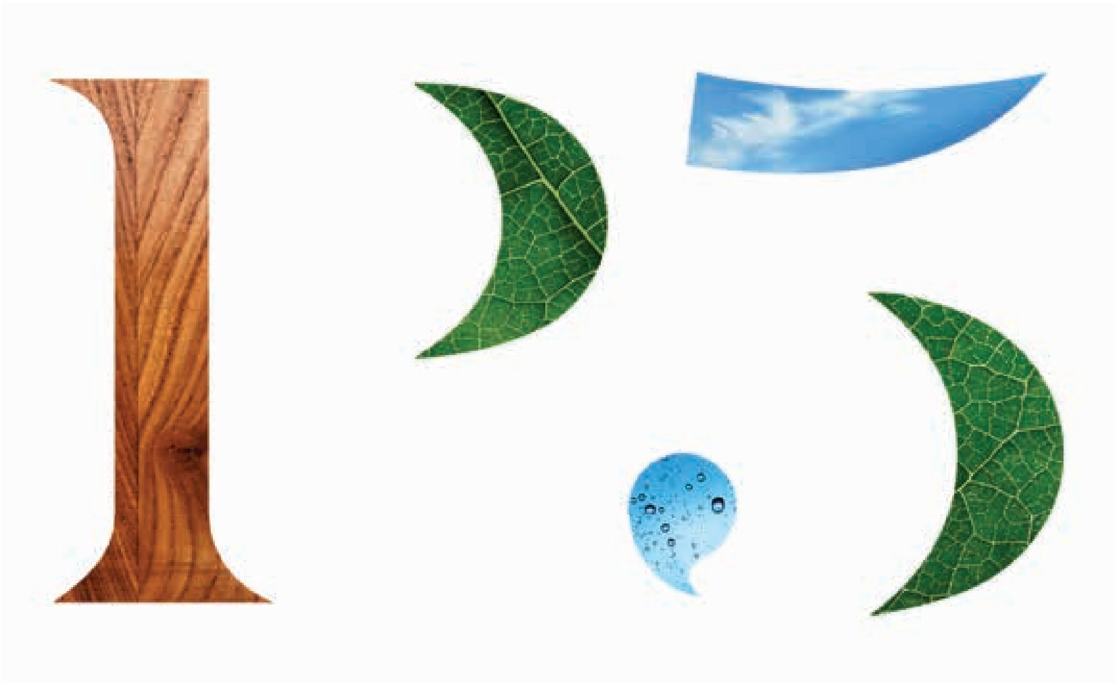


EMPOWERING A GREEN HABITAT

Annual Report 2022

This Annual Report has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, RHT Capital Pte. Ltd. (the "**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:

Name: Ms Bao Qing, Registered Professional, RHT Capital Pte. Ltd.
Address: 6 Raffles Quay, #24-02, Singapore 048580
Email: sponsor@rhtgoc.com

CONTENTS

CORPORATE PROFILE

Founded in 1998 and listed on the Singapore Stock Exchange ("**5AI.SI**") since 2000, P5 Capital Holdings Ltd (the "**Company**" or together with its subsidiaries, the "**Group**") operates in both the lifestyle ("**Lifestyle Business**") and the renewable and sustainable energy segments ("**Energy Business**").

The Lifestyle Business comprises the distribution and retail of a comprehensive collection of mid-range and high-end European brands collection of furniture, wardrobe and kitchen cabinet systems, lighting and accessories. The segment serves both business-to-business ("**B2B**") and business-to-consumer ("**B2C**"), ranging from customer types across the retail, commercial and hospitality sectors. To date, there are 3 retail showrooms and an online store in operation.

Capitalising on the Green movement, the company made a strategic decision to enter into the Energy Business with a view to developing a long-term sustainable growing business. It comprised early investments in companies which are involved in advance biofuel, hydrogen and activated carbon production technologies, as well as the liquefied natural gas ("**LNG**") value chain. This reflected the management's commitment to lay down the foundation for transforming the current business into future higher-growth businesses.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lau Ping Sum Pearce
(Non-Executive Chairman and Independent Director)

Lim Shao-Lin
(Chief Executive Officer and Executive Director)

Koh Beng Leong
(Executive Director – Finance)

Leow Sau Wan
(Executive Director)

Chia Soon Hin William
(Independent Director)

Tay Shui Wen
(Independent Director)

AUDIT COMMITTEE

Chia Soon Hin William *(Chairman)*
Lau Ping Sum Pearce
Tay Shui Wen

NOMINATING COMMITTEE

Lau Ping Sum Pearce *(Chairman)*
Chia Soon Hin William
Tay Shui Wen

REMUNERATION COMMITTEE

Tay Shui Wen *(Chairman)*
Lau Ping Sum Pearce
Chia Soon Hin William

COMPANY SECRETARY

Tan Zi Jing Clara, LLB (Hons)

REGISTERED OFFICE

39 Kaki Bukit Place
Eunos Techpark
Singapore 416217
Telephone: (+65) 6741 3939
Fax: (+65) 6668 1997
Email: capital@p5.com.sg

REGISTRAR AND SHARE TRANSFER OFFICE

M&C Services Private Limited
112 Robinson Road #05-01
Singapore 068902

AUDITORS

KPMG LLP
Public Accountants and Certified Public Accountants
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581
Partner-in-charge: Ong Li Qin
Date of appointment: Financial Year 2019

CONTINUING SPONSOR

RHT Capital Pte. Ltd.
6 Raffles Quay #24-02
Singapore 048580
(Appointed on 22 March 2012)
Registered Professional:
Name: Ms Bao Qing
Email: sponsor@rhtgoc.com

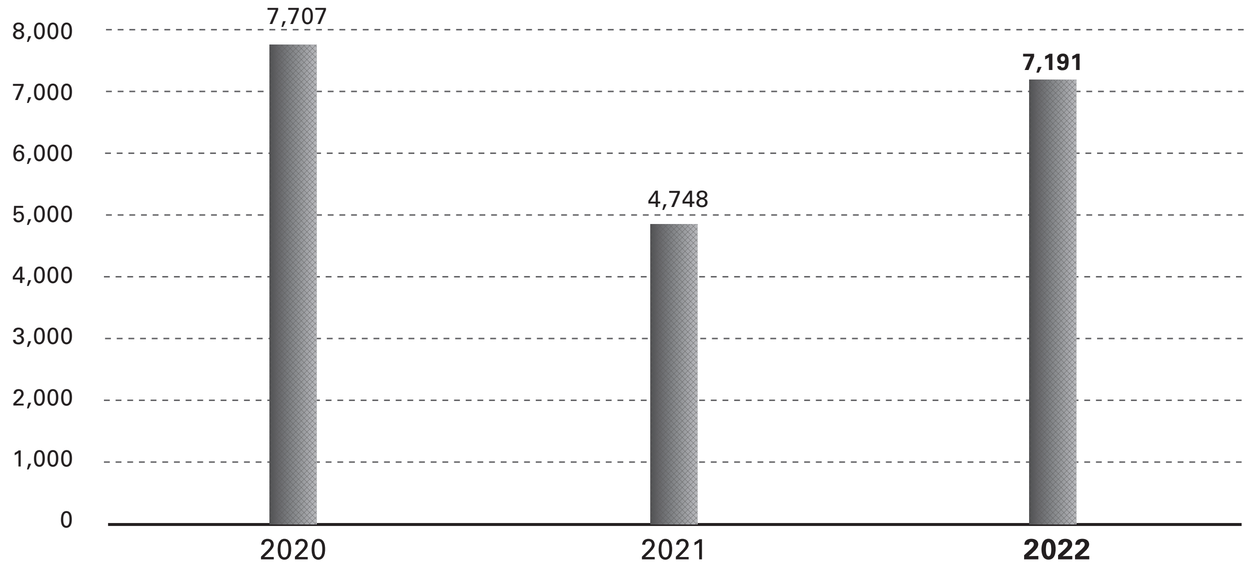
PRINCIPAL BANKER

United Overseas Bank Limited
80 Raffles Place
UOB Plaza 1
Singapore 048624

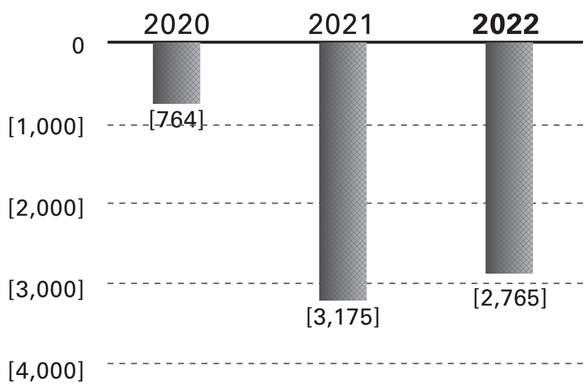
FINANCIAL HIGHLIGHTS

Financial Year Ended 31 March 2022

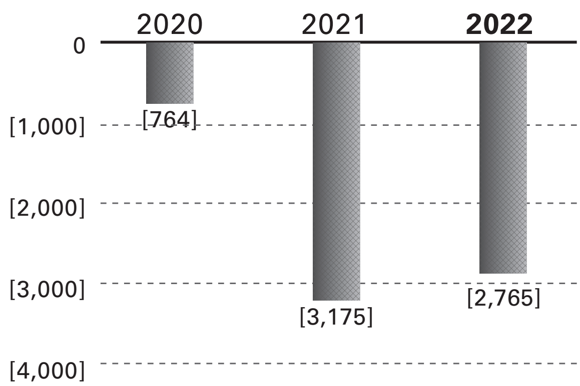
TURNOVER (S$'000)



PROFIT / (LOSS) BEFORE TAX (S$'000)



PROFIT / (LOSS) AFTER TAX (S$'000)



CHAIRMAN AND CEO'S JOINT STATEMENT

DEAR VALUED SHAREHOLDERS,

On behalf of the Board of Directors of P5 Capital Holdings Ltd (the "**Group**" or "**P5**"), we are pleased to present to you the annual report for the financial year ended 31 March 2022 ("**FY2022**").

The Group has been resolute in its drive towards sustainability and innovation amidst the volatile market environment caused by the unprecedented, prolonged effects of the coronavirus ("**COVID-19**") pandemic outbreak and the Russia-Ukraine conflict. While these events have created significant uncertainty and disrupted market norms, they have also led to new business opportunities. This is evident as corporates seek to reduce the impact of higher energy costs as well as racing to net zero emission commitment, fostering a more sustainable way of life to tackle the challenge for future generations. The Group believes that the strategic initiatives steering toward the environmental sustainability have placed us in a better position to serve these trends, particularly via the enhanced capabilities of our Energy Business.

During FY2022, the Group entered into a sale and purchase agreement in relation to the proposed acquisition of 51% shareholding interest in Gashubunited Utility Private Limited ("**GUPL**"). The proposed acquisition has since been completed on 28 June 2022 and GUPL has become a 51%-owned subsidiary of the Group. GUPL is principally engaged in the distribution of liquefied natural gas ("**LNG**") through a virtual pipeline approach, being the transportation of LNG via ISO tanks and cylinders. GUPL continues to see strong customer interest as its offering enables end-users to access a cleaner, cheaper, and more sustainable fuel (relative to diesel). GUPL has also started expanding its offering to distributed power solutions for end-users to enhance their energy efficiency and carbon emission reduction profiles.

Furthermore, the Group has continued to make progress under its subsidiary Green Energy Investment Holding Private Limited ("**GEIH**"). GEIH is principally engaged in the conversion of waste cellulous biomass into high-value fuels (e.g., advanced biofuel and Hydrogen) and other useful products (e.g., biochar & wood vinegar). This involves a continuous carbon-negative pyrolysis (Oxygen Free) process via a more robust and cost-effective technology that requires minimal maintenance. GEIH offers end-users a more environmentally friendly energy source that draws from non-food agricultural waste rather than regular food-based biodiesel (such as palm oil). GEIH has successfully piloted a demo and test system in Singapore and is now focused on a larger-scale rollout, with several promising regional prospects in the pipeline.

Meanwhile, the Group's Lifestyle Business, which aims to provide excellent service as well as quality furnishing and home décor products to our growing clientele of architects/interior designers/consumers, delivered solid results from strong customer demand and easing of global supply chain bottlenecks.

During FY2022, the Company also acquired a 5-storey property located at 39 Kaki Bukit Place Singapore 416217 (the "**Property**"), with an approximate gross floor area of 13,110 square feet. The acquisition of the Property was completed on 14 May 2021. The acquisition of Property will enable the Group to consolidate its corporate office

CHAIRMAN AND CEO'S JOINT STATEMENT

and centralise operations, which will thereby enhance the Group's oversight of its various businesses, increase operational efficiencies and create better synergy and interactions amongst the Group's employees.

GROUP RESULTS

The Group's turnover increased by approximately 51%, from S$4.7 million for the financial year ended 31 March 2021 to S$7.2 million for FY2022 mainly due to contributions from the Lifestyle Business which represent 91% of the Group's revenue. Nonetheless, the Group's revenue has not recovered back to the pre-pandemic levels due to disruptions to the global supply chains. Overall, the Group's loss for FY2022 amounted to approximately S$2.8 million (as compared to S$3.2 million for FY2021).

BUSINESS OUTLOOK AND FUTURE PLANS

Looking ahead, the Group will continue to invest strategically in opportunities to continue to build its foundation for sustainable long-term growth.

The Energy Business remains on track for exponential growth. This is in tandem with Singapore's drive to embrace sustainable development to tackle climate change as well as to promote the rapid growth of the clean technology and renewable sectors. Our efforts are supportive of Singapore's ambitions to achieve net zero emissions by or around mid-century, as announced in Budget 2022. We are collaborating with a local academic institution on research and development activities to remain at the cutting edge of technological developments. Despite broader market volatility, we are determined to overcome the challenges which may arise due to new COVID-19 sub-variants and inflationary pressures.

The Lifestyle Business has seen increasing demand as the property market recovers while the Group continues to consider strategic options to better complement future business development in Singapore and regionally.

The Board has proposed to change the name of the Company from "**P5 Capital Holdings Ltd.**" to "**H2G Green Limited**" to reflect the Group's greater strategic focus on the Energy Business going forward, with an emphasis on clean and green sustainable solutions. In this connection, "**H2**" and "**G**" stands for "**Hydrogen**" and "**Green Network**" respectively. Hydrogen is the lightest and most abundant element in the universe and represents a clean energy source which produces only water when consumed. The Group recognises the significant potential of green hydrogen with its improving economics and decarbonisation capabilities, and intends to continue directing its efforts in this direction with an ultimate goal of establishing a Green Energy Network for future generations. The Proposed Change of Name will lead to a stronger brand identity for the Company, as well as better identify with the Company's strategic focus moving forward. The proposed change of name will be tabled as a special resolution for shareholders' approval, at the extraordinary general meeting to be convened on 28 July 2022.

APPRECIATION

On behalf of the Board, we would like to thank our shareholders, customers and business partners for their continued trust and unwavering support. We would also like to express our appreciation to our fellow directors, management and staff for their unrelenting commitment and hard work during the year.

We believe that the strategic initiatives which we have undertaken will deliver sustainable shareholder value for the Group.

LAU PING SUM PEARCE
Non-Executive Chairman and Independent Director

LIM SHAO-LIN
Chief Executive Officer and Executive Director

BOARD OF **DIRECTORS**

Lau Ping Sum Pearce

(Non Executive Chairman and Independent Director)

Mr Lau Ping Sum Pearce ("**Mr Lau**") was appointed as an Independent Director of the Company and the Chairman of Board of Directors on 11 November 2019 and was last re-elected on 29 September 2020. He is also the Chairman of the Nominating Committee and a member of the Audit and Remuneration Committees. He has held management positions in both the public and the private sectors. Mr Lau was the Member of Parliament for Yio Chu Kang and the Ang Mo Kio GRC from 1980 to 1996. He is an independent director of two other publicly listed companies. Mr Lau holds a Bachelor of Economics from the Australian National University and a Diploma in Business Administration from the then University of Singapore. He is the Chairman of the Advisory Committee on translation and interpretation, an Adjunct Professor at the Singapore University of Social Sciences (SUSS) and an Associate Trainer at the Singapore Civil Service College. In addition, he is a member of the Singapore Institute of Directors.

