fabrication services business which remains robust with new orders received from various industry segments. The MBU will continue to explore opportunities for growth with investments in new tool fabrications.

Following the success of Jubilee's value-unlocking exercise, the Group is currently actively assessing new potential businesses for investment and will update shareholders in due course should any suitable opportunities arise.

## A NOTE OF APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my deep gratitude to our valued shareholders, partners, and customers for their continued support throughout the years. We also recognise the hard work of our colleagues and their commitment to service excellence which has been instrumental in the continued growth of A.M Aesthetics.

I would also like to welcome Mr Yeo Hwee Tiong ("**Mr Yeo**") who has been appointed as an Independent and Non-Executive Director of the Company with effect from 1 July 2023. He has also been appointed as a member of the Audit Committee and the Remuneration Committee of the Company. Mr Yeo's deep experience in the healthcare industry will further strengthen the Board's collective stewardship of Accrelist.

We remain firmly committed to delivering best-in-class services for our customers as we move forward and embark on the next chapter of the Group's evolution with the steadfast goal of creating long-term value for shareholders.

Thank you.

**Dr Terence Tea**

*Executive Chairman and Managing Director*  
**Accrelist Ltd.**

# FINANCIAL AND OPERATIONS REVIEW



## Financial Performance

For the financial year ended 31 March 2023 (“**FY2023**”), Accrelist Ltd. (“**Accrelist**”) and together with its subsidiary corporations, the “**Group**”) recorded a revenue of S\$36.5 million from continuing operations, representing a decrease of S\$4.0 million or 10.0% as compared to S\$40.6 million for the financial year ended 31 March 2022 (“**FY2022**”).

Continuing operations for FY2023 comprises of aesthetic medical services (“**AMS**”) provided by Accrelist Medical Aesthetics group of companies’ (“**A.M Aesthetics**”) and subsidiary, Jubilee Industries Holdings Ltd’s (“**Jubilee**”) Mechanical Business Unit (“**MBU**”).

AMS revenue increased by S\$3.9 million or 39.0% from S\$10.2 million for FY2022 to S\$14.1 million for FY2023 due to the continued expansion of the Group’s clinic network, expansion of existing clinics to serve more customers and enhanced marketing.

MBU revenue decreased by S\$8.0 million or 26.3% from S\$30.4 million for FY2022 to S\$22.4 million for FY2023. This was attributed to lower demand in plastic injection amidst intense competition from alternative materials. The MBU also faces significant external headwinds amidst a slower-than-expected economic recovery and softened demand in its key market in China.

The Group’s gross profit decreased by S\$0.8 million or 12.0% from S\$6.7 million for FY2022 to S\$5.9 million for FY2023 while gross profit margin declined slightly from 16.5% for FY2022 to 16.1% for FY2023, due to the MBU’s negative gross profit margin of 1.8% for FY2023 as compared to a gross profit margin of 2.8% recorded for FY2022. This was mainly due to the tight market supply of resin, a key raw material for the Group’s MBU, which was exacerbated by rising inflation.

Other gains for FY2023 amounted to S\$3.0 million, reversing the other losses of S\$6.3 million recorded for FY2022. The reversal was due to lower impairment loss on intangible assets and office equipment recorded for FY2023 of S\$0.02 million as compared to S\$4.0 million for FY2022. In addition, this was also attributed to the absence of fair value loss on financial assets, at fair value through profit or loss (“**FVPL**”) for FY2023 and the gain on disposal of financial assets at FVPL of S\$1.6 million for FY2023.

Total operating expenses increased slightly from S\$11.3 million in FY2022 to S\$11.5 million in FY2023. Marketing and distribution expenses increased slightly from S\$1.1 million in FY2022 to S\$1.2 million in FY2023 in line with increased efforts to enhance brand recognition of AMS through social media marketing. Administrative expenses which mainly related to staff-related costs, increased slightly from S\$9.9 million to S\$10.0 million for FY2023. Finance expenses which mainly related to interest expense on loans and lease liabilities increased slightly to S\$0.3 million in FY2023.

As a result of the above, the Group’s net loss from continuing operations narrowed significantly from S\$11.2 million for FY2022 to S\$2.7 million for FY2023.

Jubilee’s Electronic Business Unit (“**EBU**”) was completed on 29 August 2023 following approval by Jubilee’s shareholders. In accordance with Singapore Financial Reporting Standards, the EBU’s financial performance was presented in the Consolidated Statement of Comprehensive Income and segment reporting section as discontinued operations, separate from the Group’s revenue.

## Financial Position

The Group’s current assets decreased by S\$4.4 million from S\$57.5 million as at 31 March 2022 to S\$53.1 million as at 31 March 2023. The decrease was partly due to the sale of financial assets at FVPL amounting to S\$7.0 million. The current and non-current assets of Jubilee’s EBU and Honfoong Plastic Industries Pte Ltd, which forms part of the Jubilee’s MBU (“**HF-MBU**”), were presented as “Assets of disposal group classified as held for sale”. This was offset by the increase in cash and cash equivalents of S\$5.3 million from S\$9.8 million as at 31 March 2022 to S\$15.1 million as at 31 March 2023 mainly due to proceeds from the sale of the EBU and HF – MBU.

Non-current assets decreased by S\$13.2 million from S\$20.3 million as at 31 March 2022 to S\$7.1 million as at 31 March 2023. This was primarily due to the reclassification of property, plant and equipment as well as intangible assets to disposal group classified as held for sale.

Current liabilities decreased by S\$11.0 million from S\$42.4 million as at 31 March 2022 to S\$31.5 million as at 31 March 2023. This was primarily due to the drop in liabilities directly associated with the disposal group classified as held for sale, namely the Group’s EBU and HF – MBU.

# FINANCIAL AND OPERATIONS REVIEW

Non-current liabilities increased slightly by S\$0.3 million from S\$2.6 million as at 31 March 2022 to S\$2.9 million as at 31 March 2023. This was mainly due to greater borrowings obtained for the purchase of aesthetic machines in line with the expansion of the current A.M Aesthetic clinics and the opening of new clinics.

The Group's working capital increased by S\$6.6 million from S\$15.1 million as at 31 March 2022 to S\$21.7 million as at 31 March 2023.

As a result of the above, the Group's total equity decreased by S\$6.9 million from S\$32.8 million as at 31 March 2022 to S\$25.9 million as at 31 March 2023.

## Cashflow Statement

Net cash flow generated from operating activities for FY2023 was S\$1.5 million, comprising operating cash outflows before working capital changes of S\$6.4 million and working capital inflow of S\$8.0 million.

The working capital inflow was mainly due to movement in inventory level and increase in trade and other receivables and contract assets of S\$9.8 million, offset by trade and other payables and contract liabilities of S\$7.9 million.

Net cash generated from investing activities for FY2023 of S\$11.3 million was mainly due to proceeds from disposal of financial assets, at FVPL and proceeds from partial disposal of subsidiary of S\$8.6 million and S\$2.9 million respectively, offset by the purchase of property, plant and equipment of S\$1.1 million.

Net cash used in financing activities of S\$4.4 million was largely due to repayment of borrowings and lease liabilities, as well as interest paid.

As a result of the above, the Group's cash and cash equivalents increased by S\$8.4 million to S\$15.6 million as at 31 March 2023.





## **DR TERENCE TEA YEOK KIAN, 55**

*Executive Chairman & Managing Director*

### **Academic and professional qualifications:**

Ph.D. in Business Administration (Honorary), Honolulu University

Diploma in Electronics and Electrical Engineering, Singapore Polytechnic

Date of first appointment as director: 11 March 2013

Date of last re-election as director: 26 November 2020

Length of service: 10 years 0 months (as of 31 March 2023)

### **Served on the following Board Committee:**

Member - Nominating Committee

### **Present Directorships in other listed companies**

Executive Chairman and Chief Executive Officer – Jubilee Industries Holdings Ltd.

### **Present Principal Commitments**

Executive Chairman and Chief Executive Officer – Jubilee Industries Holdings Ltd.

### **Directorships in other listed companies held over the preceding five years**

Executive Chairman – EG Industries Berhad (Listed on Bursa Malaysia, Malaysia)

### **Background and experience:**

Dr Terence Tea Yeok Kian (“Dr Tea”) is responsible for the overall growth of the Group and his main role is to determine the strategic direction of the Group, acquiring and nurturing new businesses with a view of taking them to greater heights.

Dr Tea brings to the Group a wealth of experience in the corporate world, providing key inputs to the Board and has been instrumental in advising on corporate matters. He drives the formulation and implementation of business plans and strategies for the Group.

Dr Tea’s comprehensive knowledge and experience of the industry has aided the Group to spot growth opportunities, especially during the restructuring period of 2013 to 2017. Dr Tea’s keen vision within the business model has allowed him a competitive advantage in the Group’s advancement. In addition, Dr Tea’s tenacity has been reflected in his leadership to harness the unrealised prospects of both Accrelist Ltd. and Jubilee Industries Holdings Ltd. Both companies are still venturing to explore their fullest potentials.

Dr Tea is also an honorary patron of the Nee Soon East Constituency, Sembawang Citizen’s Consultative Committee and Singapore Productivity Association, as well as a council member of the Singapore Hokkien Huay Kuan and Chairman of Eng Yong Tong Tay Si Association. He was awarded the Public Service Medal (BBM) by the President of the Republic of Singapore, as well as the Long Service Award (MOE) by Singapore’s Ministry of Education. He is also the Singapore Small Medium Business Association TOP Entrepreneur. Dr Tea was also conferred the title of Dato.





**MR NG LI YONG, 51**

*Lead Independent Director*

**Academic and professional qualifications:**

Postgraduate Diploma in Singapore Law, National University of Singapore

Bachelor of Law, University of Kent

Member of Law Society of Singapore

Member of Singapore Academy of Law

Date of first appointment as director: 11 June 2013

Date of last re-election as director: 30 July 2021

Length of service: 9 years 9 months (as at 31 March 2023)

**Served on the following Board Committee:**

Chairman – Nominating Committee

Chairman – Remuneration Committee

Member – Audit Committee

**Present Directorships in other listed companies**

Nil

**Present Principal Commitments**

Director – WNLEX LLC

**Directorships in other listed companies held over the preceding five years**

Director - C&G Environmental Protection Holdings Limited

**Background and experience:**

Mr Ng Li Yong (“Mr Ng”) is a lawyer with more than 20 years of experience and is currently a Director of WNLEX LLC, a full-service law firm. His area of practice includes corporate, commercial and intellectual property. Mr Ng sits on the board of various private companies.



## **MR LIM YEOW HUA, 61**

*Independent and Non-Executive Director*

### **Academic and professional qualifications:**

Master of Business Administration, National University of Singapore  
Bachelor of Accountancy, National University of Singapore  
Fellow Member of Institute of Singapore Chartered Accountants  
Accredited Tax Advisor of Singapore Chartered Tax Professionals

Date of first appointment as director: 11 October 2017

Date of last re-election as director: 30 July 2021

Length of service: 5 year 5 months (as at 31 March 2023)

### **Served on the following Board Committee:**

Chairman – Audit Committee  
Member – Nominating Committee  
Member – Remuneration Committee

### **Present Directorships in other listed companies**

Director – KSH Holdings Limited  
Director – NauticAWT Limited  
Director – Oxley Holdings Limited  
Director – Revez Corporation Limited

### **Present Principal Commitments**

Nil

### **Directorships in other listed companies held over the preceding five years**

Director – KTL Global Limited

### **Background and experience:**

Mr Lim Yeow Hua (“Mr Lim”) is a chartered accountant and accredited tax advisor (income tax & GST) with more than 30 years of experience in taxation, financial services and business advisory. Mr Lim sits on the boards of various companies listed in the SGX.



## **MR YEO HWEE TIONG, 67**

*Independent and Non-Executive Director*

### **Academic and professional qualifications:**

Master of Science (Project Management), National University of Singapore

Bachelor of Science (Building), Heriot Watt University, Edinburgh, UK

Member of Singapore Institute of Directors

Date of first appointment as director: 1 July 2023

Date of last re-election as director: -

Length of service: - (as at 31 March 2023)

### **Served on the following Board Committee:**

Member – Audit Committee

Member – Remuneration Committee

### **Present Directorships in other listed companies**

Director – Cordlife Group Limited

### **Present Principal Commitments**

Member – Singapore Institute of Directors

Member of Audit Committee – Singapore Red Cross Society

### **Directorships in other listed companies held over the preceding five years**

Nil

### **Background and experience:**

Mr Yeo Hwee Tiong (“Mr Yeo”) held positions as Senior Advisor with Clermont Holdings Pte. Ltd., Executive Chairman with Hoan My Medical Corporation (Vietnam), Group Chief Executive Officer with Singapore Women’s & Children’s Medical Group Pte Ltd, Principal with KPMG Deal Advisory Healthcare (Singapore & Asia Pacific) and also Group Chief Executive Officer with Thomson Medical Centre Ltd.

Mr Yeo has more than 28 years in the healthcare and project management industry and has been involved in the pre-development and planning, construction, project management, hospital management and restructuring of hospitals in Singapore, Malaysia, Myanmar and Vietnam. He was instrumental in the restructuring and turning around of three hospitals in Singapore and Malaysia. Of these, he listed two in Singapore. Mr Yeo also has experience in Vietnam, taking a greenfield hospital project from inception to completion, and into hospital management. In the project management sector, Mr Yeo has been involved at a senior level in Singapore, India, Vietnam and New Zealand where he project-managed large office complexes, air terminals, industrial park, microwave tower, medical centres and hospitals.

## **MR LOH ENG LOCK KELVIN**

*Chief Financial Officer*

**Accrelist Ltd.**

Mr Loh Eng Lock Kelvin (“Mr Loh”) is the Chief Financial Officer (“CFO”) of the Company and is responsible for the finance department of the Group. He is also responsible for management reporting and oversees the financial and internal controls of the Group.

Mr Loh joined the Company, previously known as WestTech Group, in November 2008 as the Finance Manager and assisted the then CFO in the overall direction and control of the Group, including the financial and management of accounts, legal matters, credit control, internal and external auditing and financial planning and analysis. He was then promoted to Vice President of Finance on 2011 and subsequently to CFO on 2013 to oversee the Group’s finance department. In October 2014, Mr Loh was appointed as CFO to Jubilee Industries Holdings Ltd., a subsidiary listed company of Accrelist Ltd. Following the Company and Group’s new plans for expansion and expertise required in November 2016, he was transferred back to Accrelist Ltd.

Mr Loh has more than 10 years of experience in audit and accounting and holds a Bachelor of Business (Accounting) from the Queensland University of Technology and is a member of CPA Australia.

## **MR LEE SANG SUP**

*Senior Vice President*

**Jubilee Industries Holdings Ltd.**

Mr Lee Sang Sup (“Mr Lee”) joined the Group as Senior Vice President of WE Components Pte. Ltd. on 1 March 2018, heading the Electronics Business Unit (EBU) for the business operations, sales and marketing activities of the unit.

Mr Lee has more than 30 years of experience in the semiconductor industry in Asia holding key positions in sales and marketing roles with organizations such as SK Hynix - a global leader in the semiconductor market.

Mr Lee holds a bachelor degree in International Economics Law & English from HANKUK University of Foreign Studies in South Korea.

# MILESTONES

## FY2023

- A.M Aesthetics expanded its clinic network further, opening its 8<sup>th</sup> and 9<sup>th</sup> clinics in Singapore while preparing for new openings in the pipeline
- Jubilee successfully completed 1<sup>st</sup> phase of its value unlocking exercise with the completion of the disposal of 14% share capital in WE Components Pte. Ltd.

## FY2022

- A.M Aesthetics continued the expansion of its clinic network, doubling the capacity of selected clinics while opening its 6<sup>th</sup> and 7<sup>th</sup> clinics in Singapore

## FY2021

- A.M Aesthetics bounced back from the initial impact of COVID-19 with increased revenue amidst continued demand for medical aesthetic services

## FY2020

- A.M Aesthetics expanded locally and regionally with the opening of new clinics in Singapore and Malaysia
- The Group ventured into the distribution of medical aesthetics products through A.M Skincare

## FY2019

- Net profit for Accrelist and Jubilee more than tripled
- Accrelist acquired four medical aesthetics clinics in Singapore
- Medical aesthetics business rebranded as A.M Aesthetics, gross profit nearly doubles under the Group's management

## FY2018

- Dr Terence Tea identified medical aesthetics as a new area of growth for the Group
- Accrelist increased its stake in Jubilee by converting the outstanding loan into Jubilee shares
- Jubilee returned to black, turnaround supported by Accrelist's strategic guidance

## FY2017

- Accrelist extended a convertible loan to Jubilee to support its growth

## FY2016

- Dr Terence Tea ensured Accrelist's survival by arranging a placement of new shares which raised urgently needed funds to repay creditor banks

## SINGAPORE

### Accrelist Ltd. (Head Office)

10 Ubi Crescent #03-94/95/96  
Ubi Techpark Lobby E  
Singapore 408564  
Tel: (65) 6311 2900  
Fax: (65) 6311 2905

### Jubilee Industries Holdings Ltd.

10 Ubi Crescent #03-94/95/96  
Ubi Techpark Lobby E  
Singapore 408564  
Tel: (65) 6311 2968/6311 2969  
Fax: (65) 65 6311 2905

### Jubilee Industries (S) Pte. Ltd.

10 Ubi Crescent #03-94/95/96  
Ubi Techpark Lobby E  
Singapore 408564  
Tel: (65) 6311 2968/6311 2969  
Fax: (65) 65 6311 2905

### Accrelist Medical Aesthetics (BM) Pte. Ltd.

311 New Upper Changi Road #B1-12,  
Bedok Mall  
Singapore 467360  
Tel: (65) 6844 9768  
Fax: (65) 6311 2905

### Accrelist Medical Aesthetics (LOT1) Pte. Ltd.

21 Choa Chu Kang Avenue 4 #02-26  
Lot One Shoppers' Mall,  
Singapore 689812  
Tel: (65) 6219 9819  
Fax: (65) 6311 2905

### Accrelist Medical Aesthetics (TPY) Pte. Ltd.

Block 500, Lorong 6 Toa Payoh #B1-30  
HDB HUB  
Singapore, 310500  
Tel: (65) 6259 2860  
Fax: (65) 6311 2905

### Accrelist Medical Aesthetics (SPC) Pte. Ltd.

10 Eunos Road 8 #02-140/141,  
Singapore Post Centre,  
Singapore 408600  
Tel: (65) 6741 1038  
Fax: (65) 6311 2905

### Accrelist Medical Aesthetics (CM) Pte. Ltd.

3155 Commonwealth Avenue West #04-50,  
The Clementi Mall,  
Singapore 129588  
Tel: (65) 6908 1917  
Fax: (65) 6311 2905

### Accrelist Medical Aesthetics (Serangoon) Pte. Ltd.

Block 253 Serangoon Central Drive  
#01-193 and #02-193  
Singapore 550253  
Tel: (65) 6241 3869  
Fax: (65) 6311 2905

### Accrelist Medical Aesthetics (Raffles City) Pte. Ltd.

252 North Bridge Road,  
Raffles City Shopping Centre, #B2-06/07  
Singapore 179103  
Tel: (65) 6255 6109  
Fax: (65) 6311 2905

### Accrelist Medical Aesthetics (Orchard Central) Pte. Ltd.

181 Orchard Road,  
Orchard Central, #05-33/36  
Singapore 238896  
Tel: (65) 6509 1200  
Fax: (65) 6311 2905

### Accrelist Medical Aesthetics (Central@Clarke Quay) Pte. Ltd.

6 Eu Tong Sen Street,  
The Central #04-77 to #04-82  
Singapore 059817  
Tel: (65) 6592 0762  
Fax: (65) 6311 2905

### SJY Medical Pte. Ltd.

1. 10 Sinaran Drive,  
Novena Medical Centre #11-23  
Singapore 307506  
Tel: (65) 6856 3642  
Fax: (65) 6311 2905

2. 1 Jurong West Central 2,  
#B1-41 Singapore 648886  
Tel: (65) 6908 5971  
Fax: (65) 6311 2905

3. 23 Serangoon Central,  
#02-28 Singapore 556083  
Tel: (65) 6386 1027  
Fax: (65) 6311 2905

4. 10 Eunos Road,  
SingPost Centre #B1-141  
Singapore 408600  
Tel: (65) 6970 9198  
Fax: (65) 6311 2905

### A.M Skincare Pte. Ltd.

10 Ubi Crescent #03-94/95/96  
Ubi Techpark Lobby E  
Singapore 408564  
Tel: (65) 6311 2900  
Fax: (65) 6311 2905

### Honfoong Plastic Industries Pte. Ltd.

10 Ubi Crescent #03-94/95/96  
Ubi Techpark Lobby E  
Singapore 408564  
Tel: (65) 6311 2900  
Fax: (65) 6311 2905

## MALAYSIA

### JOHOR.....

#### WE Total Engineering Sdn. Bhd.

No. 10, Jalan Istimewa 7  
Taman Perindustrian Cemerlang  
81800 Ulu Tiram, Johor  
Malaysia  
Tel: (607) 861 3870  
Fax: (607) 863 2750

### PENANG.....

#### WE Resources Sdn. Bhd.

62-1 Persiaran Bayan Indah Bayan Bay,  
Sg. Nibong Penang 11900  
Tel: (604) 646 9888  
Fax: (604) 646 9298

#### WE Components Sdn. Bhd.

62-1 Persiaran Bayan Indah Bayan Bay  
Sungai Nibong Penang 11900  
Tel: (604) 646 9888  
Fax: (604) 646 9298

#### Accrelist Medical Aesthetics (Penang) Sdn. Bhd.

88-N, Jalan Masjid Negeri,  
11600 Greenlane, Penang.  
Tel: (604) 658 8555

### KUALA LUMPUR.....

#### Accrelist Aesthetics (KL) Sdn. Bhd.

NO 156, Jalan Maarof, Bangsar,  
59000 Kuala Lumpur  
Tel: (603) 2201 3337

## INDONESIA

### PT. Honfoong Plastic Industries

Jalan Gaharu Lot 232 & 233,  
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Mukakuning Batam 29433,  
Indonesia  
Tel: (62) 77 611448  
Fax: (62) 77 611260

The Board of Directors (the “**Board**” or “**Directors**”) of Accrelist Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) are committed to maintaining a high standard of corporate governance. The Company understands that good corporate governance is an integral element of a sound corporation and enables it to be more transparent and forward-looking. In addition, sound corporate governance is an effective safeguard against fraud and dubious financial engineering, and hence helps to protect the interest of the Company’s shareholders. This also helps the Company to create long-term value and return for its shareholders. This report sets out the Group’s corporate governance practices (“**Report**”).

The Company is committed to uphold and adhere to the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”) and accompanying Practice Guidance which was revised and issued on 11 January 2023. This report outlines the Company’s corporate governance practices for the financial year ended 31 March 2023 (“**FY2023**”) with specific reference made to the principles and provisions of the Code, and the accompanying Practice Guidance, which formed part of the continuing obligations of the Listing Manual – Section B: Rules of the Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

The Company will continue to enhance its corporate governance practices in line with the conduct and growth of its business and to review such practices from time to time, to ensure compliance with the Catalist Rules.

For ease of reference, sections of the Code under discussion are specifically identified. However, this report should be read as a whole as other sections of this report may also have an impact on the specific disclosures.

## 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 primary function of the Board is to protect and enhance long-term value and returns for its shareholders. The Board has put in place a code of conduct and ethics, appropriate tone-from-the top and desired organisational culture, and ensures proper accountability within the Group. Besides carrying out its statutory responsibilities, the Board oversees the formulation of the Group’s long-term strategic objectives and directions, reviews and approves the Group’s annual business and strategic plans and monitors the achievement of the Group’s corporate objectives. It also oversees the management’s business affairs and conducts periodic reviews of the Group’s financial performance.

Each Director of the Board is required to disclose any conflict or potential conflict of interest promptly, whether direct or indirect, in relation to a transaction or proposed transaction with the Group as soon as is practicable. Each Director is also required to submit details of his/her associates annually for the purpose of monitoring interested persons transactions. Where a Director faces a conflict or potential conflict of interest in relation to any matter, the Directors would immediately declare of his interest to the Board for discussions and recuse himself from discussions and decisions involving the issues of conflict, unless the Board is of the opinion that his/her presence and participation is necessary to enhance the efficacy of such discussion.

In addition to statutory duties and responsibilities, the Board’s principal functions include the following:

1. Reviewing and approving the Group’s strategic plans, key operational initiatives, major investments, divestments and funding requirements;
2. Reviewing and approving the annual budget, reviewing the performance of the business and approving the release of the financial results of the Group to shareholders;
3. Providing guidance in the overall management of the business and affairs of the Group;
4. Overseeing the processes for risk management, financial reporting and compliance;
5. Reviewing and approving major transactions including investments, divestments, acquisitions and capital expenditure;
6. Reviewing and approving corporate and/or financial restructuring and share issuance; and
7. Assuming responsibility for the corporate governance of the Group.

# CORPORATE GOVERNANCE REPORT

To ensure smooth operations, proper controls and to facilitate decision-making, the Board has established an Audit Committee (“**AC**”), Nominating Committee (“**NC**”) and Remuneration Committee (“**RC**”) (collectively, “**Board Committees**”). Each Board Committee has its own defined terms of reference and operating procedures, which are reviewed on a regular basis by the Board. The effectiveness of each Board Committee is also constantly reviewed by the Board. The Board accepts that while the Board Committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board. In particular, the NC reviews the effectiveness of the Board, AC and RC, as well as each individual Director annually, while the Board reviews the effectiveness of the NC annually.

The Board meets on a periodic basis or when necessary to address any specific matter. The Company’s Constitution provides for the meetings to be convened via teleconferencing or videoconferencing. Where a decision has to be made before a Board meeting or Board Committees’ meeting is convened, Directors’ resolutions in writing are circulated in accordance with the Constitution of the Company and the Directors are also provided with all relevant information and documents to allow them to make informed decisions.

The Board has put in place internal guidelines for matters reserved for the Board’s approval. Specifically, matters and transactions that require the Board’s approval include, among others, the following:

- release of the half year and full year results announcements;
- annual report and financial statements;
- annual budgets and financial plans of the Company;
- business, strategy and capital expenditure budgets;
- convening of shareholders’ meetings, circulars to shareholders and related announcements to be submitted to the SGX-ST;
- overall corporate strategy and changes to the corporate structure;
- acquisitions, investments and disposals of assets exceeding a certain threshold;
- share issuances;
- recommendation/declaration of dividends;
- appointment of Directors, key management personnel and Company Secretary of the Company;
- terms of reference for the Board Committees;
- review of Directors and key management personnel’s performance and remuneration packages;
- interested person transactions;
- material regulatory matters or litigation; and
- compliance matters associated with the Catalist Rules, Securities and Futures Act or other relevant laws and regulations.