Lim Shao-Lin

(Chief Executive Officer and Executive Director)

Mr Lim Shao-Lin ("**Mr Lim**") was appointed as an Executive Director of the Group on 29 July 2019 and was last re-elected on 29 September 2020. Considering his 29 years of experience successfully starting and leading multiple businesses in Singapore, he was subsequently tasked to lead the Group as the Chief Executive Officer ("**CEO**"). As CEO, he is responsible for the overall performance, strategic direction, and business development of the Group. Mr Lim has won multiple awards including the spirit of entrepreneur award. He is also the CEO of the GasHub Group for the past 29 years, after successfully growing it from a start-up to having more than 100 employees, focusing on gas engineering and spearheading the greener energy industry in the region through cleaner and more energy-efficient Liquefied Natural Gas.

Koh Beng Leong

(Executive Director – Finance)

Mr Koh Beng Leong ("**Mr Koh**") was re-designated as an Executive Director on 11 November 2019, after having served as an Independent Director of the Group since 12 August 2005. Mr Koh was also re-designated as Executive Director – Finance on 9 July 2020 and was re-elected on 28 July 2021. He currently serves as the Deputy CEO (Energy) and oversees the energy division of the Group. He is a Fellow of Certified Practising Accountant (Australia), a member of Chartered Accountant (ANZ) and a member of Kampuchea Institute of Certified Public Accountants & Auditors. He holds a Master of Professional Accounting and a Bachelor of Economics. Prior to his current appointment, he was an executive director of a listed company where he was involved in operation and business development. He had also held key management positions in various companies in Singapore and Vietnam prior, overseeing businesses in the Asian region.

BOARD OF DIRECTORS

Leow Sau Wan

(Executive Director)

Ms Leow Sau Wan ("**Ms Leow**") was appointed as Executive Director on 18 June 2021. She is responsible for overseeing the Lifestyle division of the Group. She was designated as Finance Manager (Energy) on 1 July 2020. She was formerly working part-time as Deputy Group Finance Manager since 1 October 2019, concurrently taking the lead on corporate digitalisation program and overseeing the finance function of the P5 energy division and was last re-elected on 28 July 2021. Ms Leow's achievement and qualifications includes being Fellow of Certified Practising Accountant (Australia), Chartered Accountant (Singapore), a member of the ISCA, Association of Taxation Technicians Singapore Specialist (2nd placing) as well as Bachelor of Business (Accounting). She also holds a Master of Business Administration (joint program of Deakin University and CPA Australia), an Advance Diploma in Business Administration (Distinction, validated by local delegacy, University of Oxford) and is also a Certified Microsoft Specialist. Prior to her current appointment in P5, she helms the position of Finance Manager overseeing the financial and accounting functions at New Ocean Ship Management Pte Ltd (a subsidiary of JX Ocean Co Ltd) (2004-2019) for its Asia Pacific operations, while also serving as senior auditor, accountant and consultant at a local CPA firm (2000-2004). Ms Leow completed the SID mandatory training and ISCA Infrastructure & Project Finance Qualification.

Chia Soon Hin William

(Independent Director)

Mr Chia Soon Hin William ("**Mr Chia**") was appointed as Independent Director of the Company on 15 December 2020 and was last re-elected on 28 July 2021. He is also the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees.

Besides serving as Independent Director on two other listed companies, Mr Chia provides training for financial institutions and business advisory to corporations through his company, Xie Capital Pte Ltd. He has more than 35 years of retail and commercial banking experience with Overseas Union Bank, Standard Chartered Finance, DBS Bank, Malayan Banking Berhad and United Overseas Bank. Prior to his retirement from United Overseas Bank in October 2014, he was an Executive Director with the bank's Group Commercial Banking.

Mr Chia is a Chartered Secretary and Associate of the Governance Institute of Australia, Fellow with the Chartered Institute of Marketing (UK) and Associate with the Chartered Institute of Bankers (UK). He was conferred IBF Fellow by the Institute of Banking and Finance Singapore in November 2014.

Tay Shui Wen

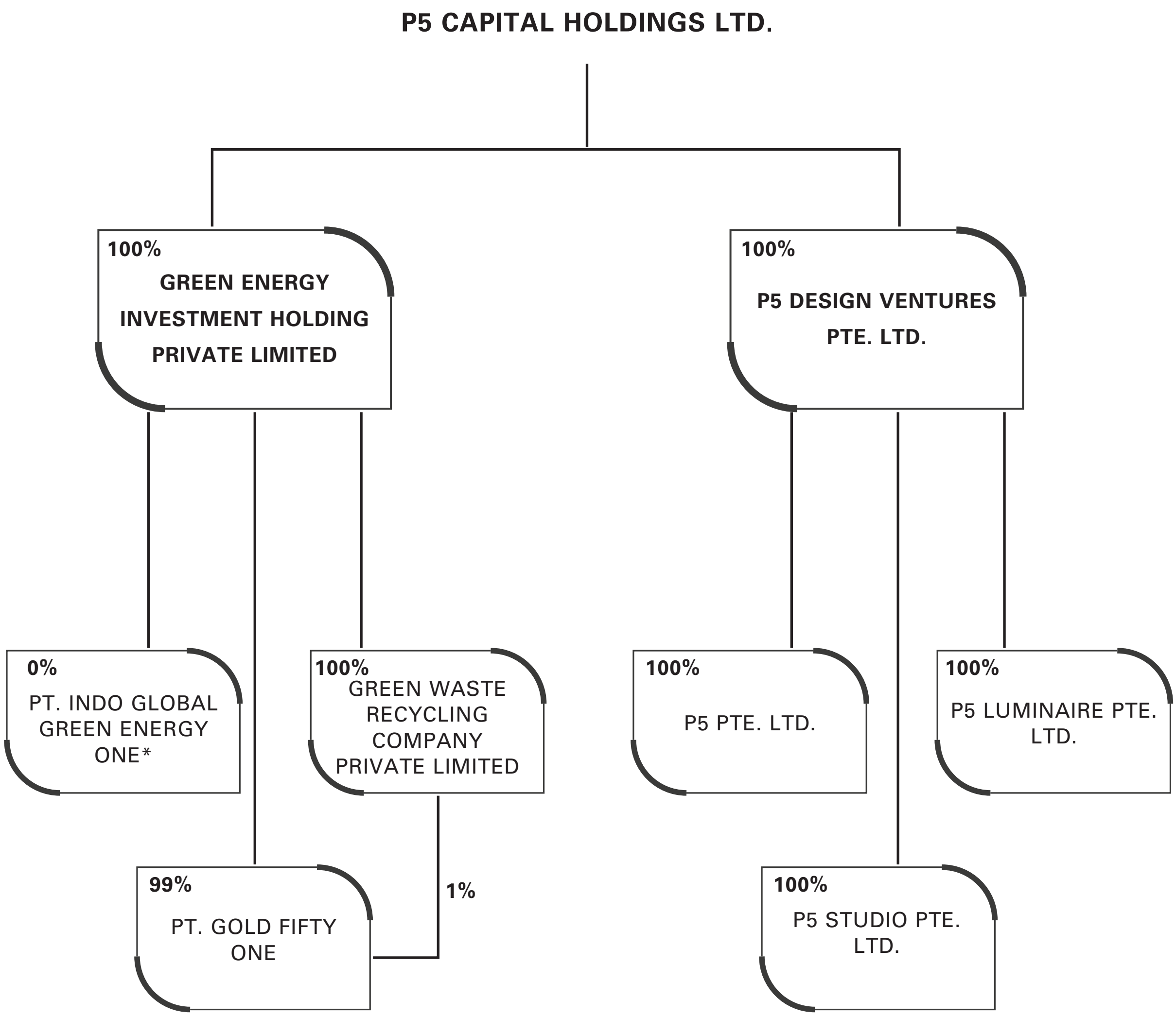
(Independent Director)

Mr Tay Shui Wen ("**Mr Tay**") was appointed as Independent Director of the Company on 25 May 2022. He is also the Chairman of the Remuneration Committee and a member of the Audit and Nominating Committees.

He is currently a Director in the Equity Capital Markets Division of United Overseas Bank. He has over 17 years of investment banking and capital markets experience where he has worked on capital market transactions ranging from initial public offerings, reverse takeovers and secondary fund-raising exercises for companies listed on the SGX-ST. Prior to joining United Overseas Bank, Mr Tay has held positions in various established financial institutions including Tata Capital Markets, AmFraser Securities (now known as KGI Securities) and DBS Bank.

Mr Tay holds a Bachelor of Science (Honours) in Business from the Loughborough University.

CORPORATE STRUCTURE



* This subsidiary has been liquidated

Note:

Acquisition of Gashubunited Utility Private Limited (“**GUPL**”)
On 28 June 2022, the Company acquired an aggregate of 3,852,511 ordinary shares in GUPL representing 51% of share capital in GUPL. GUPL is principally engaged in the distribution of liquefied natural gas (“**LNG**”) through a virtual pipeline approach, being the transportation of liquefied natural gas via International Standard Organisation tanks and cylinders.

OPERATIONS REVIEW

GROUP'S PERFORMANCE

The Group operates in both the lifestyle ("**Lifestyle Business**") and the renewable and sustainable energy segments ("**Energy Business**").

The increase in the Group revenue by approximately S$2.5 million or 51% from S$4.7 million for the financial year ended 31 March 2021 (**"FY2021**") to S$7.2 million for the financial year ended 31 March 2022 ("**FY2022**") was mainly due to contributions from Lifestyle Business which represent 91% of the Group's revenue.

The increase in revenue for the Lifestyle Business is a result of strong customer demand and improvement in global supply chain.

Nonetheless, the Group's revenue did not recover back to the pre-COVID-19 level as the disruptions to the global supply chains had impacted the Lifestyle business. During the first half of FY2022, the COVID-19 spikes have seriously delayed the site progress and resulted in work disruptions, including stop-work orders to address the issues- all of which resulted in lower delivery sales and overall higher operational cost.

Distribution expenses increased by 5.4% or S$0.1 million mainly due to higher logistic handling and selling costs correspondently with sales increase.

Administrative expenses increased by 9% or S$0.4 million mainly due to an increase in depreciation of right-of-use assets approximately S$0.2 million, legal & professional fees approximately S$0.2 million and office maintenance approximately S$0.1 million offset by lower administrative manpower costs approximately S$0.3 million.

Other operating income decreased by 37% or S$0.3 million as the government cut back on grants under the Job Support Scheme, other government subsidies approximately amounting to S$0.4 million and rental concessions of approximately S$0.2 million as part of the COVID-19 Government Relief Measures compared with FY2021 totaling S$0.6 million.

Finance costs of S$0.2 million in FY2022 included net foreign exchange loss approximately S$0.1 million and interest accretion expenses on the interest-free director's loan and banks loans approximately S$0.1 million.

Overall, the Group's loss for FY2022 amounted to S$2.8 million (FY2021: S$3.2 million). Regardless of the various COVID-19 pandemic operational disruptions, the collective resilience from existing team has successfully digitalized the workflow across organization.

The committed team laid the groundwork for connectivity, efficiency and productivity as we chart recovery for new normal.

ENERGY BUSINESS

The UN has been bringing together all countries on earth for global climate summits – called COPs – which stands for 'Conference of the Parties', addressing climate change and COP26 was the 26th annual summit held in the United Kingdom.

COP26 was significant as it sets the goals to:

1. Secure global net-zero by mid-century and keep 1.5 degrees within reach,
2. Adapt to protect communities and natural habitats,
3. Mobilise finance and
4. Work together to deliver.

OPERATIONS REVIEW

Today, this call is taken seriously. Global businesses and societies are looking into renewable and sustainable strategies, practices, and technologies for power generation, transportation and to nearly every aspect of life. P5's green energy venture is a timely answer to this call in the form of its CHyP system that turns organic waste into energy resources in a renewable manner.

The CHyP system is a continuous carbon-negative process for converting waste cellulous biomass into energy that is easy to use (liquid or gas form) and other useful products like biochar, etc.

In essence, it allows turning bulk cellulous biomass into high value products like 2nd generation biofuel and biochar. The reliability of and performance of pyrolysis (in the absence of oxygen) system operation has been successfully used over the decade but the company's patent-pending cost-effective technology distinguished itself from the others as it is more robust, economical, quick and simple, to ensure minimal maintenance and provide a faster return on investment.

In the coming months, the company will commence promoting the sale of this technology in the region and there are interests from Indonesia, Malaysia, Australia and Vietnam.

On the trading end of the Green Energy business, it has managed to successfully trade opportunistically due to the experience and network of the Company's management. It will continue to seek out profitable opportunities and will also commence to survey and market the group's green synfuel, syngas, biochar and related products.

LIFESTYLE BUSINESS

After promising participation in the Business-to-Business ultra-luxury Condo project namely Park Nova and Les Maison Nassim, we see increasing demand in this high end property market. The property market reports strong recovery from the private sector and commercial building in 2022 and beyond, despite the supply chain crisis, ongoing COVID-19 pandemic and its economic restrictions. The group remains fully committed to developing the long-term growth of the lifestyle business. Together with our prestigious brands in progress, we are strategically consolidating our resources and rationalizing to better complement future business growth in Singapore and within this region.

This strategic growth initiative will

(1) further strengthen our position as a leader in the lifestyle and designer furniture sector,

(2) continue to prove leadership in bespoke luxury home furnishing and renovation, and

(3) provide our valued customers with high-quality service for a Comprehensive one-stop home décor experience.

The P5 Lifestyle division aims to continue to provide excellent service, as well as quality furnishing and home décor products, to our growing clientele of architects, interior designers, and end-user consumers in Singapore and their homes in other countries.

The board gives its support to our Lifestyle business approach and is optimistic about our ability to scale up into 3-way partnership with the architect, principal and P5 lifestyle, for furnishing the whole property development.

SUSTAINABILITY REPORT

BOARD'S STATEMENT

The Board of Directors ("**Board**") is pleased to present P5 Capital Holdings Ltd.'s fifth sustainability report for the financial year ended 31 March 2022 ("**FY2022**"). P5 Capital Holdings Ltd. ("**P5**" or the "**Company**", together with its subsidiaries the "**Group**") is committed to sustainable business practices that help to enhance stakeholder trust and the value of our brand.

FY2022 marks the recovery for P5 as we journey through a forward-looking transformation going pass FY2021 amidst the global impact of the COVID-19 outbreak that caused unprecedented disruptions and many companies diminish overnight. Whilst some industries failed, others grew, we were one of those companies that managed to survive and reinvent ourselves. These market changes raise the awareness that ongoing business transformation is important to our growth.

ENERGY SEGMENT

The green energy business unit has set up its green technology and is currently testing and fine-tuning the system to convert organic raw material waste to synthetic fuel, hydrogen, wood vinegar and bio charcoal more efficiently. The company is now promoting the equipment to companies that has large volume of organic raw materials to dispose. Companies like paper manufacturers, farmers, feedstock, who used to burn this refuse and produce large amount of pollutants and CO2 can now convert these into synthetic fuel, hydrogen, wood vinegar and bio charcoal by-products that can be sold to the consumers.

The acquisition of the bottling of LNG in cylinder for distribution to industrial and commercial businesses has been completed and further grow the Energy business. Promoting the use of LNG gas as a safe, non-toxic, leaves no ground or water residue, and does not harm aquatic life.

(Note: The acquisition of GUPL, refer to Notes in page 9, which bottle LNG in cylinder for distribution to industrial and commercial businesses, has been completed on 28 June 2022, this will further grow the Energy business. And promote the use of LNG gas as a safe, non-toxic, leaves no ground or water residue, and does not harm aquatic life.)

CIRCULAR ECONOMY

The green technology will create a sustainable circular economy where the new technology will recycle organic plants and plant-based material into cleaner by-products such as biofuel that can be used for powering vehicles, ships, power plant. Other by products such as biochar/charcoal can be used as bio-organic fertilizers and vinegar as pesticides. Carbon dioxide can be used as refrigerant, promoting growth of plants in greenhouses, in carbonated beverages and production of dry ice.

SUSTAINABILITY REPORT

LIFESTYLE SEGMENT

The Lifestyle business has shown that certain brands of furniture and cabinet systems has a strong following and therefore brings in stronger sales. The contributing factors are style and quality. Management has reorganized the business into mono brand store as to multi brand store so we can work more extensively and cooperate more closely with the manufacturer's business development team. With this internal reorganisation, we are looking to work with architects and developers and owners of buildings who appreciate high quality products and finishes.

Since we work with very strong design houses and manufacturer, we are in a good position to service our discerning customers who appreciate style and comfort in their home.

As a testament to our commitment to sustainability, we are looking to partner vendors who place great emphasis on quality, the durability of their products and use materials that are sourced in an ethical and sustainable manner.

Certain brands are under Forest Stewardship Council or Programme for the Endorsement of Forest scheme while others are compliant to sustainability reporting would be considered favourably.