The number of Board, Board Committee meetings and all general meetings held during FY2023 and the attendance of each Director, where relevant, are as follows:

	<b>Board</b>	<b>AC</b>	<b>RC</b>	<b>NC</b>	<b>Annual General Meeting (“AGM”)</b>
<b>No. of meetings held</b>	3	3	3	3	1
<b>Name of Directors</b>					
Dr Terence Tea Yeok Kian	3	3*	3*	3	1
Mr Ng Li Yong	3	3	3	3	1
Mr Lim Yeow Hua @ Lim You Qin	3	3	3	3	1
Mr Kang Pang Kiang <sup>1</sup>	1	1	1	1*	–
Mr Yeo Hwee Tiong <sup>2</sup>	–	–	–	–	–

1 Mr Kang Pang Kiang retired as a Non-Independent and Non-Executive Director of the Company on 28 November 2022.

2 Mr Yeo Hwee Tiong was appointed as an Independent and Non-Executive Director of the Company on 1 July 2023.

\* By invitation



A formal letter setting out the director's roles, obligations, duties and obligations, and the expectations of his or her contribution to the Company as a member of the Board, will be issued to newly appointed directors upon their appointment.

All newly appointed Directors are given briefings by the management on the history, business operations and corporate governance practices of the Group. Newly appointed Directors also attend courses, seminars and trainings which may have a bearing on their duties and contributions to the Board, organised by the professional bodies and regulatory institutions, to keep themselves updated on the latest developments concerning the Group. Directors who have no prior experience as a director of a listed company will be provided training in areas such as accounting, legal and industry-specific knowledge as may be appropriate.

All newly appointed Director who has no prior experience as a director of a listed company will be required to attend specific modules of the Listed Entity Director ("LED") Programme conducted by the Singapore Institute of Directors ("SID") in order to acquire the relevant knowledge of what is expected of a listed company director, which is a mandatory requirement under the Listing Rules of the SGX-ST, unless the NC is of the view that such training is not required because the Director has other relevant experience. To keep pace with regulatory changes, the Directors attend sponsored seminars conducted by external professionals, including any changes in legislation and financial reporting standards, government policies, and regulations and guidelines from SGX-ST that affect the Company and/or the Directors in discharging their duties. The Company Secretary also informs the directors of the availability of relevant courses, conferences and seminars, including those conducted by the SID. The Directors are informed of developments relevant to the Group, including changes in laws, regulations and risks that may impact the Group. Directors can apply to the Company for funding for any such courses, conferences and seminars that they wish to attend. We are pleased to confirm that all Directors had attended the sustainability training in FY2023 as prescribed under Rule 720(6) of the Catalist Rules.

To enable the Directors to better understand the Group's business as well as for them to discharge their respective duties, management will provide regular updates to the Directors during board meetings. In addition, in order to ensure that each Director is able to contribute in a meaningful manner during Board meetings, each Director is provided with complete and adequate information to be discussed at each Board meeting in a timely manner. The management circulates copies of the minutes of the Board meetings to all members of the Board to keep them informed of on-going developments within the Group. Board papers are generally sent to Directors before each meeting and these would include financial management reports, reports on performance of the Group against the budget with notes on any significant variances, papers pertaining to matters requiring the Board's decision, updates on key outstanding issues and strategic plans and developments in the Group.

The Board has separate and independent access to the management and the Company Secretary at all times. Should the Directors, whether as a group or individually, require independent professional advice, such professionals (who will be selected with the concurrence of the Chairman or the Chairman of the Board Committee requiring such advice) will be appointed at the Company's expense.

The Company Secretaries attend all Board meetings and are responsible for ensuring that Board procedures are followed. The Company Secretaries assist senior management in ensuring that the Company complies with rules and regulations which are applicable to the Company. The appointment and removal of the Company Secretary are decided 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.**

The Board comprises of one (1) Executive Director, and three (3) Independent and Non-Executive Directors, who as a group, provide core competencies and diversity of experience which enable them to effectively contribute to the Company. Majority of the Board is made up of Independent and Non-Executive Directors which is in compliance with Provision 2.2 and 2.3 of the Code.

# CORPORATE GOVERNANCE REPORT

As at the date of this Report, the Board of Directors comprises of the following members:

Name of Directors	Designation	AC	RC	NC
Dr Terence Tea Yeok Kian	Executive Chairman and Managing Director	–	–	Member
Mr Ng Li Yong	Lead Independent Director	Member	Chairman	Chairman
Mr Lim Yeow Hua @ Lim You Qin	Independent and Non-Executive Director	Chairman	Member	Member
Mr Yeo Hwee Tiong	Independent and Non-Executive Director	Member	Member	–

The Board is supported by the Board Committees, namely, the NC, the AC and the RC, whose functions are described below. The Board is able to exercise objective judgement independently from the management and no individual or small group of individuals dominate the decisions of the Board.

On an annual basis or upon notification by an Independent Director of a change in circumstances, the NC will review the independence of each Independent Director based on the criteria for independence defined in the Code and recommend to the Board as to whether the Director is to be considered independent.

The Independent Directors have confirmed that they do not have any relationship with the Company or its related companies, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement with a view to the best interests of the Company.

Pursuant to Rule 406(3)(d)(iv) of the Catalist Rules introduced on 11 January 2023 states that a director will not be independent if he has been a director of a company for an aggregate period of more than nine (9) years (whether before or after listing). Such director may continue to be considered independent until the AGM held for the financial year ending on or after 31 December 2023. As of to-date, Mr Ng Li Yong had served the Board beyond nine (9) years and had sought his continued appointment as Lead Independent Director from the shareholders at the AGM held on 30 July 2021. The shareholders of the Company had approved the continued appointment and his appointment will remain in force until the earlier of his retirement or resignation or the conclusion of the third AGM. However, pursuant to Rule 406(3)(d)(iv) of the Catalist Rules, Mr Ng Li Yong will no longer be deemed independent after the conclusion of the annual general meeting of the Company for financial year ending 31 March 2024.

Although Mr Ng Li Yong has served on the Board for more than nine years from the date of his first appointment, the NC had rigorously reviewed his past contributions to the Company and considered that he is independent in character and judgement and there was no circumstance which would likely affect or appear to affect his independent judgement. The opinion was arrived at after careful assessment by the NC and the Board and the rigorous review comprised a review of, but not limited to, the following factors: (a) the length of services of Mr Ng Li Yong has not compromised the objectivity of Independent Director and his commitments and abilities to discharge his duties as Independent Director; (b) the abilities of Independent Director to continue exercising independent judgements in the best interests of the Company; (c) the abilities of Independent Director to express his objectives and independent views during Board and Board Committee meetings; and (d) Independent Director, through his years of involvements with the Company, has gained valuable insights and understandings of the Company's business and together with his diverse experience and expertise, has contributed and will continue to contribute effectively as Independent Director by providing impartial and autonomous views at all times. In determination of his independence, Mr Ng Li Yong recused himself.

The Company would continue to build on the acquired experience and expertise by preserving continuity and stability through orderly succession. The Board would decide and update on Board rejuvenation in due course.

Non-Executive Directors make up a majority of the Board. The Non-Executive Directors contribute to the Board by monitoring and reviewing management's performance against goals and objectives. Their views and opinions provide different perspectives on the Group's business. While challenging management's proposals or decisions, they bring independent judgement to bear on business activities and transactions, involving conflicts of interest and other complexities. The Non-Executive Directors will meet to discuss on specific matter without the presence of management and if necessary, to provide feedback to the Board. To ensure that Non-Executive Directors are well supported by accurate, complete and timely information, Non-Executive Directors have unrestricted access to management.

The Board examines its size and, with a view to determining the impact of the number upon effectiveness, decides what is considered an appropriate size for the Board, which facilitates effective decision-making. The Board is of the opinion that, given the scope and nature of the Group's operations, the present size of the Board, is appropriate for effective decision making. The Board noted that gender diversity on the Board of Directors is also one of the recommendations under the Code to provide an appropriate balance and diversity. Although the Company has not adopted the board diversity policy, the Company has embraced all aspects of diversity in the current Board composition, including the right blend of skills and industry knowledge diversity. As there is currently no female Director appointed to the Board, the Board does not rule out the possibility of appointing a female Director if a suitable candidate is nominated for the Board's consideration.

With the introduction of Rule 710A of the Catalist Rules, the Board will endeavour to formalise a board diversity policy that addresses gender, skills and experience and any other relevant aspect of diversity and describe such policy in its Annual Report for the financial year ending 31 March 2024.

The NC is of the view that the Board comprises persons who, as a group, provide the necessary core competencies and includes experienced professionals with legal, accounting, business and management experience.

To-date, none of the Independent and Non-Executive Directors of the Company have been appointed as Director of the Company's principal subsidiaries, which is based in Singapore and overseas.

Information on the Board members is provided under the section "Board of Directors" in the Annual Report.

## **CHAIRMAN AND CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR**

**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.**

Dr Terence Tea Yeok Kian is the Executive Chairman and Managing Director of the Company. The Board is of the opinion that it is not necessary to separate the roles after taking into account the current size, scope and the nature of the operations of the Company, and with the strong presence of Independent Directors on the Board. As the Executive Chairman, Dr Terence Tea Yeok Kian:

- leads the Board to ensure its effectiveness on all aspects of its role;
- sets the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
- promotes a culture of openness and debate at the Board;
- ensures effective communication with shareholders;
- ensures constructive relations within the Board and between the Board and management; and
- facilitates the effective contribution of Non-Executive Directors in particular.

As a Managing Director, Dr Terence Tea Yeok Kian has full responsibility over the business directions and operational decisions of the Group.

Although the roles of the Chairman and Managing Director are not separated, the AC, RC and NC are chaired by an Independent Director and Dr Terence Tea Yeok Kian's performance and remuneration are reviewed periodically by the NC and RC. In addition, Mr Ng Li Yong has been appointed as the Lead Independent Director of the Company in accordance with Provision 3.3 of the Code. He is available to shareholders should their concerns cannot be resolved through the normal channels of the Chairman or where such contact is inappropriate. As such, the Board believes that there are adequate safeguards and checks in place to ensure that the process of decision-making is independent and based on the collective decision-making of the Board without Dr Terence Tea Yeok Kian being able to exercise considerable concentration of power or influence. The Independent Directors meet at least once annually without the presence of the Executive Director and management to discuss matters of significance, which are thereon reported to the Board and/or Chairman accordingly.

# CORPORATE GOVERNANCE REPORT

## BOARD MEMBERSHIP AND BOARD PERFORMANCE

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

**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.**

### Nominating Committee

The Company had established a NC to make recommendations to the Board on all board appointments. The NC comprises three (3) members, majority of whom, including the Chairman, are Independent and Non-Executive Directors. The Lead Independent Director, Mr Ng Li Yong is the Chairman of the NC.

As at the date of this Report, the NC comprises:

Mr Ng Li Yong	(Chairman)
Mr Lim Yeow Hua @ Lim You Qin	(Member)
Dr Terence Tea Yeok Kian	(Member)

The Chairman of the NC is neither a substantial shareholder of the Company nor is he directly associated with the substantial shareholder of the Company.

The NC is governed by the NC's terms of reference which describes the roles and duties of the NC.

The NC is responsible for:

1. Making recommendations to the Board on all board appointments, including the development of a set of criteria for Director's appointments;
2. Reviewing the size of the Board with a view to determining the impact of the number upon Board's effectiveness;
3. Ensuring that the Directors have the required expertise and adequate competencies to discharge their respective functions and to ensure that there is a balance of competencies;
4. Re-nominating Directors having regard to the Director's contribution to the Group and his performance at Board meetings, for example, attendance, participation and critical assessment of issues deliberated upon by the Board;
5. Considering and determining on an annual basis, whether or not a Director is independent;
6. Deciding on how the Board's performance may be evaluated and propose objective performance criteria to the Board;
7. Reviewing the training and professional development programmes for the Board and its Directors;
8. Assessing the effectiveness of the Board as a whole and the contribution by each individual Director to the effectiveness of the Board; and
9. Reviewing board succession plans for Directors and key management personnel.

The independence of each Director is reviewed annually by the NC based on Principle 2 of the Code. Following its annual review, the NC has endorsed the independence status of Mr Ng Li Yong, Mr Lim Yeow Hua @ Lim You Qin and Mr Yeo Hwee Tiong.

New Directors are presently appointed by way of resolutions after the NC has reviewed and nominated them for appointment.

In identifying suitable candidates, the NC mainly taps on the Directors' personal contacts and recommendations. After shortlisting the candidates, the NC shall:

- (a) Consider and interview all candidates on merit against objective criteria, taking into consideration the qualification and experience of such candidate, his/her ability to increase the effectiveness of the Board and add value to the Groups' business in line with its strategic objectives; and

- (b) Evaluate and agree on a preferred candidate for recommendation to and appointment by the Board.

The Group also releases announcements on the appointment and cessation of Directors via SGXNET.

The NC has assessed the current performance of the Board, Board Committees and individual Directors, and is of the view that the performance of the Board as a whole, Board Committees and individual Directors has been satisfactory. Although some of the Directors have other board representations, the NC is satisfied that these Directors are able to and have adequately carried out their duties as Directors of the Company. The NC has noted that the respective Board Committee members have contributed significantly in terms of time, effort and commitment during FY2023.

At present, the Board does not intend to set a maximum number of listed company board representations a Director may hold as it is of the view that the effectiveness of a Director should be evaluated by a qualitative assessment of his contributions to the Company's affairs taking into account his other commitments including his directorships in other listed companies. The NC considers that the multiple board representations held presently by some Directors do not currently impede their respective performances in carrying out their duties to the Company.

The NC sets objective performance criteria for evaluating the Board, Board Committees and each Director's performance. Their performance is a function of the experience and expertise that each of the Director brings with them. The NC with the Board have implemented an evaluation form for the Board, Board Committees and each Director which consists of an assessment checklist which takes into consideration factors such as the understanding of its role and responsibilities, the composition and effectiveness as a whole, clear goals and actions, and proceedings to assess and enhance the overall effectiveness. The Board has implemented a collective questionnaire assessment process for assessing its effectiveness as a whole, and of each Board Committee separately, as well as the contribution of the Chairman and each individual Director to the effectiveness of the Board. Each Director was requested to complete evaluation forms to assess the overall effectiveness of the Board as a whole, and of each Board Committee and individual directors. The results of the evaluations are used constructively by the NC to identify potential areas of improvement for the Board to take the appropriate action. The assessment of the Board, Board Committees and each Director's performance focused on a set of performance criteria for the Board evaluation which includes the Board size, structure, degree of independence, application of skills, strategy and performance, governance on Board risk management & internal controls, information to the Board, Board procedures, Directors' standard of conduct.

The assessment is based on the following parameters:

## **Board**

- (1) Board composition;
- (2) Board conduct of affairs;
- (3) Board accountability;
- (4) Internal controls and risk management; and
- (5) Standard of conduct.

## **AC**

- (1) Composition;
- (2) Communication with Shareholders;
- (3) Financial reporting; and
- (4) Internal audit and external audit process.

## **NC**

- (1) Accountability;
- (2) Composition; and
- (3) Meetings.

## **RC**

- (1) Accountability;
- (2) Composition; and
- (3) Meetings.

# CORPORATE GOVERNANCE REPORT

## Individual Directors

- (1) Attendance at Board and related activities;
- (2) Adequacy of preparation for Board meetings;
- (3) Contribution in certain key aspects of business;
- (4) Disclosure of interested person transactions;
- (5) Participation in constructive debate/discussion; and
- (6) Overall assessment.

The results of the evaluation for the Board, Board Committees and each Director's performance are considered by the NC, which is responsible for setting the performance criteria to assess the effectiveness, and used constructively to identify areas for improvements and recommend the necessary action to be taken. No external facilitators were used in the assessment of the Board, Board Committees and each Director's performance.

The NC, in recommending the re-election or re-appointment of Directors, who are subject to retirement at the AGM in accordance with the Company's Constitution or the Companies Act 1967 of Singapore (the "**Companies Act**") or Catalist Rules, had taken into consideration the contribution of such Directors to the effectiveness of the Board, their participation and involvement in the Board meetings and Board Committee meetings, qualification and experience as well as their directorships and major appointments in other companies.

Currently, there is no alternate director on the Board.

Each member of the NC shall abstain from making any recommendations and/or participating in any deliberation of the NC and from voting on any resolutions in respect of the assessment of his own performance or re-nomination as a Director.

Pursuant to Regulations 91 and 97 the Constitution of the Company:

- (a) One-third (1/3) of the Directors except the Managing Director retire from office at every AGM; and
- (b) Directors appointed during the course of the year must submit themselves for re-election at the next AGM of the Company.

Pursuant to Rule 720(4) of the Catalist Rules, all directors must submit themselves for re-nomination and re-appointment at least once every three (3) years.

The NC recommended to the Board that Dr Terence Tea Yeok Kian, Mr Lim Yeow Hua @ Lim You Qin, and Mr Yeo Hwee Tiong be nominated for re-election pursuant to Rule 720(4) of the Catalist Rules, Regulation 91 and Regulation 97 of the Company's Constitution respectively at the forthcoming AGM and the Board has accepted the NC's recommendation.

In recommending the re-election of Dr Terence Tea Yeok Kian, Mr Lim Yeow Hua @ Lim You Qin, and Mr Yeo Hwee Tiong, the NC has considered the Directors' overall contribution and performance, each member of the NC had abstained from deliberation in respect of his own nomination and assessment. In addition, there is no relationships, including immediate family relationships between Mr Lim Yeow Hua @ Lim You Qin and Mr Yeo Hwee Tiong and the other Directors, the Company, its related corporations, its substantial shareholders or officers which may affect their independence. The Board considers Mr Lim Yeow Hua @ Lim You Qin and Mr Yeo Hwee Tiong to be independent for the purpose of Rule 704(7) of the Catalist Rules.

# CORPORATE GOVERNANCE REPORT

## Additional Information on Directors Seeking Re-election

The table below summarizes the information as set out in Appendix 7F to the Catalyst Rules pursuant to requirement under Rule 720(5) of the Catalyst Rules for Directors who will be seeking re-election as Directors of the Company:

Name of Director	Dr Terence Tea Yeok Kian	Mr Lim Yeow Hua @ Lim You Qin	Mr Yeo Hwee Tiong
Date of appointment	1 December 2013	11 October 2017	1 July 2023
Date of last re-appointment (if applicable)	26 November 2020	30 July 2021	Not applicable
Age	55	61	67
Country of principal residence	Singapore	Singapore	Singapore
The Board's comments on the NC's recommendation for re-election	The Board has accepted the NC's recommendation, who has reviewed and considered Dr Terence Tea Yeok Kian's performance as the Executive Chairman and Managing Director of the Company.	The Board has accepted the NC's recommendation, who has reviewed and considered Mr Lim Yeow Hua @ Lim You Qin's performance as an Independent and Non-Executive Director of the Company.	The Board has accepted the NC's recommendation, who has reviewed and considered Mr Yeo Hwee Tiong's performance as an Independent and Non-Executive Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Executive. Dr Terence Tea Yeok Kian is responsible for charting the strategic direction of the Group.	Non-Executive	Non-Executive
Job title	Executive Chairman and Managing Director and member of Nominating Committee	Independent and Non-Executive Director, Chairman of Audit Committee and member of Nominating and Remuneration Committees	Independent and Non-Executive Director, and member of Audit and Remuneration Committees
Professional qualifications	<ol style="list-style-type: none"> <li>Ph.D. in Business Administration (Honorary), Honolulu University</li> <li>Diploma in Electronics and Electrical Engineering, Singapore Polytechnic</li> </ol>	<ol style="list-style-type: none"> <li>Master of Business Administration, National University of Singapore</li> <li>Bachelor of Accountancy, National University of Singapore</li> </ol>	<ol style="list-style-type: none"> <li>Master of Science (Project Management), National University of Singapore</li> <li>Bachelor of Science (Building), Heriot Watt University, Edinburgh, UK</li> </ol>

# CORPORATE GOVERNANCE REPORT

Name of Director	Dr Terence Tea Yeok Kian	Mr Lim Yeow Hua @ Lim You Qin	Mr Yeo Hwee Tiong
Working experience and occupation(s) during the past 10 years	<p>2013 to Present – Executive Chairman and Managing Director of Accrelist Ltd.</p> <p>2014 to Present – Executive Chairman and Chief Executive Officer of Jubilee Industries Holdings Ltd.</p> <p>2014 to 2020 – Executive Chairman of EG Industries Berhad</p>	<p>2018 to 2019 – Group Head of Tax of In.Corp Global Pte. Ltd.</p> <p>2006 to 2017 – Founder and Managing Director of Asia Pacific Business Consultants Pte. Ltd.</p>	<p>2021 to 2023 – Senior Advisor of Clermont Holdings (Healthcare Group), Group Executive Chairman, Hoan My Medical Corporation (Vietnam)</p> <p>2018 to 2020 – Executive Chairman and Group Chief Executive Officer of Singapore Women’s &amp; Children’s Medical Group Pte. Ltd.</p> <p>2014 to 2018 – Principal (Healthcare) Singapore and Asia Pacific of KPMG Singapore (Deal Advisory)</p> <p>2013 to 2014 – Managing Director of Paeon Medical Group Pte, Ltd.</p> <p>2012 to 2013 – Group Managing Director of China Healthcare Ltd.</p> <p>2002 to 2012 – Group Chief Executive Officer of Thomson Medical Centre and its subsidiaries. Director and Managing Director, Hanh Phuc Hospital Vietnam</p>
Shareholding interest in the listed issuer and its subsidiaries	<p>Direct Interest – 67,966,856 ordinary shares</p> <p>Deemed Interest – 2,371,900 ordinary shares</p>	None	None
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	None	None	None
Conflict of interest (including any competing business)	None	None	None
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 720(1))	Yes	Yes	Yes



# CORPORATE GOVERNANCE REPORT

Name of Director	Dr Terence Tea Yeok Kian	Mr Lim Yeow Hua @ Lim You Qin	Mr Yeo Hwee Tiong
Other Principal Commitments Including Directorships	<p><b><u>Past (for the last 5 years)</u></b></p> <p>Director of:</p> <ul style="list-style-type: none"> <li>• Jubilee Industries (S) Pte. Ltd.</li> <li>• J Capital Pte. Ltd.</li> <li>• E'Mold Holding Pte. Ltd.</li> <li>• E'Mold Manufacturing (Kunshan) Co. Ltd</li> <li>• WE Components Pte. Ltd.</li> <li>• WE Components (Hong Kong) Limited</li> <li>• WE Components (Shanghai) Co Ltd</li> <li>• PT Honfoong Plastic Industries</li> <li>• EG Industries Berhad</li> <li>• SMT Technologies Sdn Bhd</li> <li>• SMT Industries Co., Ltd</li> <li>• EG Electronic Sdn Bhd</li> <li>• EG R&amp;D Sdn Bhd</li> <li>• EG Operations Sdn Bhd</li> <li>• EG Global Sdn Bhd</li> <li>• Mastimber Industries Sdn Bhd</li> <li>• Singapore Hokkien Huay Kuan</li> </ul> <p><b><u>Present:</u></b></p> <p>Director of:</p> <ul style="list-style-type: none"> <li>• Jubilee Industries Holdings Ltd.</li> <li>• A.M Skincare Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (BM) Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (CM) Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (Lot 1) Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (SPC) Pte. Ltd.</li> </ul>	<p><b><u>Past (for the last 5 years)</u></b></p> <p>Director of:</p> <ul style="list-style-type: none"> <li>• KTL Global Limited</li> <li>• Prestige Biopharma Pte. Ltd.</li> <li>• Singapore Women's &amp; Children's Medical Group Pte. Ltd.</li> </ul> <p><b><u>Present:</u></b></p> <p>Director of:</p> <ul style="list-style-type: none"> <li>• KSH Holdings Limited</li> <li>• NauticAWT Limited</li> <li>• Oxley Holdings Limited</li> <li>• Revez Corporation Ltd</li> </ul>	<p><b><u>Past (for the last 5 years)</u></b></p> <p>Director of:</p> <ul style="list-style-type: none"> <li>• Singapore Women's &amp; Children's Medical Group Pte. Ltd.</li> <li>• Hoan My Medical Corporation (Vietnam)</li> <li>• Hoan My Saigon Hospital (Vietnam)</li> <li>• Hanh Phuc Hospital (Vietnam)</li> <li>• Hoan My Dong Nai-ITO Hospital (Vietnam)</li> <li>• Hoan My Health Services Company (Vietnam)</li> <li>• Hoan My Health Services Consultancy (Vietnam)</li> <li>• Huu Nghi Health Consultancy (Vietnam)</li> <li>• The Medical City (Philippines)</li> <li>• Tan Wee Khin Pte. Ltd.</li> <li>• Dr. Madeleine Tan Pte. Ltd.</li> <li>• Singapore Women's Clinic (Tampines) Pte. Ltd.</li> <li>• Surgery &amp; Gynaecology Pte. Ltd.</li> <li>• Dr Paul Tseng Pte. Ltd.</li> <li>• ABCC Pte. Ltd.</li> <li>• J and T Consultants Pte. Ltd.</li> <li>• Anson International Paediatric &amp; Child Development Clinic Pte. Ltd.</li> <li>• BT Medical Pte. Ltd.</li> <li>• Jasmine Mohd Pte. Ltd.</li> <li>• Mark Loh Paediatrics Pte. Ltd.</li> <li>• Singapore Healthbridge Pte. Ltd.</li> <li>• Singapore Women's Medical Group Pte. Ltd.</li> <li>• Singapore Children's Medical Group Pte. Ltd.</li> </ul>

# CORPORATE GOVERNANCE REPORT

Name of Director	Dr Terence Tea Yeok Kian	Mr Lim Yeow Hua @ Lim You Qin	Mr Yeo Hwee Tiong
	<ul style="list-style-type: none"> <li>• Accrelist Medical Aesthetics (TPY) Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (Raffles City) Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (Serangoon) Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (Orchard Central) Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (Central@ Clarke Quay) Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (Northpoint) Pte. Ltd.</li> <li>• SJY Medical Pte. Ltd.</li> <li>• Accrelist Medical Aesthetics (Penang) Sdn. Bhd.</li> <li>• Accrelist Aesthetics (KL) Sdn. Bhd.</li> <li>• WE Dragon Resources Pte. Ltd.</li> <li>• Honfoong Plastic Industries Pte. Ltd.</li> <li>• WE Total Engineering Sdn Bhd</li> <li>• WE Resources Sdn Bhd</li> <li>• WE Components Sdn Bhd</li> <li>• WE Components (Penang) Sdn Bhd</li> <li>• WE Components Co. Ltd</li> <li>• WE Resources (Cambodia) Co., Ltd.</li> <li>• WE Microelectronics Pte. Ltd.</li> <li>• WE Components (Shenzhen) Co Ltd</li> </ul>		<ul style="list-style-type: none"> <li>• Dr Janice Paediatric Centre Pte. Ltd.</li> <li>• Ong XH Clinic for Women Pte. Ltd.</li> <li>• C.H.Koh Clinic for Women Pte. Ltd.</li> <li>• Paediatric Allergy Immunology Rheumatology Centre Pte. Ltd.</li> <li>• Shilla Mariah Clinic for Women Pte. Ltd.</li> <li>• Singapore Red Cross (Council Member)</li> <li>• The Management Development Institute of Singapore               <ul style="list-style-type: none"> <li>o School of Life Sciences Industrial Advisory Board (Member)</li> <li>o Academic Advisory Board (Member)</li> <li>o MDIS Senate (Member)</li> </ul> </li> </ul> <p><b>Present:</b></p> <ul style="list-style-type: none"> <li>• Independent Director of Cordlife Group Limited</li> <li>• Member, Singapore Institute of Directors</li> <li>• Member of Audit Committee, Singapore Red Cross Society</li> </ul>
<p><b>Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any questions is “yes”, full details must be given</b></p>			

Name of Director	Dr Terence Tea Yeok Kian	Mr Lim Yeow Hua @ Lim You Qin	Mr Yeo Hwee Tiong
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	Yes  Eratat Lifestyle Limited was delisted from the Mainboard of the SGX-ST on 19 July 2017 with the SGX-ST's approval and is currently undergoing liquidation pursuant to compulsory winding up proceedings. Mr Lim Yeow Hua @ Lim You Qin is a non-executive independent director of the company and had not been involved in the management or operations of the company.	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

# CORPORATE GOVERNANCE REPORT

Name of Director	Dr Terence Tea Yeok Kian	Mr Lim Yeow Hua @ Lim You Qin	Mr Yeo Hwee Tiong
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	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	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No

Name of Director	Dr Terence Tea Yeok Kian	Mr Lim Yeow Hua @ Lim You Qin	Mr Yeo Hwee Tiong
(i) Whether he has ever been the subject of any order judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	<p>Yes</p> <p>1. Dr Terence Tea Yeok Kian was involved in an investigation conducted by the Commercial Affairs Department (“CAD”) into the alleged irregularities in the financials of SCT Technologies Pte. Ltd., a subsidiary of Advance SCT Limited, where Dr Terence Tea Yeok Kian was then a director and Chief Executive Officer. There have been no further follow-up actions by CAD since then.</p> <p>2. Dr Terence Tea Yeok Kian was requested on 25 February 2020 by the Corrupt Practices Investigation Bureau (“CPIB”) to assist in an investigation. The investigation related to certain expenses incurred and a payment made by Honfoong Plastic Industries Pte. Ltd., a 70% owned subsidiary of the Jubilee Industries Holdings Ltd., during the Lunar New Year period. Dr Terence Tea Yeok Kian was informed by the CPIB on 11 January 2022 that he has been discharged from bail.</p>	No	No

# CORPORATE GOVERNANCE REPORT

Name of Director	Dr Terence Tea Yeok Kian	Mr Lim Yeow Hua @ Lim You Qin	Mr Yeo Hwee Tiong
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity of business trust?	Yes Please refer to (j)(i).	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.

# CORPORATE GOVERNANCE REPORT

<b>Name of Director</b>	<b>Dr Terence Tea Yeok Kian</b>	<b>Mr Lim Yeow Hua @ Lim You Qin</b>	<b>Mr Yeo Hwee Tiong</b>
If yes, please provide details of prior experience.	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a listed issuer as prescribed by the Exchange.	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.
Please provide details of relevant experience and the NC's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.

# CORPORATE GOVERNANCE REPORT

Details of the Directors' academic and professional qualifications and directorships for both present and those held over the preceding five (5) years in other listed companies and other principal commitments are set out under the section "Board of Directors" in the Annual Report and below:

Name of Directors	Designation	Date of initial appointment/last re-election	Directorships in other listed companies	
			Current	Past 5 Years
Dr Terence Tea Yeok Kian	Executive Chairman and Managing Director	11 March 2013/ 26 November 2020	Jubilee Industries Holdings Ltd.	EG Industries Berhad
Mr Ng Li Yong	Lead Independent Director	11 June 2013/ 30 July 2021	–	C&G Environmental Protection Holdings Limited
Mr Lim Yeow Hua @ Lim You Qin	Independent and Non-Executive Director	11 October 2017/ 30 July 2021	KSH Holdings Limited  NauticAWT Limited  Oxley Holdings Limited  Revez Corporation Ltd	KTL Global Limited
Mr Yeo Hwee Tiong	Independent and Non-Executive Director	01 July 2023/ Not applicable	Cordlife Group Limited	–

## REMUNERATION MATTERS

### PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

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

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

Mr Ng Li Yong	(Chairman)
Mr Lim Yeow Hua @ Lim You Qin	(Member)
Mr Yeo Hwee Tiong	(Member)

The RC is governed by the RC's terms of reference which describe the duties and powers of the RC.

The RC is responsible for:

1. Reviewing and recommending to the Board in consultation with the management and the Managing Director, a framework for remuneration and determine the specific remuneration packages and terms of employment for each of the Executive Director and Senior Executive/Divisional Director of the Group including those employees related to the Executive Directors and/or controlling shareholders of the Group and to ensure that it is appropriate to attract, retain and motivate them to run the Group successfully. The RC may engage experts in the field of executive compensation whenever required;



2. Reviewing the fairness and reasonableness of the termination clauses of the service agreements of each Executive Director and Senior Executive/Divisional Director of the Group to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous, with an aim to be fair and avoid rewarding poor performance;
3. Reviewing on a yearly basis, the remuneration packages for each Executive Director, which covers all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, options, share based incentives and awards, and benefits in kind;
4. Recommending the payment of fees to Non-Executive Directors and to ensure that the quantum commensurate with the Non-Executive Directors' contribution to the Board and the Company; and
5. Overseeing and administering performance share plan.

The RC may seek professional advice from external consultants on remuneration matters whenever required. No remuneration consultants were engaged by the Company in FY2023.

## 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.**

In setting remuneration packages, the RC takes into account the performance of the Group as well as the Directors and key management personnel aligning their interests with those of the shareholders and linking rewards to corporate and individual performance as well as industry benchmarks. The review of remuneration packages takes into consideration the long-term interests of the Group. The review covers all aspects of remuneration including salaries, fees, allowances, bonuses, options and benefits-in-kind. The RC's recommendations are made in consultation with the Chairman of the Board and submitted for endorsement by the entire Board.

The RC recommends the compensation for Independent and Non-Executive Directors, taking into account factors such as time spent, level of contribution and the responsibility of the Directors, the current market circumstances, long-term interests and risk policies of the Company, and the need to attract directors of experience and standing. The Independent and Non-Executive Directors' fees are compared against market standards to ensure that they are in line with market norms and to ensure their independence are not compromised. The payment of Directors' fees is subject to the approval of shareholders at the AGM.

The Directors do not participate in any discussion concerning their own remuneration.

The RC administers the Accrelist Performance Share Plan ("**Accrelist PSP 2023**"), which was approved and adopted pursuant to approval from shareholders at the extraordinary general meeting held on 27 February 2023. The performance-related elements of remuneration are designed to align the interests of management and employees with those of shareholders and to link their rewards to corporate and individual performance. The Accrelist PSP 2023 is also extended to the Group's Independent and Non-Executive Directors so as to better align the interests of such Independent and Non-Executive Directors with the interest of shareholders. The RC will reclaim the share awards granted to the Directors and employees who left the Company prior to the end of the vesting period of share awards.

The purpose of the Accrelist PSP 2023 is to provide an opportunity for the Group's employees who have met the performance targets to be remunerated not just through cash bonuses but also by an equity stake in the Company.

# CORPORATE GOVERNANCE REPORT

## DISCLOSURE ON REMUNERATION

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

The remuneration of the Directors and the key management personnel for FY2023, are disclosed below. The disclosure is to enable shareholders to understand the link between remuneration paid to the Directors and key management personnel and their performances.

The Group's remuneration policy is to provide compensation packages at market rates that reward successful performance and to attract, retain and motivate Directors and key management personnel. The remuneration packages take into account the performance of the Group, the individual Directors and individual key management personnel.

The Executive Chairman and Managing Director does not receive Directors' fees. His remuneration is governed by his service agreement with his service agreement renewed on 5 August 2022. The RC and the Board have reviewed and approved the service agreement without any changes to the remuneration packages.

The Independent and Non-Executive Directors receive only Directors' fees. Directors' fees are proposed by the Executive Chairman and Managing Director together with the RC based on the effort, time spent and the responsibilities of the individual Independent and Non-Executive Directors. They have not been over-compensated to the extent that their independence is compromised and their total remuneration is recommended for shareholders' approval at AGM. As disclosed in the annual report of the Company in respect of FY2023, the Directors' fees of S\$180,000 was approved by Shareholders at the AGM which was to be held on 28 November 2022. Payment for Directors' fees are made semi-annually in arrears. The Directors' fees for the Independent and Non-Executive Directors of S\$180,000 for the financial year ending 31 March 2024 have been recommended by the Board and will be tabled for approval by Shareholders at the forthcoming AGM where this would be paid semi-annually.

The compensation packages for employees, including the key management personnel, comprises a fixed component (base salary), a variable component (share-based payout through the Accrelist PSP 2023) and benefits-in-kind, where applicable, taking into account amongst other factors, the individual's performance, the performance of the Group and industry practices. An annual review of the compensation is carried out by the RC to ensure that the remuneration of the key management personnel commensurate with their performance and that of the Company, giving due regard to the financial and commercial health and business needs of the Group. In structuring the compensation framework, the RC also takes into account the risk policies of the Group, the need for the compensation to be symmetric with the risk outcomes and the time horizon of risks.

As per the Code, it recommends that:

- (1) the Company should fully disclose the amount and breakdown of remuneration of each individual Director and the Chief Executive Officer on a named basis; and
- (2) the Company should disclose in aggregate the total remuneration paid to the top five (5) key management personnel (who are not Directors or the Chief Executive Officer).

After careful consideration and taking into the account the confidential and commercial sensitivities associated with remuneration matter and the highly competitive human resource environment in which the Group operates, the Board is of the view that notwithstanding the deviation to Provision 8.1 of the Code, the Company is transparent on its remuneration policies, which has been disclosed not only as part of compliance with Principle 8 but also in respect of Principle 7 of the Code. The Company has also disclosed the remuneration of each Director and key management personnel in remuneration bands with breakdown of the components of their remuneration, for transparency. Accordingly, the Board is of the view that the current non-disclosure of the exact quantum of the remuneration of each Director and key management personnel presented herein in this Report is sufficient and will not be prejudicial to the interest of shareholders and complies with the intent of Provision 8.1 of the Code.

# CORPORATE GOVERNANCE REPORT

The Company has disclosed the remuneration of the Directors and the key management personnel in the bands of S\$250,000. The breakdown (in percentage terms) of each Director's and key management personnel's remuneration for FY2023 are as follows:

## Remuneration for the Directors

Name	Salary	Bonus	Fringe Benefits	Directors' Fees	Total
	%	%	%	%	%
<u>Between S\$250,000 and S\$500,000</u>					
Dr Terence Tea Yeok Kian	73	12	15	0	100
<u>Below S\$250,000</u>					
Mr Ng Li Yong	0	0	0	100	100
Mr Lim Yeow Hua @ Lim You Qin	0	0	0	100	100
Mr Yeo Hwee Tiong <sup>1</sup>	0	0	0	0	0

## Remuneration of the top key management personnel

Name	Salary	Bonus	Fringe Benefits	Total
	%	%		%
<u>Between S\$250,000 and S\$500,000</u>				
Lee Sang Sup (Senior Vice President)	69	–	31	100
<u>Below S\$250,000</u>				
Mr Loh Eng Lock Kelvin (Chief Financial Officer and Joint Company Secretary)	81	7	12	100
Sng Ee Lian Eliane <sup>2</sup> (Group Financial Controller)	100	–	–	100

<sup>1</sup> Mr Yeo Hwee Tiong was appointed as an Independent and Non-Executive Director on 1 July 2023.

<sup>2</sup> Ms Sng Ee Lian Eliane resigned with effect from 31 October 2022.

The Company does not have any employees who is an immediate family member of a Director, the Executive Chairman and Managing Director or a substantial shareholder, and whose remuneration for FY2023 exceeds S\$100,000.

For the purpose of Rule 704(10) of the Catalist Rules, the Company hereby confirms that there are no persons occupying managerial position who are related to Director, Executive Chairman and Managing Director or a substantial shareholder of the Company.

The share award given to a selected person will be determined at the discretion of the RC. The RC will take into account factors such as the selected person's capability, scope of responsibility, skill and his/her vulnerability to leaving the employment of the Group. In deciding on a share award to be granted to a selected person, the RC will also consider all aspects of the compensation and/or benefits given to the selected person and such other share-based incentive schemes of the Company, if any. The RC may also approve the specific criteria and performance targets for each of its business units set by the management, taking into account factors such as the business goals and directions of the Company and the Group for each financial year, the actual job scope and responsibilities of the selected person and the prevailing economic conditions.

During FY2023, there was no Accrelist PSP 2023 granted to key management personnel and employees of the Group. Further details on Accrelist PSP 2023 are set out in the Directors' Statement of this Annual Report.

# CORPORATE GOVERNANCE REPORT

The remuneration package of Executive Director and the compensation structure of the key management personnel comprises of a fixed salary, bonus and other benefits. The bonus component is based on the performance of the Group as a whole and their individual performance. This is designed to align remuneration with the interests of the shareholders and link rewards to corporate and individual performance so as to promote long-term sustainability of the Group.

## ACCOUNTABILITY AND AUDIT

### RISK MANAGEMENT AND INTERNAL CONTROLS

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

The Company does not have a separate risk management committee. The Board acknowledges that it is responsible for the overall internal control framework, but recognises that no cost-effective control system will preclude all errors and irregularities, as a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Group has implemented a system of internal controls designed to provide reasonable but not absolute assurance that assets are safeguarded, proper accounting records are maintained, operational controls are adequate and business risks are suitably managed. The Board determines the nature and extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Board with the support of the AC, oversees the management in the design, implementation and monitoring of the risk management and internal control systems, and reviews the adequacy and effectiveness of such systems at least annually.

The external and internal auditors conduct annual reviews of the effectiveness of the Group's key internal controls, including financial, operational, compliance and information technology controls, and risk management. Any material non-compliance or lapses in internal controls, together with recommendations for improvement, are reported to the AC and the Board. The timely and proper implementation of all required corrective, preventive or improvement measures are closely monitored.

In presenting the annual financial statements and announcements of financial results to shareholders, it is the aim of the Board to provide shareholders with a balanced and understandable assessment of the Company's and the Group's performance, position and prospects. The management currently provides the Board with appropriately detailed management accounts of the Group's performance, position and prospects on a monthly basis.

The Board has received assurance from the Managing Director and Chief Financial Officer:

- (1) that the financial records for financial year ended 31 March 2023 have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and
- (2) regarding the adequacy and effectiveness of the Company's risk management and internal control systems.

The Board ensures that all relevant compliance and regulatory updates are highlighted from time to time to ensure adequate compliance with the regulatory requirements.

## AUDIT COMMITTEE

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

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

Mr Lim Yeow Hua @ Lim You Qin	(Chairman)
Mr Ng Li Yong	(Member)
Mr Yeo Hwee Tiong	(Member)

The AC members collectively have many years of experience in accounting, audit, business and financial management. The Board considers that the members of the AC are appropriately qualified to discharge the responsibilities of the AC.

In accordance with Provision 10.3 of the Code, the AC does not comprise of former partners or directors of the Company's existing auditing firm or auditing corporation: (a) within a period of two years commencing on the date of their ceasing to be partner of the auditing firm or director of the auditing corporation; and in the case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation.

The AC has its own written terms of reference. Specifically, the AC meets on a periodic basis to perform the following functions:

1. Review with the internal and external auditors, the scope, audit plans, and the results of their examinations and evaluation of the Group's system of internal accounting controls or internal audit procedures;
2. Review the adequacy of the Group's financial and management reporting system including the effectiveness of material internal financial controls, operational and compliance controls, and risk management policies;
3. Review the financial statements of the Group to ensure integrity before submission to the Board for approval and the external auditors' report on those financial statements, if any;
4. Review any related significant findings and recommendations of the internal and external auditors together with management's responses thereto;
5. Review interested person transactions, if any, in accordance with the Catalist Rules;
6. Review legal and regulatory matters that may have a material impact on the financial statements;
7. Review the half-yearly and annual announcements as well as the related press releases on the results of the Group;
8. Review the independence of external auditors on an annual basis;
9. Review the arrangements by which staff of the Group may, in confidence raise concerns about the possible improprieties in matters of financial reporting and other matters;
10. Review the assistance given by the management to internal and external auditors;
11. Generally, undertake such other functions and duties as may be required by statute or the Catalist Rules (as thereafter defined), or by such amendments as may be made thereto from time to time;
12. Review the key financial risk areas, with a view to providing an independent oversight on the Group's financial reporting, the outcome of such review to be disclosed in the annual reports or, where findings are material, announced immediately via the SGXNET;
13. Ensure that the internal audit function is adequately resourced and has appropriate standing within the Company. For the avoidance of doubt, the internal audit function can be either in-house, outsourced to a reputable accounting/auditing firm or performed by a majority shareholder, holding company, parent company or controlling enterprise with an internal audit staff. (The internal auditor's primary line of reporting should be to the Chairman of the AC although he would also report administratively to the Managing Director. The internal auditors should meet or exceed the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice set by The Institute of Internal Auditors);
14. Review the adequacy, effectiveness, independence, scope and results of the external audit and internal audit function annually;
15. Ensure that a review of the effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls, and risk management is conducted annually;
16. Reviewing the assurance from the CEO and the CFO on the financial records and financial statements;
17. Making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors; and
18. Reviewing whistle-blowing report.

# CORPORATE GOVERNANCE REPORT

The AC is also authorised to investigate any matter within its terms of reference and obtain independent professional advice if it deems necessary to discharge its responsibilities. Such expenses are to be borne by the Company. It has full access to and the co-operation of the management and the full discretion to invite any Director or key management personnel to attend its meetings as well as reasonable resources to enable it to discharge its functions properly. During FY2023, the AC has met with the external auditors and internal auditors separately without the presence of the management to review any area of concerns for FY2023. Ad-hoc AC meetings may be conducted from time to time when necessary.

The AC is kept abreast by the management and the external auditors of changes to accounting standards, Catalyst Rules of the SGX-ST and other regulations which could have an impact on the Group's business and financial statements.

The AC is also satisfied with the level of co-operation rendered by the management to the external auditors and the adequacy of the scope and quality of their audits and had recommended to the Board the nomination of Moore Stephens LLP for re-appointment at the forthcoming AGM.

The aggregate amount of fees paid to the external auditors, Moore Stephens LLP, for FY2023 amounted to approximately S\$308,000 for its statutory audit services and S\$3,450 to Moore Stephens' network firms for its statutory audit services on the Group's subsidiaries. There were no non-audit services provided by Moore Stephens LLP.

The AC has designated and implemented an independent whistle-blowing policy (the "**Policy**") for the Group to investigate whistleblowing reports made in good faith and ensures that the identity of the whistleblower is kept confidential and the Group is committed to ensure protection of the whistleblower against detrimental or unfair treatment. The Policy is to enable persons employed by the Group with a channel to report any suspicions of non-compliance with regulations, policies and fraud etc., to the appropriate authority for resolution, without any prejudicial implications for these employees. In this regard, a designated email address has been set up which is accessible only by the designated members of the AC.

The AC exercises the overseeing function over the administration of the Policy. On a case-by-case basis and upon the receipt of complaints, an email would be directly sent to the AC members. The AC Members would discuss the number and nature of complaints received, the results of the investigation, follow-up actions and the unresolved complaints. There was no whistle blowing report received during FY2023.

The Directors recognise that they have overall responsibility to ensure proper financial reporting for the Group and effectiveness of the Group's system of internal controls, including financial, operational, compliance and IT controls, and risk management policies and systems. The AC assists the Board in providing oversight of risk management in the Company. It is responsible for reviewing the adequacy and effectiveness of the Group's risk management systems and internal controls, including financial, operational, compliance and IT controls and reporting to the Board annually its observations on any matters under its purview including risk management, internal controls or financial and management matters as it considers necessary and makes recommendations to the Board as it thinks fit.

The AC reviews the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls and risk management systems through discussion with management and its auditors and report to the Board. The AC ensures that a review of effectiveness of the Company's internal controls is conducted at least once annually. The AC has met with the external and internal auditors without management during the year.

The Board recognises the importance of maintaining a system of internal control processes to safeguard shareholders' investments and the Group's business and assets. The Board noted that no system of internal control could provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities. The annual conduct of audits by the internal auditors assesses the effectiveness of the Group's internal control procedures and provides reasonable assurance to the AC and the management that the Group's risk management, controls and governance processes are adequate and effective.

The Board has received assurance from the Managing Director and Chief Financial Officer in relation to financial records of the Group for FY2023 has been properly maintained and the financial statements give a true and fair view of the Group's operations and finances. In addition, the Managing Director and the key management personnel who are responsible have also given assurance to the Board that the risk management and internal control systems are adequate and effective in addressing the financial, operational, compliance and information technology risks. The system of internal controls and risk management established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also noted that no form of internal controls and risk management can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human errors, losses, fraud or other irregularities.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, and reviews performed by management, the AC and the Board are of the opinion that the Group's internal controls are adequate and effective to address the financial, operational, compliance, information technology controls, and the risk management systems of the Group.

The Board understands that it may establish a separate board risk committee or otherwise assess appropriate means to assist it in carrying out its responsibility of overseeing the Company's risk management framework and policies. The Company does not have a separate board risk committee and will look into the need of establishment for a separate board risk committee at a relevant time.

The Board recognises the importance of maintaining an internal audit function to maintain a sound system of internal control within the Group to safeguard shareholders' investments and the Company's assets. Regular reviews of these controls are conducted by the Company's internal and external auditors and any recommendations for improvement are reported to the AC.

The role of the internal auditors is to assist the AC in ensuring that the controls are effective and functioning as intended, to undertake investigations as directed by the AC and to conduct internal audit review of areas assessed as higher risk.

The Company outsources its internal audit functions to NLA Risk Consulting Pte. Ltd., which meets the standards set by internationally recognised professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The internal auditors would carry out regular cyclical review in phases based on regional presence of the Group with specific focus on sales transactions, inventories and overall effectiveness of the internal controls and reports to the Chairman and AC.

The AC has reviewed the internal audit plan and the internal auditor's evaluation of the system of internal controls, their audit findings and management's processes to those findings. The AC is satisfied that the internal audit is adequately resourced and has the appropriate standing within the Group. The AC will also approve the hiring, removal, evaluation and compensation of the accounting or auditing firm or corporation to which the internal audit function of the Company is outsourced.

## SHAREHOLDER RIGHTS AND ENGAGEMENT

### SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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

### ENGAGEMENT WITH SHAREHOLDERS

**Principle 12: The Company communicates regularly with its shareholder 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.**

The Company ensures that timely and adequate disclosure of information on matters of material impact on the Company are made to shareholders of the Company, in compliance with the requirements set out in the Catalist Rules with particular reference to the Corporate Disclosure Policy set out therein. In this respect, the Company announces its results to shareholders on a half yearly basis.

The Company does not practice selective disclosure. Price-sensitive information is first publicly released before the Company meets with investors or analysts.

# CORPORATE GOVERNANCE REPORT

Information is disseminated to shareholders on a timely basis through:

- SGXNET announcements and news release; and
- Annual Report prepared and issued to all shareholders.

Half year and full year results as well as Annual Reports are announced and issued within the mandatory period via SGXNET. All shareholders could view the announcements of the Company via SGXNET.

The Company's Constitution allows a member of the Company to appoint not more than two (2) proxies to attend and vote on behalf of the member. For the time being, the Board is of the view that this is adequate to enable shareholders to participate in the general meetings of the Company and is not proposing to amend their Constitution to allow votes in absentia.

Due to concerns over the authentication of shareholders' identity information and other related security issue, the Company is not implementing absentia voting methods such as voting via mail, facsimile or email until security integrity and other pertinent issues are satisfactory resolved.

The Board noted that with the Companies (Amendment) Act 2014, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument appointing a proxy or proxies. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act. At the forthcoming AGM, a member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the AGM.

Resolutions are passed through a process of voting and shareholders are entitled to vote in accordance with established voting rules and procedures. In this regard, shareholders of the Company are informed of the rules, including voting procedures that govern general meetings of shareholders. The voting results will be screened at the general meeting and announced via SGXNET after the meeting.

Each distinct issue is proposed as a separate resolution at general meetings. All resolutions proposed at general meetings shall be to put vote by way of a poll pursuant to Rule 730A(2) of the Catalist Rules. An independent external consultant is also appointed as a scrutineer for the poll voting process. Prior to the commencement of the general meeting of shareholders, the scrutineer would review the proxies and the proxy process. A proxy verification process agreed upon with the scrutineer is also in place. Votes cast for, or against, each resolution will be tallied and disclosed at the meeting announcement with detailed results showing the numbers and percentage of votes cast for or against for each resolution will be released via SGXNET after the general meetings. The Company currently does not provide for voting in absentia at the general meetings as the integrity of the information and authentication of the identity of Shareholders and other related security issues remain as a concern to the Company.

All Directors and management are present at the AGM or extraordinary general meeting ("EGM"). At all general meetings, shareholders are given the opportunity to address their views and ask Directors or management questions regarding the Group. The external auditors are invited to attend the AGM to assist the Directors in answering any queries relating to the conduct of the audit and the preparation and content of the auditors' report.

The Company prepares minutes of general meetings incorporating the substantial and relevant comments or queries from shareholders and responses from the Board and management. The Company will publish the minutes of its forthcoming AGM within one (1) month from the AGM via SGXNET and the Company's website, in accordance with the Guidance on the Conduct of General Meetings issued by the Accounting and Corporate Regulatory Authority, Monetary Authority of Singapore and the SGX-ST. The Company also publishes its responses to substantial and relevant questions on the SGXNET.

The attendance of Directors for the AGM held on 28 November 2022 is disclosed on page 14.

The Company does not have a policy on payment of dividends. The form, frequency and amount of dividends will depend on the Company's earnings, general financial condition, results of operations, capital requirements, cash flow, general business conditions, development plans and other factors as the Directors may deem appropriate. The Board would consider a dividend policy at an appropriate time.



The Company had engaged Waterbrooks Consultants Pte. Ltd. (“**Investor Relations**”) as dedicated investor relation teams to handle investor queries and assist on all matters related to investor relations.

To enhance and encourage communication with shareholders and investors, the Company provides the contact information of its Investor Relations in its press releases. Shareholders and investors can send their enquiries to the Company’s Investor Relations who can be reached by email or telephone.

## **MANAGING STAKEHOLDERS RELATIONSHIP**

### **ENGAGEMENT WITH STAKEHOLDERS**

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

The Company has identified key stakeholder groups which have a significant influence and interest in the Company’s operations and business, and will engage these stakeholders actively to understand their views, concerns and objectives. The key stakeholders identified are vendors, employees, investees, investors, business partners and the government and relevant regulators of countries in which the Group operates in.

The Company maintains a corporate website at <http://www.accrelist.com.sg> to communicate and engage with stakeholders.