GOVERNANCE STRUCTURE AND EESG ACCOUNTABILITY

As a responsible Board, we engage the management team in reviewing our sustainability strategy against the emerging risks and the opportunities in a rapidly changing economic landscape. Our sustainability strategy focuses on four key areas: **Economic, Environment, Social, and Governance (or "EESG")**.

At the macro level, sustainability is governed across various levels in the organisation – from the Board and Management to the business units and supporting departments, enabling innovation, digital citizenship, equal opportunities for personal and career development, continuous learning, community involvement, safety and health considerations in our corporate processes.

For effective implementation, the Board has assigned the responsibilities of monitoring and overseeing the company's sustainability efforts to the **Sustainability Steering Committee ("SSC")**. The SSC consists of the senior management team and heads of subsidiary business units and supporting departments. The head of every business unit and supporting department monitors the overall sustainability performance and provides updates to the Board and Executives Officers on matters relating to sustainability risk and any business malpractices. The Chairman of the SSC who is also the Group's CEO, and together with the Executive Directors (ED) updates the Board on the sustainability performance of the Group and key material issues identified by stakeholders and the planned follow-up measures.

We implemented a number of practices that are designed to support environmental stewardship through sustainability. We seek to address environmental considerations through our EESG programs including working selectively with manufacturers/suppliers who actively uphold accountability related to deforestation, waste management, energy use, recycling and conservation of resources.

SUSTAINABILITY REPORT

Internally, we have also strategically aligned our environmental responsibility by promoting recycling of waste prints, while consciously minimizing on the need to print. We substituted most of our marketing literatures, coffee table book and product brochures with electronic version, including transiting from printed annual reports to e-report.

We also promote a paperless alternative to Source Books through the presentation of our product assortment digitally, using iPads, mobile devices and eCommerce site to showcase our products to our customers in place of printed catalogues. This aligns perfectly with our progressive goal of driving greater customer engagement online while showcasing our increasing product assortment in our e-shop with real time updates on availability and delivery timeline.

This report covers and addresses the EESG factors material to the Group. Based on a materiality assessment undertaken for the Group's business, EESG factors are identified, internally assessed/validated and approved by the Board. This report is prepared in compliance with the requirements of Rules 711A and 711B of the Listing Manual – Section B: Rules of the Catalist of the Singapore Exchange Securities Trading Limited, and conforms to the Global Reporting Initiative (GRI) Standards 2016 for performance disclosures. Refer to Appendix GRI Content Index for compliance to GRI standard.

The Board is supported by the SSC and has approved this report that covers the material aspects and their performance indicators.

SUSTAINABILITY AT THE CORE

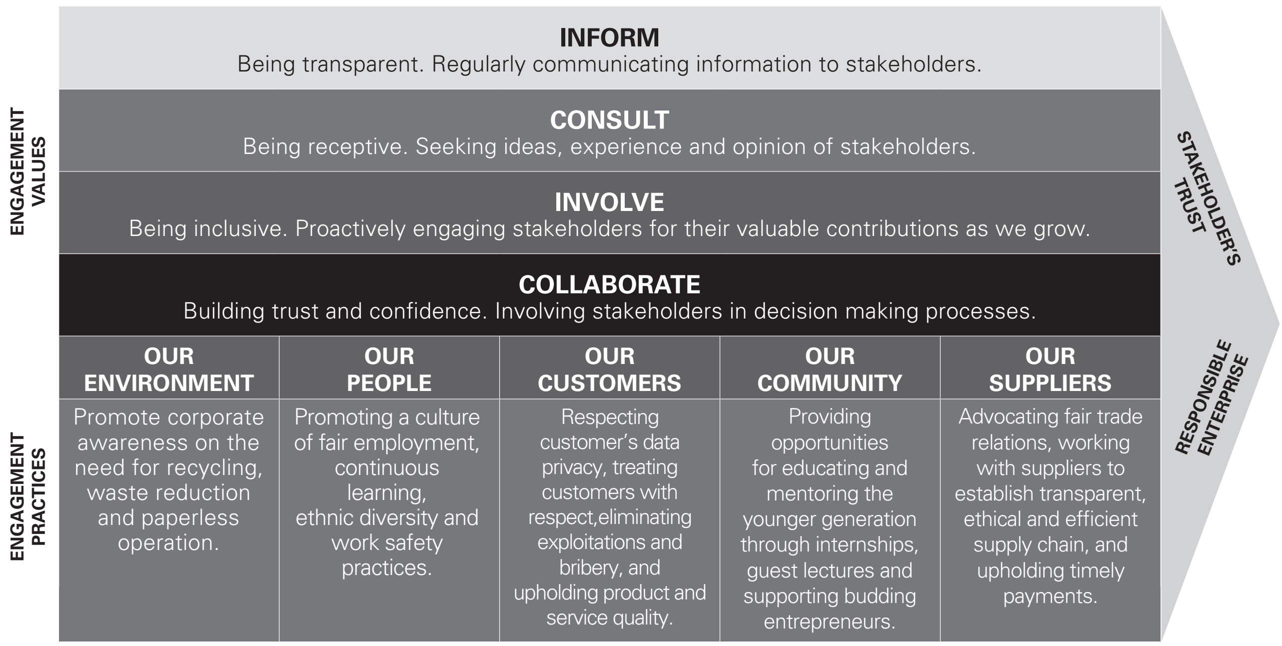
P5 Capital Holdings Ltd. is pleased to present its fifth sustainability report and this report will be published on an annual basis along with the Group's Annual Report.

As we navigate these difficult times, P5 continues to ensure that our efforts result in a positive impact for our stakeholders. We aim to deliver timely financial reports from our operations, upholding our commitment to sustainability and nurturing the resilience of our people and business. We will accelerate our pace of transformation from a traditional retail-focused business to a more forward looking, technology-centric company vested in eCommerce and clean energy for the future, further diversifying with more investments into new economy assets.

We rationalised our existing businesses, increased our digitalisation efforts and upskilled our staff to ensure they remain relevant.

SUSTAINABILITY REPORT

As we transform and evolve, we also consider the needs of our key stakeholder groups such as our customers, investors/shareholders, employees and suppliers, and work with key values that guide us to develop our stakeholder engagement practices in building a trusted and responsible enterprise. In this regard, the diagram below summarises our approach to stakeholder engagement:



Our commitment to creating long term sustainable value for our stakeholders must always remain market-relevant amidst changing times. We value, evaluate and act upon feedbacks received over the course of engagement with our stakeholders, which further strengthened the relevance of our reporting and approach to managing the material issues identified by the Group.

To ensure continuous improvement, we advocate initiatives towards proactive relationship-building with our stakeholders in our Board and Management meetings and maintaining an effective multi-lateral communication channel that serves to manifest our stakeholder Engagement Values.

SUSTAINABILITY REPORT

Table A below sets out the key stakeholders identified, engagement platforms and the respective stakeholder expectations:

TABLE A – POLICIES AND PRACTICES

KEY STAKEHOLDERS	MODE OF ENGAGEMENT	FREQUENCY	STAKEHOLDER EXPECTATION
Shareholders & Investors	• Annual general meetings • Semi-annual financial report • Corporate announcements on SGXNET	• Annually • Semi-annually • Ad-hoc basis	• Financial performance • Shareholder value • Sustainability reporting • Business updates • Pandemic responses
Employees	• Weekly sales/operations meetings • Monthly planning and sales brainstorming • Semi-annual companywide townhall meetings • Internal communication chat groups for timely matters reporting	• Regularly, and/or spontaneously for timely contingency response	• Semi-annual Performance appraisal • Employee career development reviews • Remuneration, incentives and training policies • Work and health safety measures • Flexi-Work Arrangements (FWA)
Customers	• Spontaneous feedbacks at retail outlets and online chats, and mobile hotline for services, enquiries and feedbacks • Monthly Electronic Direct Mails and newsletters	• Regularly	• Product and service quality • Delightful customer experience driven by customer-obsession Invitation to quarterly industry events and product launches
Suppliers	• Meetings and discussion on pricing, supply chain, and marketing initiatives Joint exploration and collaboration to build new markets	• Regularly	• Compliance with terms and conditions of purchasing policies and procedure • Maintain ethical standards on product quality and customer support
Government and Regulators	• Regular Reporting according to reporting timelines • Review of contractual agreements • Alignment with government initiatives on job support and/or job redesign to minimise redundancies	• Annually • Quarterly/ semi-annually • Ad-hoc basis	• Compliance with regulations (e.g. • COVID-19 related regulations, Personal Data Protection Act) and reporting timelines • Digitalisation to achieve accuracy, integrity, timeliness and precision of records, internal risk management, audit and reporting
Community	• Internship opportunities • Education (e.g. lectures) Support for budding entrepreneurs	• Regularly	• Employment opportunities • Sponsorship and/or traineeship programs for fresh graduates • Networking events that foster both business and community support

SUSTAINABILITY REPORT

The Board and Management set goals and targets to measure progress that comprise the 4 core areas of Economic, Environment, Social and Governance (or EESG). Table B below summarizes the targets we achieved in FY2022 and our goals and targets for FY2023:

TABLE B PERFORMANCE

MATERIAL FACTORS	REFERENCE	ACHIEVED IN FY2022	GOALS AND TARGETS FOR FY2023
Economic	Marketplace and Customers	1. Commence operation and commercialization of liquefied natural gas ("LNG") bottling plant in Jurong Island, and supply of LNG to downstream customers/users in Singapore by 4Q2021 *(please refer to Note in page 9)* 2. Establish a LNG utilities business model with sustainable and recurring revenue. The acquisition was completed in end of 1QFY2023. 3. Invest and accelerate our eCommerce activities to gain more market traction and online revenues for our lifestyle products (furniture-lighting accessories). 4. The online shop is up and operating https://p5.com.sg/shop/. 5. Increased sales of our private-label furniture-and-lighting products through B2B channel. 6. Increase sales revenues from new services including customised carpentry and interior design-and-build projects.	We are at the stage where we need budgets and targets to drive our growth. 1. LNG revenue target 2. Green energy revenue target 3. eCommerce strategy with revenue target 4. Mono brand showroom revenue target
Environment	Energy Recycling	1. Selling lights and equipment that have lower energy consumption 2. Maintain air-conditioning within office and showrooms at a range of 24°C to 25°C 3. Implemented company-wide Microsoft SharePoint to reduce paper usage 4. Recycle printed papers 5. Switch to green energy provider.	Continue to develop on green technology for green products. Since we do not manufacture, we do not have GHG emission. Only have to reduce our carbon footprint. 1. Reduce water consumption to below national average 2. Reduce electricity consumption to below national average 3. Use less paper every year by sharing information with digital documents 4. Implement Digital filing for ease of retrieval and sharing of documents 5. Switch off lights and air conditioner when it is already cold 6. Delete duplicate files and emails every month as a house keeping exercise to reduce demand on storage space.

SUSTAINABILITY REPORT

MATERIAL FACTORS	REFERENCE	ACHIEVED IN FY2022	GOALS AND TARGETS FOR FY2023
Social	Diversity and equal opportunity Safety, Health and our community	1. Whyze Time Management System for whole company completed. 2. Business 365 training for Finance, Sales and Logistics teams. 3. Zero incidents of work-related injuries 4. Zero incidents of fines or penalties from breaches in safety standards and/or regulations. 5. Zero reported issue of gender, nationality, or age discrimination 6. Increased awareness for skills upgrading through appraisal system. 7. Learning needs identified are matched to courses.	1. Maintain zero penalty or fines on breaches and non-compliance according to the safety standards and work related injuries. 2. Maintain zero reported issue of gender, nationality or age discrimination and promote a culture of unity. 3. Provide platform for feedback on new ideas. 4. Engage staff. Organize internal workshops on effective management, product knowledge, digital marketing and selling techniques. 5. Promote gender diversity by hiring a mix of gender types. 6. Promote equal opportunity employment. 7. Promote whistle blow and feedback to staff, customer and vendors.
Governance	Ethics and Integrity, Compliance	Code of Conduct made available in Human Resource application Whyze ESS.	1. Promote and update Code of Conduct annually to all staff 2. Maintain zero incidents of non-compliance with relevant laws and regulations. 3. Create a strong risk management system and internal control processes. 4. Improve transparency with better communication with staff and management.

BRIEF ON THE 4 CORE AREAS FOR SUSTAINABILITY

OUR ECONOMIC VIEWS

As a company operating in both the lifestyle and clean sustainable energy business, we need to develop a clear focus on meeting different customer requirements. Growth will depend on product superiority and customer service level to drive a sustainable growth, especially in this increasingly digitalised and disruptive era.

Our investment into the clean energy segment comprising green technology and liquefied natural gas is expected to contribute positively to our revenue stream and provide long term value to our shareholders. Our green technology converts organic raw material waste to synthetic fuel, hydrogen, wood vinegar and bio charcoal.

SUSTAINABILITY REPORT

OUR ENVIRONMENT CONTRIBUTIONS

We believe environmental protection is a necessity for achieving sustainable development. We are committed to continue contributing towards protecting the environment and natural resources for the present and future generations.

REDUCE CARBON FOOTPRINT

We strive to reduce our carbon footprint by consciously saving on electricity use by keeping room temperature at efficient 25 degree Celsius. Switching off lights and air conditioner when there is no one in the room.

Keep the electricity and water consumption to national average or lower.

RECYCLING AND REDUCING CONSUMPTION

As a team, we consciously minimise paper usage, we have been taking conscious steps to promote a "go electronic" culture. To cut down on printing, we embrace solutions that allows common access to information, documents and catalogues by implementing Microsoft Sharepoint company-wide to centralise information-sharing in digitalized format. Simple instructions to print on both sides and print in black and white, if we need to print on paper.

The use of Apps has reduced the consumption of papers for administrative processes and reduce human processing time.

We completed our Company-wide digitalisation initiatives in the following areas:

– Whyze ESS a cloud-based human-resource management system allows staff to apply for leave and record their attendance. It records the time worked and automatically records the Overtime worked.

– Business 365 and Navision upgrade, an ERP systems that allows transactions to be captured at the frontline, single data entry and real-time access to financial information.

– Management have decided to postpone the logistics-and-fleet management system as the fleet size does not justify the use of the application.

– Implementation of Microsoft Teams has improved transparency and collaboration between departments, substitute attachments of files in emails to providing links to the documents, this reduces the consumption of digital storage space.

Digital files space is recycled by deleting duplicate files and obsolete files.

SUSTAINABILITY REPORT

OUR SOCIAL CONCERNS

We believe in equality at the workplace. Equality of opportunity is about treating people fairly and without bias and creating conditions in the workplace and the wider society that value diversity and promote dignity.

In our policies for fair employment as well as in practice, we have been committed to providing decent and meaningful work across the organisation by:

- Always ensuring that workplaces are safe and contribute to the healthy development of people.
- Always ensuring that the insurance policies we put in place for the benefit of our people meet the fundamental requirements and is adequate based on the current health care and/or medical cost in Singapore.
- Ensuring access to training and courses that contributes to skills development and increased competency, enabling people to grow and reach their full potential, and encouraging them to embark on life-long learning.
- Providing regular employee reviews at business unit or department level to understand employee's changing aspirations or challenges faced in their course of work.
- Making gender equality a reality with appraisals for promotions focused on capability and individual's aspiration.
- Ensuring transparency, having all employment related policies or new directives published in our HRMS that is easily assessable by all employees.
- Striving to be a preferred-employer by planning and putting into practice Flexi-Work Arrangement (FWA) that is aligned with Singapore's national policy to promote good work-life balance.
- Actively encouraging entrepreneurship and leadership across all levels of the company, advocating fair and equal opportunities for all.

For the community, we donate as a company to a selected charity fund raising and we aim to participate in at least one community clean and green project.

We also collaborate with universities and polytechnics by providing internship places to give experience to promising your undergraduates with a view to hire them upon graduating.

DIVERSITY AND EQUAL OPPORTUNITY

We believe a diverse workforce is critical to our overall business success. As a responsible company, the Group strives to implement hiring practices in a fair and consistent manner, being mindful to plan and provide career progression opportunities to its employees.

The Group's human resource management practices are based on the key principles defined by the Tripartite Guidelines on Fair Employment Practices and Fair Consideration Framework, and also actively supports pro-family policies and policies related to parental/childcare leave recommended by the Ministry of Manpower. The Group's recruitment process and promotion system are based on meritocracy. We consider candidates for promotion based on performance, attitude and aptitude, and not their nationality, race nor age.