## **ADDITIONAL INFORMATION**

### **Dealings in Securities**

In line with Rule 1204(19) of the Catalist Rules, the Company has in place a code of conduct on share dealings by the Directors and its employees. The Directors, the management and employees of the Group are not permitted to deal in the Company’s shares during the period commencing one (1) month before the announcement of the Company’s half year and full year financial results and ending on the date of announcement of such financial results, or when they are in possession of unpublished price-sensitive information on the Group. In addition, the Directors, the management and employees of the Group are discouraged from dealing in the Company’s shares on short-term considerations.

The Directors, management and employees of the Group are expected to observe all applicable insider trading laws at all times even when dealing in securities within permitted trading period.

### **Interested Person Transactions**

The Company has established procedures to ensure that all transactions with interested persons (“**IPT**”) are reported in a timely manner to the AC and transactions are conducted on arm’s length basis and are not prejudicial to the interests of shareholders. The Board and the AC will review all interested person transactions to be entered to ensure that the relevant rules under Chapter 9 of Catalist Rules are complied.

There were no interested person transactions which were more than S\$100,000 entered into during FY2023. The Group does not have any general mandate from shareholders pursuant to Rule 920 of the Catalist Rules of the current financial year.

### **Material Contracts**

There were no material contracts of the Company or its subsidiaries involving the interests of the Managing Director, any Director or controlling shareholders either still subsisting as at 31 March 2023 or if not then subsisting, entered into since the end of the previous financial year.

# CORPORATE GOVERNANCE REPORT

## **Non-Sponsor Fees**

In accordance with Rule 1204(21) of the Catalyst Rules, there was no non-sponsor fee paid to the Sponsor, RHT Capital Pte. Ltd., by the Company for FY2023.

## **Summary of Sustainability Report for FY2023**

The Company's sustainability report for FY2023 has been announced on 28 July 2023. The sustainability report covers the Group's sustainability performance from 1 April 2022 to 31 March 2023 and relevant historical performance data from prior years has been included for comparison where available. Please refer to the Addendum to the Sustainability Report on page 41 for the detailed breakdown of our economic performance during the reporting period.

# ADDENDUM TO THE SUSTAINABILITY REPORT

Since our Sustainability Report FY2023 was published before our Annual Report, we would like to provide the following update on disclosures for the material topic 'Economic Performance' in our sustainability report.

The breakdown of our economic value generated is below:

Business Segments	ECONOMIC VALUE GENERATED (S\$ '000)					
	Revenue		Cost of sales		Gross Profit	
	FY2023	FY2022	FY2023	FY2022	FY2023	FY2022
MBU	22,407	30,423	22,801	29,585	(394)	838
A.M Aesthetics	14,118	10,157	7,949	4,311	6,169	5,846
Others	16	9	(98)	-	114	9
<b>Total</b>	<b>36,541</b>	<b>40,589</b>	<b>30,652</b>	<b>33,896</b>	<b>5,889</b>	<b>6,693</b>

The Group has restated the economic value generated numbers disclosed in the Sustainability Report of FY2022 due to the disposal of WE Components Pte. Ltd. by Jubilee. The disposal was completed on 29 August 2023. For comparability, both FY2023 and FY2022 figures for economic value generated do not include disposed business unit.

For FY2023, the Group had overall turnover of S\$36.5 million in FY2023, which is a decrease of 10% from FY2022. In terms of gross profit margin, this has remained relatively constant at 16% from FY2022 to FY2023. For detailed analysis of our financial performance, please refer to Financial and Operations Review in this Annual Report.

The Group remains committed to pursuing new and promising business opportunities, as shown by our ongoing acquisition of SJY Medical Pte. Ltd and its four (4) clinics. As outlined in our sustainability report, we hope that our forward-looking strategic initiatives and expansions will yield favorable economic outcomes for all our business units in the foreseeable future.



# FINANCIAL CONTENTS

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The directors present their statement to the members of Accrelist Ltd. (the "Company") together with the audited consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the financial year ended 31 March 2023, and the statement of financial position of the Company as at 31 March 2023.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial statement of the Company as at 31 March 2023, and of the consolidated financial performance, consolidated changes in equity and cash flows of the Group for the year ended on that date; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Group and the Company will be able to pay its debts as and when they fall due.

## 1 Directors

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

Dr Terence Tea Yeok Kian	Executive Chairman and Managing Director
Lim Yeow Hua @ Lim You Qin	Independent and Non-Executive Director
Ng Li Yong	Lead Independent Director
Yeo Hwee Tiong	Independent and Non-Executive Director (Appointed on 1 July 2023)

## 2 Arrangements to Enable Directors to Acquire Shares or Debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## 3 Directors' Interests in Shares or Debentures

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act 1967 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below.

Company	Direct Interest			Deemed Interest		
	As at 1.4.2022	As at 31.3.2023	As at <b>21.4.2023</b>	As at 1.4.2022	As at 31.3.2023	As at <b>21.4.2023</b>
<i>Number of shares</i>						
Dr Terence Tea Yeok Kian	64,436,056	67,796,856	<b>67,966,856</b>	2,271,900	2,371,900	<b>2,371,900</b>

Dr Terence Tea Yeok Kian, who by virtue of his deemed interest of not less than 20% of the issued capital of the Company, is deemed to have interests in the shares of all subsidiary corporations, which is derived through shares held by his spouse in the Company.

Except as disclosed above, no directors who held office at the end of the financial year had interests in shares or debentures of the Company and related corporations, either at the beginning of the financial year or at the end of the financial year.

## 4 Performance Shares

The Accrelist Performance Share Plan 2023 (“Accrelist PSP 2023”) was proposed and approved at the Extraordinary General Meeting on 27 February 2023.

The total number of shares over which options may be granted under this Accrelist PSP 2023 shall not exceed 10% of the total issued share capital of the Company on the date preceding the date of the relevant Award.

The Accrelist PSP 2023 shall continue to be in force at the discretion of the Remuneration Committee of the Company (“Committee”), subject to a maximum period of 10 years commencing on 27 February 2023, provided always that the Accrelist PSP 2023 may continue beyond the aforementioned stipulated period with the approval of the Company’s shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required. The expiry or termination of the Accrelist PSP 2023 shall not affect the shares which have been granted prior to such expiry or termination. The Accrelist PSP 2023 is also extended to the Group non-executive directors.

Accrelist PSP 2023 is administered by the Committee which consists of directors of the Company.

The purpose of the Accrelist PSP 2023 is to increase the Group’s flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve superior performance. The Accrelist PSP 2023 will strengthen the Group’s competitiveness in attracting and retaining Group employees. It will provide incentives to high-performing Group Employees to excel in their performance and encourage greater dedication and loyalty to the Group and motivate the Group Employees to continue to strive for the Group’s long-term shareholder value.

The Accrelist PSP 2023 aims to foster a greater ownership culture within the Group which more directly aligns the interests of key Group Employees with the interest of the Shareholders, and to improve performance and achieve sustainable growth for the Group in the changing business environment.

No awards have been issued during the financial year ended 31 March 2023 and there were no awards outstanding as at 31 March 2023.

## 5 Share Options

### Options Granted

During the financial year, there were no share options granted to subscribe for unissued shares of the Company or any corporation in the Group.

### Options Exercised

During the financial year, there were no shares issued by virtue of the exercise of options to take up unissued shares of the Company or any corporation in the Group.

### Options Outstanding

As at the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

## 6 Audit Committee

The Audit Committee (“AC”) comprises the following independent directors at the date of this statement:

Lim Yeow Hua @ Lim You Qin (Chairman)  
Ng Li Yong  
Yeo Hwee Tiong

The AC carried out its functions in accordance with Section 201B (5) of the Act. In performing those functions, the AC carried out the following:

- Reviewing the scope and the results of the audit undertaken by the independent auditor to ensure that there is a balance between maintenance of their objectivity and cost effectiveness;
- Reviewing the financial statements and other announcements to members and the Singapore Exchange Securities Trading Limited (“SGX-ST”), prior to submission to the Board;
- Conducting an investigation into any matter within the AC’s scope of responsibility and review any significant findings of investigations;
- Assessing the independence and objectivity of the independent auditors;
- Recommending to the Board on the appointment and re-appointment of the independent auditors;
- Reviewing the assistance given by the Company’s officers to the independent auditors; and
- Reviewing transactions falling within the scope of Chapter 9 of the Catalyst Rules.

The AC also has explicit authority to investigate any matters within its terms of reference, full access to and cooperation 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.

In performing its functions, the AC meets the independent auditors, without the presence of the management, at least once a year to review the overall scope of the independent audit, and the assistance given by the management to the independent auditors. The AC has reasonable resources to enable it to discharge its functions properly.

## 7 Independent Auditors

The independent auditors, Moore Stephens LLP, have expressed their willingness to accept re-appointment as auditors.

On behalf of the Board of Directors,

.....  
DR TERENCE TEA YEOK KIAN  
Director

Singapore

8 November 2023

.....  
NG LI YONG  
Director

# INDEPENDENT AUDITOR'S REPORT

to the Members of ACCRELIST LTD.

## Report on the Audit of the Financial Statements

### Disclaimer of Opinion

We were engaged to audit the financial statements of Accrelist Ltd. (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 31 March 2023, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group and the statement of financial position of the Company. The matter described in the "Basis for Disclaimer of Opinion" section of our report is significant and we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

### Basis for Disclaimer of Opinion

As stated in Note 22 to the financial statements, the financial statements of We Total Engineering Sdn Bhd and its subsidiaries, Honfoong Plastic Industries Pte Ltd (HF) and PT Honfoong Plastic Industries ("We Total sub-group") were included in the Group's consolidated financial statements based on unaudited management accounts for the current financial year ended 31 March 2023. The Group's consolidated financial statements include the revenue, expenses, total assets and total liabilities of We Total sub-group amounting to approximately S\$22,407,000, S\$25,140,000, S\$15,200,000, and S\$6,100,000 respectively. As disclosed in Note 12, the Group has classified HF and its subsidiary, as part of the disposal group classified as held for sale. The assets and liabilities of the We Total sub-group includes those assets and liabilities of the HF group that have been classified as held for sale.

As at the date of this report, we were unable to carry out our audit procedures or alternative procedures as auditors of the Company on the financial statements of the We Total sub-group for the purpose of providing an opinion on the Group's consolidated financial statements. The We Total sub-group has a material and pervasive impact on the consolidated financial statements of the Group. Consequently, we were unable to determine what adjustments, if any, may be required to the Group's consolidated financial statements.

### Other Matter

The financial statements for the financial year ended 31 March 2022 were audited by another firm of auditors who expressed an unmodified opinion on those financial statements in their report dated on 11 November 2022.

### 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), 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 ACCRELIST LTD.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to conduct an audit of the Group's financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matter 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, except for the matter as described in the "Basis for Disclaimer of Opinion" section of our report, 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 Mr. Christopher Bruce Johnson.

**Moore Stephens LLP**  
Public Accountants and  
Chartered Accountants

Singapore

8 November 2023

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 March 2023

	Note	Group	
		2023 S\$'000	2022 S\$'000 (Restated)
Revenue	4(a)	36,541	40,589
Cost of sales	6	(30,652)	(33,896)
<b>Gross profit</b>		<b>5,889</b>	<b>6,693</b>
<b>Other gains/(losses) - net</b>			
- Provision for expected credit loss on trade and other receivables		(633)	(672)
- Impairment loss on intangible assets and office equipment		(22)	(3,977)
- Others	5	3,632	(1,688)
<b>Expenses</b>			
- Marketing and distribution	6	(1,221)	(1,132)
- Administrative	6	(9,990)	(9,945)
- Finance	8	(291)	(257)
<b>Loss before income tax</b>		<b>(2,636)</b>	<b>(10,978)</b>
Income tax expense	9(a)	(41)	(233)
Net loss for the year from continuing operations		<b>(2,677)</b>	<b>(11,211)</b>
Discontinued Operations			
Loss for the year from discontinued operations	11	(7,372)	(3,245)
<b>Total loss for the year</b>		<b>(10,049)</b>	<b>(14,456)</b>
<b>Total loss for the year</b>		<b>(10,049)</b>	<b>(14,456)</b>
Other comprehensive income/(loss), net of tax: <i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation differences arising from consolidation	24(a)	710	(450)
Other comprehensive income/(loss), net of tax		<b>710</b>	<b>(450)</b>
<b>Total comprehensive loss for the year</b>		<b>(9,339)</b>	<b>(14,906)</b>
<b>Loss for the year attributable to:</b>			
Equity holders of the Company		(5,399)	(11,813)
Non-controlling interests		(4,650)	(2,643)
		<b>(10,049)</b>	<b>(14,456)</b>
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the Company		(4,689)	(12,263)
Non-controlling interests		(4,650)	(2,643)
		<b>(9,339)</b>	<b>(14,906)</b>
<b>Loss per share for loss attributable to equity holders of the Company (cents per share)</b>			
From continuing and discontinued operations			
- Basic	10	(1.77)	(4.03)
- Diluted	10	(1.77)	(4.03)
From continuing operations			
- Basic	10	(0.48)	(3.44)
- Diluted	10	(0.48)	(3.44)

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

# STATEMENTS OF FINANCIAL POSITION

As at 31 March 2023

	Note	Group			Company	
		2023 S\$'000	2022 S\$'000 (Restated)	2021 S\$'000 (Restated)	2023 S\$'000	2022 S\$'000
<b>ASSETS</b>						
<b>Current Assets</b>						
Other assets	13	491	1,370	1,334	2	9
Trade and other receivables	14	1,523	19,197	23,966	8,818	8,707
Inventories	15	2,119	20,051	15,406	-	-
Financial assets, at fair value through profit or loss ("FVPL")	16	37	7,070	9,263	-	-
Contract assets	4(b)	-	64	28	-	-
Cash and cash equivalents	18	15,056	9,757	8,843	258	476
Tax recoverable		139	-	-	-	-
Assets of disposal group classified as held for sale	12	33,759	-	-	-	-
<b>Total Current Assets</b>		<b>53,124</b>	<b>57,509</b>	<b>58,840</b>	<b>9,078</b>	<b>9,192</b>
<b>Non-Current Assets</b>						
Property, plant and equipment	19	6,410	18,648	15,600	-	-
Intangible assets	21	23	1,630	11,965	-	-
Investments in subsidiary corporations	22	-	-	-	15,789	31,906
Other assets	13	603	-	52	-	-
Financial assets, at fair value through other comprehensive income ("FVOCI")	17	47	47	47	-	-
<b>Total Non-Current Assets</b>		<b>7,083</b>	<b>20,325</b>	<b>27,664</b>	<b>15,789</b>	<b>31,906</b>
<b>Total Assets</b>		<b>60,207</b>	<b>77,834</b>	<b>86,504</b>	<b>24,867</b>	<b>41,098</b>
<b>LIABILITIES AND EQUITY</b>						
<b>Current Liabilities</b>						
Borrowings	25	3,547	11,245	7,854	320	-
Trade and other payables	26	8,281	29,074	29,297	5,571	5,562
Contract liabilities	4(b)	1,605	1,567	1,343	-	-
Income tax payable		302	543	757	-	-
Liabilities directly associated with disposal group classified as held for sale	12	17,728	-	-	-	-
<b>Total Current Liabilities</b>		<b>31,463</b>	<b>42,429</b>	<b>39,251</b>	<b>5,891</b>	<b>5,562</b>
<b>Non-Current Liabilities</b>						
Deferred income tax liabilities	9(b)	-	57	998	-	-
Borrowings	25	2,884	2,549	3,419	553	-
<b>Total Non-Current Liabilities</b>		<b>2,884</b>	<b>2,606</b>	<b>4,417</b>	<b>553</b>	<b>-</b>
<b>Total Liabilities</b>		<b>34,347</b>	<b>45,035</b>	<b>43,668</b>	<b>6,444</b>	<b>5,562</b>
<b>Capital and Reserves</b>						
Share capital	23	74,315	74,315	72,491	115,006	115,006
Accumulated losses		(61,324)	(55,925)	(44,112)	(96,583)	(79,470)
Other reserves	24	2,823	2,113	2,563	-	-
		15,814	20,503	30,942	18,423	35,536
<b>Equity attributable to equity holders of the Company</b>						
Non-controlling interest	22(c)	10,046	12,296	11,894	-	-
<b>Total Equity</b>		<b>25,860</b>	<b>32,799</b>	<b>42,836</b>	<b>18,423</b>	<b>35,536</b>
<b>Total Liabilities and Equity</b>		<b>60,207</b>	<b>77,834</b>	<b>86,504</b>	<b>24,867</b>	<b>41,098</b>

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

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2023

	Note	← Attributable to owners of the Company →			Non-controlling interest	Total
		Share capital	Accumulated losses	Other reserves		
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Group</b>						
<b>Balance at 1 April 2022 (as restated)</b>		74,315	(55,925)	2,113	12,296	32,799
Net loss for the year		–	(5,399)	–	(4,650)	(10,049)
Other comprehensive income		–	–	710	–	710
Total comprehensive (loss)/ income for the year		–	(5,399)	710	(4,650)	(9,339)
Partial disposal of interest in subsidiaries to non-controlling interests, without loss of control	22(a)	–	–	–	2,400	2,400
<b>Balance at 31 March 2023</b>		<b>74,315</b>	<b>(61,324)</b>	<b>2,823</b>	<b>10,046</b>	<b>25,860</b>
<b>Group</b>						
<b>Balance at 1 April 2021 (as stated previously)</b>		72,491	(47,426)	2,563	13,231	40,859
Prior year adjustment	32	–	3,314	–	(1,337)	1,977
Balance at 1 April 2021 (as restated)		72,491	(44,112)	2,563	11,894	42,836
Net loss for the year		–	(11,813)	–	(2,643)	(14,456)
Other comprehensive loss		–	–	(450)	–	(450)
Total comprehensive loss for the year		–	(11,813)	(450)	(2,643)	(14,906)
Issuance of shares		1,824	–	–	3,045	4,869
<b>Balance at 31 March 2022</b>		<b>74,315</b>	<b>(55,925)</b>	<b>2,113</b>	<b>12,296</b>	<b>32,799</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2023

	Note	Group	
		2023 S\$'000	2022 S\$'000
<b>Cash Flows from Operating Activities</b>			
Total loss for the year		(10,049)	(14,456)
Adjustments for:			
Dividend income		(2)	(9)
Interest income		(48)	(18)
Rental concession income		-	(177)
Provision for expected credit loss on trade and other receivables	14	633	1,162
Gain on disposal of property, plant and equipment		(91)	(12)
Gain on disposal of associated company	5	(640)	-
Amortisation of intangible assets		969	1,873
Impairment loss on intangible assets and office equipment		22	8,482
Inventory write-down		-	1,965
Depreciation of property, plant and equipment	19	3,068	2,701
Property, plant and equipment written off		29	-
Interest expense		652	555
Fair value (gain)/loss on financial assets, FVPL	16	(7)	2,193
Gain on disposal on financial assets, at FVPL		(1,575)	-
Income tax		59	(685)
Unrealised currency translation differences		608	(356)
Operating cash flows before working capital changes		(6,372)	3,218
Changes in working capital:			
Inventories		6,560	(6,610)
Trade and other receivables and contract assets		9,755	3,623
Other assets		(470)	(36)
Trade and other payables and contract liabilities		(7,886)	(1)
<b>Cash generated from operations</b>		<b>1,587</b>	<b>194</b>
Interest received		48	18
Income tax paid		(139)	(470)
<b>Net cash generated from/(used in) operating activities</b>		<b>1,496</b>	<b>(258)</b>

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

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2023

	Note	Group	
		2023 S\$'000	2022 S\$'000
<b>Cash Flows from Investing Activities</b>			
Additions to property, plant and equipment		(1,067)	(1,846)
Additions to intangible assets		(6)	(20)
Proceeds of disposals of FVPL		8,615	–
Dividend received		2	9
Proceeds of disposal of associated company	5	640	–
Proceeds of partial of disposal of subsidiary		2,913	–
Proceeds from disposal of property, plant and equipment		244	61
<b>Net cash generated from/(used in) investing activities</b>		<b>11,341</b>	<b>(1,796)</b>
<b>Cash Flows from Financing Activities</b>			
(Repayment)/drawdown of borrowings - net		(1,756)	421
Principal repayment of lease liabilities		(2,602)	(1,830)
Placement for new ordinary shares		–	4,869
Fixed deposits released/(pledged)		647	(28)
Interest paid		(652)	(555)
<b>Net cash (used in)/generated from financing activities</b>		<b>(4,363)</b>	<b>2,877</b>
<b>Net increase in cash and cash equivalents</b>		<b>8,474</b>	<b>823</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>7,208</b>	<b>6,383</b>
Net effect of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies		(54)	2
<b>Cash and cash equivalents at the end of the year</b>	18	<b>15,628</b>	<b>7,208</b>

The reconciliation of movements of liabilities to cash flows arising from financing activities is presented below:

	← Cash flow →			← Non-cash changes →				31 March S\$'000
	1 April S\$'000	Proceeds from borrowings S\$'000	Principal and interest payments S\$'000	Addition during the year S\$'000	Rental concession S\$'000	Interest expense S\$'000	Foreign exchange movement S\$'000	
<u>2023</u>								
Lease liabilities	4,445	–	(2,732)	1,782	–	130	27	3,652
Borrowings <sup>(a)</sup>	8,916	1,590	(3,868)	–	–	522	7	7,167
<u>2022 (Restated)</u>								
Lease liabilities	2,406	–	(1,948)	4,016	(148)	120	(1)	4,445
Borrowings <sup>(a)</sup>	8,495	643	(658)	–	–	435	1	8,916

<sup>(a)</sup> excludes bank overdraft

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

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

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

## 1 General

Accrelist Ltd. (the “Company”) is listed on the Catalist, the sponsor-supervised listing platform of Singapore Exchange Securities Trading Limited (“SGX-ST”), and incorporated and domiciled in Singapore. The Company’s registered address and principal place of business is at 10 Ubi Crescent, Ubi Techpark Lobby E, #03-95, Singapore 408564.

The principal activities of the Company is investment holding.

The principal activities of the subsidiary corporations are described in Note 22 to these financial statements.

## 2 Significant Accounting Policies

### (a) Basis of Preparation

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

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

#### Going concern assumption

During the financial year ended 31 March 2023, the Group incurred a net loss of S\$10,049,000 (2022: S\$14,456,000). The directors of the Company have assessed that the going concern basis of preparation for this set of financial statements remains appropriate due to the fact the Group has sufficient cash resources to fund the operations of the Group. The Group is in a net current assets position of S\$21,661,000 (2022: S\$15,080,000) as at 31 March 2023.

#### Adoption of new and revised SFRS(I)s

On 1 April 2022, the Group has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the 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 INT SFRS(I).

The adoption of these new or amended SFRS(I) and INT SFRS(I) did not result in substantial changes to the Group’s accounting policies and had no material effect on the amounts reported for the current or prior financial years.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (a) Basis of Preparation (cont'd)

#### New and revised SFRS(I)s issued but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following revised standards that have been issued and are relevant to the Group but not yet effective:

Description	Effective for annual periods beginning on or after
Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to SFRS(I) 1-8: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to SFRS(I) 1-12: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to SFRS(I) 1-1: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to SFRS(I) 1-1: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to SFRS(I) 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024

The Directors do not expect that the adoption of the revised standards listed above will have a material impact on the financial statements of the Group in the period of initial application.

### (b) Group accounting

#### Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

Goodwill on acquisitions of subsidiaries and businesses, represents the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously-held equity interest in the acquiree over the fair value of the fair value of the investee's identifiable net assets acquired. Goodwill on acquisitions of subsidiaries is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment loss. Gains and losses on the disposal of subsidiaries, include the carrying amount of goodwill relating to the entity sold.

The Group applies the acquisition method to account for business combinations when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether an integrated set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create output. The Group has an option to apply a 'fair value concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test can be applied on a transaction-by-transaction basis. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the test is met, the set of activities and assets is determined not to be a business and no further assessment is needed. If the test is not met, or if the Group elects not to apply the test, a detailed assessment must be performed applying the normal requirements in SFRS(I) 3.



## 2 Significant Accounting Policies (cont'd)

### (b) Group Accounting (cont'd)

#### Subsidiaries (cont'd)

The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

If the total of consideration transferred, non-controlling interest recognised and previously-held interest measured is less than the fair value of the net assets of the subsidiary acquired as in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Inter-company transactions, balances and unrealised gains on transactions between the group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred assets. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of interests in subsidiaries to non-controlling interests without loss of control are also recorded in equity.

When the Group loses control of a subsidiary, it:

- derecognises the assets (including any goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- derecognises the carrying amount of any non-controlling interest (including any components of other comprehensive income attributable to them);
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained in the former subsidiary at its fair value;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate; and
- recognises any resulting difference in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (b) Group Accounting (cont'd)

#### Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Goodwill on acquisition of associates represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associates is included in the carrying amount of the investments. Gains and losses on the disposal of associates include the carrying amounts of goodwill relating to the entity sold.

Investments in associates are accounted for using the equity method of accounting less impairment losses, if any. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the date of acquisition.

When the Group reduces its ownership interest in an associate, but the Group continues to apply the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equal or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying amount and recognises the amount in profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

### (c) Investment in Subsidiaries and Associates

Investment in subsidiaries and associates are carried at cost less accumulated impairment losses in the statement of financial position of the Company.

On disposal of investment in subsidiaries and associates, the difference between the net disposal proceeds and the carrying amount of the investment is recognised in the profit or loss.

### (d) Disposal Group Classified as Held for Sale and Discontinued Operations

Disposal groups are classified as held for sale or distribution if their carrying amount will be recovered through a sale transaction or distribution rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria set out above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale. Disposal groups classified as held for sale (held for distribution) are measured at the lower of the assets' previous carrying amount and fair value less cost to sell (fair value less costs to distribute).

## 2 Significant Accounting Policies (cont'd)

### (d) Disposal Group Classified as Held for Sale and Discontinued Operations (cont'd)

The assets are not depreciated or amortised while they are classified as held-for-sale. In addition, equity accounting of associates and joint ventures ceases once classified as held for sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

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

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

When a component of an entity qualifies as a discontinued operation, the comparative statement of comprehensive income is retrospectively restated to segregate the results of all operations that have been discontinued by the end of the latest reporting period.

### (e) Revenue Recognition

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

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

#### Electronic components distribution business units ("EBU") (Discontinued operation)

##### *Sales of goods – distribution of electronic components*

Revenue is recognised at a point in time when the Group satisfies its performance obligation by transferring the control of promised goods to the customer, which is when the goods are delivered to the destination specified by the customer, typically referring to the incoterms specified in the contract. Revenue is measured based on consideration specified in the contract with a customer to which the Group expects to be entitled in exchange for transferring promised goods to a customer.