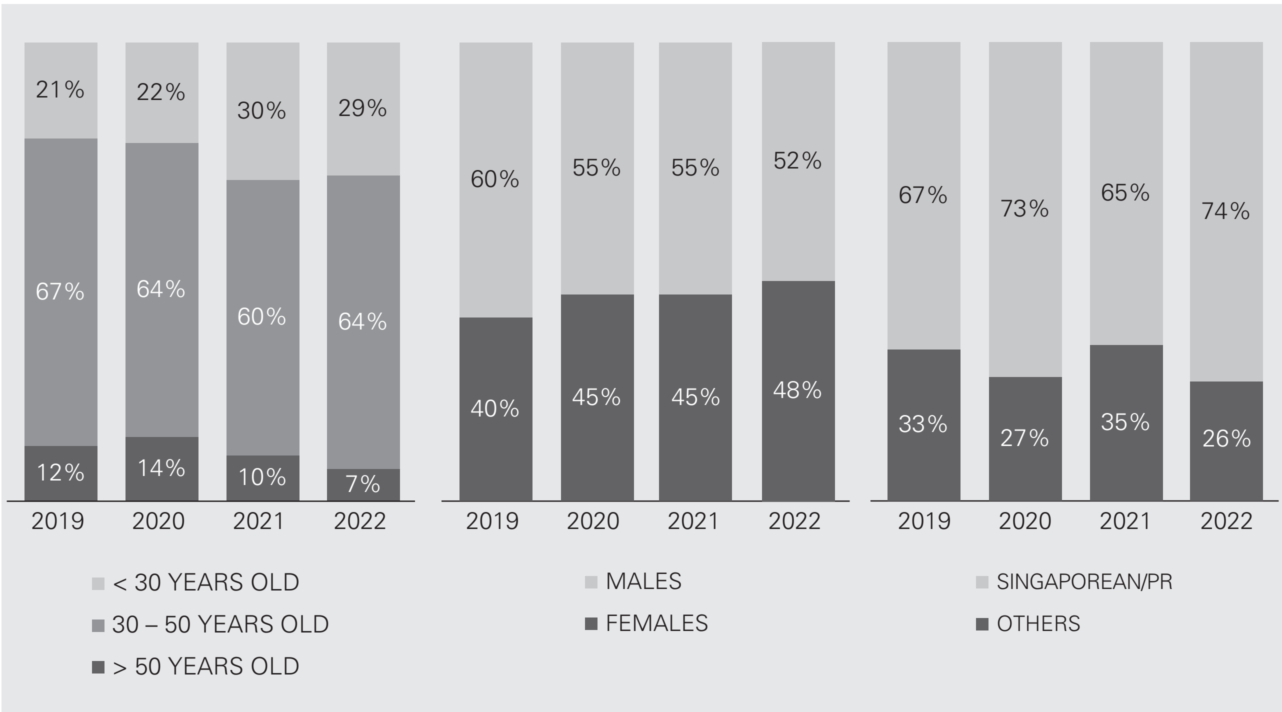
SUSTAINABILITY REPORT

For FY2022, the Group completed 100% of its employee annual performance review and made suitable adjustments that promote recognition of employees' contributions, and their career progression. In the same period, there were no reported incidents of any unfair treatment or complaints from employees based on their gender, age or nationality. We endeavour to maintain this target for the next reporting year. We are operating with less than 100 permanent and temporary staff and recruiting more next year.

The graphs below show the distribution of employees classified according to their age, gender and nationality from the past three financial years:

Graph 1 shows natural attrition and re-hiring of younger workers suitable for the role.
Graph 2 shows that we hire about the same number of male and female employees.
Graph 3 shows an increase in hiring local Singaporeans due to movement control in place.

Graph 1. Employees by Age (%) **Graph 2. Employees by Gender (%)** **Graph 3. Employees by Nationality (%)**



SUSTAINABILITY REPORT

SAFETY, HEALTH AND COMMUNITY

For FY2022, there were no incidents of any work-related injuries, nor fines or penalties that were imposed on the Group resulting from breaches in safety standards and/or regulations.

Our target for the following year is to continue to place emphasis on maintaining a safe and healthy workplace while leveraging on the use of technology to carry out such preventive and control measures effectively.

Always putting staff safety first. We ensure staff has personal protection equipment (PPE) such as waist guard for staff doing heavy lifting and safety boot, rollers to move heavy components on site, power assisted lifter for warehouse.

Going forward, our target is to ensure that all our employees continue to have access to equal opportunities for career development, progression, and success, and that all management decisions related to recruitment and promotion continues to be premised on merits, capability and performance.

By inculcating a culture of incremental improvement in tandem with the direction and needs of the business, we seek to promote internal peer-to-peer learning sessions to better equip our employees on product knowledge, digital marketing, and sale techniques.

OUR GOVERNANCE COMMITMENTS

The Board recognises that effective management of social and environmental risks can improve the Company's business performance. This realisation has surfaced the need for the Board to accord greater focus over how the company is managing its social and environmental performance.

ETHICS AND INTEGRITY

The Board adopts a zero-tolerance stance against corruption and malpractice. Management does not tolerate any impropriety, statutory noncompliance, or wrongdoing by employees in their work. The Code of Conduct strictly prohibits any acts by employees to use their position to obtain advantages for themselves or for related parties.

The Group is strongly committed to a high legal and moral standard in all of our business activities. A complete set of the Code of Conduct guideline is also made accessible to all employees in our cloud-based HRMS. All newly hired employees are also required to read, understand and sign on the Code of Conduct document on the first day of their onboarding.

SUSTAINABILITY REPORT

The Audit Committee has also developed and approved whistleblowing procedures and has put in place official and proper protocol for complaints and allegations against malpractices. Employees of the Group and any other persons may, in confidence, raise concerns about possible improper financial reporting or other matters to Chairman of Audit Committee via written email. The objective for such arrangement is to ensure independent investigations of such matters and for timely and appropriate follow-up actions. The Company did not receive any whistle-blowing reports throughout FY2022.

For public and outward communications catered towards external stakeholders, all marketing collaterals and distribution channels are reviewed and approved by the respective general managers of the business units for accuracy and to ensure compliance with the Singapore Code of Advertising Practice and the Personal Data Protection Act ("**PDPA**").

Communication outreach materials are reviewed regularly and prior consent is obtained from our customers for the usage of any data or information which are deemed personal. Contractual agreements are reviewed by external legal advisers to ensure that the terms and conditions are not detrimental to the company, and adhere to the relevant laws and regulations of Singapore.

COMPLIANCE

In FY2022, there were no incidents of non-compliance with relevant laws and regulations in the social and economic area, including marketing laws and regulations as well as all mandatory and/or regulatory COVID-19 requirements issued by the government of Singapore. The Board and Management will continue to uphold good governance across all aspects of its operation as it evolves new policies and guidelines from time to time in response to changing business landscapes and external socio-economic environment.

Please send all comments and feedback to: ir@P5.com.sg

SUSTAINABILITY REPORT

GRI CONTENT INDEX

GRI standard & disclosure		Section reference	Page
Organisational profile			
102-1	Name of the organisation	Corporate Information	3
102-2	Activities, brands, products, and services	Corporate Profile	2
102-3	Location of headquarters	Corporate Information	3
102-5	Ownership and legal form	Corporate Structure	9
102-6	Markets served	Chairman and CEO's joint statement	5
102-7	Scale of the organisation	Sustainability Report > Diversity and Equal Opportunity	20
102-8	Information on employees and other workers	Sustainability Report > Diversity and Equal Opportunity	20
102-9	Supply chain	Not applicable	na
102-10	Significant changes to the organisation and its supply chain	Not applicable	na
102-11	Precautionary Principle or approach	Sustainability Report > Board Statement	12
102-12	External initiatives	Not applicable	na
Strategy			
102-14	Statement from senior decision-maker	Sustainability Report > Board Statement	12
Governance			
102-18	Governance Structure	Sustainability Report > Governance Structure and EESG Accountability	13
Stakeholder Engagement			
102-40	List of Stakeholder groups	Sustainability Report > Board Statement	15
102-42	Identifying and selecting stakeholders	Sustainability Report > Sustainability at the core > Table A Policies and Practices	16
102-43	Approach to Stakeholder engagement	Corporate Governance > Engagement with Stakeholders	55
102-44	Key Topics and concerns raised	Corporate Governance > Audit Committee	48
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Notes to Financial Statement > Note 7 Subsidiaries	104
102-46	Defining report content and topic boundaries	Annual Report > Directors' statement > Audit Committee	64
102-47	List of material topics	Independent Auditors report > Key Audit Matters	67
102-49	Changes in reporting	Not applicable	na
102-50	Reporting period	01 April 2021 to 31 March 2022	na
102-51	Date of most recent report	Director's Statement date	65

SUSTAINABILITY REPORT

GRI standard & disclosure		Section reference	Page
102-52	Reporting cycle	Sustainability Report > Sustainability at the core > Table A – Policies and Practices	16
102-53	Contact point for questions regarding the report	Email ir@p5.com.sg	23
102-54	Claims of reporting in accordance with the GRI Standards	Sustainability Report > Governance Structure and EESG Accountability	13
102-55	GRI Context Index	Appendix GRI Content Index	24
102-56	External Assurance	No assurance is sought for this reporting period	na
Management Approach			
103-1	Explanation of the material topic and its boundary	Sustainability Report > Governance structure and EESG Accountability	13
103-2	The management approach and its components	Sustainability Report > Sustainability at the core	14
103-3	Evaluation of the Management Approach	Sustainability Report > Sustainability at the core > Table B Performance	17
Topic specific disclosure(s)			
Economic Performance			
201-1	Direct economic value generated and distributed	Sustainability Report > Sustainability at the core > Brief on the 4 core areas for sustainability.	18
Environmental Compliance			
302-1	Energy Consumption within organization	Sustainability Report > Sustainability at the core > Table B Performance > Environment	17
302-4	Reduction of energy consumption		
303-5	Water consumption		
304-2	Significant impacts of activities, products and services on biodiversity	Sustainability Report > Sustainability at the core > Brief on the 4 core areas for sustainability.	18
Employment			
401-1	New employee hires and employee turnover	Sustainability Report > Sustainability at the core > Brief on the 4 core areas for sustainability > Diversity and Equal Opportunity	20
Occupational Health and Safety			
403-2	Hazard identification, risk assessment, and incident investigation	Corporate Governance > Accountability and Audit	46
Training and Education			
404-2	Programs for upgrading employee skills and transition assistance programs	Sustainability Report > Sustainability at the core > Brief on the 4 core areas for sustainability > Our Social concerns	20

CORPORATE GOVERNANCE AND FINANCIAL CONTENTS

CORPORATE GOVERNANCE

The Board of Directors (the "**Board**") of P5 Capital Holdings Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") is committed and dedicated to maintaining high standards of corporate governance within the Company and the Group, with a view to ensuring transparency, accountability and sustainability while safeguarding the interests of its shareholders.

This report ("**CG Report**") describes the Company's corporate governance practices for the financial year ended 31 March 2022 ("**FY2022**"), with specific reference made to the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**") issued on 6 August 2018, and the accompanying practice guidance that was issued on 25 March 2022, 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 confirms that it has adhered to the principles and provisions as set out in the Code and Catalist Rules, where applicable for FY2022. Explanations in the respective relevant sections have been provided below on how the practices it had adopted are consistent with the intent of the relative principle insofar as there are any deviations from the Code and/or the Catalist Rules.

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 Board comprises:

Name of Current Directors

Lau Ping Sum Pearce	(Non Executive Chairman and Independent Director)
Lim Shao-Lin	(Chief Executive Officer and Executive Director)
Koh Beng Leong	(Executive Director – Finance)
Leow Sau Wan	(Executive Director)
Chia Soon Hin William	(Independent Director)
Tay Shui Wen(1)	(Independent Director)

Name of Former Independent Directors

Lim Kok Chai (Lin Guocai)(2)
Rathakrishnan Vijandran(3)

Notes:

(1) Mr Tay Shui Wen was appointed as an Independent Director on 25 May 2022.

(2) Late Mr Lim Kok Chai ceased to be the Independent Director of the Company on 28 September 2021.

(3) Mr Rathakrishnan Vijandran was appointed as an Independent Director of the Company on 9 December 2021 and resigned from this position on 25 May 2022.

CORPORATE GOVERNANCE

Provision 1.1 Directors are fiduciaries who act objectively in the best interests of the company and hold Management accountable for performance. The Board puts in place a code of conduct and ethics, sets appropriate tone from-the-top and desired organisational culture, and ensures proper accountability within the company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.

The Board is responsible for the overall management of the business affairs of the Group and sets the overall strategy and policies to achieve its objectives, protect and enhance shareholders' long-term value. The Board acts objectively in the best interests of the Company and ensures proper accountability within the Company. Management is accountable to the Board for the performance of the Group whilst the Board is accountable to shareholders.

In addition to discharging their fiduciary responsibilities and statutory duties, the primary functions of the Board include to:

(a) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;

(b) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;

(c) review management performance;

(d) identify the key stakeholder groups and recognize that their perceptions affect the Company's reputation;

(e) set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met; and

(f) consider sustainability issues eg. environmental and social factors, as part of its strategic formulation.

The Company has in place practices to address potential conflicts of interest. All Directors are required to notify the Company promptly of all conflicts of interests and declare any conflict of interests both annually and as soon as they are aware of the circumstances giving rise to such conflict. In matters where the relevant Director has a conflict of interest in, he/she is required to recuse himself/herself and abstain from all deliberations and voting on such matters.

Provision 1.2 Directors understand the company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). Directors are provided with opportunities to develop and maintain their skills and knowledge at the company's expense. The induction, training and development provided to new and existing directors are disclosed in the company's annual report.

All Directors are regularly briefed on the Group's business development and financial operations. The Board conducts regular scheduled meetings at least four (4) times every year, and on an ad-hoc basis as and when circumstances require.

CORPORATE GOVERNANCE

Where necessary and from time to time, the Directors are provided with updates by the Sponsor and Company Secretary respectively relating to changes in the Catalist Rules, the Code, the Singapore Companies Act 1967 (the "**Companies Act**"), etc. and changing commercial risks to enable them to make informed decisions in carrying out their expected roles and responsibilities. Directors are also updated on developments in corporate, financial, legal and other compliance requirements.

For newly appointed Directors, they will receive the relevant orientation and induction with details on the background information of the Group, an overview of the Group's operations, structure, corporate strategies, corporate governance practices and policies. As prescribed by the Catalist Rules, newly appointed Directors with no prior experience as directors of companies listed on the SGX-ST are required to attend training programmes conducted by Singapore Institute of Directors ("**SID**"), which will be funded and arranged by the Company so to equip them with the skills and knowledge to discharge their statutory and fiduciary duties.

Ms Leow Sau Wan, who was appointed as Executive Director on 18 June 2021 completed the following training modules conducted by SID under the Mandatory Training (as defined in Practice Note 4D of the Catalist Rules) in FY2022.

1. LED 1 Listed Entity Director Essentials
2. LED 2 Board Dynamics
3. LED 3 Board Performance
4. LED 4 Stakeholder Engagement

Ms Leow completed the ISCA Infrastructure & Project Finance Qualification in FY2022.

Mr Tay Shui Wen, who was appointed as Independent Director on 25 May 2022 had no prior experience as director of a listed company on the SGX-ST and will be attending the relevant training modules to be conducted by SID under the Mandatory Training (as defined in Practice Note 4D of the Catalist Rules).

In order to contribute to the Board and serve effectively, the Board recognises the importance of ongoing trainings as part of their continual professional development during the term of their appointment. Such trainings may relate to a particular subject area, committee membership, key developments in the Company's operating environment or specific trainings that are provided by accredited training providers such as SID.

Provision 1.3 The Board decides on matters that require its approval and clearly communicates this to Management in writing. Matters requiring board approval are disclosed in the company's annual report.

The Board's approval is also required to be sought on matters that are set out in the terms of reference, which lists the powers and authority of the Board. Such matters include the entry or abortion of major funding proposals such as investment/divestment decisions or corporate or financial restructuring decisions relating its subsidiaries and associates, material financing or borrowing not in the ordinary course of business, interested person transactions, material acquisitions and disposals of assets, share issuances and dividend payments to shareholders and transactions of a material nature that requires announcement under the Catalist Rules.

CORPORATE GOVERNANCE

Other matters reserved for the Board's decision includes considering and approving appointments and re-appointments to the Board, determining the remuneration (including annual increment or bonus) of and reviewing the terms and conditions of the service agreement of directors and/or Chief Executive Officer ("**CEO**"), key management and employee related to substantial shareholders.

The Board has in place financial authorisation limits, for the operations and capital budgets. Financial and operational matters that require the Board's decision include the approval of annual budgets, adopting of the audited financial statements and the respective periodic reporting (both full year and half year) of the Group's results. Additional matters reserved for the Board decisions also includes any proposed amendments to the Company's Constitution, interested person transactions, acquisitions and disposals of assets and any changes to the Group's capital structure.

To facilitate the Board's decision-making process, the Company's Constitution provides for directors to participate in Board meetings by conference telephone and similar communications equipment, and for Board resolutions to be passed in writing, including by electronic means.

Provision 1.4 Board committees, including Executive Committees (if any), are formed with clear written terms of reference setting out their compositions, authorities and duties, including reporting back to the Board. The names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each committee's activities, are disclosed in the company's annual report.

The Board delegates the implementation of the business strategies and day-to-day operations to the Executive Directors of the Company.

To assist in the discharge of the Board's function and execution of its responsibilities, the Board is supported by committees established by the Board, namely a Nominating Committee ("**NC**"), a Remuneration Committee ("**RC**") and an Audit Committee ("**AC**"). Each committee is chaired by Independent Directors with its own respective composition, written terms of reference and operating procedures which are approved by the Board and reviewed periodically to ensure its continued relevance. The delegation of authority by the Board to committees empowers these committees to decide on matters within the scope of their duties and responsibilities, as well as enables the Board to achieve operational efficiencies as these committees serve as a check and balance to provide independent oversight of management. All recommendations of the respective committees are subsequently reviewed and approved by the Board.

CORPORATE GOVERNANCE

Provision 1.5 Directors attend and actively participate in Board and board committee meetings. The number of such meetings and each individual director's attendances at such meetings are disclosed in the company's annual report. Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company.

The number of Board meetings (including Board committee meetings as well as shareholders' general meetings) held and the record of attendance of each Director of the Company from the financial year beginning from 1 April 2021 to 31 March 2022 is set out below:–

		Board Committees			
Meetings	**Board**	**Audit Committee**	**Nominating Committee**	**Remuneration Committee**	**AGM FY2021**
Total no. of meetings	13	10	1	1	1
No. of meeting attended					
Name of current directors					
Lau Ping Sum Pearce	13	10	1	1	1
Lim Shao-Lin	13	N.A.	N.A.	N.A.	1
Koh Beng Leong	13	N.A.	N.A.	N.A.	1
Leow Sau Wan[a]	9	N.A.	N.A.	N.A.	1
Chia Soon Hin William	13	10	1	1	1
Tay Shui Wen[b]	–	–	–	–	–
Name of former directors					
Lim Kok Chai(Lin Guocai)[c]	8	3	1	1	1
Rathakrishnan Vijandran[d]	1	6	–	–	–

Notes:

N.A.: Not applicable as he or she is not a member of the respective Board Committees of the Company.

(a) Ms Leow Sau Wan was appointed as an Executive Director of the Company on 18 June 2021.

(b) Mr Tay Shui Wen was appointed as an Independent Director, Chairman of the Remuneration Committee and Members of the Audit and Nominating Committees of the Company on 25 May 2022.

(c) Late Mr Lim Kok Chai ceased to be the Independent Director, Chairman of the Remuneration Committee and Members of the Audit and Nominating Committee of the Company on 28 September 2021.

(d) Mr Rathakrishnan Vijandran was appointed as an Independent Director, Chairman of Remuneration Committee and Members of Audit and Nominating Committees of the Company on 9 December 2021 and resigned from these positions on 25 May 2022.

Provision 1.6 Management provides directors with complete, adequate and timely information prior to meetings and on an on-going basis to enable them to make informed decisions and discharge their duties and responsibilities.

Prior to each Board meeting or as and when requested, the Directors are provided with complete, adequate and timely information to ensure that the Directors have sufficient time to review on the matters to be discussed so as to facilitate meaningful and productive discussions. Such information includes draft financial results and financial-related matters, auditors' reports and operational and corporate issues for the Directors to deliberate on. Additional information, documents and materials are provided to the Directors as and when required to enable them to make informed decisions and discharge their duties and responsibilities.

CORPORATE GOVERNANCE

Provision 1.7 ***Directors have separate and independent access to Management, the company secretary, and external advisers (where necessary) at the company's expense. The appointment and removal of the company secretary is a decision of the Board as a whole.***

All Directors, either collectively or individually, have separate and independent access to the management team, external advisers (where necessary) and Company Secretary at all times. The Directors, either collectively or individually, may seek separate independent professional advice concerning any aspect of the Group's affairs or in respect of his fiduciary or other duties where necessary. The cost of seeking all professional advice is borne by the Company.

The Board also has separate and independent access to the Company Secretary. The Company Secretary attends to corporate secretarial administration matters of the Company and monitors and advises on corporate governance matters, and on compliance with the Constitution, Companies Act, and the Catalist Rules. The Company Secretary (or her representatives) attends all meetings of the Board (including Board committees) and facilitates the effective functioning of the Board (including Board committees according to their terms of reference and best practices. The directors have access to the professional corporate secretarial services firm and they can seek independent professional advice when required at the Company's expense. The appointment and the removal of the Company Secretary are subject to the Board's approval.

Board Composition and Guidance

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

Provision 2.1 ***An "independent director" is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company.***

As of the date of this Annual Report, the Board comprises six (6) Directors, of whom three (3) are Executive Directors and three (3) are Independent Directors. None of the directors had an alternate director.

The Board and NC will review the independence of Directors based on the guidelines defined in the Code and the Catalist Rules to ensure that the Board consists of professionals who, collectively, will provide a set of core competencies to achieve the Company's objectives. The NC conducts annual reviews and requires each Independent Director to submit their respective confirmations of independence provided in the Code.

Based on the respective confirmation of independence submitted by the Independent Directors of the Company and results of the NC's review, the NC is satisfied that the Independent Directors of the Company, namely, Mr Lau Ping Sum Pearce, Mr Chia Soon Hin William and Mr Tay Shui Wen are independent in accordance with both the Code and the Catalist Rules, having considered that the Independent Directors:

(i) are not employed by the Company or any of its related corporations for the current or any of the past three financial years; or

(ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the RC.

CORPORATE GOVERNANCE

There are no other Directors who are deemed independent by the Board, notwithstanding the existence of a relationship in the Code that would otherwise deem him/her not to be independent.

None of the Independent Directors has served on the Board for more than nine (9) years as at 31 March 2022.

Provision 2.2 Independent directors make up a majority of the Board where the Chairman is not independent.

The Board currently comprises six (6) members, three (3) of whom are Executive Directors and the remaining three (3) are Independent Directors. The Chairman of the Board (the "**Chairman**"), Mr Lau Ping Sum Pearce is an Independent Director of the Company and not part of the Management team. The Chairman and the CEO are also not immediate family members as defined in the Catalist Rules. With an Independent Chairman of the Board, the Independent Non-Executive Directors formed at least one-third of the Board.

Provision 2.3 Non-executive directors make up a majority of the Board.

As at the date of this Annual Report, the Board consisted of six (6) members, three (3) of whom are Independent Directors of the Company (one of which is the Chairman of the Board). Notwithstanding that, the Non-Executive Directors do not make up majority of the Board, the Board is of the view that the Company complies with the intent of Principle 2 of the Code, having considered that, amongst others, (i) half of the Board comprises Independent Non-Executive Directors and (ii) the Board Committees are chaired by Independent Directors. As such, the NC is of the view that the Board is able to exercise independent judgement on corporate affairs and ensure that the decision-making process are not dominated by one individual or groups of individuals. The NC and the Board will continue to assess its independence, Board composition and diversity to so ensure the decisions made are in the best interests of the Company and Shareholders.

Provision 2.4 The Board and board committees are of an appropriate size, and comprise directors who as a group provide the appropriate balance and mix of skills, knowledge, experience, and other aspects of diversity such as gender and age, so as to avoid groupthink and foster constructive debate. The board diversity policy and progress made towards implementing the board diversity policy, including objectives, are disclosed in the Company's annual report.

The Board recognizes the importance to achieve an optimal balance and mix of skills, knowledge, experience, age and gender in its composition to avoid groupthink and foster constructive debate. Current Board comprises business leaders and professionals with diverse backgrounds and ages, such as financial (including audit and accounting), engineering, banking and management backgrounds. The members of the Board with their combined years of experience, industry knowledge and expertise, provide an objective perspective for the Board to discharge their duties. For further information on the individual Directors' background information and qualifications, please refer to the "**Board of Directors**" profile section of this Annual Report.

Taking into account the scope and nature of the operations of the Group, the Board is satisfied with the composition and size as at the date of this Annual Report, having considered that it complies with the Code's requirement and Catalist Rules, the Board is of the view that there is a strong and independent element and no individual or small group of individuals are able to dominate the Board's decision-making process for FY2022, since all Board committees, and the Chairman of the Company is an Independent Director and the Independent Directors make up more than one-third of the Board.

Mr Lau Ping Sum Pearce and Mr Chia Soon Hin William are Independent Directors of the Company for FY2022. Mr Tay Shui Wen joined the board on 25 May 2022. Based on the assessment and review of the NC, the NC's view is that these Independent Directors are able to exercise independent and objective judgment and that there

CORPORATE GOVERNANCE

are no relationships or circumstances which will affect their judgment and ability to discharge their duties and responsibilities as independent directors. The NC, therefore, recommended to the Board that they can remain as Independent Directors of the Company. The Board also concurred with the NC's review and findings.

Each Independent Director exercises his own judgment independently and none of the Independent Directors have any relationship with the Company, its subsidiaries, its related corporations, its substantial shareholders or its officers that could interfere, or reasonably perceived to interfere, with the exercise of the Director's independent business judgment with a view on the best interests of the Company.

The Independent Directors also do not receive any remuneration, significant payments or material services payments from the Company and its subsidiaries apart from the Directors' fees which are subject to shareholders' approval in the annual general meeting. In addition, none of the Independent Directors or their immediate family members are or were substantial shareholders of the Company as defined in the Code and the Catalist Rules.

None of the Independent Director has been appointed as director to the Company's principal subsidiaries. None of the Independent Director has been employed by the Company or any of its related corporations for the current or any of the past three financial years. None of the Independent Director has an immediate family who is employed or has been employed by the Company or any of its related corporations for the past three financial years, and whose remuneration is determined by the RC of the Company.

With the introduction of Rule 710(A) of the Catalist Rules effective from 1 January 2022, the Board will endeavour to maintain a board diversity policy that addresses gender, skills and experience, and any other relevant aspects of diversity, and describe such policy in its Annual Report for the financial year ending 31 March 2023.

Provision 2.5 Non-executive directors and/or independent directors, led by the independent Chairman or other independent director as appropriate, meet regularly without the presence of Management. The chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

The Independent Directors provide, amongst other things, strategic guidance to the Group based on their professional knowledge, in particular, assisting to constructively challenge and develop proposals on strategies.

The Independent Directors meet among themselves at any time without the presence of management. The Chairman of such meetings will provide feedback to the Board and/or CEO as appropriate.

During FY2022, the Group's Independent Directors held periodic discussions/meetings without the presence of Management.

Chairman and Chief Executive Officer

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

Provision 3.1 The Chairman and the Chief Executive Officer ("CEO") are separate persons to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.

There is a clear division of responsibilities and increased accountability when the roles and responsibilities between Chairman and CEO are separated. The positions of Chairman of the Board and CEO are held by separate persons to ensure an appropriate balance and greater capacity for the Board for independent decision-making.

CORPORATE GOVERNANCE

The Chairman of the Board, Mr Lau Ping Sum Pearce is responsible for ensuring that Board meetings are held when necessary, facilitating the effective contribution of all Board members, lead the Board to ensure its effectiveness on all aspects of its role, scheduling and preparing agendas and exercising control over the information flow between the Board and management team.

The CEO, Mr Lim Shao-Lin is responsible for the Group's business strategy and direction including all executive decision-makings, the operational running of the Company based on the powers delegated by the Board, ensure effective communications with shareholders and encourage constructive relations within the Board and between the Board and Management.

Provision 3.2 The Board establishes and sets out in writing the division of responsibilities between the Chairman and the CEO.

All major proposals and decisions made by the Chairman and CEO are discussed and reviewed by the Board, supported by the relevant Board committees. For FY2022, the Board is of the view that there are adequate safeguards in place and strong independent elements to ensure that the decision-making process of the Board is objective and not hindered.

Provision 3.3 The Board has a lead independent director to provide leadership in situations where the Chairman is conflicted, and especially when the Chairman is not independent. The lead independent director is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

Whilst there is no Lead Independent Director in the Company for FY2022, the Board is of the view that there is no need to appoint a Lead Independent Director, having taken into account that Mr Lau Ping Sum Pearce is an Independent Director and the Chairman of the Board and there exists sufficient and strong independent element in the Board which enables the exercise of judgement regarding the corporate affairs of the Group as of the date of this CG Report.

Board Membership

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

Provision 4.1 The Board establishes a Nominating Committee ("NC") to make recommendations to the Board on relevant matters relating to:

(a) the review of succession plans for directors, in particular, the appointment and/or replacement of the Chairman, the CEO and key management personnel;

(b) the process and criteria for evaluation of the performance of the Board, its board committees and directors;

(c) the review of training and professional development programmes for the Board and its directors; and

(d) the appointment and re-appointment of directors (including alternate directors, if any.)

CORPORATE GOVERNANCE

The NC is established and governed by its terms of reference which are approved by the Board. The NC will select, review and propose/recommend the appointment and re-appointments of Directors to the Board and where applicable, to the relevant Board committees. Pursuant to its written terms of reference, the NC shall:–

(a) regularly review the structure, size and composition of the Board and make recommendations to the Board with regards to any adjustments that are deemed necessary;

(b) annually review whether or not a Director is independent, in accordance to Provision 2.1 of the Code and the Catalist Rules and other salient factors;

(c) be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;

(d) review and recommend to the Board for re-election of the Directors due for renewal by rotation;

(e) review and decide whether or not a Director is able to and has been adequately carrying out his/her duties as Director of the Company;

(f) decide how the Board's performance may be evaluated and propose objective performance criteria;

(g) decide on the performance evaluation process;

(h) assess the effectiveness of the Board as a whole and for assessing the contribution by each individual Director to the effectiveness of the Board; and

(i) make recommendations for succession planning, in particular, of the Chairman and the Chief Executive Officer.

Provision 4.2 The NC comprises at least three directors, the majority of whom, including the NC Chairman, are independent. The lead independent director, if any, is a member of the NC.

The NC currently comprises the following members, all of whom are Independent Directors:

Lau Ping Sum Pearce	Chairman
Chia Soon Hin William	Member
Tay Shui Wen*	Member

* Mr Tay Shui Wen was appointed as a Member of the NC of the Company on 25 May 2022.

Provision 4.3 The Company discloses the process for the selection, appointment and reappointment of directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates in the Company's annual report.

CORPORATE GOVERNANCE

Provision 4.4 ***The NC determines annually, and as and when circumstances require, if a director is independent, having regard to the circumstances set forth in Provision 2.1. Directors disclose their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the Company discloses the relationships and its reasons in its annual report.***

In assessing the suitability of a candidate to be appointed or to be re-elected to the Board, the NC will consider if he is able to make the appropriate contributions to the Board and the Group. The key factors, including and not limited to, which the NC will take into consideration are:

(i) qualifications, industry knowledge and functional expertise which are relevant and beneficial to the nature and scope of operations of the Group;

(ii) extensive experience and business contacts in the industry in which the Group operates;

(iii) where applicable, the other directorships and principal commitments of each director, and whether such directorships and principal commitments will affect the Director's ability to set aside sufficient time and attention to prioritize the Company's affairs over his/her personal commitments; and

(iv) in cases of re-appointments and re-nomination, some factors that are relied on include the attendance at Board meetings and participation during Board discussions, strengths and shortcomings of the Company and how the existing strategies, budgets and business plans are compatible with the Group's objectives, performance in relation to specific tasks assigned, etc.

When a vacancy arises and/or any changes to the Board composition under any circumstances arise or where it is considered that the Board and the Company would benefit from the services of a new director with some particular skills, the NC would review and nominate the most suitable candidate to the Board subject to the NC's satisfactory assessment.

The Board will consider each candidate's ability to value add to the Group's business and objectives. The Board then selects the candidates that possess the appropriate qualifications and experience. Directors appointed by the Board during the financial year, shall only hold office until the next AGM and thereafter be eligible for re-election at the AGM.

In accordance with the Company's Constitution, at least one-third of the Board, or if the number is not a multiple of three, the number nearest to one-third but not greater than one-third is required to retire from office at each annual general meeting and by rotation. Pursuant to Catalist Rule 720(4), all Directors, including Executive Directors, must submit themselves for re-nomination and re-appointment at least once every three (3) years.