#### Mechanical business unit ("MBU")

##### *Provision of precision plastic injection moulding services ("PPIM")*

Revenue is recognised at a point in time when the Group satisfies its performance obligation by transferring the control of promised goods to the customer, which is when the goods are delivered to the destination specified by the customer, typically referring to the incoterms specified in the contract. Revenue is measured based on consideration specified in the contract with a customer to which the Group expects to be entitled in exchange for transferring promised goods to a customer.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (e) Revenue Recognition (cont'd)

#### Mechanical business unit ("MBU") (cont'd)

##### *Design, fabrication and sale of precision plastic injection mould ("MDF")*

The Group manufactures and supplies moulds for manufacturers. As the Group is restricted contractually from directing the moulds for another use as they are being produced and the Group has enforceable right to payment for performance completed to-date, revenue is recognised over time, based on the stages of mould manufacturing process completed to-date.

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

Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently recognised in profit or loss as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relate less the costs that relate directly to providing the goods and that have not been recognised as an expense.

#### Aesthetic medical services ("AMS")

##### *Rendering of services*

The Group renders aesthetic medical services to customers. Revenue is recognised when the services are rendered to the customers, either over time or at a point in time, depending on the contractual terms.

##### *Sale of products*

Revenue is recognised at point in time when the Group satisfied its performance obligation by transferring the control of the promised goods to the customer, which is when the goods are delivered and accepted by the customer. Revenue is measured based on consideration specified in the contract with a customer to which the Group expects to be entitled in exchange for transferring promised goods to a customer.

#### Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

### (f) Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately under other income in profit or loss.

Government grants relating to assets are deducted against the carrying amount of the assets.

## 2 Significant Accounting Policies (cont'd)

### (g) Foreign Currencies

#### *Functional and presentation currency*

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates ("functional currency").

The Company's functional currency is Singapore Dollar ("S\$"), which reflects the economic substance of the underlying events and circumstances of the Company. For the purposes of the consolidated financial statements, the results and financial position of each entity in the Group are expressed in S\$, which is the presentation currency for the consolidated financial statements.

All values are rounded to the nearest thousand (S\$'000) except when otherwise indicated.

#### *Transactions and balances*

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### *Translation of Group entities' financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the reporting date;
- income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (g) Foreign Currencies (cont'd)

#### Translation of Group entities' financial statements (cont'd)

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

### (h) Employee Benefits

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

#### Defined contribution plan

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Defined benefit retirement plan

The cost of providing benefits under defined benefit retirement plans is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are categorised as follows:

- (i) Service cost (including current service cost, past service cost, as well as gains and losses on settlements);
- (ii) Net interest expense or income; and
- (iii) Remeasurement of the net defined benefit liability/(asset) in other comprehensive income.

The Group presents the first two components of defined benefit costs in profit or loss in employee benefits expense. Past service cost is recognised in profit or loss in the period of plan amendment. Curtailment gains and losses are accounted for as past service costs. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Remeasurement, comprising actual gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which remeasurement occurs. Remeasurement gains and losses are not reclassified to profit or loss subsequently.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any such surplus is limited to the present value of economic benefits available in the form of estimated plan refunds and reductions in future plan contributions.

A liability for a termination benefit is recognised when the Group can no longer withdraw offer of these termination benefit, or when the entity recognises any related restructuring costs, whichever is earlier.

## 2 Significant Accounting Policies (cont'd)

### (h) Employee Benefits (cont'd)

#### Employee leave entitlement

Employee entitlements to annual leave are recognised as liability when they accrue to employees. A provision for estimated liability for annual leave is recognised for services rendered by employees up to the reporting date.

#### Share-based compensation

The Group operates an equity-settled, share based compensation plan. The value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on grant date. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date.

At each balance sheet date, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceed received (net of transaction costs) and the related balance previously recognised in the share option reserve and credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account, when treasury shares are re-issued to the employees.

### (i) Borrowing Costs

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

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

### (j) Cash and Cash Equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the statements of financial position.

### (k) Income Tax

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

#### Current tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (k) Income Tax (cont'd)

#### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its tax assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The Group recognises a previously recognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

#### Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in the accounting for the business combination.



## 2 Significant Accounting Policies (cont'd)

### (l) Goodwill

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated, from the acquisition date, to each of the Group's cash-generating-units ("CGUs") or groups of CGUs, that are expected to benefit from synergies arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. The recoverable amount of a CGU is the higher of the CGU's fair value less cost of disposal and value in use.

The total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill is recognised in profit or loss and is not reversed in a subsequent period.

Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation.

### (m) Intangible Assets

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

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

Computer software licences are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over their estimated useful lives of 2 to 5 years.

Distribution rights acquired are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit or loss using the straight-line method over 2 years and 8 years, which is the shorter of their estimated useful lives and period of contractual rights.

Customer relationships are amortised to profit or loss using the straight-line method over their estimated useful lives of 10 years.

The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis, in the profit or loss.

### (n) Impairment of Non-financial Assets Excluding Goodwill

Non-financial assets other than goodwill are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (n) Impairment of Non-financial Assets Excluding Goodwill (cont'd)

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in profit or loss unless the asset is carried at revalued amount. In this case, such impairment loss of a revalued asset is treated as a revaluation decrease.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss for an asset is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised in profit or loss, a reversal of that impairment is also recognised in profit or loss.

### (o) Property, Plant and Equipment

#### Measurement

All items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

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

#### Depreciation

Depreciation is calculated on a straight-line method to write off the cost of the property, plant and equipment over their estimated useful lives. The estimated useful lives are as follows:

Plant and machinery	2 – 10 years
Motor vehicles	5 years
Office equipment and tools	5 years
Furniture and electrical fittings	5 years
Renovations	3 - 5 years
Building premises	Over the respective lease terms of 2 to 3 years
Leasehold property	Over the lease term of 20 years
Medical equipment	3 – 10 years

Properties in the course of construction are carried at cost less any recognised impairment losses. Cost includes, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the property assets are ready for their intended use.

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual values, useful lives and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis. The effects of any revision are recognised in profit or loss when the changes arise.

## 2 Significant Accounting Policies (cont'd)

### (o) Property, Plant and Equipment (cont'd)

#### Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised, is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard performance of the asset before the expenditure was made, will flow to the Group and the cost of the item can be reliably measured. Other subsequent expenditure is recognised as an expense during the year in which it is incurred.

#### Disposal

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

### (p) Financial Assets

#### Classification

#### i. Debt instruments

Financial assets that are debt instruments comprise mainly of cash and cash equivalents, trade and other receivables, and investments in debt securities. The Group classifies these assets into categories based on the Group's business model for managing them and their contractual cash flow characteristics.

- Financial Assets measured at Amortised Cost ("AC") comprise of assets that are held within a business model whose objective is to hold those assets for collection of contractual cash flows, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Other Comprehensive Income ("FVOCI") comprise of assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling those assets, and those contractual cash flows represent solely payments of principal and interest.
- Financial Assets measured at Fair Value through Profit and loss ("FVPL") comprise of assets that do not qualify for AC and FVOCI. Assets that would otherwise qualify for AC or FVOCI may also be designated as FVPL upon initial recognition, if such designation eliminates or significantly reduces a measurement or recognition inconsistency that arises from measuring assets and liabilities on an inconsistent basis.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (p) Financial Assets (cont'd)

#### Classification (cont'd)

#### ii. Equity instruments

Financial assets that are equity instruments comprise mainly of investments in equity securities. The Group classifies these assets as FVPL, except for those that the Group has designated as FVOCI. The FVOCI designation is irrevocable, and is not permitted for held-for-trading financial assets and financial assets that represent contingent consideration in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

#### Initial Measurement

Trade receivables that do not contain a significant financing component are initially recognised at their transaction price. Other financial assets are initially recognised at fair value, plus, for financial assets that are not at FVPL, transaction costs that are directly attributable to their acquisition. Transaction costs of financial assets at FVPL are expensed in profit and loss.

#### Subsequent Measurement

#### i. Debt instrument

##### *Amortised cost*

These assets are subsequently measured at amortised cost using the effective interest method unless they are part of a designated hedging relationship. Impairment losses and reversals, interest income, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Interest income is based on the effective interest method which allocates interest income over the life of the financial asset based on an effective interest rate that discounts estimated future cash receipts to its gross carrying amount.

For debt investments at amortised cost that will be affected by the interest rate benchmark reform, changes to the contractual cash flows that are required by the interest rate benchmark reforms are affected by adjusting the effective interest rate of the debt investments, without recognising any immediate gains or losses.

##### *FVOCI*

These assets are subsequently measured at fair value. Impairment losses and reversals, interest income based on the effective interest method, and foreign exchange gains and losses (except where designated as a hedging instrument) on such assets are recognised in profit and loss. Any remaining fair value movements are recorded in other comprehensive income.

##### *FVPL*

These assets are subsequently measured at fair value. All fair value movements are recorded in profit and loss.

## 2 Significant Accounting Policies (cont'd)

### (p) Financial Assets (cont'd)

#### Subsequent Measurement (cont'd)

#### ii. Equity instruments

Subsequent to initial recognition, all equity investments are measured at fair value. Changes in the fair value of FVPL equity investments are recognised in profit and loss, while changes in the fair value of FVOCI equity investments are recognised in other comprehensive income. All dividend income is recognised in profit and loss, except for dividends from FVOCI equity investments that clearly represent a recovery of the cost of investment.

#### Impairment

At each reporting date, the Group assess expected credit losses (ECL) on the following financial instruments:

- Financial assets that are debt instruments measured at AC and FVOCI;
- Contract assets (as defined in SFRS(I) 15); and
- Financial guarantee contracts.

ECL is a probability-weighted estimate of credit losses. Credit losses are measured at the present value of all shortfalls between the cash flows due to the Group in accordance with contractual terms, and the cash flows that the Group actually expects to receive. ECL is discounted at the effective interest rate of the financial asset. The Group records allowances on financial assets based on either the:

- 12-month ECL – representing the ECL that results from default events that are possible within the 12 months after the reporting date (or the expected life of the instrument if shorter); or
- Lifetime ECL – representing the ECL that results from all possible default events over the expected life of the contract.

#### *Simplified approach – Trade receivables and contract assets*

For all trade receivables and contract assets, the Group adopts a simplified approach whereby an allowance for lifetime ECL is assessed upon initial recognition. The Group estimates lifetime ECL using a provision matrix based on historical credit loss experience, adjusted for various factors including debtor-specific factors, forward-looking information such as industry and economic forecasts, and others as appropriate.

#### *General approach – All other financial instruments on which ECL assessment is required*

For all other financial instruments on which ECL is assessed, an allowance for 12-month ECL is recorded upon initial recognition. The allowance is increased to lifetime ECL if the credit risk at each reporting date has increased significantly as compared to the credit risk at initial recognition. In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group considers all reasonable and supportable information that is relevant and available without undue cost or effort including both historical credit experience and forward-looking information.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (p) Financial Assets (cont'd)

#### Impairment (cont'd)

The Group regards the following as events of default:

- Events that make it unlikely for the borrower to repay in full unless the Group undertakes actions to recover the asset (e.g., by exercising rights over collaterals or other credit enhancements); or
- The financial instrument has become overdue in excess of 180 days.

#### *Credit-impaired financial instruments*

At each reporting date, the Group assesses whether a financial instrument on which ECL assessment is required has become credit-impaired. This is the case when one or more events have occurred that are considered to be detrimental to the estimated future cash flows of the instrument. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event (e.g., being more than 180 days past due);
- other lenders granting concessions (such as loan restructurings) to the borrower due to economic or contractual reasons, that would not have been considered in the absence of the borrower's financial difficulty;
- increasing likelihood that the borrower will enter bankruptcy or other financial re-organization; and
- the disappearance of an active market for the borrower's securities due to financial difficulties.

For credit-impaired financial assets, interest income is determined by applying the effective interest rate to the net carrying amount of the financial asset (after deduction of the ECL allowance).

#### *Write-off policy*

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, such as when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit and loss.

#### Recognition and Derecognition

Financial assets are recognised when, and only when the Group becomes a party to its contractual provisions. All regular way purchases and sales of financial assets are recognised on trade-date, which is the date on which the Group commits to purchase or sell the asset.

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

On derecognition of a financial asset that is a debt instrument, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss. In addition, for a financial asset that is a debt instrument at FVOCI, the cumulative gain or loss previously accumulated in the fair value adjustment reserve is reclassified to profit and loss.

## 2 Significant Accounting Policies (cont'd)

### (p) Financial Assets (cont'd)

#### Recognition and Derecognition (cont'd)

On derecognition of an equity investment at FVPL, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit and loss. For equity investments at FVOCI, this difference is instead recognised directly in equity as part of retained earnings. Cumulative gains and losses previously accumulated in equity are also transferred directly to retained earnings upon derecognition of FVOCI equity investments.

### (q) Financial Liabilities

#### Financial liabilities

An entity shall recognise a financial liability on its balance sheets when, and only when, the entity becomes a party to the contractual provisions of the instrument.

Financial liabilities, which include bank borrowings, trade and other payables, contract liabilities, and lease liabilities are initially measured at fair value, plus transaction costs and are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integrated part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the reporting period.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expired. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid and payable is recognised in profit or loss.

#### Financial guarantee contracts

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

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

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

### (r) Offsetting of Financial Assets and Liabilities

Financial assets and financial liabilities are offset and net amount reported in the balance sheets, when and only when, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the financial assets and settle the financial liabilities simultaneously.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (s) Inventories

Inventories are carried at the lower of cost and net realisable value.

- (i) Cost of raw materials, work-in-progress, finished goods and trading goods are determined using the weighted average basis, except for cost of work-in-progress for MDF projects, which are determined on a specific identification basis.
- (ii) Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- (iii) Cost of medical supplies are determined using first-in, first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and applicable variable selling expenses. The amount of any write-down of inventories to net realisable value shall be recognised as an expense in the period the write-down occurs. The amount of any reversal of write-down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

### (t) Leases

#### When the Group is a lessee

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

The Group recognised right-of-use assets and lease liabilities at the date which the underlying assets become available for use. Right-of-use assets are measured at cost, which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement dates, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment with average tenure of between 2 and 60 years. In addition, the right-of-use assets are periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the corresponding lease liabilities.

The Group presents its right-of-use assets as "Right-of-use assets" and lease liabilities in "Lease liabilities" in the balance sheets.

The initial measurement of lease liabilities is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

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

- Fixed payments (including in-substance fixed payments), less any lease incentives receivables;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase option if it is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease, if the lease term reflects the Group exercising that option.



## 2 Significant Accounting Policies (cont'd)

### (t) Leases (cont'd)

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

For contracts that contain both lease and non-lease components, the Group allocates the consideration to each lease component on the basis of the relative stand-alone price of the lease and non-lease components. The Group has elected not to separate lease and non-lease components for property leases; instead, these are accounted for as one single lease component.

Lease liabilities are measured at amortised cost, and are remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Group's assessment of whether it will exercise lease extension and termination options;
- There is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee; or
- There is a modification to the lease term.

When lease liabilities are remeasured, corresponding adjustments are made against the right-of-use assets. If the carrying amounts of the right-of-use assets have been reduced to zero, the adjustments are recorded in profit or loss.

For lease liabilities that will be affected by the interest rate benchmark reform, changes to the contractual cash flows that are required by the interest rate benchmark reforms are affected by adjusting the effective interest rate of lease liabilities, without recognising any immediate gains or losses.

Variable lease payments that are based on an index or a rate are included in the measurement of the corresponding right-of-use assets and lease liabilities. Other variable lease payments are recognised in profit or loss when incurred.

#### Short-term lease and lease of low-value assets

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

### (u) Provisions

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

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

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

### (v) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are charged to equity, net of any tax effects.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 2 Significant Accounting Policies (cont'd)

### (w) Treasury Shares

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the carrying amount which includes 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 re-issued.

When treasury shares are subsequently cancelled, the cost of treasury shares are deducted against the share capital account if the shares are purchased out of capital of the Company, or against the retained earnings of the Company if the shares are purchased out of the earnings of the Company.

When treasury shares are subsequently sold or re-issued, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on sale or re-issue, net of any directly attributable incremental transaction costs and related income tax, is recognised in the capital reserve.

### (x) Dividends to Company's Shareholders

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

### (y) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive personnel whose members are responsible for allocating resources and assessing performance of the operating segments.

### (z) Related Parties

A related party is defined as follows:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to as the "reporting entity").

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

### 3 Critical accounting estimates, assumptions and judgements

In the application of the Group's accounting policies, which are described in Note 2 above, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

(a) Critical judgements in applying the accounting policies

Management is of the opinion that in the preparation of the financial statements there are no critical judgements made in the process of applying the Group's accounting policies that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

Impairment of Trade Receivables

As at 31 March 2023, the carrying amount of trade receivables relating to the Group's different revenue segments is S\$1,458,000 (2022: S\$17,122,000). The Group has recognised loss allowance of trade receivables of S\$1,376,000 (2022: S\$3,505,000).

The Group uses a provision matrix to measure the lifetime expected credit loss ("ECL") allowance 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 default rates are updated and changes in the forward-looking estimates are analysed.

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

Inventories written down

As at 31 March 2023, the carrying amount of inventory is S\$2,119,000 (2022: S\$20,051,000). Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Based on the assessment, there was no write-down of inventories during the current financial year (2022: write-down of S\$1,572,000).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 4 Revenue From Contracts with Customers

### (a) Disaggregation of revenue from contract with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions. Revenue is attributed to countries by location of customers.

	Group	
	2023 S\$'000	2022 S\$'000
<b>Continuing operations</b>		
<i>Mechanical business unit ("MBU")</i>		
<u>At a point in time</u>		
Singapore	-	9,135
Malaysia	4,992	6,982
Indonesia	17,415	12,624
Other countries	-	1,682
	<b>22,407</b>	<b>30,423</b>
<i>Aesthetics medical service ("AMS")</i>		
<u>Over time</u>		
Singapore	13,839	9,889
Malaysia	279	268
	<b>14,118</b>	<b>10,157</b>
<i>Others</i>		
<u>At a point in time</u>		
Singapore	16	9
	<b>36,541</b>	<b>40,589</b>

### (b) Contract balances

	Group		
	31 March	1 April	
	2023 S\$'000	2022 S\$'000	2021 S\$'000
Contract assets			
- MBU contracts	-	64	28
Contract liabilities			
- AMS contracts	1,605	1,567	1,343

Contract assets represent the Group's right to consideration for work completed for MBU contract but not billed at the reporting date.

Contract liabilities represents unutilised aesthetics enhancement treatments as at the balance sheet date. The related amounts are recognised as revenue when the Group fulfils its performance obligation under the contract with the customers which generally does not exceed one year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 4 Revenue From Contracts with Customers (cont'd)

### (b) Contract balances (cont'd)

Significant changes in contract assets and contract liabilities balances during the financial year are disclosed as follows:

	Group	
	2023 S\$'000	2022 S\$'000
<u>Contract assets</u>		
Contract assets reclassified to trade receivables	<u>(64)</u>	<u>(28)</u>
<u>Contract liabilities</u>		
Amounts recognised as revenue during the year	(1,567)	(1,343)
Advances received during the year	<u>1,605</u>	<u>1,567</u>

## 5 Other Gains and Losses – Others

	Group	
	2023 S\$'000	2022 S\$'000
<b><u>Continuing operations</u></b>		
Dividend income from financial assets, at FVOCI	–	9
Dividend income from financial assets, at FVPL	2	2
Foreign exchange gains – net	165	103
Service income	–	19
Gain on disposal of associated company*	640	–
Gain on disposal of property, plant and equipment	55	12
Gain on disposal of financial assets, at FVPL	1,575	–
Government grants	109	190
Interest income from bank deposits	48	16
Rental concession income	7	177
Reversal of defined employee benefit	318	–
Receipt for amount previously written off	767	–
Miscellaneous income	271	203
	<u>3,957</u>	<u>731</u>
Miscellaneous expense	(173)	(16)
Bad debt written off	(159)	–
Deposit written off	–	(210)
Fair value gain/(loss) on financial assets, at FVPL (Note 16)	7	(2,193)
	<u>3,632</u>	<u>(1,688)</u>

\* During the year the Group disposed its 49% interest in Ozhean Accrelist Aesthetics Sdn. Bhd., for a consideration of S\$640,000.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 6 Expenses by Nature

	Group	
	2023 S\$'000	2022 S\$'000
<b>Continuing operations</b>		
Purchase of inventories	20,778	22,110
Amortisation of intangible assets	14	1,496
Depreciation of property, plant and equipment	2,801	2,566
Directors' fees	233	159
Commission expense	126	58
Donations	120	2
Employee compensation (Note 7)	13,721	13,391
Fees on audit services paid/payable to:		
- Auditor of the Company	271*	354
- Other auditors	85**	59
- Fees on non-audit services	-	39
Total fees on audit and non-audit services	356	452
Freight charges	150	317
Inventory write-down	-	1,572
Professional fees	1,004	702
Rental expense	571	561
Sub-contractor fee	-	347
Travelling, transportation and entertainment	869	211
Utilities	1,735	2,598
Workshop repairs and maintenance	301	765
Other expenses	701	1,245
Changes in inventories	(1,617)	(3,579)
Total cost of sales, marketing and distribution and administrative expenses	<b>41,863</b>	<b>44,973</b>

\* Audit fee of S\$37,000 is include in (loss) for the year from discontinued operations.

\*\* Include an audit fee of S\$4,000 payable to Moore Stephens' network firm for its statutory audit service on the Group's subsidiaries.

## 7 Employee Compensation

	Group	
	2023 S\$'000	2022 S\$'000
<b>Continuing operations</b>		
Employee compensation including directors:		
- Wages and salaries	12,785	12,509
- Employer's contributions to defined contribution plans including Central Provident Fund	657	423
- Defined benefits	-	115
- Other short-term benefits	279	344
	<b>13,721</b>	<b>13,391</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 8 Finance Expenses

	Group	
	2023 S\$'000	2022 S\$'000
<b>Continuing operations</b>		
Interest expense:		
– bank loans	50	130
– loan from non-related parties	121	18
– lease liabilities	120	109
	<b>291</b>	<b>257</b>

## 9 Income Taxes

### (a) Income tax expense

	Group	
	2023 S\$'000	2022 S\$'000
Tax expense attributable to loss is made up of:		
Current income tax		
- current year	224	393
- over provision in prior years	(183)	(140)
	41	253
Deferred tax		
- current year	–	(20)
	<b>41</b>	<b>233</b>

The tax on the Group's loss before income tax differs from the theoretical amount that would arise using the tax at domestic rates applicable in the countries where the Group operates as follows:

	Group	
	2023 S\$'000	2022 S\$'000
Loss before tax from continuing operations	<b>(2,636)</b>	<b>(10,978)</b>
Tax at domestic rates applicable in the countries where the Group operates	(354)	(1,813)
Expenses not deductible for tax purposes	468	2,345
Income not subjected to tax	(546)	(467)
Deferred tax assets not recognised	793	652
Utilisation of previously unrecognised capital allowances and tax losses	(64)	(236)
Over provision of tax in prior years	(183)	(140)
Tax incentive	(73)	(108)
	<b>41</b>	<b>233</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 9 Income Taxes (cont'd)

### (b) Deferred income taxes

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority.

	<b>Group</b>	
	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
		(Restated)
Deferred tax liabilities	-	57

Movement in deferred income tax liabilities account is as follows:

	<b>Group</b>	
	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
		(Restated)
<u>Fair value gain, net</u>		
1 April	<b>57</b>	998
Credited to profit or loss	-	(941)*
Reclassified to assets of disposal group classified as held of sale	<b>(57)</b>	-
31 March	-	57

\*Deferred tax liabilities of S\$921,000 was included in (loss) from discontinued operations in prior year.

Deferred income tax assets are recognised for tax losses and capital allowances carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group (excluding the disposal group classified as held for sale – Note 12) has unrecognised tax losses, capital allowances and donations of approximately S\$59,819,000, S\$4,043,000 and S\$205,000 (2022: S\$55,338,000, S\$4,230,000 and S\$205,000) respectively at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses and capital allowances in their respective countries of incorporation.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 10 Loss Per Share

### *Basic and diluted loss per share*

Basic and diluted loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2023	2022 (Restated)
Net loss for the year attributable to the equity holders of the Company (S\$'000)	<b>(5,399)</b>	(11,813)
Weighted average number of equity shares issued ('000)	<b>303,727</b>	293,422
Diluted weighted average number of equity shares issued ('000)	<b>315,387</b>	305,082
<b>Basic loss per share (cents per share)</b>		
From continuing operations	<b>(0.48)</b>	(3.44)
From discontinued operations	<b>(1.29)</b>	(0.59)
Total basic loss per share	<b>(1.77)</b>	(4.03)
<b>Diluted loss per share (cents per share)</b>		
From continuing operations	<b>(0.48)</b>	(3.44)
From discontinued operations	<b>(1.29)</b>	(0.59)
Total diluted basic loss per share	<b>(1.77)</b>	(4.03)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 11 Discontinued Operations

- (a) Disposal of WE Components Pte. Ltd. and its subsidiaries (“WEC Group”) - Electronic Business Unit (“EBU”)

On 21 June 2022, the Group entered into a sale and purchase agreement to dispose 14% of the shares of WE Components Pte. Ltd. (“WEC”), which carried out all of the Group’s electronic business for a total consideration of US\$2,100,000 (approximately equivalent to S\$2,835,000). The disposal of the 14% shares was completed on 9 March 2023. On 22 March 2023, the Group entered into a sale and purchase agreement to dispose the remaining 86% share of WEC for a cash consideration of US\$15,900,000 (equivalent to S\$21,500,000). The disposal was completed on 29 August 2023 as disclosed in Note 31 to the financial statements.

- (b) Analysis of (loss) for the year from discontinued operations

The results of the discontinued operations (i.e. WEC Group) included in the consolidated statement of comprehensive income are set out below. The comparative statement of comprehensive income has been re-presented to include those operations classified as discontinued in the current period.

	Group	
	2023	2022
	S\$'000	S\$'000
<b>Loss for the year from discontinued operations</b>		
Revenue	60,139	200,650
Other income/(loss)	423	(404)
<b>Total income</b>	<b>60,562</b>	200,246
Expenses	(67,916)	(204,409)
Loss before tax	(7,354)	(4,163)
Income tax expense	(18)	918
<b>Loss for the year</b>	<b>(7,372)</b>	(3,245)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 12 Disposal Group Classified as Held for Sale

	HF Group 2023 S\$'000	WEC Group 2023 S\$'000	Total 2023 S\$'000
Assets of disposal group classified as held for sale	11,256	22,503	33,759
Liabilities directly associated with disposal group classified as held for sale	4,621	13,107	17,728

As described in Note 11, the Group completely disposed its electronic business unit ("EBU") on 29 August 2023.

In addition, on 14 October 2022, the Group entered into a sale and purchase agreement to dispose a 30% shareholding of Honfoong Plastic Industries Pte. Ltd. ("HF"). Subsequent to the financial year end, on 17 August 2023, the Group entered into an addendum to the sale and purchase agreement to revise the sale of the shareholding of HF from 30% to 37.1%.

The major classes of assets and liabilities of the WEC Group at the end of the reporting period are as follows:

	WEC Group 2023 S\$'000
Property, plant and equipment	5,760
Inventories	9,291
Intangible assets	629
Other current assets	72
Deferred tax assets	6
Trade and other receivables	4,655
Cash and bank balances	2,090
Assets of disposal group classified as held for sale	22,503
Trade and other payables	8,376
Borrowings	4,607
Income tax payable	124
Liabilities associated with assets held for sale	13,107
Net assets of disposal group classified as held for sale	9,396

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 12 Disposal Group Classified as Held for Sale (cont'd)

The major classes of assets and liabilities of HF and its subsidiary ("HF Group") at the end of the reporting period are as follows:

	<b>HF Group 2023 S\$'000</b>
Property, plant and equipment	5,747
Other current assets	674
Inventories	2,081
Trade and other receivables	2,550
Cash and bank balances	204
Assets of disposal group classified as held for sale	<b>11,256</b>
Trade and other payables	4,493
Borrowings	34
Deferred tax liabilities	57
Income tax payable	37
Liabilities associated with assets held for sale	<b>4,621</b>
Net assets of disposal group classified as held for sale	<b>6,635</b>

## 13 Other Assets

	<b>Group</b>		<b>Company</b>	
	<b>2023 S\$'000</b>	2022 S\$'000	<b>2023 S\$'000</b>	2022 S\$'000
<u>Non-current</u>				
Deposits	603	-	-	-
<u>Current</u>				
Deposits	299	1,215	*	*
Prepayments	192	155	2	9
	<b>491</b>	1,370	<b>2</b>	9
	<b>1,094</b>	1,370	<b>2</b>	9

\*Less than S\$1,000

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 14 Trade and Other Receivables

	Group		Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
<u>Current</u>				
<u>Trade receivables:</u>				
Non-related parties	2,834	20,627	-	-
Less: Loss allowance (Note 30(a))	(1,376)	(3,505)	-	-
	<b>1,458</b>	17,122	-	-
<u>Other receivables:</u>				
Subsidiary corporations	-	-	11,120	10,196
Less: Loss allowance (Note 30(a))	-	-	(2,321)	(1,611)
	-	-	<b>8,799</b>	8,585
Related party	-	546	-	-
Amount owing from director	-	25	-	15
Advance to suppliers	30	599	-	-
Other receivables – non-related parties	3,328	3,564	126	107
Less: Loss allowance	(3,293)	(2,659)	(107)	-
	<b>65</b>	2,075	<b>8,818</b>	8,707
	<b>1,523</b>	19,197	<b>8,818</b>	8,707

The other receivables due from subsidiary corporations and related party are unsecured, interest free and repayable on demand.

The movement of the loss allowance is as follows:

	Group		Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
<u>Trade receivables:</u>				
Beginning of financial year	3,505	2,369	-	-
Foreign exchange adjustments	-	72	-	-
Charged to profit or loss	-	1,064	-	-
Reclassification to disposal group classified as held for sale	(1,469)	-	-	-
Written-off	(660)	-	-	-
End of financial year (Note 30(a))	<b>1,376</b>	3,505	-	-
<u>Other receivables:</u>				
Beginning of financial year	2,659	2,543	1,611	1,624
Foreign exchange adjustments	1	18	-	-
Charged to profit or loss	633	98	817	(13)
End of financial year	<b>3,293</b>	2,659	<b>2,428</b>	1,611

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 15 Inventories

	Group	
	2023 S\$'000	2022 S\$'000
Raw materials	370	2,228
Work-in-progress	19	104
Finished goods	270	1,702
Trading goods	1,460	16,017
	<b>2,119</b>	<b>20,051</b>

The cost of inventories recognised as an expense and included in “cost of sales” amounted to S\$19,161,000 (2022: S\$18,531,000). There was no write-down inventories during the current financial year (2022: write-down of S\$1,572,000).

## 16 Financial Assets, At Fair Value Through Profit or Loss

	Group	
	2023 S\$'000	2022 S\$'000
Beginning of financial year	7,070	9,263
Disposal	(7,040)	-
Fair value gains/(losses) (Note 5)	7	(2,193)
End of financial year	<b>37</b>	<b>7,070</b>
Listed equity securities - Singapore	37	30
Listed equity securities - Malaysia	-	7,040
	<b>37</b>	<b>7,070</b>

Part of the listed equity securities in Malaysia amounting to S\$5,744,000 in 2022 had been pledged as security for the Group’s margin facility account (Note 25).

On 22 and 23 March 2023, the Group disposed the majority of the financial assets, at FVPL for a sales consideration of RM27,638,000 (equivalent to S\$8,615,000).

## 17 Financial Assets, At Fair Value Through Other Comprehensive Income

	Group	
	2023 S\$'000	2022 S\$'000
Listed securities - Malaysia - Quoted equity securities	47	47

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 18 Cash and Cash Equivalents

	Group		Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Cash and bank balances	13,587	7,641	258	476
Fixed deposits pledged	1,469	2,116	-	-
	<b>15,056</b>	<b>9,757</b>	<b>258</b>	<b>476</b>

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following:

	Group	
	2023 S\$'000	2022 S\$'000
Cash and bank balances (as above)	15,056	9,757
Less: Bank deposit pledged for banking facilities	(1,469)	(2,116)
Bank overdraft (Note 25)	(253)	(433)
	<b>13,334</b>	<b>7,208</b>
Add: Cash and bank balances included in a disposal group held for sale (Note 12)	2,294	-
Cash and cash equivalents per consolidated statement of cash flows	<b>15,628</b>	<b>7,208</b>

Bank deposits are pledged with financial institutions to secure:

- (i) certain banking facilities which will be utilised for funding of the working capital of the Group; and
- (ii) bank borrowings of the Group as disclosed in Note 25 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 19 Property, Plant and Equipment

Group	Plant and machinery S\$'000	Motor vehicles S\$'000	Office equipment and tools S\$'000	Furniture and electrical fittings S\$'000	Renovations S\$'000	Leasehold property S\$'000	Medical equipment S\$'000	Building premises S\$'000	Total S\$'000
<u>Cost</u>									
At 1 April 2022 (restated)	12,624	590	1,247	372	6,050	12,115	3,295	5,759	42,052
Currency translation differences	(752)	(14)	(35)	(8)	(91)	-	(11)	(37)	(948)
Additions	43	-	31	36	407	-	569	1,763	2,849
Disposal	(326)	(177)	-	-	(36)	-	(12)	-	(551)
Written off	-	(10)	-	-	-	(59)	-	-	(69)
Reclassified to disposal group classified as held for sale	(5,916)	(254)	-	(19)	(3,017)	(12,056)	-	(489)	(21,751)
At 31 March 2023	<b>5,673</b>	<b>135</b>	<b>1,243</b>	<b>381</b>	<b>3,313</b>	<b>-</b>	<b>3,841</b>	<b>6,996</b>	<b>21,582</b>
<u>Accumulated depreciation</u>									
At 1 April 2022 (restated)	10,954	291	1,072	337	5,026	1,841	1,245	2,638	23,404
Currency translation differences	(397)	(11)	(65)	(21)	(98)	-	(3)	(30)	(625)
Depreciation charge	509	72	46	19	283	178	319	1,642	3,068
Disposal	(326)	(46)	-	-	(18)	-	(8)	-	(398)
Written off	-	(10)	-	-	-	(30)	-	-	(40)
Impairment loss	-	-	7	-	-	-	-	-	7
Eliminated on reclassification to disposal group classified as held for sale	(5,239)	(171)	-	(8)	(2,535)	(1,989)	-	(302)	(10,244)
At 31 March 2023	<b>5,501</b>	<b>125</b>	<b>1,060</b>	<b>327</b>	<b>2,658</b>	<b>-</b>	<b>1,553</b>	<b>3,948</b>	<b>15,172</b>
<u>Net book value</u>									
At 31 March 2023	<b>172</b>	<b>10</b>	<b>183</b>	<b>54</b>	<b>655</b>	<b>-</b>	<b>2,288</b>	<b>3,048</b>	<b>6,410</b>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 19 Property, Plant and Equipment (cont'd)

Group	Plant and machinery S\$'000	Motor vehicles S\$'000	Office equipment and tools S\$'000	Furniture and electrical fittings S\$'000	Renovations S\$'000	Leasehold property S\$'000	Medical equipment S\$'000	Building premises S\$'000	Total S\$'000
<u>Cost</u>									
At 1 April 2021 (restated)	11,826	510	1,163	347	5,406	12,115	1,870	3,868	37,105
Currency translation differences	(42)	(2)	(10)	(3)	(22)	-	(2)	(6)	(87)
Additions	945	82	94	28	666	-	1,427	1,949	5,191
Lease modification	-	-	-	-	-	-	-	618	618
Disposal	(105)	-	-	-	-	-	-	(670)	(775)
At 31 March 2022	12,624	590	1,247	372	6,050	12,115	3,295	5,759	42,052
<u>Accumulated depreciation</u>									
At 1 April 2021 (restated)	10,720	199	994	331	4,764	1,404	1,069	2,024	21,505
Currency translation differences	(40)	(1)	(10)	(3)	(17)	-	-	(5)	(76)
Depreciation charge	330	93	88	9	279	437	176	1,289	2,701
Disposal	(56)	-	-	-	-	-	-	(670)	(726)
At 31 March 2022	10,954	291	1,072	337	5,026	1,841	1,245	2,638	23,404
<u>Net book value</u>									
At 31 March 2022	1,670	299	175	35	1,024	10,274	2,050	3,121	18,648

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 19 Property, Plant and Equipment (cont'd)

Right-of-use of assets acquired under leasing arrangements are presented together with the owned assets of the same class. Details of such leased assets are disclosed in Note 20.

Bank loans and bank overdrafts are secured on leasehold property of the Group with carrying amount of Nil (2022: S\$10,274,000).

	<b>Plant and machinery S\$'000</b>
<b>Company</b>	
<u>Cost</u>	
At 31 March 2022 and 2023	245
<u>Accumulated depreciation</u>	
At 31 March 2022 and 2023	245
<u>Net book value</u>	
At 31 March 2022 and 2023	-

## 20 Leases – As a lessee

### Nature of the Group's leasing activities

#### *Building premises*

The Group leases clinics and office premises for the purpose of aesthetic medical and back office operations and warehousing of EBU products. The lease arrangements prohibit the Group from subleasing the building premises to third parties.

#### *Plant and machinery*

The Group leases plant and machinery to fulfil its operation needs. There are no externally imposed covenants on these lease arrangements.

#### *Medical equipment and motor vehicles*

The Group leases medical equipment and motor vehicles for the purpose of daily operations. There are no externally imposed covenants on these lease arrangements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 20 Leases – As a lessee (cont'd)

### Nature of the Group's leasing activities (cont'd)

#### (a) Carrying amounts

Right-of-use assets classified within property, plant and equipment

	Group	
	2023 S\$'000	2022 S\$'000
Building premises	5,072	3,121
Motor vehicles	10	273
Medical equipment	919	1,332
Plant and machinery	153	187
	<b>6,154</b>	<b>4,913</b>

#### (b) Depreciation charge during the year

	Group	
	2023 S\$'000	2022 S\$'000
Building premises	1,788	1,289
Motor vehicles	15	87
Medical equipment	94	42
Plant and machinery	30	31
	<b>1,927</b>	<b>1,449</b>

#### (c) Interest expense

	Group	
	2023 S\$'000	2022 S\$'000
Interest expense on lease liabilities	130	120

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 20 Leases – As a lessee (cont'd)

### Nature of the Group's leasing activities (cont'd)

- (d) Lease expense not capitalised in lease liabilities

	Group	
	2023 S\$'000	2022 S\$'000
Lease expense – short-term leases	46	262
– low-value leases	124	157
Variable lease payments which do not depend on an index or rate	401	175
	<b>571</b>	<b>594</b>

- (e) Total cash outflow for all the leases was S\$3,303,000 (2022: S\$2,540,000).

- (f) Addition of ROU assets during the year was S\$1,782,000 (2022: S\$4,016,000).

- (g) Future cash outflow which are not capitalised in lease liabilities.

### Extension options

The leases for certain retail stores, equipment and motor vehicles contain extension periods, for which the related lease payments had not been included in lease liabilities as the Group is not reasonably certain to exercise these extension options. The Group negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Group's operations. The majority of the extension options are exercisable by the Group and not by the lessor.

## 21 Intangible Assets

	Group		Company	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Computer software (Note (a))	23	13	–	–
Distribution rights (Note (a))	–	1,617	–	–
Customer relationships (Note (a))	–	–	–	–
Goodwill (Note b)	–	–	–	–
	<b>23</b>	<b>1,630</b>	<b>–</b>	<b>–</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 21 Intangible Assets (cont'd)

### (a) Computer software, distribution rights and customer relationships

	Computer software S\$'000	Distribution rights S\$'000	Customer relationships S\$'000	Total S\$'000
<b>Group</b>				
<u>2023</u>				
<u>Cost</u>				
At 1 April 2022	302	6,587	8,865	15,754
Additions	6	-	-	6
Reclassified to disposal group classified as held for sale	(98)	(6,587)	(8,865)	(15,550)
At 31 March 2023	<b>210</b>	<b>-</b>	<b>-</b>	<b>210</b>
<u>Accumulated amortisation and impairment losses</u>				
At 1 April 2022	289	4,970	8,865	14,124
Amortisation charge	14	955	-	969
Impairment loss	15	-	-	15
Reclassified to disposal group classified as held for sale	(131)	(5,925)	(8,865)	(14,921)
At 31 March 2023	<b>187</b>	<b>-</b>	<b>-</b>	<b>187</b>
<u>Net book value</u>				
At 31 March 2023	<b>23</b>	<b>-</b>	<b>-</b>	<b>23</b>
<u>2022</u>				
<u>Cost</u>				
At 1 April 2021	282	6,587	8,865	15,734
Additions	20	-	-	20
At 31 March 2022	<b>302</b>	<b>6,587</b>	<b>8,865</b>	<b>15,754</b>
<u>Accumulated amortisation and impairment losses</u>				
At 1 April 2021	243	4,001	3,473	7,717
Amortisation charge	17	969	887	1,873
Impairment loss	29	-	4,505	4,534
At 31 March 2022	<b>289</b>	<b>4,970</b>	<b>8,865</b>	<b>14,124</b>
<u>Net book value</u>				
At 31 March 2022	<b>13</b>	<b>1,617</b>	<b>-</b>	<b>1,630</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 21 Intangible Assets (cont'd)

### (a) Computer software, distribution rights and customer relationships (cont'd)

In the previous financial year, the Group performed an internal exercise to assess the carrying values of its intangible assets based on the originating sources giving rise to the original value of the identifiable intangible assets. Consequent to the exercise, the Group identified impairment losses for computer software and customer relationships.

#### Computer software

The Group's intangible asset in relation to computer software pertained to a project of the Group in the financial year ended 31 March 2018.

Based on the internal assessment performed during the financial year ended 31 March 2023, the Group found that the project was subsequently halted, therefore rendering the software obsolete as it is no longer in use and did not serve any other purpose.

Accordingly, an impairment charge of S\$15,000 (2022: S\$29,000) was recognised in profit and loss for this amount of computer software which is categorised under the aesthetic medical services ("AMS") business unit segment as disclosed in Note 29.

#### Customer relationships

The Group's intangible asset in relation to customer relationships was recognised in the financial year ended 31 March 2017 based on a purchase price acquisition ("PPA") exercise for the Company's increase in shareholdings in its subsidiary. The PPA exercise determined that there was an identifiable asset in connection with the customer relationships which the subsidiary derived its revenue source from and due to this, the intangible asset in relation to customer relationships was determined on the basis of historical sales and billing records and from this, future projections were computed to give rise to the recognition of the intangible asset.

Based on the internal assessment performed in the prior year, the Group reviewed the historical data and assessed the projections which were the foundation of the intangible asset recognition and concluded that these customers will no longer continue to be customers of the Group going forward.

Accordingly, an impairment charge of S\$4,505,000 was recognised in profit and loss for this amount of customer relationships which was categorised under the electronic components distribution ("EBU") business unit segment as disclosed in Note 29.

Amortisation charge was included in the statement of comprehensive income under administrative expenses.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 21 Intangible Assets (cont'd)

### (a) Computer software, distribution rights and customer relationships (cont'd)

	<b>Computer software S\$'000</b>
<b>Company</b>	
<u>Cost</u>	
At 31 March 2022 and 2023	40
<u>Accumulated amortisation</u>	
At 31 March 2022 and 2023	40
<u>Net book value</u>	
At 31 March 2022 and 2023	-

### (b) Goodwill

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
<u>Cost</u>		
At 31 March 2022 and 2023	5,890	5,890
<u>Accumulated impairment</u>		
At 1 April	5,890	1,942
Impairment loss recognised for the year	-	3,948
At 31 March	5,890	5,890
<u>Net book value</u>		
At 31 March 2022 and 2023	-	-

Goodwill was fully impaired in the financial year ended 31 March 2022.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 22 Investments In Subsidiary Corporations

	Company	
	2023 S\$'000	2022 S\$'000
<u>Equity investments at cost</u>		
At 1 April and 31 March	<b>38,085</b>	38,085
<u>Movements in allowance for impairment</u>		
At 1 April	<b>6,179</b>	6,179
Impairment loss recognised for the year	<b>16,117</b>	–
At 31 March	<b>22,296</b>	6,179
Net book value	<b>15,789</b>	31,906

The subsidiary corporations held by the Company and its subsidiary corporations are listed below:

Name of subsidiaries, place of business and incorporation	Principal activities	Percentage of effective equity interest held by the Company	
		2023 %	2022 %
<i>Held by the Company</i>			
WE Components Sdn. Bhd. <sup>(6)</sup> (Malaysia)	Distributor and representative of electronic components and systems and equipment	<b>99.9</b>	99.9
A.M. Skincare Pte. Ltd. <sup>(1)</sup> (Singapore)	Retail sale of pharmaceutical and medical goods	<b>100</b>	100
WesCal Electronics Trading (Shanghai) Co., Ltd. <sup>(3)</sup> (People's Republic of China)	Distributor and representative of electronic components and systems and equipment	<b>100</b>	100
WE Electronics Co., Ltd. <sup>(3)</sup> (Thailand)	Distributor and representative of electronic components and systems and equipment	<b>100</b>	100
WE Dragon Resources Pte. Ltd. <sup>(1)</sup> (Singapore)	Petroleum, mining and prospecting services	<b>100</b>	100
Accrelist Medical Aesthetics (Serangoon) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	<b>100</b>	100
WE Resources Sdn. Bhd. <sup>(6)</sup> (Malaysia)	Iron ore and coal trading	<b>100</b>	100
WE Technology (HK) Ltd. <sup>(3)</sup> (Hong Kong)	Distributor and representative of electronic components and systems and equipment	<b>100</b>	100
WE Resources (Cambodia) Co. Ltd. <sup>(3)</sup> (Cambodia)	Iron ore and coal trading	<b>100</b>	100



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 22 Investments In Subsidiary Corporations (cont'd)

The subsidiary corporations held by the Company and its subsidiary corporations are listed below: (cont'd)

Name of subsidiaries, place of business and incorporation	Principal activities	Percentage of effective equity interest held by the Company	
		2023 %	2022 %
<i>Held by the Company</i> (cont'd)			
Accrelist Crowdfunding Pte. Ltd. <sup>(1)</sup> (Singapore)	Financial services	100	100
Accrelist Medical Aesthetics (Raffles City) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	100	100
Accrelist Medical Aesthetics (BM) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	100	100
Accrelist Medical Aesthetics (LOT1) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	100	100
Accrelist Medical Aesthetics (SPC) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	100	100
Accrelist Medical Aesthetics (TPY) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	100	100
Jubilee Industries Holdings Ltd. <sup>(1)</sup> (Singapore)	Investment holding	53.3	53.1
<i>Held through Accrelist Medical Aesthetics (BM) Pte. Ltd.</i>			
Accrelist Medical Aesthetics (CM) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	100	100
Accrelist Medical Aesthetics (KL) Sdn. Bhd. <sup>(2e)</sup> (Malaysia)	Aesthetic medical	100	100
Accrelist Medical Aesthetics (Penang) Sdn. Bhd. <sup>(2e)</sup> (Malaysia)	Aesthetic medical	100	100
Accrelist Medical Aesthetics (Central@Clarke Quay) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	100	–
Accrelist Medical Aesthetics (Orchard Central) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	100	–
Accrelist Medical Aesthetics (Northpoint) Pte. Ltd. <sup>(1)</sup> (Singapore)	Aesthetic medical	100	–

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 22 Investments In Subsidiary Corporations (cont'd)

The subsidiary corporations held by the Company and its subsidiary corporations are listed below: (cont'd)

Name of subsidiaries, place of business and incorporation	Principal activities	Percentage of effective equity interest held by the Company	
		2023	2022
		%	%
<i>Held through Jubilee Industries Holdings Ltd.</i>			
Jubilee Industries (S) Pte Ltd <sup>(1)</sup> (Singapore)	Manufacturer and dealer precision plastic and metal mould	<b>53.3</b>	53.1
E'mold Holding Pte Ltd <sup>(1)</sup> (Singapore)	Investment holding	<b>53.3</b>	53.1
J Capital Pte Ltd <sup>(1)</sup> (Singapore)	Investment holding	<b>53.3</b>	53.1
WE Components Pte. Ltd. <sup>(1)</sup> (Singapore)	Trading in electronic components	<b>45.8</b>	53.1
WE Total Engineering Sdn. Bhd. <sup>(4)</sup> (Malaysia)	Manufacturer and dealer of precision plastic and metal mould	<b>53.3</b>	53.1
E'Mold Manufacturing (Kunshan) Co. Ltd <sup>(5)</sup> (People's Republic of China)	Manufacturer and dealer of precision plastic and metal mould	–	53.1
WE Components (Shanghai) Co Ltd <sup>(2a)</sup> (People's Republic of China)	Trading in electronic components	<b>45.8</b>	53.1
WE Components Co Ltd <sup>(2b)</sup> (Thailand)	Trading in electronic components	<b>45.8</b>	53.1
WE Components (Hong Kong) Limited <sup>(2c)</sup> (Hong Kong)	Trading in electronic components	<b>45.8</b>	53.1
WE Components (Shenzhen) Co Ltd <sup>(3)</sup> (People's Republic of China)	Trading in electronic components	<b>45.8</b>	53.1
Kin Wai Technology Ltd <sup>(3)</sup> (British Virgin Islands /People's Republic of China)	Trading in electronic components	<b>45.8</b>	53.1
WE Microelectronics Pte. Ltd. <sup>(1)</sup> (Singapore)	Trading in electronic components	<b>45.8</b>	53.1

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 22 Investments In Subsidiary Corporations (cont'd)

The subsidiary corporations held by the Company and its subsidiary corporations are listed below: (cont'd)

Name of subsidiaries, place of business and incorporation	Principal activities	Percentage of effective equity interest held by the Company	
		2023 %	2022 %
<i>Held through Jubilee Industries Holdings Ltd. (cont'd)</i>			
WE Components (Penang) Sdn Bhd <sup>(6)</sup> (Malaysia)	Trading in electronic components	45.8	53.1
WE Components India Pvt Ltd <sup>(2d)</sup> (India)	Trading in electronic components	45.8	53.1
Honfoong Plastic Industries Pte. Ltd. <sup>(4)</sup> (Singapore)	Manufacturer and dealer of precision plastic and metal mould	41.0	37.2
PT Honfoong Plastic Industries <sup>(4)</sup> (Indonesia)	Manufacturer and dealer of precision plastic and metal mould	41.0	37.2

(1) Audited by Moore Stephens LLP, Singapore, a member firm of Moore Global Network Limited.

(2) Audited by other independent auditors other than member firms of Moore Global Network Limited for local statutory audit purposes:

- (a) Shangzi Certified Public Accountants Co., Ltd
- (b) BZY Audit (Thailand) Limited
- (c) Fan, Chan & Co. Limited
- (d) Arts & Co
- (e) Y.H. Chang & Partners

(3) The subsidiary corporation are dormant and do not require an audit. They are not significant to the Group.

(4) The financial statements are unaudited and included in the Group's consolidated financial statements based on management accounts.

(5) Struck off during the year.

(6) Audited by Moore Stephens Associate PLT – a member of Moore Global Network Limited.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 22 Investments In Subsidiary Corporations (cont'd)

As required by Rule 715 of the Listing Manual of The Singapore Exchange Securities Trading Limited, the audit committee and the board of directors of the Company have satisfied themselves that the appointment of different auditors for its overseas subsidiary corporations would not compromise the standard and effectiveness of the audit of the consolidated financial statements.

### (a) Disposal of Electronic Business Unit (“EBU”)

On 21 June 2022, the Group entered into a sales agreement with a third party to dispose a 14% shareholding of WE Components Pte. Ltd. which carried out EBU of the Group. The partial disposal was completed on 9 March 2023. Subsequent to the financial year, the Company has completed the disposal of the remaining 86% shareholding of WE Components Pte. Ltd. as disclosed in Note 31.

### (b) Impairment assessment

As at 31 March 2023, management carried out an impairment assessment on the estimated irrecoverable amounts of the Company’s investments in certain subsidiaries due to the significant decline in the financial performance and/or financial positions of those subsidiaries. Based on management’s judgement, an additional impairment loss of S\$16,117,000 (2022: Nil) on those investment in subsidiaries has been recognised during the financial year.