The NC has recommended to the Board for Mr Lau Ping Sum Pearce and Mr Tay Shui Wen, to retire pursuant to Regulations 106 and 110 of the Company's Constitution, respectively, for approval by the Shareholders at the forthcoming AGM of the Company (collectively, the "**Retiring Directors**").

The Retiring Directors have expressed their willingness to be re-elected as Directors of the Company.

CORPORATE GOVERNANCE

Each of the members of the NC have abstained from voting on any resolutions in respect of the assessment of their own performance for re-appointment as Directors.

The table below summarizes the dates of initial appointment and last re-election of each Director as of the date of this Annual Report:

Name of Director	Position	Date of initial appointment	Date of Last re-election
Lau Ping Sum Pearce	Non-Executive Chairman and Independent Director	11 November 2019	29 September 2020
Lim Shao-Lin	Chief Executive Officer & Executive Director	29 July 2019	29 September 2020
Koh Beng Leong	Independent Director/ Executive Director/ Executive Director – Finance	12 August 2005/ 11 November 2019/ 9 July 2020	28 July 2021
Leow Sau Wan	Executive Director	18 June 2021	28 July 2021
Chia Soon Hin William	Independent Director	15 December 2020	28 July 2021
Tay Shui Wen	Independent Director	25 May 2022	–

Note: Please refer to the section entitled "Additional Information on Directors seeking Re-election" (Appendix 7F to the Catalist Rules), in Other Corporate Governance Matters, Note 7, of this Annual Report for more information on the Retiring Directors.

Provision 4.5 The NC ensures that new directors are aware of their duties and obligations. The NC also decides if a director is able to and has been adequately carrying out his or her duties as a director of the Company. The Company discloses in its annual report the listed Company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, it provides the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties.

The Directors declare their board representations as and when there are changes. Annually, each Director declares that he has devoted sufficient time and attention to the affairs of the Company. There are no alternative Directors on the Board. Based on the knowledge of the directorships held by the Directors and their respective declarations, the NC is satisfied that all Directors are able to carry out their duties as directors of the Company. Currently, the NC does not determine the maximum number of listed company board representations which a Director may hold as the NC is of the view that each Director would be able to manage and assess his own capacity and ability to undertake other obligations or commitments when serving on the Board effectively. The NC also does not wish to omit from considering outstanding individuals who, despite the demands on their time, have the capacity to participate and contribute as members of the Board. The Board is of the view that setting a maximum number of listed company board representations would not be meaningful as the contributions of the directors would depend on many factors such as whether they were in full time employment and their other responsibilities. The Board will examine this issue on a case-by-case basis.

CORPORATE GOVERNANCE

A list of the directorships in other listed companies and other principal commitments of each current Director are set out in the table below:

Directorships in other listed companies (excluding the Company) and principal commitments		
Name of Directors (Designation)	**Present**	**Past** *(for the last 5 years)*
Lau Ping Sum Pearce (Non Executive Chairman and Independent Director)	**Directorships:** – Cortina Holdings Limited (Independent Director) – Sunpower Group Ltd (Independent Director) **Principal Commitments:** – Napier Healthcare Solutions Pte. Ltd. (Director) – Chairman of the Advisory Committee on translation and interpretation – Adjunct Professor at the Singapore University of Social Sciences (SUSS) – Associate Trainer at the Singapore Civil Service College – Member of the Singapore Institute of Directors	**Directorships:** – Huan Hsin Holdings Ltd (Independent Director)
Lim Shao-Lin (Chief Executive Officer and Executive Director)	**Principal Commitments:** – Avier Engineering Pte Ltd (Director) – Gashub Pte Ltd (Director) – Gashubin Engineering Private Limited (Director) – GashubUnited Holding Private Limited (Director) – Green Waste Recycling Company Private Limited (Director) – Green Energy Investment Holding Private Limited (Director) – Gashub United Malaysia LNG Sdn Bhd (Director) – GashubUnited (SEA) LNG Pte Ltd (Director) – Lim Shao Lin Investments (Director) – LIMSL Investments Pte. Ltd. (Director) – PT. Indo Global Green Energy One (Director) – ASL Forestry (Pte Ltd) (Director)	**Principal Commitments:** – Gashubin Technology Private Limited (Director) – Gashubunited Utility Private Limited (Director) – P5 Pte. Ltd. (Director) – P5 Luminaire Pte. Ltd. (Director) – P5 Studio Pte. Ltd. (Director) – P5 Design Ventures Pte. Ltd. (Director) – Proton Power Pte Ltd (Director)

CORPORATE GOVERNANCE

Directorships in other listed companies (excluding the Company) and principal commitments		
Name of Directors (Designation)	**Present**	**Past** *(for the last 5 years)*
Koh Beng Leong (Executive Director – Finance)	**Principal Commitments:** – Green Energy Investment Holding Private Limited (Director) – Green Waste Recycling Company Private Limited (Director) – PT. Gold Fifty One (Director) – Gashununited Utility Private Limited (Director)	**Directorships:** – Annaik Limited (Executive Director) **Principal Commitments** – Ann Aik Pte. Ltd. (Director) – Annaik & Partners (S) Pte. Ltd. (Director) – Anxon Envirotech Pte. Ltd. (Director) – Anxon Engineering Pte. Ltd. (Director) – Anxon Environmental Pte. Ltd. (Director) – Anxon Eco Holdings Pte. Ltd. (Director) – Anxon Oasis Pte. Ltd. (fka Wesco Steel Pte. Ltd.) (Director) – Chaoda Valve Singapore Pte. Ltd. (Director) – Ichinose Emico Valves (S) Pte. Ltd. (Director) – Metal Wang Pte. Ltd. (Director) – Pioneer Environment Technology Pte. Ltd (Director) – Dalian Shicheng Property Development (S) Pte. Ltd. (Alternate Director)
Leow Sau Wan (Executive Director)	**Principal Commitments:** – Gashub United Malaysia LNG Sdn Bhd (Director) – P5 Pte. Ltd. (Director) – P5 Luminaire Pte. Ltd. (Director) – P5 Studio Pte. Ltd. (Director) – P5 Design Ventures Pte. Ltd. (Director) – Gashubunited Utility Private Limited (Director)	

CORPORATE GOVERNANCE

Directorships in other listed companies (excluding the Company) and principal commitments		
Name of Directors (Designation)	**Present**	**Past** *(for the last 5 years)*
Chia Soon Hin William (Independent Director)	**Directorships:** – Asiatic Group (Holdings) Limited (Independent Director) – Ley Choon Group Holdings Limited. (Independent Director) **Principal Commitments:** – Mitsuba Japanese Restaurant Pte. Ltd. (Director) – Xie Capital Pte. Ltd. (Director)	**Directorships:** – Sincap Group Limited (Independent Director) **Principal Commitments:** – MBZ International Exchange Pte. Ltd. (Director)
Tay Shui Wen (Independent Director)	**Principal Commitments:** – United Overseas Bank Limited (Director of Equity Capital Markets)	

The full details of each Director is set out on pages 7 to 8 of the Annual Report.

BOARD PERFORMANCE

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

Provision 5.1 The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each board committee separately, as well as the contribution by the Chairman and each individual director to the Board.

The Board recognises the merit of having some degree of formal assessment of the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board. On an annual basis, the NC will review the questionnaire which are individually submitted by each Director for the purposes of evaluating the performance of the Board and the respective Board committees, as well as each individual Director. The assessment of each Board committee was performed by having all members of the NC to complete a questionnaire which are submitted to the Board for review.

Provision 5.2 The Company discloses in its annual report how the assessments of the Board, its board committees and each director have been conducted, including the identity of any external facilitator and its connection, if any, with the Company or any of its directors.

The NC did not receive any proposed changes to the performance criteria for FY2022 as compared to the previous financial year, having taken into account the economic climate, Board composition and business activities. The Board was of the view that during the financial year, its members had performed efficiently and effectively for the Board to function as a whole.

For FY2022, there were no external facilitator that was engaged by the Company and/or the RC in assessing the effectiveness of the Board.

CORPORATE GOVERNANCE

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.

Provision 6.1 The Board establishes a Remuneration Committee ("RC") to review and make recommendations to the Board on:

(a) a framework of remuneration for the Board and key management personnel; and

(b) the specific remuneration packages for each director as well as for the key management personnel.

The RC is responsible for overseeing the executive remuneration and development in the Company. With reference to its terms of reference, the RC shall:–

(a) determine and agree with the Board the framework or broad policy for the remuneration of the Company's Board and to determine specific remuneration packages for the Executive Directors and the key management executives;

(b) in determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that the Group provides the appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Group;

(c) determine targets for any performance related pay schemes operated by the Group, taking into account pay and employment conditions within the industry and in comparable companies;

(d) within the terms of the agreed policy, determine the total individual remuneration package of each Executive Director including, where appropriate, allowances, bonuses, benefits in kind, incentive payments and share options;

(e) determine the policy for and scope of service agreements including fixing appointment period for the Executive Directors and in the event of early termination the compensation commitments; and

(f) determine whether Directors and key management should be eligible for benefits under the long-term incentive schemes.

CORPORATE GOVERNANCE

Provision 6.2 The RC comprises at least three directors. All members of the RC are non-executive directors, the majority of whom, including the RC Chairman, are independent.

In compliance with the Code, the RC is established and governed by its terms of reference and comprise at least three (3) Directors, all members to be non-executive, a majority of whom, including the Chairman, are Independent Directors. The RC currently comprises the following members, all of whom are Independent Directors:

Tay Shui Wen*	Chairman
Lau Ping Sum Pearce	Member
Chia Soon Hin William	Member

* Mr Tay Shui Wen was appointed as the Chairman of the RC of the Company on 25 May 2022.

Provision 6.3 The RC considers all aspects of remuneration, including termination terms, to ensure they are fair.

The RC considers all aspects of remuneration, including but not limited to Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind and termination payments. The RC has full authority to obtain any external professional advice on matters relating to remuneration as and when the need arises. This is to ensure that competitive compensation and progressive policies, with an appropriate mix of short and long term incentives, are in place to attract, retain and motivate competent and committed Management.

The RC also reviews the Company's obligations arising in the event of termination of the Executive Directors' and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

Provision 6.4 The Company discloses the engagement of any remuneration consultants and their independence in the Company's annual report.

The RC did not engage any remuneration consultants during FY2022. The RC and the Board were of the view that the Company does not need to engage remuneration consultants as the remuneration for Executive Directors and the key management personnel are based on their respective existing service agreements. The Company will continue to monitor the need to engage external remuneration consultants going forward and where applicable, will review the independence of the external firm before any engagement.

Each RC member abstain from reviewing and approving any remuneration, compensation or any form of benefit to be granted to him/her or someone related to him/her.

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.

Provision 7.1 A significant and appropriate proportion of executive directors' and key management personnel's remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company.

CORPORATE GOVERNANCE

Provision 7.2 The remuneration of non-executive directors is appropriate to the level of contribution, taking into account factors such as effort, time spent, and responsibilities.

No individual Director is involved in deciding his own remuneration or the remuneration of another Director related to him. The Directors' fees are pro-rated according to their appointment and retirement date for the year, where applicable. Non-executive Directors do not have any service agreements with the Company and are paid Directors' fees annually after approval by shareholders at the AGM. The Directors' fees are reviewed annually to ensure that the Independent Directors are not overcompensated to the extent that their independence may be compromised. Each member of RC abstains from making recommendation on his own remuneration.

Provision 7.3 Remuneration is appropriate to attract, retain and motivate the directors to provide good stewardship of the company and key management personnel to successfully manage the company for the long term.

In recommending and determining the Directors' remuneration packages, the RC reviews and considers all aspects of remuneration to ensure that the remuneration is competitive in attracting and retaining talent, commensurate with the Directors' scope of work and responsibilities and sufficient to reward them for achieving corporate performance targets.

The payment of Directors' fee is recommended by the RC and endorsed by the Board for shareholders' approval at the AGM of the Company. For FY2022, the RC had reviewed their level of contributions, taking into account factors such as effort, time spent and responsibilities and is satisfied that the performance conditions were met.

The Company does not have contractual provisions to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. However, the RC may consider such mechanisms if it deems necessary in the future.

DISCLOSURE ON REMUNERATION

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

Provision 8.1 The company discloses in its annual report the policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of:

(a) each individual director and the CEO; and

(b) at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S$250,000 and in aggregate the total remuneration paid to these key management personnel.

CORPORATE GOVERNANCE

The breakdown (in percentage terms) of the remuneration bands of the directors of the Company for FY2022 is set out in the table below:

Remuneration Band	**Name of Director**	**Salary and CPF**	**Fees**
S$250,000 – S$499,999	Lim Shao-Lin(1)	100%	–
S$0-S$249,999	Koh Beng Leong	100%	–
	Leow Sau Wan(2)	100%	–
	Lau Ping Sum Pearce	–	100%
	Chia Soon Hin William	–	100%
	Tay Shui Wen(3)	–	100%
	Rathakrishnan Vijandran(4)	–	100%
	Lim Kok Chai (Lin Guocai)(5)	–	100%

Notes:

(1) Mr Lim Shao-Lin is the husband of Ms Leow Sau Wan.

(2) Ms Leow Sau Wan is the wife of Mr Lim Shao-Lin. She was appointed as Executive Director of the Company on 18 June 2021.

(3) Mr Tay Shui Wen was appointed as Independent Director of the Company on 25 May 2022.

(4) Mr Rathakrishnan Vijandran was appointed as Independent Director of the Company on 9 December 2021 and resigned from this position on 25 May 2022.

(5) Late Mr Lim Kok Chai ceased to be the Independent Director of the Company on 28 September 2021.

In addition to the base/fixed salary, the Executive Directors are entitled to a profit sharing incentive based on the following formula:

Group's audited consolidated profit after tax and minority interest, Executive Directors, managers and staff excluding exceptional items ("**Profit**").

Executive Directors managers and staff	**Group's audited consolidated profit after tax and minority interest excluding exceptional items ("Profit")**
Lim Shao-Lin, Leow Sau Wan Koh Beng Leong and Managers	21% on Profit
All other Staff	9% on Profit
As the Group incurred a net loss in FY2022, no performance bonus was recommended.	

The Board is of the opinion that the information disclosed above would be sufficient to the shareholders for their understanding of the Company's compensation policies as remuneration matters are commercially sensitive and confidential information. Further disclosure is prejudicial to the Group's interests and may hamper its ability to retain the Group's talent pool.

CORPORATE GOVERNANCE

Provision 8.2 ***The company discloses the names and remuneration of employees who are substantial shareholders of the company or are immediate family members of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds S$100,000 during the year, in bands no wider than S$100,000, in its annual report. The disclosure states clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.***

Save as disclosed below, there is no employee who is a substantial shareholder of the Company, or an immediate family member of any Director, the CEO or substantial shareholder of the Company, whose remuneration for FY2022 exceeds S$100,000.

Ms Leow Sau Wan is the spouse of Mr Lim Shao-Lin, the CEO and a substantial shareholder of the Company, whose remuneration did not exceed S$100,000 during FY2022.

Provision 8.3 ***The company discloses in its annual report all forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company. It also discloses details of employee share schemes.***

The Company does not have any employee share scheme in place for FY2022.

ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

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

Provision 9.1 ***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 sets up a Board Risk Committee to specifically address this, if appropriate.***

Based on the current composition of the AC and Board for FY2022, the Board had assessed that, for more efficient use of its existing resources, to subsume the risk management function under the AC as opposed to setting up a separate Board committee specifically for this purpose.

The Board acknowledges that risk is inherent in business and there are commercial risks to be taken in the course of generating a return on business activities. The Board oversees the implementation and monitoring of its risks in line with the Group's overall risk tolerance levels in order to safeguard its assets and Shareholders' interests.

Management assesses the key risks facing the Group and formulates plans to mitigate such risks. The management of principal subsidiaries also reported on any exceptions on compliance to regulatory authorities for the financial year. These are submitted to the AC and the Board which determines the risk tolerance acceptable to the Group.

Information relating to financial risk management objectives and processes are set out in Note 25 of Note to the Financial Statements.

CORPORATE GOVERNANCE

Risk is defined as any activity with the outcome of losing shareholders' money. This could happen in the following ways 1) bad investment decision, 2) fraudulent activities, 3) lack of due diligence 4) not mitigating a risk.

As a mitigation measure, the Company implements a strong internal control process, increases transparency, and implements the Committee of Sponsoring Organization Internal control framework.

As risk management is an iterative process, constant review and monitoring are necessary, as and when there are changes in business or procedures.