### (c) Summarised financial information of subsidiaries with material non-controlling interest (“NCI”)

	<b>2023</b> <b>S\$'000</b>	2022 S\$'000 (Restated)
Jubilee Industries Holdings Ltd. (“Jubilee”)	<b>10,046</b>	12,296
WE Components Sdn. Bhd. (with immaterial non-controlling interests)	-*	-*
	<b>10,046</b>	12,296

\*Less than S\$1,000

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 22 Investments In Subsidiary Corporations (cont'd)

(c) Summarised financial information of subsidiaries with material non-controlling interest ("NCI") (cont'd)

### Summarised financial information of Jubilee Group

Set out below are the summarised financial information for each subsidiary corporation that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

### Summarised statement of financial position

	<b>Jubilee Group</b>	
	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
		(Restated)
<u>Current</u>		
Assets	<b>55,177</b>	64,976
Liabilities	<b>(34,244)</b>	(45,586)
Total current net assets	<b>20,933</b>	19,390
<u>Non-current</u>		
Assets	<b>696</b>	8,451
Liabilities	<b>(88)</b>	(269)
Total non-current net assets	<b>608</b>	8,182
Net assets	<b>21,541</b>	27,572

### Summarised statement of comprehensive income

	<b>Jubilee Group</b>	
	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
Revenue	<b>22,407</b>	30,423
Loss before income tax	<b>(2,591)</b>	(5,415)
Income tax expense	<b>(91)</b>	(116)
Net loss for the year from continuing operations	<b>(2,682)</b>	(5,531)
Loss for the year from discontinued operations	<b>(7,020)</b>	339
Other comprehensive income/(loss)	<b>1,331</b>	(482)
Total comprehensive loss	<b>(8,371)</b>	(5,674)
Total comprehensive loss allocated to non-controlling interests	<b>(4,650)</b>	(2,643)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 22 Investments In Subsidiary Corporations (cont'd)

(c) Summarised financial information of subsidiaries with material non-controlling interest ("NCI") (cont'd)

### Summarised cash flows statement

	<b>Jubilee Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Net cash generated from/(used in) operating activities	<b>1,323</b>	(2,689)
Net cash generated from/(used in) investing activities	<b>11,699</b>	(1,068)
Net cash (used in)/generated from financing activities	<b>(3,686)</b>	2,620

## 23 Share Capital

	<b>2023</b>		<b>2022</b>	
	<b>No. of ordinary shares '000</b>	<b>Amount S\$'000</b>	<b>No. of ordinary shares '000</b>	<b>Amount S\$'000</b>
<b>Group</b>				
Issued and fully paid:				
At the beginning of the year	<b>303,727</b>	<b>74,315</b>	279,142	72,491
Issuance of shares	-	-	22,660	1,670
Warrants conversion	-	-	1,925	154
At the end of the year	<b>303,727</b>	<b>74,315</b>	303,727	74,315
<b>Company</b>				
Issued and fully paid:				
At the beginning of the year	<b>303,727</b>	<b>115,006</b>	279,142	113,182
Issuance of shares	-	-	22,660	1,670
Warrants conversion	-	-	1,925	154
At the end of the year	<b>303,727</b>	<b>115,006</b>	303,727	115,006

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

The difference in amounts in the Group's and the Company's share capital is due to the reverse takeover exercise in the past.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 24 Reserves

	Group	
	2023 S\$'000	2022 S\$'000
Foreign currency translation reserve (Note (a))	1,957	1,247
Fair value reserve (Note (b))	22	22
Capital reserve (Note (c))	844	844
	<b>2,823</b>	<b>2,113</b>

(a) Foreign currency translation reserve

	Group	
	2023 S\$'000	2022 S\$'000
Beginning of financial year	1,247	1,697
Net currency translation differences of financial statements of:		
- foreign subsidiary corporations – gains/(losses)	710	(450)
End of financial year	<b>1,957</b>	<b>1,247</b>

(b) Fair value reserve

	Group	
	2023 S\$'000	2022 S\$'000
Beginning and end of financial year	<b>22</b>	<b>22</b>

(c) Capital reserve

Capital reserve comprises of the following:

- The effect of changes in the ownership interest in Jubilee on the equity attributable to owners of the Company during the financial year ended 31 March 2019, amounting to S\$820,000. This represents the excess of deemed consideration received by equity owners of the Company resulting from deemed disposal of interest in a subsidiary corporation.
- Excess of carrying amount of non-controlling interest acquired over consideration paid to non-controlling interest resulting from disposal of interest in a subsidiary corporation in prior financial year amounting to S\$24,000.

Other reserves are non-distributable.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 25 Borrowings

	Group			Company	
	2023 S\$'000	2022 S\$'000 (Restated)	2021 S\$'000 (Restated)	2023 S\$'000	2022 S\$'000
<u>Non-current</u>					
Bank borrowings	433	-	-	-	-
Lease liabilities	1,448	2,099	1,419	-	-
Loans from non-related parties	1,003	450	2,000	553	-
	<b>2,884</b>	<b>2,549</b>	<b>3,419</b>	<b>553</b>	<b>-</b>
<u>Current</u>					
Bank overdraft (Note 18)	253	433	372	-	-
Bank borrowings	270	6,466	6,045	-	-
Lease liabilities	2,204	2,346	987	-	-
Loans from non-related parties	820	2,000	450	320	-
	<b>3,547</b>	<b>11,245</b>	<b>7,854</b>	<b>320</b>	<b>-</b>
	<b>6,431</b>	<b>13,794</b>	<b>11,273</b>	<b>873</b>	<b>-</b>

The loan from non-related parties are unsecured, interest bearing from 2% and 8% per annum and are repayable in full on 3 March 2025 and 26 September 2025 respectively.

The exposure of the borrowings of the Group to interest rate changes and the contractual repricing dates at the balance sheet date are as follows:

	Group		
	2023 S\$'000	2022 S\$'000 (Restated)	2021 S\$'000 (Restated)
12 months or less	523	6,899	6,417
More than 12 months	433	-	-
	<b>956</b>	<b>6,899</b>	<b>6,417</b>

### (a) Security granted

#### Bank overdrafts

Bank overdrafts of the Group are secured by certain of the Group's bank deposits of S\$1,469,000 (2022: S\$2,116,000) as disclosed in Note 18 to the financial statements.

#### Bank borrowings

##### 2023

Bank borrowings are secured by the corporate guarantee provided by the Company (Note 27(a)) and director of the Company.

##### 2022

Bank borrowings are secured by the Group's financial assets, at FVPL of S\$5,744,000 (Note 16), leasehold property of the Group of S\$10,274,000 (Note 19) and secured by the corporate guarantee provided by the Company (Note 27(a)).



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 26 Trade and Other Payables

	Group			Company	
	2023 S\$'000	2022 S\$'000 (Restated)	2021 S\$'000 (Restated)	2023 S\$'000	2022 S\$'000
<u>Trade payables</u>					
Non-related parties	944	17,400	22,668	-	-
<u>Other payables</u>					
Non-related parties	5,846	1,056	1,364	95	20
Accrued operating expenses	1,491	2,452	1,948	196	222
Defined benefits obligation	-	1,778	1,624	-	-
Advances from customers	-	1,340	1,131	-	-
Loan from a director	-	519	562	-	-
Deposit received	-	4,529	-	-	-
Subsidiary corporations	-	-	-	5,280	5,320
	<b>7,337</b>	11,674	6,629	<b>5,571</b>	5,562
	<b>8,281</b>	29,074	29,297	<b>5,571</b>	5,562

- (a) Loan from a director was unsecured, interest-free and repayable on demand.
- (b) The non-trade payables due to subsidiary corporations are unsecured, interest-free and repayable on demand in cash.
- (c) Included in deposit received were the following:
- (1) On 26 November 2021, the Group entered into a non-binding memorandum of understanding ("MOU") to dispose the entire equity interest in a subsidiary corporation, WE Components Pte. Ltd.. Following the execution of the MOU, the Group received an upfront payment from the purchaser of US\$1,846,000 (equivalent to S\$2,499,000). On 21 June 2022, the MOU has lapsed and the parties have no intention to proceed with the transaction. Thus, the deposit was refunded to the purchaser during the current financial year ended 31 March 2023.
  - (2) On 7 March 2022, the Group received a deposit consideration of US\$1,500,000 (equivalent to S\$2,030,000) as set out in the sale and purchase agreement to dispose a 14% equity interest of a subsidiary corporation, WE Components Pte. Ltd. as disclosed in Note 11.

## 27 Contingencies

- (a) Corporate guarantees

The Company has issued corporate guarantees to banks for borrowings of a subsidiary corporation (Note 25(a)). The management has evaluated the fair value of the corporate guarantees and is of the view that the consequential benefit derived from its guarantees to the bank with regards to the subsidiary corporation is minimal.

The Company is not required to fulfil any guarantee on the basis of default by the borrowers as at the balance sheet date.

Management estimated that the fair value of the corporate guarantees is negligible in the view that the consequential benefits to be derived from its guarantee are not material and therefore not recognised. It is considered unlikely that the Company will be held liable as a result of the corporate guarantees since there is no default in the payment of borrowings by the subsidiary corporations to which guarantees are provided.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 27 Contingencies (cont'd)

### (b) Financial support

The Company and one of its subsidiary corporations provide financial support to certain subsidiary corporations to enable these subsidiary corporations to operate as going concerns and to meet their liabilities as and when they fall due. No liabilities are recognised by the Company and its subsidiary corporation as it is considered unlikely that there will be significant outflows of resources made by the Company as a result of the financial support provided.

### (c) Corrupt Practices Investigation Bureau investigation

On 25 February 2020, the Group's Executive Chairman and Chief Executive Officer, Mr Terence Tea, together with two other senior management personnel of the Group were requested by Corrupt Practices Investigation Bureau ("CPIB") to assist in investigation.

The investigation relates to certain expenses incurred and a payment made by Honfoong Plastic Industries Pte. Ltd., a 70% owned subsidiary corporation of Group.

The Board had taken Nominating Committee's recommendation and continues to be of the view that Mr Terence Tea and the management personnel should continue to discharge their responsibilities and duties in the operation of the Group's businesses to ensure business continuity. The Board will reassess its position where appropriate in due course.

On 11 January 2022, the Company announced that Mr Terence Tea, was informed by the CPIB that he has been discharged from bail.

## 28 Related Party Transactions

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

### *Key management personnel compensation*

	Group	
	2023 S\$'000	2022 S\$'000
Wages, salaries and other short-term benefits	1,794	1,518
Employer's contribution to defined contribution plans, including Central Provident Fund	65	44
	<b>1,859</b>	<b>1,562</b>
	2023 S\$'000	2022 S\$'000
Remuneration of directors of the Company	<b>1,067</b>	<b>1,101</b>

## 29 Segment Information

Management has determined the operating segments based on the reports reviewed by the Executive Committee (“Exco”), which is the Group’s Chief Operating Decision Maker, that are used to make strategic decisions. The Exco comprises the Non-Executive Director, the Chief Financial Officer/the Financial Controller, and the department heads of each business within each geographical segment.

The Exco considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in the five primary geographic areas: United States of America, Singapore, Malaysia, People’s Republic of China and Europe. The Group is organised into four major operating segments for the financial year: financial technology, electronic components distribution business unit (“EBU”), mechanical business unit (“MBU”) and aesthetic medical services (“AMS”). Such structural organisation is determined by the nature of risks and returns associated with each business segment and defines the management structure as well as the internal reporting system.

The segments are as follows:

The EBU segment distributes and acts as a representative for a diversified range of active and passive electronic components throughout the Asia Pacific region.

The MBU segment provides mould design and fabrication services for consumer electronics, household appliances, automotive and computer peripherals, as well as precision plastic injection moulding services for their customers’ finished products.

The AMS segment offer a range of services related to aesthetic enhancements.

“Others” segment includes:

- (a) The system and equipment distribution segment provides engineering support services ranging from installation, calibration, integration and testing of systems, applications training to maintenance of systems. This business segment is dormant.
- (b) The commodities and resources segment provides supply chain management for natural materials and will be the driver for the Group’s forward growth through its integrated sourcing, marketing and transportation operations. This business segment is dormant and hence classified as others. This business segment is dormant.
- (c) The financial technology segment provides financial services such as crowdfunding to enable users to raise funds for their projects and electronic wallet services granting users an alternate mode of payment.
- (d) Investment holding segment.

The Group has one operation (the EBU) that was discontinued in the current year.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 29 Segment Information (cont'd)

The following is an analysis of the Group's revenue and results from continuing operations and discontinued operations by reportable operating segments:

### Continuing operations

	MBU		AMS		Others		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>Segment revenue</b>	<b>22,407</b>	<b>30,423</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>9</b>	<b>22,423</b>	<b>30,432</b>
Sales of goods	-	-	14,118	10,157	-	-	14,118	10,157
Service income	22,407	30,423	14,118	10,157	16	9	36,541	40,589
Sales to external parties								
Gross profit	(394)	838	6,169	5,846	114	9	5,889	6,693
<b>Other gains/(losses) - net</b>								
- Provision for expected credit loss on trade and other receivables	-	-	(526)	(289)	(107)	(383)	(633)	(672)
- Impairment loss on intangible assets and office equipment	-	-	(22)	(3,977)	-	-	(22)	(3,977)
- Others	1,011	2	587	453	2,034	(2,143)	3,632	(1,688)
<b>Expenses</b>								
- Marketing and distribution	(47)	(315)	(924)	(773)	(250)	(44)	(1,221)	(1,132)
- Administrative	(2,629)	(2,525)	(4,467)	(3,255)	(2,894)	(4,165)	(9,990)	(9,945)
- Finance	(24)	(60)	(172)	(104)	(95)	(93)	(291)	(257)
Loss before income tax	(2,083)	(2,060)	645	(2,099)	(1,198)	(6,819)	(2,636)	(10,978)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 29 Segment Information (cont'd)

The following is an analysis of the Group's revenue and results from continuing operations and discontinued operations by reportable operating segments: (cont'd)

### Discontinued operations

	EBU		Total	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
<b>Segment revenue</b>				
Sales of goods	60,138	200,650	60,138	200,650
Service income	-	-	-	-
Sales to external parties	60,138	200,650	60,138	200,650
Gross profit	2,403	6,438	2,403	6,438

### Other gains/(losses) - net

- Provision for expected credit loss on trade and other receivables	-	(490)	-	(490)
- Impairment loss on intangible assets	-	(4,505)	-	(4,505)
- Others	(895)	86	(895)	86

### Expenses

- Marketing and distribution	(469)	(162)	(469)	(162)
- Administrative	(8,032)	(5,232)	(8,032)	(5,232)
- Finance	(361)	(298)	(361)	(298)
Loss before income tax	(7,354)	(4,163)	(7,354)	(4,163)

### Continuing operations

	MBU		AMS		Others		Total	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Depreciation of property, plant and equipment	778	964	2,023	1,446	-	156	2,801	2,566
Amortisation of intangible assets	-	-	13	1,496	1	-	14	1,496
Impairment of intangible assets and office equipment	-	-	22	3,977	-	-	22	3,977

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 29 Segment Information (cont'd)

The following is an analysis of the Group's revenue and results from continuing operations and discontinued operations by reportable operating segments: (cont'd)

### Discontinued operations

	EBU		Total	
	2023 S\$'000	2022 S\$'000	2023 S\$'000	2022 S\$'000
Depreciation of property, plant and equipment	267	135	267	135
Amortisation of intangible assets	955	377	955	377
Impairment of intangible assets	-	4,505	-	4,505

As the amounts of total assets and liabilities for each reportable segment are not regularly provided to Exco, such information is not presented in the segment information.

### Geographical Information

The following table provides an analysis of the revenue by geographical market, irrespective of the origin of the goods/services:

	Group	
	2023 S\$'000	2022 S\$'000
<b>Continuing operations</b>		
Singapore	13,855	19,033
Malaysia	5,271	7,250
Indonesia	17,415	12,624
Other countries	-	1,682
	<b>36,541</b>	<b>40,589</b>

The following is an analysis of the carrying amount of non-current assets, and additions to plant and equipment and intangible assets analysed by the geographical area in which the assets are located:

	Group	
	2023 S\$'000	2022 S\$'000
<b>Non-current assets</b>		
Singapore	6,295	12,942
Malaysia	788	914
Indonesia	-	6,367
Other countries	-	102
	<b>7,083</b>	<b>20,325</b>

The non-current assets are analysed by the geographical area in which the assets are located.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments

### (a) Financial Risk Management Policies and Objectives

The Group is exposed to financial risks arising from its operations and the use of financial instruments. The directors of the Company review and agree policies and procedures for the management of these risks. The Audit Committee provides independent oversight to the effectiveness of the risk management process. These risks include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and capital risk.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

#### (i) Credit risk

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The major classes of financial assets (excluding assets directly associated with disposal group classified as held for sale) of the Group and of the Company are bank deposits and trade and other receivables. For trade receivables, the Group adopts the policy of dealing only with customers of appropriate credit history and obtaining cash deposits where appropriate to mitigate credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored at the entity level by the respective management and at the Group level by the management.

The trade receivables of the Group comprise 5 debtors (2022: 4 debtors) that individually represented 5 - 10% (2022: 5 - 10%) of the Group's total trade receivables.

The credit risk for trade receivables and contract assets based on the information provided to key management is as follows:

	<b>Group</b>	
	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000
<u>By geographical areas</u>		
Singapore	183	1,636
United States of America	-	1,006
Malaysia	1,275	3,232
People's Republic of China	-	2,841
India	-	397
Indonesia	-	569
Thailand	-	3,379
Vietnam	-	672
Other countries	-	3,454
	<b>1,458</b>	<b>17,186</b>
<u>By types of customers</u>		
Non-related parties		
- Multi-national companies	-	9,273
- Other companies	1,458	7,913
	<b>1,458</b>	<b>17,186</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments (cont'd)

### (a) Financial Risk Management Policies and Objectives (cont'd)

#### (i) Credit risk (cont'd)

##### Trade receivables and contract assets

The Group uses a provision matrix to measure the lifetime expected credit loss (“ECL”) allowance for trade receivables and contract assets.

In measuring the expected credit losses, trade receivables and contract assets are grouped based on their shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables and contract assets are written-off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group categorises trade receivables and contract assets for potential write-off when the counterparty fails to make contractual payments more than 180 days past due. Where receivables are written-off, the Group continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.

The Group’s credit risk exposure in relation to trade receivables and contract assets under SFRS(I) 9 as at 31 March 2023 and 2022 are set out in the provision matrix as follows:

	← Past due →					Total S\$'000
	Current S\$'000	Within 30 days S\$'000	1 to 3 months S\$'000	4 to 6 months S\$'000	Over 6 months S\$'000	
<b>Group</b>						
<u>2023</u>						
Trade receivables	129	317	329	171	1,888	2,834
Allowance for impairment (Note 14)	-	-	-	-	(1,376)	(1,376)
						<u>1,458</u>
<u>2022</u>						
Trade receivables and contract assets	12,704	3,028	794	286	3,879	20,691
Allowance for impairment (Note 14)	-	-	-	-	(3,505)	(3,505)
						<u>17,186</u>



## 30 Financial Instruments (cont'd)

### (a) Financial Risk Management Policies and Objectives (cont'd)

#### (i) Credit risk (cont'd)

##### Other receivables

The Group and the Company use the general approach for assessment of ECLs for these financial assets. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECL at initial recognition.

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

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

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

As at 31 March 2023, the Group performed an assessment of impairment using the 12-month ECL basis on these financial assets. The Group concluded the loss allowance is adequate.

##### Non-trade receivables from subsidiary corporations

Non-trade receivables from subsidiary corporations are provided mainly for short term funding requirements. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The Company concluded that the loss allowance provided for non-trade receivables from subsidiary corporations is adequate.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments (cont'd)

### (a) Financial Risk Management Policies and Objectives (cont'd)

#### (i) Credit risk (cont'd)

##### Cash and cash equivalents

The Group's and the Company held cash and cash equivalents with reputable licensed financial institutions with high credit-ratings and consider to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

#### (ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows.

	Less than 1 year S\$'000	Within 1 to 2 years S\$'000	Within 2 to 5 years S\$'000	Over 5 years S\$'000	Total S\$'000
<b>Group</b>					
<u>2023</u>					
Trade and other payables	8,281	-	-	-	8,281
Lease liabilities	2,311	1,299	207	-	3,817
Borrowings (excluding lease liabilities)	1,185	1,027	559	-	2,771
	<b>11,777</b>	<b>2,326</b>	<b>766</b>	<b>-</b>	<b>14,869</b>
<u>2022 (restated)</u>					
Trade and other payables	29,074	-	-	-	29,074
Lease liabilities	2,555	1,587	578	-	4,720
Borrowings (excluding lease liabilities)	9,109	-	558	-	9,667
	<b>40,738</b>	<b>1,587</b>	<b>1,136</b>	<b>-</b>	<b>43,461</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments (cont'd)

### (a) Financial Risk Management Policies and Objectives (cont'd)

#### (ii) Liquidity risk (cont'd)

	Less than 1 year S\$'000	Within 1 to 2 years S\$'000	Within 2 to 5 years S\$'000	Over 5 years S\$'000	Total S\$'000
<b>Company</b>					
<u>2023</u>					
Trade and other payables	5,571	-	-	-	5,571
Borrowings	370	370	216	-	956
Financial guarantees contracts	956	-	-	-	956
	<b>6,897</b>	<b>370</b>	<b>216</b>	<b>-</b>	<b>7,483</b>
<u>2022</u>					
Trade and other payables	5,562	-	-	-	5,562
Financial guarantees contracts	6,899	-	-	-	6,899
	<b>12,461</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,461</b>

#### (iii) Cash flow and fair value interest rate risks

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rate. The Group's exposure to interest rates arises primarily from interest-earning financial assets and interest-bearing financial liabilities.

The Group is not exposed to any significant interest-bearing financial liabilities as at year end except for bank borrowings and bank overdrafts.

If the interest rates increase/decrease by 1% (2022: 1%) with all other variables including tax rate being held constant, net loss of the Group would have been lower/higher by S\$10,000 (2022: S\$69,000).

#### (iv) Foreign currency risk

The Group has transactional currency exposures arising from sales and purchases that are denominated in foreign currencies. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments (cont'd)

### (a) Financial Risk Management Policies and Objectives (cont'd)

#### (iv) Foreign currency risk (cont'd)

The carrying amounts of the Group's monetary assets and monetary liabilities (excluding assets/(liabilities) directly associated with disposal group classified as held for sale), denominated in currencies other than the functional currency of the entities in which these assets are held, based on the information provided to key management the end of the reporting period are as follows:

	USD S\$'000	SGD S\$'000	MYR S\$'000	Others S\$'000	Total S\$'000
<b>Group</b>					
<u>2023</u>					
<u>Financial assets</u>					
Cash and cash equivalents	4,812	2,078	8,144	22	15,056
Trade and other receivables*	-	151	1,342	-	1,493
Financial assets, at FVPL	-	37	-	-	37
Financial assets, at FVOCI	-	-	47	-	47
Other assets	-	537	365	-	902
	<b>4,812</b>	<b>2,803</b>	<b>9,898</b>	<b>22</b>	<b>17,535</b>
<u>Financial liabilities</u>					
Borrowings	-	5,898	533	-	6,431
Trade and other payables	5	7,715	561	-	8,281
	<b>5</b>	<b>13,613</b>	<b>1,094</b>	<b>-</b>	<b>14,712</b>
<b>Net financial assets/(liabilities)</b>	<b>4,807</b>	<b>(10,810)</b>	<b>8,804</b>	<b>22</b>	<b>2,823</b>
Less: Net financial liabilities/ (assets) denominated in the respective entities' functional currencies	<b>(4,569)</b>	<b>10,104</b>	<b>(7,533)</b>	<b>-</b>	<b>(1,998)</b>
<b>Currency exposure</b>	<b>238</b>	<b>(706)</b>	<b>1,271</b>	<b>22</b>	<b>825</b>

\* Excluded advances to suppliers.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments (cont'd)

### (a) Financial Risk Management Policies and Objectives (cont'd)

#### (iv) Foreign currency risk (cont'd)

	USD S\$'000	SGD S\$'000	MYR S\$'000	Others S\$'000	Total S\$'000
<b>Group</b>					
<u>2022 (Restated)</u>					
<u>Financial assets</u>					
Cash and cash equivalents	2,982	3,886	1,811	1,078	9,757
Trade and other receivables and contract assets	12,520	4,967	1,071	104	18,662
Financial assets, at FVPL	–	30	7,040	–	7,070
Financial assets, at FVOCI	–	–	47	–	47
Other assets	–	813	245	157	1,215
	15,502	9,696	10,214	1,339	36,751
<u>Financial liabilities</u>					
Borrowings	4,056	6,793	2,780	165	13,794
Trade and other payables	19,929	6,490	954	1,701	29,074
	23,985	13,283	3,734	1,866	42,868
<b>Net financial assets/(liabilities)</b>	<b>(8,483)</b>	<b>(3,587)</b>	<b>6,480</b>	<b>(527)</b>	<b>(6,117)</b>
Less: Net financial liabilities/ (assets) denominated in the respective entities' functional currencies	(284)	3,587	174	(2,570)	207
<b>Currency exposure</b>	<b>(8,767)</b>	<b>–</b>	<b>6,654</b>	<b>(3,097)</b>	<b>(5,910)</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments (cont'd)

### (a) Financial Risk Management Policies and Objectives (cont'd)

#### (iv) Foreign currency risk (cont'd)

	USD S\$'000	SGD S\$'000	Total S\$'000
<b>Company</b>			
<u>2023</u>			
<u>Financial assets</u>			
Cash and cash equivalents	186	72	258
Trade and other receivables	-	8,818	8,818
Other assets	-	2	2
	<b>186</b>	<b>8,892</b>	<b>9,078</b>
<u>Financial liabilities</u>			
Trade and other payables	-	5,571	5,571
Borrowings	-	873	873
	<b>-</b>	<b>6,444</b>	<b>6,444</b>
<b>Net financial assets</b>	<b>186</b>	<b>2,448</b>	<b>2,634</b>
Less: Net financial assets denominated in the functional currency of the Company	-	(2,448)	(2,448)
<b>Currency exposure</b>	<b>186</b>	<b>-</b>	<b>186</b>
<u>2022</u>			
<u>Financial assets</u>			
Cash and cash equivalents	78	398	476
Trade and other receivables	-	8,707	8,707
Other assets	-	9	9
	<b>78</b>	<b>9,114</b>	<b>9,192</b>
<u>Financial liabilities</u>			
Trade and other payables	-	5,562	5,562
<b>Net financial assets</b>	<b>78</b>	<b>3,552</b>	<b>3,630</b>
Less: Net financial assets denominated in the functional currency of the Company	-	(3,552)	(3,552)
<b>Currency exposure</b>	<b>78</b>	<b>-</b>	<b>78</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments (cont'd)

### (a) Financial Risk Management Policies and Objectives (cont'd)

#### (iv) Foreign currency risk (cont'd)

If the following currency strengthen by 3% (2022: 3%) against S\$ as at the end of reporting period, with all other variables including tax rate being held constant, the effect arising from the net financial assets position will be as follows:

	Group Increase/(Decrease) loss after tax S\$'000	Company Increase/(Decrease) loss after tax S\$'000
<u>2023</u>		
USD against SGD		
- Strengthened	7	6
- Weakened	(7)	(6)
	<hr/> <hr/>	<hr/> <hr/>
MYR against SGD		
- Strengthened	38	-
- Weakened	(38)	-
	<hr/> <hr/>	<hr/> <hr/>
<u>2022</u>		
USD against SGD		
- Strengthened	263	2
- Weakened	(263)	(2)
	<hr/> <hr/>	<hr/> <hr/>
MYR against SGD		
- Strengthened	200	-
- Weakened	(200)	-
	<hr/> <hr/>	<hr/> <hr/>

#### (v) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risks arising from its investments in equity securities. The Group diversifies its investment portfolio with the limits set by the Board of Directors.

#### Sensitivity analysis

As at 31 March 2023, the Group does not have any significant exposure to equity price risks.

There has been no change to the Group's exposure to equity prices or the manner in which these risks are managed and measured.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments (cont'd)

### (a) Financial Risk Management Policies and Objectives (cont'd)

#### (vi) Capital risk

Management monitors capital based on a gearing ratio. The Group has positive net assets and maintain low bank borrowings. Future decisions to raise capital and funds will be made with the objective to maintain positive working capital structure.

The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	Group		Company	
	2023 S\$'000	2022 S\$'000 (Restated)	2023 S\$'000	2022 S\$'000
Net debt:				
Borrowings	<b>6,431</b>	13,794	<b>873</b>	–
Less: Cash and cash equivalents	<b>(15,056)</b>	(9,757)	<b>(258)</b>	(476)
Net (cash)/debt	<b>(8,625)</b>	4,037	<b>615</b>	(476)
Equity	<b>25,860</b>	32,799	<b>18,423</b>	35,536
Debt-to-equity ratio	<b>N/M</b>	12.0%	<b>3.0%</b>	N/M

N/M: Not meaningful

The Group and the Company do not have to comply with any externally imposed capital requirements for the financial years ended 31 March 2023 and 2022.

### (b) Fair Value

#### (i) Fair value of financial instruments

Fair value is defined as the amount at which the financial instruments could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced or liquidation sale. Fair values are obtained from quoted prices, discounted cash flow models and option pricing models as appropriate.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 30 Financial Instruments (cont'd)

### (b) Fair Value (cont'd)

#### (i) Fair value of financial instruments (cont'd)

The Group presents financial assets measured at fair value and classified by level of the following fair value measurement hierarchy:

- a. Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- b. Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is 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).

	<b>Level 1</b>
	<b>S\$'000</b>
<b>Group</b>	
<u>31 March 2023</u>	
Financial assets at FVPL	37
Financial assets, at FVOCI	47
	<b>84</b>
 <u>31 March 2022</u>	
Financial assets at FVPL	7,070
Financial assets, at FVOCI	47
	7,117

#### (ii) Fair Value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The carrying amounts of financial assets and financial liabilities with a maturity of less than one year (including cash and bank balances, trade and other receivables, loan to subsidiaries, bank borrowings, trade and other payables, loans from related parties and lease liabilities) approximate their fair values due to the relatively short-term maturity of these financial instruments.

The carrying amounts of long term bank borrowings, loans from related parties and lease liabilities approximate their fair values as they are subject to interest rates close to market rates of interest for similar arrangement with financial institutions.

#### (iii) Financial instrument by categories

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>S\$'000</b>	S\$'000	<b>S\$'000</b>	S\$'000
		(Restated)		
<u>Financial assets</u>				
At amortised cost	<b>17,451</b>	29,634	<b>9,078</b>	9,177
At FVOCI	<b>47</b>	47	-	-
At FVPL	<b>37</b>	7,070	-	-
	<b>17,535</b>	36,751	<b>9,078</b>	9,177
<u>Financial liabilities</u>				
At amortised cost	<b>14,712</b>	41,528	<b>6,444</b>	5,562

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 March 2023

## 31 Subsequent Events

- (a) On 29 August 2023, the subsidiary of the Company, Jubilee Industrial Holdings Ltd. (“JIH”) completed the sale of an 86% equity interest in WE Components Pte. Ltd. (“WEC”) for a total cash consideration of US\$15,900,000 (equivalent to S\$21,500,000).
- (b) On 29 August 2023, Accrelist Medical Aesthetics (BM) Pte Ltd, a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary in Thailand, namely Accrelist Medical Aesthetics (Bangkok) Co., Ltd..
- (c) On 26 October 2023, Accrelist Medical Aesthetics (BM) Pte Ltd, a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary in the People’s Republic of China, namely Accrelist Medical Aesthetics (Hainan) Co., Ltd..
- (d) On 18 April 2023, the Group entered into a sale and purchase agreement (the “SPA”) with SJY Healthcare Pte. Ltd. for the purchase of 102,000 ordinary shares, representing 51% of the issued and paid-up share capital, in SJY Medical Pte. Ltd..

Pursuant to the SPA, the consideration for the Sale Shares will be an aggregate amount of SGD 550,000 (“Consideration”), to be satisfied by way of issue of new ordinary shares in the capital of the Company (“Consideration Shares”) and cash in the following manner:

- (i) a refundable deposit of SGD 75,000 (“Deposit”) to be payable in the form of cash upon the signing of the SPA;
- (ii) SGD 200,000 to be payable in the form of cash upon Completion; and
- (iii) SGD 275,000 to be payable by the allotment and issuance of 4,741,379 Consideration Shares to the Vendor based on the closing price of the Company’s shares traded on the SGXST (“Shares”) as at the date of the SPA which is SGD 0.058.

On 19 July 2023, the Company completed the purchase of an 51% equity interest in SJY Medical Pte. Ltd..

## 32 Prior Year Adjustment

During the year, management identified errors in the prior year financial statements in relation to the overstatement of trade and other payables, borrowings, and deferred tax liabilities. Accordingly, prior year adjustments have been made to reflect the actual position.

Impact on Equity (increase in equity)

	31 March 2022	1 April 2021
	S\$’000	S\$’000
Trade and other payables	640	640
Borrowings	1,337	1,337
Deferred tax liabilities	921	–
Net impact on Equity	2,898	1,977

Impact on Consolidated Statement of Comprehensive Income

	31 March 2022
	S\$’000
Loss from discontinued operations	921
Net impact on total loss for the year	921

## 33 Authorisation of Financial Statements for Issue

The financial statements for the financial year ended 31 March 2023 were authorised for issue in accordance with a resolution of the Board of Directors of the Company on 8 November 2023.

# STATISTICS OF SHAREHOLDINGS

At as 31 October 2023

Class of shares	: Ordinary Shares
Voting rights	: One (1) vote per Ordinary Share
Number of issued shares	: 312,189,786
Number of Treasury Shares	: Nil
Number of Subsidiary Holdings	: Nil

## DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	324	10.67	11,185	0.00
100 – 1,000	363	11.96	170,594	0.06
1,001 – 10,000	1,119	36.86	5,931,931	1.90
10,001 – 1,000,000	1,205	39.69	74,518,716	23.87
1,000,001 and above	25	0.82	231,557,360	74.17
<b>TOTAL</b>	<b>3,036</b>	<b>100.00</b>	<b>312,189,786</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

	NAME OF SHAREHOLDER	NO. OF SHARES	% OF SHARES
1	TERENCE TEA YEOK KIAN	67,918,506	21.76
2	OCBC SECURITIES PRIVATE LIMITED	47,035,150	15.07
3	TOH SOON HUAT	25,529,730	8.18
4	PHILLIP SECURITIES PTE LTD	15,330,808	4.91
5	DBS NOMINEES (PRIVATE) LIMITED	13,210,416	4.23
6	CITIBANK NOMINEES SINGAPORE PTE LTD	8,699,250	2.79
7	HSBC (SINGAPORE) NOMINEES PTE LTD	5,233,000	1.68
8	POH BOON KHER MELVIN (FU WENKE MELVIN)	4,818,400	1.54
9	YANG RONG	4,741,379	1.52
10	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	4,263,193	1.37
11	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	4,168,128	1.34
12	GOH GEK LIANG	4,126,400	1.32
13	TAN SIAK LIAN	4,037,204	1.29
14	TEH TZE CHEN KEVIN	3,394,714	1.09
15	MAYBANK SECURITIES PTE. LTD.	3,002,196	0.96
16	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	2,960,850	0.95
17	WANG HAIQING	2,123,200	0.68
18	MARILYN TAY BEE CHOO	2,000,000	0.64
19	TIEW YEW SENG	1,600,000	0.51
20	REFRESH GROUP PTE LTD	1,544,881	0.49
	<b>Total:</b>	<b>225,737,405</b>	<b>72.32</b>

# STATISTICS OF SHAREHOLDINGS

At as 31 October 2023

## Substantial Shareholders as at 31 October 2023

Name Of Shareholders	Direct Interest	No. of Ordinary Shares		
		%	Deemed Interest	%
Terence Tea Yeok Kian	67,966,856 <sup>(1)</sup>	21.77	2,371,900 <sup>(2)</sup>	0.76
Toh Soon Huat	1,859,215	0.60	31,599,400 <sup>(3)</sup>	10.12

Notes:

- (1) Inclusive of 48,350 shares which are held through CPF investment account.
- (2) Dr Terence Tea Yeok Kian is deemed interested in 2,371,900 issued shares of the Company held by his wife, Ms Sim Aileen.
- (3) Mr Toh Soon Huat is beneficially owned the 31,599,400 shares and registered in the name of Phillip Securities Pte. Ltd.

## Public Float

Based on the information available to the Company as at 31 October 2023, approximately 66.75% of the issued ordinary shares of the Company was held in the hands of the public. This is in compliance with Rule 723 of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange Securities Trading Limited which requires at least 10% of the total number of issued shares (excluding preference shares, convertible equity securities and treasury shares) to be held by the public.

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“AGM”) of the Company will be held at 10 Ubi Crescent, #02-07 Ubi Techpark Lobby A, Singapore 408564 on Tuesday, 28 November 2023 at 10:00 a.m. for the purpose of transacting the following business:

## AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements for the financial year ended 31 March 2023 together with the Auditors’ Report thereon.  
**(Resolution 1)**
2. To approve the payment of Directors’ fees of S\$180,000 for the financial year ending 31 March 2024, to be paid semi-annually in arrears (FY2023: S\$180,000).  
**(Resolution 2)**
3. To re-elect Dr Terence Tea Yeok Kian, who is retiring in accordance with Rule 720(4) of the Listing Manual Section B: Rules of Catalist of the SGX-ST, as a Director of the Company.  
**[See Explanatory note (i)]** **(Resolution 3)**
4. To re-elect Mr Lim Yeow Hua @ Lim You Qin, who is retiring by rotation in accordance with Regulation 91 of the Company’s Constitution, as a Director of the Company.  
**[See Explanatory note (ii)]** **(Resolution 4)**
5. To re-elect Mr Yeo Hwee Tiong, who is retiring by rotation in accordance with Regulation 97 of the Company’s Constitution, as a Director of the Company.  
**[See Explanatory note (iii)]** **(Resolution 5)**
6. To re-appoint Moore Stephens LLP as Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.  
**(Resolution 6)**
7. To transact any other business that may be transacted at an annual general meeting.

## AS SPECIAL BUSINESS

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

### 8. Ordinary Resolution: Authority to allot and issue shares

“THAT pursuant to Section 161 of the Companies Act 1967 of Singapore (“**Companies Act**”) and subject to Rule 806 of the Listing Manual Section B: Rule of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), authority be and is hereby given to the Directors of the Company to:

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

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

# NOTICE OF ANNUAL GENERAL MEETING

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

- (i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 100% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (ii) below);
- (ii) (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 (i) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
  - (a) new Shares arising from the conversion or exercise of any convertible securities;
  - (b) new Shares arising from exercising share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed, provided that the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
  - (c) any subsequent bonus issue, consolidation or subdivision of Shares;

Adjustments in accordance with sub-paragraphs (ii)(a) and (ii)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution.

- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by SGX-ST), the Companies Act and the Constitution for the time being of the Company; and
- (iv) (unless revoked or varied by the Company in general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next annual general meeting of the Company or by the date by which the next annual general meeting of the Company is required by law to be held, or the date such authority is varied or revoked by the Company in a general meeting, whichever is the earliest."

**[See Explanatory Note (iv)]**

**(Resolution 7)**

## 9. Ordinary Resolution: Proposed Renewal of the Share Buyback Mandate

"THAT:

- (a) for the purposes of the Sections 76C and 76E of the Companies Act, the Directors of the Company be authorised to exercise all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the share capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
  - (i) on-market purchase(s) (each a "**Market Purchase**"), transacted on the SGX-ST through the SGX-ST's trading system or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose; and/or
  - (ii) off-market purchase(s) (each an "**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act;

# NOTICE OF ANNUAL GENERAL MEETING

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act and the Catalyst Rules as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Buyback Mandate**”);

- (b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buyback Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Companies Act;
- (c) unless varied or revoked by the shareholders of the Company in a general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
  - (i) the date on which the next AGM is held or required by law to be held;
  - (ii) the date on which the share buybacks are carried out to the full extent mandated; or
  - (iii) the date on which the authority contained in the Share Buyback Mandate is varied or revoked.
- (d) in this Resolution:

“**Maximum Percentage**” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings) as at the date of the passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding treasury shares and subsidiary holdings that may be held by the Company from time to time);

“**Relevant Period**” means the period commencing from the date on which this annual general meeting and expiring on the date the next annual general meeting is held or is required by law to be held, or the date the said mandate is varied or revoked by the Company, whichever is the earlier, after the date of this Resolution; and

“**Maximum Price**” in relation to a Share to be purchased or acquired, means the purchase price (excluding related expenses of the purchase) which shall not exceed:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price; and
- (ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price; and

where:

“**Average Closing Price**” means the average of the closing market prices of a Share over the last five (5) Market Days on which the Shares were transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of making the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the rules of the SGX-ST, for any corporate action that occurs after the relevant five (5)-days period;

“**date of making the offer**” means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

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

# NOTICE OF ANNUAL GENERAL MEETING

- (e) any of the Directors of the Company are hereby authorised to complete and do all such acts and things (including without limitation; to execute all such documents as may be required and to approve any amendments, alterations or modifications to any documents) as they and/or he may consider desirable, expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.”

*[See Explanatory Note (v)]*

**(Resolution 8)**

10. **Ordinary Resolution: Authority to grant awards and issue shares under the Accrelist Performance Share Plan 2023 (“Accrelist PSP 2023”)**

“That the Directors of the Company be and are hereby authorised:

- (i) to grant award of shares under the Accrelist PSP 2023 (“**Awards**”) in accordance with the provisions of the Accrelist PSP 2023 and pursuant to Section 161 of the Companies Act 1967 of Singapore (“**Companies Act**”), and
- (ii) to allot and issue, transfer and/or deliver from time to time such number of fully paid-up shares in the capital of the Company (“**Shares**”) as may be required to be issued or delivered pursuant to the vesting of Awards provided that the aggregate number of Shares available pursuant to the Accrelist PSP 2023 (including any other share option schemes of the Company), shall not exceed ten per cent (10%) of the total issued Shares of the Company (excluding any treasury shares and subsidiary holdings) from time to time.”

*[See Explanatory Note (vi)]*

**(Resolution 9)**

## BY ORDER OF THE BOARD

Loh Eng Lock Kelvin  
Siau Kuei Lian  
Joint Company Secretaries

Singapore,  
10 November 2023

### Explanatory Notes:

- (i) Dr Terence Tea Yeok Kian, if re-elected, will remain as the Executive Chairman and Managing Director of the Company, and a member of the Nominating Committee. Please refer to the Corporate Governance Report of the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.
- (ii) Mr Lim Yeow Hua @ Lim You Qin, if re-elected, will remain as the Independent and Non-Executive Director of the Company, Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees. Mr Lim Yeow Hua @ Lim You Qin will be considered independent pursuant to Rule 704(7) of the Catalist Rules. Please refer to the Corporate Governance Report of the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.
- (iii) Mr Yeo Hwee Tiong, if re-elected, will remain as the Independent and Non-Executive Director of the Company, and a member of the Audit and Remuneration Committees. Mr Yeo Hwee Tiong will be considered independent pursuant to Rule 704(7) of the Catalist Rules. Please refer to the Corporate Governance Report of the Annual Report for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.
- (iv) The Ordinary Resolution 7, if passed, will authorise the Directors of the Company, from the date of this AGM until the date of the next AGM, or the date by which the next AGM is required by law to be held or the date such authority is varied or revoked by the Company in a general meeting, whichever is the earliest, to allot and issue Shares, make or grant Instruments convertible into new ordinary shares and to issue new ordinary shares pursuant to such Instruments, up to a number not exceeding, in total, 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings), may be issued other than on a pro-rata basis to existing shareholders of the Company.
- (v) The Ordinary Resolution 8, if passed, will authorise the Directors of the Company, to purchase or otherwise acquire its issued Shares, on the terms of the Share Buyback Mandate. This authority will continue to be in force until the conclusion of the next AGM of the Company or the date of which the AGM is required by law to be held, whichever is the earlier, unless the authority is previously revoked or varied at a general meeting. Please refer to the appendix to this notice for further details.



# NOTICE OF ANNUAL GENERAL MEETING

- (vi) The Ordinary Resolution 9, if passed, will authorise the Directors to offer and grant Awards and to allot and issue Shares, in accordance to the provisions of the Accrelist PSP 2023 and Section 161 of the Companies Act, provided that the aggregate number of Shares to be issued pursuant to the Accrelist PSP 2023 shall not exceed ten per cent (10%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time. The Accrelist PSP 2023 was approved by shareholders at the extraordinary general meeting held on 27 February 2023. Please refer to the circular dated 10 February 2023 for further details.

## Notes:

### General

1. The members of the Company are invited to attend physically at the AGM. There will be no option for shareholders to participate virtually.

### Submission of Questions in advance of the AGM

2. Members may submit substantial and relevant questions related to the resolutions to be tabled for approval for the AGM in advance of the AGM.

### How to submit questions in advance of AGM

3. If a member wishes to submit questions related to the resolutions tabled for approval at the AGM, all questions must be submitted no later than **17 November 2023** in hard copy by depositing the same at the registered office of the Company at 10 Ubi Crescent #03-95 Ubi Techpark Singapore 408564, and provide particulars as follows:

- Full name (for individuals) / company name (for corporates) as per CDP/CPF/SRS Account records;
- NRIC or Passport Number (for individuals) / Company Registration Number (for corporates);
- Contact number and email address; and
- The manner in which you hold shares in the Company (e.g. via CDP/CPF/SRS)

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.

4. The Company will address all substantial and relevant questions received from Members submitted in the manner set out in paragraph 3 above by **24 November 2023, 10.00 a.m.** via SGXNET and on our corporate website. The Company will also address any subsequent clarifications sought or follow-up questions at the AGM in respect of substantial and relevant matters. The responses from the Board and the Management of the Company shall thereafter be published on SGXNET, together with the minutes of the AGM, within one (1) month after the conclusion of the AGM.

### Submission of instrument appointing a proxy(ies)

5. A member 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 proxy need not be a member of the Company.

6. Where a member 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 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 member'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 member, the appointment of the Chairman of the AGM as the member's proxy for the relevant resolutions will be treated as invalid.

7. A member who is not a Relevant Intermediary\*, entitled to attend and vote at the AGM is entitled to appoint not more than two proxies to attend, speak and vote in his/her stead at the AGM of the Company. Where a member appoints more than one proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the form of proxy.

8. The Proxy Form must be submitted to the Company in the following manner:

- (a) by depositing a hard copy by post at the office of the Company's Share Registrar at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or
- (b) by sending a scanned PDF copy by email to [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia)

in either case, no later than **10:00 a.m. on 26 November 2023** ("Proxy Deadline").

# NOTICE OF ANNUAL GENERAL MEETING

9. **Members are strongly encouraged to submit the completed proxy form electronically via email.**
10. The instrument appointing the proxy or proxies must be executed under the hand of the appointor or attorney duly authorised in writing. Where the instrument appointing the proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or by an officer duly authorised. Where the instrument appointing the 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, failing which the instrument may be treated as invalid.
11. The Company shall be entitled to reject the instrument appointing the proxy or proxies if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the proxy or proxies (including any related attachment or supporting documents) (such as in the case where the appointor submits more than one instrument appointing the proxy or proxies).
12. Investors who hold their Shares through Relevant Intermediaries\* as defined in Section 181 of the Companies Act (including CPF investors, SRS investors and holders under depository agents) and who wish to exercise their votes should approach their respective Relevant Intermediaries (including their respective CPF agent banks, SRS approved banks or depository agents) to submit their voting instructions by **5:00 p.m., 17 November 2023** (being seven (7) working days before the AGM) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf no later than the Proxy Deadline.
13. In the case of a member 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 or proxies lodged if such member, being appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the 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 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 and who holds shares in that capacity; or
- (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

## 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 in accordance with this notice a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents 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 member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents 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 members received before the AGM and if necessary, following up with the relevant members 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 member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Photographic, sound and/or video recordings of the AGM may be made by the Company for record keeping and to ensure the accuracy of the minutes prepared for the AGM. Accordingly, the member's personal data and its proxy's and/or representative's personal data may be disclosed or transferred by the Company to its subsidiaries, its share registrar and/or other agents or bodies for any of the abovementioned purposes and retained for such period as may be necessary for the Company's verification and record purposes.

# ACCRELIST LTD.

(Company Registration No. 198600445D)  
(Incorporated in the Republic of Singapore)

## ANNUAL GENERAL MEETING PROXY FORM

(Please see notes overleaf before completing this Form)

### IMPORTANT:

1. An investor who holds Shares under the Central Provident Fund Investment Scheme ("CPF Investors") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) and who wishes to appoint the Chairman of the AGM as proxy should inform their respective CPF Agent Banks and/or SRS Operators to submit their votes at least 7 working days before the AGM.
2. This Proxy Form is not valid for use by CPF Investors and/or SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. Please read the notes to the proxy form.

I/We\*, \_\_\_\_\_ (Name) \_\_\_\_\_ (NRIC/Passport No./Company Regn. No.)  
of \_\_\_\_\_ (Address)

being a member/members\* of **ACCRELIST LTD.** (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
			No. of Shares	%
Address				

and/or (delete as appropriate)

Name	NRIC/Passport No.	Email Address	Proportion of Shareholdings	
			No. of Shares	%
Address				

or if no proxy is named, the Chairman of the Annual General Meeting as my/our\* proxy/proxies\* to attend and vote for me/us\* on my/our\* behalf at the Annual General Meeting of the Company to be held by way of electronic means on 28 November 2023 at 10:00 a.m. (the "AGM") and at any adjournment thereof. I/We\* direct my/our\* proxy/proxies\* to vote for or against, or abstain from voting the Resolutions to be proposed at the AGM as indicated hereunder. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the AGM as proxy of that resolution will be treated as invalid.**

(If you wish to exercise all your votes "For", "Against" or to "Abstain" from voting, please indicate with a tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate. If you mark the abstain box for a particular resolution, you are directing your proxy not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.)

No.	Ordinary Resolutions relating to:	For	Against	Abstain
<b>ORDINARY BUSINESS</b>				
1	Adoption of the Directors' Statement and Audited Financial Statements for the financial year ended 31 March 2023 together with the Auditors' Report thereon			
2	Approval of Directors' fees of S\$180,000 for the financial year ending 31 March 2024, to be paid semi-annually in arrears (FY2023: S\$180,000)			
3	Re-election of Dr Terence Tea Yeok Kian as a Director of the Company			
4	Re-election of Mr Lim Yeow Hua @ Lim You Qin as a Director of the Company			
5	Re-election of Mr Yeo Hwee Tiong as a Director of the Company			
6	Re-appointment of Moore Stephens LLP as Auditors of the Company and to authorise the Directors to fix their remuneration			
<b>SPECIAL BUSINESS</b>				
7	Authority to allot and issue new shares in the capital of the Company			
8	Approval of the proposed renewal of Share Buyback Mandate			
9	Authority to grant awards and issue shares under the Accrelist Performance Share Plan 2023			

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Total number of Shares in	No. of Shares
(a) Depository Register	
(b) Register of Members	

\_\_\_\_\_  
Signature of Shareholder(s)  
and/or Common Seal of Corporate Shareholder

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

\*Delete where inapplicable



**Notes :**

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 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 the proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company who is not a Relevant Intermediary entitled to attend and vote at AGM of the Company is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member who is not a Relevant Intermediary appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy.
4. A member who is a Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified).
5. Subject to paragraph (7) below, completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the AGM.
6. An investor who holds Shares under the Central Provident Fund Investment Scheme (“**CPF Investor**”) and/or the Supplementary Retirement Scheme (“**SRS Investor**”) (as may be applicable) and wishes to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes at least seven (7) working days before the AGM (i.e. by **5:00 p.m. 17 November 2023**) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf no later than the Proxy Deadline.

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AFFIX  
STAMP

**The Share Registrar  
Accrelist Ltd.  
30 Cecil Street  
#19-08 Prudential Tower  
Singapore 049712**

2nd fold here

7. This Proxy Form must be submitted to the Company in the following manner:
  - (a) by depositing a hard copy at the office of the Company’s Share Registrar, In.Corp Corporate Services Pte. Ltd., at 30 Cecil Street, #19-08 Prudential Tower, Singapore 049712; or
  - (b) by sending a scanned PDF copy by email to [shareregistry@incorp.asia](mailto:shareregistry@incorp.asia)in either case, not later than **10:00 a.m. 26 November 2023 (“Proxy Deadline”)**, and failing which, this Proxy Form will not be treated as valid.
8. **Members are strongly encouraged to submit completed proxy form electronically via email.**
9. The instrument appointing the proxy or proxies must be executed under the hand of the appointor or attorney duly authorised in writing. Where the instrument appointing the proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or by an officer duly authorised. Where the instrument appointing 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, failing which the instrument may be treated as invalid.
10. The Company shall be entitled to reject the instrument appointing the proxy or proxies 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 or proxies (including any related attachment or supporting documents). In addition, in the case of a member whose Shares are entered against his/her/its name in the Depository Register, the Company may reject any instrument appointing the proxy or proxies lodged if such member, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

**Personal Data Privacy:**

By submitting this proxy form, the member accepts and agrees to the personal data privacy terms as set out in the Notice of Annual General Meeting dated 10 November 2023.

## BOARD OF DIRECTORS

Terence Tea Yeok Kian  
Executive Chairman and Managing Director

Ng Li Yong  
Lead Independent Director

Lim Yeow Hua @ Lim You Qin  
Independent and Non-Executive Director

Yeo Hwee Tiong  
Independent and Non-Executive Director

## AUDIT COMMITTEE

Chairman – Lim Yeow Hua @ Lim You Qin  
Member – Ng Li Yong  
Member – Yeo Hwee Tiong

## REMUNERATION COMMITTEE

Chairman – Ng Li Yong  
Member – Lim Yeow Hua @ Lim You Qin  
Member – Yeo Hwee Tiong

## NOMINATING COMMITTEE

Chairman – Ng Li Yong  
Member – Lim Yeow Hua @ Lim You Qin  
Member – Terence Tea Yeok Kian

## COMPANY SECRETARY

Siau Kuei Lian  
Loh Eng Lock Kelvin

## REGISTERED OFFICE

10 Ubi Crescent Ubi Techpark  
Lobby E #03-95 Singapore 408564  
Tel: (65) 6311 2900  
Fax: (65) 6311 2905  
Website: [www.accrelist.com.sg](http://www.accrelist.com.sg)

## CATALIST SPONSOR

RHT Capital Pte. Ltd.  
36 Robinson Road, #10-06 City House,  
Singapore 068877

## AUDITORS

Moore Stephens LLP  
10 Anson Road,  
#29-15 International Plaza  
Singapore 079903  
Partner-in-Charge: Christopher Bruce Johnson  
Appointed since financial year ended 31 March 2023

## SHARE REGISTRAR

In.Corp Corporate Services Pte. Ltd.  
30 Cecil Street, #19-08  
Prudential Tower  
Singapore 049712

## PRINCIPAL BANKER

United Overseas Bank Limited  
80 Raffles Place, UOB Plaza 1  
Singapore 048624

Standard Chartered Bank (Singapore) Limited  
6 Battery Road  
Singapore 049909

Maybank Singapore Limited  
2 Battery Road  
Singapore 049907



**ACCRELIST LTD.**  
**亚联盛控股公司**  
UNEARTHING TOMORROW'S GEM  
发掘光辉 开创未来

**Company Registration No: 198600445D**  
**10 Ubi Crescent**  
**Ubi Techpark Lobby E #03-95**  
**Singapore 408564**  
**Tel: (65) 6311 2900 | Fax: (65) 6311 2905**