The Company has procured Appendix 7H (Form of Undertaking with regard to Directors or Executive Officers) pursuant to Rule 720(1) of Catalist Rules from all the Directors and Executive Officers of the Company.

The Company maintains a system of internal controls for all companies within the Group. The internal controls are designed to provide reasonable assurance that proper accounting records are maintained, assets are adequately safeguarded, operational controls are in place and business risks are suitably addressed.

The Board reviews the adequacy and effectiveness of the Company's risk management annually. While acknowledging the Group's responsibilities for the system of internal controls, the Board is aware that it is not able to provide absolute assurance against human errors, losses, poor judgement in decision making as such systems are designed to manage its existing risk, as opposed to completely eliminating such risks.

Provision 9.2 The Board requires and discloses in the company's annual report that it has received assurance from:

(a) the CEO and the Chief Financial Officer ("CFO") that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and

(b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.

For FY2022, the Board has received assurance from the CEO and Executive Director – Finance:

(a) that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(b) the Company's risk management and internal control systems are adequate and effective.

The Board, with the concurrence of the AC, is of the opinion that the risk management and internal controls of the Group are adequate and effective to address operational, financial, compliance and information technology controls of the Group. In arriving at the opinion, the AC and the Board reviewed the work performed by the external auditors as well as discussions with management on the risks identified by the auditors as well as significant issues arising from external audits had been appropriately addressed.

CORPORATE GOVERNANCE

Audit Committee

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

Provision 10.1: The duties of the AC include:

(a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the company and any announcements relating to the company's financial performance.

(b) reviewing at least annually the adequacy and effectiveness of the company's internal controls and risk management systems;

(c) reviewing the assurance from the CEO and the CFO on the financial records and financial statements;

(d) 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;

(e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the company's internal audit function; and

(f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns.

The AC performs the following functions:–

(a) review with the external auditors the audit plan, the external auditors' evaluation of the internal accounting controls, the assistance given by the Company's officers to the external auditors and the audit report;

(b) review of the half-year and full year consolidated financial statements of the Group and the announcements prior to submission to the Board for approval focusing in areas such as changes in accounting policies and practices, major areas of judgement, significant adjustments resulting from audit, going concern matters, compliance with accounting standards and statutory or regulatory requirements;

(c) review the adequacy of the Company's internal controls and risk exposures, as set out in Principle 9 and discuss (if any) areas of concerns arising from financial audits and other matters which the external auditors may wish to discuss (in the absence of management);

(d) review and recommend to the Board the appointment or re-appointment of external auditors, taking into consideration the non-audit services rendered by the external auditors and being satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors;

(e) review interested person transactions; and

(f) reviewing any whistle blowing reports by which the staff may, in confidence, raise issues about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and follow-ups (if any).

CORPORATE GOVERNANCE

The AC has authority to investigate any matter within its term of reference and have been given full access to the Management and reasonable resources to enable it to discharge its functions properly. The AC has full discretion to invite any Director or key management personnel to attend its meetings.

Whistle-Blowing Policy

The Company has a whistle-blowing policy in place, which sets out the procedures for whistle-blower to make a report on misconduct or wrongdoings in relation to the Company and its employees. The whistle-blower can report any possible improprieties directly to AC Chairman via his email address william.chia@p5.com.sg.

The purpose of establishing such a policy is not only to communicate to employees the Company's commitment to identifying and remedying any wrongdoings, but also serves as a reinforcement and communication of the Company's values and expectations.

The Company has complied with the disclosure requirement in relation to Catalist Rules 1204 (18A) and (18B) relating to whistleblowing.

The AC Chairman is the dedicated independent function that is responsible for overseeing and the monitoring of whistleblowing. To prevent and ensure the protection of the whistle-blower against any detrimental or unfair treatment, the AC Chairman will be the point of direct contact with the whistle-blower and has the authority to investigate any matters within its terms of reference, including any whistleblowing reports made in good faith.

All information pertaining to the whistle-blower, including the identity of the whistle-blower, will be treated in strict confidence, and assessed fairly by the AC based on the merit of the content of the allegations, subject to legal or regulatory requirements to ensure the appropriate follow-up action will be taken.

In cases where the AC is legally obligated to provide such information to any governmental or regulatory authorities as part of their investigation, the AC will inform the whistle-blower in advance to advise him/her of the process.

During FY2022, there were no reported whistle-blowing incidents.

Provision 10.2 ***The AC comprises at least three directors, all of whom are non-executive and the majority of whom, including the AC Chairman, are independent. At least two members, including the AC Chairman, have recent and relevant accounting or related financial management expertise or experience.***

The AC currently comprises the following members, all of whom are Independent Directors:

Chia Soon Hin William	Chairman
Lau Ping Sum Pearce	Member
Tay Shui Wen*	Member

* Mr Tay Shui Wen was appointed as a Member of the AC of the Company on 25 May 2022.

When appointing an independent director to the AC, the Board will consider the qualification of the person and that at least two members should have accounting or related financial management experience.

CORPORATE GOVERNANCE

Provision 10.3 The AC does not comprise 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 a partner of the auditing firm or director of the auditing corporation; and in any case,

(b) for as long as they have any financial interest in the auditing firm or auditing corporation.

All members of the AC do not have any management and business relationships with the Company or any substantial shareholder of the Company.

None of the AC members were previous partners or directors of the Company's external audit firm within the last twelve months and none of the AC members hold any financial interest in the Company's existing external audit firm.

Provision 10.4 The primary reporting line of the internal audit function is to the AC, which also decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the company's documents, records, properties and personnel, including the AC, and has appropriate standing within the company.

Internal Audit

The AC is responsible for the adequacy of the internal audit function, its resources and its standing within the Group to perform its functions properly. The AC is responsible for the hiring, removal, compensation and evaluation of the Internal Auditor.

Following thereto, the Board, on the recommendation of AC, decided to have a full-time in-house Internal Auditor and whereupon, the Head of Group Compliance & Corporate Development, hired in January 2022, was duly re-designated as Internal Auditor in June 2022, at the same time, the Audit Charter was drawn up. The Internal Auditor reports primarily to the Chairman of the AC.

Audit Charter

In June 2022, the Audit Committee has documented the Internal Audit Charter and filled the position of Internal Auditor. The Internal Auditor shall reports and provides advice and updates to the Board, Chief Executive Officer and senior management team on operational risk issues, company regulations, organisational liabilities and human resources matters. The Internal Auditor is an independent member of management who provides assurance to the Board of Directors on the adequacy and effectiveness of the internal control and risk management system and helps the Board discharge its fiduciary responsibilities. The approval of the Board is required at the next Board meeting.

The Internal auditor will conduct a risks identification and assessment of the group business by conducting the following processes.

2.1 Assessing the adequacy and effectiveness of the risk management and internal controls within the organisation.

2.2 Reviewing and evaluating compliance with internal policies, plans, and procedures.

2.3 Reviewing and monitoring compliance with laws and regulations.

2.4 Assessing the reliability and integrity of information.

2.5 The safeguarding of assets.

2.6. Reviewing and proposing updates to Policies and Procedures to achieve corporate governance and business continuity planning.

2.7 Assessing cyber threats and recommending security actions.

2.8 Monitoring and reporting interested party transactions.

2.9 Taking prompt and necessary actions on 'whistle blowing' matters.

The Internal Audit Charter defines a clear understanding of the role, purpose, and position of internal audit within the organisation and the scope and nature of its work. It covers the scope of work, Adherence to local and international standards for the professional practice of internal auditing, the authority of the role, the independence of the role, access rights of the role and reporting responsibilities.

The AC oversees and monitors if the improvements suggested on internal controls are implemented. The AC is satisfied that the Internal Auditor is:

(a) independent, having it report directly to the AC and not any management personnel;

(b) have unfettered access to all the Company's documents, records, properties and personnel, including the AC, and have appropriate standing within the Company;

(c) is adequately qualified, having carried out its function according to the standards set by internationally recognised professional bodies, such as the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors laid down in the International Professional Practices Framework issued by the Institute of Internal Auditors; and

(d) is adequately resourced and staffed, taking into account the experience of the firm and engagement partner, the number and experienced supervisory and professional staff assigned to internal audits.

Provision 10.5 The AC meets with the external auditors, and with the internal auditors, in each case without the presence of Management, at least annually.

The AC meet with the external auditor at least once a year and may meet them at any time, without the presence of the Company's management. The inhouse compliance and corporate development function was started in January 2022 and the internal auditor sourced from within the company was formally appointed in June 2022.

The external auditors regularly update the AC on the changes to accounting standards and issues which will have a direct impact on financial statements.

CORPORATE GOVERNANCE

External Audit

The AC also considered the report from the external auditors, KPMG LLP, including their findings on the key areas of audit focus. Significant matters that were discussed with management and external auditors have been included as key audit matters ("**KAM**") in the Independent Auditors' Report for the financial year ended 31 March 2022 of this Annual Report.

In assessing the KAM, the AC considered the approach and methodology applied in the valuation of assets, including the estimates and key assumptions used. The AC concluded that management's accounting treatment and estimates adopted on the KAM were appropriate. The management is responsible to follow up and implement the recommendations by the external auditor in a timely and appropriate manner.

The AC assessed the independence of KPMG LLP annually and has reviewed the volume of non-audit services provided to the Group by the external auditors. The AC was satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. Please refer to Note 21 of the Financial Statement for the audit fees and non-audit fees paid or payable to external auditors by the Group.

The retiring Auditors, KPMG LLP will not be seeking re-appointment at the forthcoming AGM of the Company. As part of the Group's ongoing corporate governance initiatives as well as to manage overall business costs and expenses amidst the challenging business climate, Foo Kon Tan LLP is to be appointed as External Auditor of the Company, and the appointment is subject to shareholder approval at the Extraordinary General Meeting of the Company to be held on 28 July 2022.

Foo Kon Tan LLP has also confirmed that they are registered with the Accounting and Corporate Regulatory Authority and hence, the Company is in compliance with Catalist Rules 712 and 715 (read with Catalist Rule 716) in relation to the appointment of its external auditors. Please refer to the Company's Circular to Shareholders dated 6 July 2022 in relation to, among others, the appointment of new auditors, for detailed information.

SHAREHOLDERS RIGHTS AND ENGAGEMENT

SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

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

Provision 11.1: The Company provides shareholders with the opportunity to participate effectively in and vote at general meetings of shareholders and informs them of the rules governing general meetings of shareholders.

In line with continuous disclosure obligations of the Company pursuant to the Catalist Rules and the Companies Act, the Company endeavours to maintain constant and effective communications with shareholders through timely and comprehensive announcements. Material information that could have a material impact on the share price of the Company is released on a timely basis.

The Company disseminates latest corporate news, strategies, announcements, notices of meetings, annual reports, circulars and press releases promptly through SGXNET. The Group's corporate governance practices are disclosed in annual reports of the Company to enable the shareholders to have a better understanding of the Group's stewardship role.

CORPORATE GOVERNANCE

Shareholders are informed of general meetings through the announcement released on the SGXNET and notices contained in the Annual Report or circulars sent to all shareholders. All shareholders are entitled to attend the general meetings and are provided the opportunity to participate in the general meetings. If any shareholder is unable to attend, he/she is allowed to appoint up to two proxies to vote on his/her behalf at the general meeting through proxy forms sent in advance.

At the general meetings (i.e. AGMs and EGMs) of the Company, shareholders are given the opportunities to express their views and ask the Board and Management questions regarding the financial performance and operations of the Group. The minutes of general meetings of the Company are available to shareholders upon request.

The Company has specified in the Notice of general meeting the detailed information on attending the general meeting by electronic means, such as instructions to shareholders on how they may (i) participate to observe and/or listen to the general meeting proceedings (ii) access the annual report/circular and proxy form, (iii) submit their questions in advance of the general meetings electronically, and (iv) vote by appointing the Chairman of the general meeting as proxy and indicate how he wishes to vote for or vote against (or abstain from voting on) the resolutions.

Provision 11.2 The company tables separate resolutions at general meetings of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are "bundled", the company explains the reasons and material implications in the notice of the meeting.

There are separate resolutions at general meetings on each distinct issue and are not "bundled" or made inter-conditional on each other, including resolutions on the re-election of Directors. Where the resolutions are "bundled", the reasons and material implications for doing so will be provided in the annual report and related documents, including the notice of the general meeting. All resolutions tabled shall be put to vote by way of a poll pursuant to Catalist Rule 730A(2).

The results of each resolution, detailing all votes cast, for or against or abstain, and the aggregate number of votes including the respective percentages, in respect of each resolution are tallied and disclosed at the meeting. An announcement with the results encompassing the above details showing the numbers of votes cast for and against each resolution and the respective percentage will be released via SGXNET after the general meetings.

Provision 11.3 All directors attend general meetings of shareholders, and the external auditors are also present to address shareholders' queries about the conduct of audit and the preparation and content of the auditors' report. Directors' attendance at such meetings held during the financial year is disclosed in the Company's annual report.

The Chairman of the respective Board committees – AC, NC and RC will be present and available to address questions at the AGM. The External Auditor will also be present to address any shareholders' queries about the auditor's report. Please refer to the table as set out on Provision 1.5 of this CG Report detailing the number of Board and Board Committees meetings held during FY2022, along with the record of attendance of each Director during their respective terms as Directors and members of the respective Board Committees of the Company.

However, as the upcoming AGM will be held via electronic means, the Company put in place alternative arrangements pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. As such, Shareholders will not be able to ask questions during the AGM but are encouraged to submit their questions in advance prior to the cut-off time as set out in the Company's Notice of AGM and related documents. The Company will endeavour to address relevant and substantial queries (if any) prior to the AGM through publication on SGXNET.

CORPORATE GOVERNANCE

Provision 11.4 The Company's Constitution (or other constitutive documents) allow for absentia voting at general meetings of shareholders.

The Company does not allow absentia voting as it is not practical to do so as the identity of the shareholder is difficult to verify.

Provision 11.5 The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable. The minutes record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

The Company's minutes of general meetings were made available by electronic means via publication on the Company's website and SGXNET.

Provision 11.6 The company has a dividend policy and communicates it to shareholders.

There is no formal dividend policy adopted by the Company. The Board, having considered the financial performance of the Group for the financial year ended 31 March 2022, did not recommend any dividend payment.

ENGAGEMENT WITH SHAREHOLDERS

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

Provision 12.1 The Company provides avenues for communication between the Board and all shareholders, and discloses in its annual report the steps taken to solicit and understand the views of shareholders.

In line with continuous disclosure obligations, the Company is committed to regular and proactive communication with its shareholders upon consideration advice from its corporate lawyers and professionals on appropriate disclosure requirements before announcing material information to shareholders on SGXNET, as well as through scheduled general meetings.

In addition to the half yearly and full year financial results announcements and announcements on material information, annual reports that provide information on the prospects of the Company, Board of Directors, management, report on Code and audited financial statements for the past financial year were circulated to the shareholders prior to the AGM.

Provision 12.2 The company has in place an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

The Company currently does not have investor relations policy and dedicated investor relations team as based on the current structure of the Company, the Board is of the view that the existing communication channels are sufficient and cost effective. The Company will consider appointing professional investor relations officer to manage the function should the need arises.

CORPORATE GOVERNANCE

Provision 12.3 The company's investor relations policy sets out the mechanism through which shareholders may contact the company with questions and through which the company may respond to such questions.

The Company does not engage in selective disclosures of material information. All material information pertaining to the Company's developments are disseminated through SGXNET in an accurate and timely manner to ensure all shareholders are informed simultaneously, in compliance with the Catalist Rules and the Company's Act. Shareholders are also able to liaise with the Company via the respective communication channels either by mail to the Company's registered office address or through email as stated in the Corporate information section of the Annual Report.

MANAGING STAKEHOLDERS RELATIONSHIPS

ENGAGEMENT WITH STAKEHOLDERS

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

Provision 13.1 The Company has arrangements in place to identify and engage with its material stakeholder groups and to manage its relationships with such groups.

The Executive Directors and senior management actively engage with key stakeholders of the Group, which are identified through the Board, of the Group. Any updates on any relevant feedbacks received are communicated to the Board. The Company has in place a process to identify its various stakeholders and understand their expectations and concerns so as to improve its standards and align the business interest with those of the stakeholders so as to be able to generate sustainable value to Shareholders in the long term.

Provision 13.2 The Company discloses in its annual report its strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.

Please refer to the Company's sustainability report for the assessment process (to include material environmental, social and governance factors) and full details on how the Company conducts its stakeholder management. The sustainability report for FY2022 is part of this Annual Report.

Provision 13.3 The company maintains a current corporate website to communicate and engage with stakeholders.

The Company updates its corporate website https://p5capital.com.sg regularly with information released on the SGXNET and business developments of the Group. Stakeholders can also contact the Company through phone or e-mail, the details of which can be found on the Company's website and Corporate information of this Annual Report.

CORPORATE GOVERNANCE

OTHER CORPORATE GOVERNANCE MATTERS

1. Interested Person Transaction

The Company has not obtained a general mandate from shareholders for interested person transactions (IPT). During FY2022, the aggregate value of interested person transactions entered into during the financial year under review are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Lim Shao-Lin	Executive Director, Chief Executive Officer and controlling shareholder	S$346,920(1) S$126,000(2)	NA

Notes:

(1) As announced by the Company on 15 December 2020, the Company had entered into a project investment agreement with Gashubunited Utility Private Limited ("**GUPL**") and Gashubunited Holding Private Limited ("**GHPL**") for the proposed investment amounting to S$500,000. Mr Lim Shao-Lin ("**Mr Lim**"), the Executive Director and Chief Executive Officer, and controlling shareholder of the Company, is the sole director of GUPL. Mr Lim is also a director and 55.72%-shareholder of GHPL. As announced by the company on 8 April 2022, the amount pertains to the management fee charge to GUPL for a project management amounting to S$346,920 during the financial year 31 March 2022

(2) As announced by the company on 8 April 2022, the amount pertains to fees incurred under the Service Agreement for the supply of labour, material and equipment by Gashubin Engineering Pte Ltd ("**GEPL**") to Green Energy Investment Holding Private Limited ("**GEIH**") in relation to the fabrication of a biofuel plant with instruments.

Save for the above, there were no other interested person transactions entered into with Mr Lim or any other interested persons during the financial year under review.

CORPORATE GOVERNANCE

2. Material Contracts

Save for the below, there were no other material contracts entered into by the Company and its subsidiaries involving the interests of the chief executive officer, each director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

Completion of Proposed Acquisition of 51% in the capital of Gashubunited Utility Private Limited ("GUPL")

On 31 December 2021, the Company entered into a sale and purchase agreement ("**SPA**") with Gashubunited Holding Private Limited ("**GHPL**") in relation to the proposed acquisition by the Company from GHPL of the such number of shares in GUPL representing approximately (but not less than) 51% of the total enlarged number of the shares in GUPL at completion, rounded up to the nearest whole Share (assuming that conversion of the entire principal amount of the loan under a convertible loan agreement entered into by GUPL, takes place prior to the completion) ("**GUPL Acquisition**"). The Company obtained Shareholders' approval on 30 May 2022 for the GUPL Acquisition and other resolutions in connection with the GUPL Acquisition. The GUPL Acquisition was completed on 28 June 2022. Pursuant to the SPA, the Company has on 28 June 2022 allotted and issued 409,672,131 Consideration Shares to GHPL, in satisfaction of the Purchase Consideration for the Proposed Acquisition. Following the allotment and issue of the abovementioned 409,672,131 Consideration Shares, the total number of shares (excluding treasury shares and subsidiary holdings) of the Company has increased from 689,524,443 Shares to 1,099,196,574 Shares.

3. Dealings in Securities

Under the Code of Best Practices on Securities Transactions adopted by the Company in compliance with Catalist Rule 1204(19), key employees of the Group (including Directors and officers) are required to abide and comply in relation to dealing in the Company's securities.

Directors and officers should not deal in the Company's securities on short-term considerations and when they are in possession of price-sensitive information that is not publicly available.

The Company and its officers should not deal in the Company's securities during the period commencing one month before the announcement of the Company's half-year and full-year financial statements. In addition, the officers are also reminded that the law on insider dealing is applicable at all times, notwithstanding the window periods.

4. Non-sponsor Fees

The Company is currently under the SGX-ST Catalist sponsor-supervised regime. The continuing sponsor of the Company is RHT Capital Pte. Ltd. In compliance to Rule 1204 (21) of the Catalist Rules, there were no non-sponsor fees paid to RHT Capital Pte Ltd by the Company for the financial year ended 31 March 2022.

5. Treasury Shares

There are no treasury shares held at the end of the financial year ended 31 March 2022.

CORPORATE GOVERNANCE

6. Update on Use of Placement Proceeds

The Company received net proceeds of approximately S$3.5 million from the completion of the Placement of 132,000,000 new ordinary shares as announced on 19 January 2021, 20 January 2021, 2 February 2021, and 4 February 2021. The net proceeds have yet to be utilized and the allocation are as follows:

Use of net proceeds from Placement	Amount allocated (S$'000)	Utilized as at 31 March 2022 (S$'000)	Balance as at 31 March 2022 (S$'000)
General corporate requirements (including funding of expansion and opportunities) of the existing lifestyle and renewable and sustainable energy segments of the Group	2,826	471	2,355
General working capital (including meeting general overheads and other operating expenses of the Group)	706	541	165
Total	**3,532**	**1,012**	**2,520**

7. Additional Information on Directors seeking Re-election

The table below summarizes the following Directors who will be seeking re-election as Directors of the Company pursuant to Regulation 106 and 110(1) respectively of the Company's Constitution at the forthcoming annual general meeting of the Company under the Ordinary Resolution Nos. 2 and 3 (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Pursuant to Catalist Rule 720(5), the information on the Retiring Directors as set out in Appendix 7F to the Catalist Rules set out below:

Name of Directors	Mr Lau Ping Sum Pearce	Mr Tay Shui Wen
Date of appointment	11-Nov-19	25-May-22
Date of last re-appointment (if applicable)	29-Sep-20	N.A.
Age	81	41
Country of principal residence	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Lau Ping Sum Pearce ("**Mr Lau**") as a Director of the Company was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Lau's contributions, qualifications, expertise and past experiences.	The re-election of Mr Tay Shui Wen ("**Mr Tay**") as a Director of the Company was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Tay's contributions in his main commitment, expertise and past experiences.
Whether appointment is executive, and if so, the area of responsibility	Non-executive	Non-executive

CORPORATE GOVERNANCE

Name of Directors	Mr Lau Ping Sum Pearce	Mr Tay Shui Wen
Job title (e.g. Lead ID, AC	Chairman of the Board, Independent Director	Independent Director
Chairman, AC Member etc.)	Chairman of Nominating Committee Member of Audit Committee Member of Remuneration Committee	Chairman of Remuneration Committee Member of Audit Committee Member of Nominating Committee
Professional qualifications (if any)	Bachelor of Economics from the Australian National University Diploma in Business Administration from the then University of Singapore	Bachelor of Science (Second Class Honours, Upper Division) in Business Studies – Loughborough University, UK
Any relationship (including immediate family relationship) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None	None
Conflict of interest (including any competing business)	None	None
Working experience and occupation(s) during the past 10 years	Mr Lau is the Chairman of the Advisory committee on translation and interpretation, an Adjunct Professor at the Singapore University of Social Sciences (SUSS) and an Associate Trainer at the Singapore Civil Service College. In addition, he is a member of the Institute of Directors.	Mr Tay is currently a Director of Equity Capital Markets with United Overseas Bank. His previous positions were Vice President of Equity Capital Markets with Tata Capital Markets, Vice President of Corporate Finance with United Overseas Bank and Head of Equity Capital Markets with AmFraser Securities (nka KGI Securities).
Undertaking submitted to the listed issuer in the form of Appendix 7H (Catalist Rule 704(6)	Yes	Yes
Shareholding interest in the listed issuer and its subsidiaries	None	None
Past (for the last 5 years)	Principal Commitments	Principal Commitments
	Please see information under "Working Experience and occupation(s) during the past 10 years"	Please see information under "Working Experience and occupation(s) during the past 10 years"
	Directorships in listed* and non-listed companies	Directorships in listed* and non-listed companies
	Huan Hsin Holdings Ltd*	Nil

CORPORATE GOVERNANCE

Name of Directors	Mr Lau Ping Sum Pearce	Mr Tay Shui Wen
Present	Directorships in listed* and non-listed companies	Directorships in listed* and non-listed companies
	P5 Capital Holdings Ltd* Cortina Holdings Limited* Sunpower Group Ltd* Napier Healthcare Solutions Pte Ltd	P5 Capital Holdings Ltd*
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No

CORPORATE GOVERNANCE

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

CORPORATE GOVERNANCE

Name of Directors	Mr Lau Ping Sum Pearce	Mr Tay Shui Wen
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Any prior experience as a director of an issuer listed on the Exchange? If Yes, Please provide details of prior experience	Not applicable as this is the re-election of the director.	Not applicable as this is the re-election of the director.
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.		
Please provide details of experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable)	Not applicable	Not applicable

DIRECTORS' STATEMENT

YEAR ENDED 31 MARCH 2022

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

In our opinion:

(a) the financial statements set out on pages 71 to 142 are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 March 2022 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

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

Directors

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

Lim Shao-Lin
Koh Beng Leong
Leow Sau Wan
Lau Ping Sum Pearce
Chia Soon Hin William
Tay Shui Wen (Appointed on 25 May 2022)

Directors' interests

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

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Lim Shao-Lin		
P5 Capital Holdings Ltd.		
– ordinary shares		
– interests held	83,699,808	163,699,808
– deemed interests	80,000,000	–

DIRECTORS' STATEMENT

YEAR ENDED 31 MARCH 2022

By virtue of Section 7 of the Act, Lim Shao-Lin is deemed to have interests in the other subsidiaries of the Company, all of which are wholly-owned, at the beginning and at the end of the financial year.

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

There were no changes in the interests in the Company between the end of the financial year and 21 April 2022.

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.

Share options

During the financial year, there were:

(i) no options granted by the Company or its subsidiaries to any person to take up unissued shares in the Company or its subsidiaries; and

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

As at the end of the financial year, there were no unissued shares of the Company or its subsidiaries under options.

Audit Committee

The members of the Audit Committee during the year and at the date of this report are:

Chia Soon Hin William (Chairman)	Independent director	
Lau Ping Sum Pearce	Independent director	
Tay Shui Wen	Independent director	(Appointed on 25 May 2022)
Lim Kok Chai (Lin Guocai)	Independent director	(Demised on 28 September 2021)
Rathakrishnan Vijandran	Independent director	(Appointed on 9 December 2021 and resigned on 25 May 2022)

The Audit Committee performs the functions specified in Section 201B of the Act, the listing rules of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") and the Code of Corporate Governance.

The Audit Committee has held ten meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external auditors to discuss the scope of their work, the results of their examination and evaluation of the financial statements.

DIRECTORS' STATEMENT

YEAR ENDED 31 MARCH 2022

The Audit Committee also reviewed the following:

(i) assistance provided by the Company's officers to the external auditors;

(ii) half yearly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption;

(iii) interested person transactions (as defined in Chapter 9 of the Catalist Rules); and

(iv) significant matters impacting the financial statements and the accounting principles and judgement of items as adopted by management for these significant matters.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors, KPMG LLP, in carrying out their audit of the financial statements for the current financial year.

In appointing our auditors of the Company and subsidiaries, we have complied with Catalist Rules 712 and 715.

Auditors

The retiring auditors, KPMG LLP, will not be seeking re-appointment at the forthcoming Annual General Meeting. Foo Kon Tan LLP have indicated their willingness to accept appointment as auditors.

On behalf of the Board of Directors

Lim Shao-Lin
Director

Koh Beng Leong
Director

13 July 2022

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 31 MARCH 2022

Members of the Company
P5 Capital Holdings Ltd.

Report on the financial statements

Opinion

We have audited the financial statements of P5 Capital Holdings Ltd. (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position of the Group and statement of financial position of the Company as at 31 March 2022, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information set out on pages 71 to 142.

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

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 31 MARCH 2022

THE KEY AUDIT MATTER	HOW WAS THE MATTER ADDRESSED IN OUR AUDIT
Valuation of inventories	
Refer to Note 2.4 and Note 10 – Inventories of S$4,024,837 The Group's inventories mainly comprise luxury furniture and lighting products which are primarily sold to a niche market. Inventories are written down to net realisable value if they are damaged, slow-moving or become obsolete due to no market demand. The determination of net realisable value is subject to significant estimation uncertainty, particularly due to dependency on customers demand and market trends. Judgement is required to assess the appropriate level of provisioning for items which may be ultimately sold below costs. Such judgement includes management's expectations for future sales and inventory liquidation plans.	We reviewed management's process for identifying specific inventory obsolescence for luxury furniture and lighting products. We considered management's expectations about future sales by reviewing historical markdowns of inventory values, sales pattern and pricing strategy during sale events. On a sampled basis, we compared the carrying values of inventories to recent sale transactions and, where available, publicly available market prices of similar products carried by the Group.
Findings: We found the Group's assessment of inventory provisions, net realisable value of inventories and their estimated write-down of inventory values to be reasonable.	

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 31 MARCH 2022

THE KEY AUDIT MATTER	HOW WAS THE MATTER ADDRESSED IN OUR AUDIT
Impairment assessment on non-financial assets	
Refer to Note 2.4, Note 4 – Property, plant and equipment of S$3,705,448, Note 5 – Right-of-use assets of S$6,040,013 and Note 6 – Intangible assets of S$823,927. Included in the Group's non-financial assets are goodwill of $77,367 and intangible assets not available for use of $587,920, which are tested for impairment at least annually. The goodwill is allocated to the high-end furniture cash generating unit (CGU), which is loss-making in the current year. Intangible assets not available for use relate to technology used in conjunction with the synthetic diesel production equipment. The recoverable values of the respective CGUs are determined based on value-in-use calculations, using discounted cash flow projections. Significant judgements are applied by management in preparing the value-in-use calculations. This includes their assessment of future market conditions which impacts future cash flows, the discount rates and terminal growth rates.	We assessed the appropriateness of CGUs identified by management against the requirements of financial reporting standards, taking into account any business changes during the year. We reviewed the historical accuracy of the Group's estimates in the previous periods, identified and analysed key changes in the assumptions from prior periods. We also challenged the appropriateness of key assumptions underlying the discounted cash flows (including discount rates and terminal growth rates) by comparing these assumptions against historical trends of the Group and the industry. We tested the mathematical accuracy of the discounted cash flow models and checked that the estimated recoverable amount is calculated in accordance with SFRS(I) 1-36 *Impairment of Assets*.
Findings: We found that whilst the assumptions and resulting estimates were optimistic, based on the stress testing results, no impairment is required.	

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon. We have obtained all other information prior to the date of this auditors' report.

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

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 31 MARCH 2022

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT

YEAR ENDED 31 MARCH 2022

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

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

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

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

The engagement partner on the audit resulting in this independent auditors' report is Ong Li Qin.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
13 July 2022

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2022

	Note	Group 2022 $	Group 2021 $	Company 2022 $	Company 2021 $
Assets					
Property, plant and equipment	4	**3,705,448**	3,107,008	**205,614**	14,251
Right-of-use assets	5	**6,040,013**	2,757,430	**4,312,126**	–
Intangible assets	6	**823,927**	665,287	**158,640**	–
Subsidiaries	7	**–**	–	**2,039,498**	2,039,498
Other investment	8	**–**	500,000	**–**	500,000
Trade and other receivables	9	**–**	–	**6,241,072**	3,650,029
Non-current assets		**10,569,388**	7,029,725	**12,956,950**	6,203,778
Inventories	10	**4,024,837**	2,263,652	**–**	–
Contract assets	18	**79,401**	100,697	**–**	–
Other investment	8	**542,576**	–	**542,576**	–
Trade and other receivables	9	**2,379,972**	2,416,485	**470,659**	661,817
Cash and cash held with financial institutions	11	**5,552,372**	9,930,018	**2,768,856**	7,892,100
Current assets		**12,579,158**	14,710,852	**3, 782,091**	8,553,917
Total assets		**23,148,546**	21,740,577	**16,739,041**	14,757,695
Equity					
Share capital	12	**22,798,553**	22,798,553	**22,798,553**	22,798,553
Reserves	13	**23,733**	14,440	**–**	–
Accumulated losses		**(11,938,895)**	(9,174,339)	**(9,694,816)**	(8,399,419)
Total equity		**10,883,391**	13,638,654	**13,103,737**	14,399,134
Liabilities					
Deferred tax liabilities	14	**99,946**	99,946	**–**	–
Loans and borrowings	17	**3,756,188**	731,701	**3,220,849**	–
Lease liabilities	15	**908,496**	1,811,327	**2,757**	–
Non-current liabilities		**4,764,630**	2,642,974	**3,223,606**	–
Trade and other payables	16	**1,148,495**	2,201,294	**293,111**	358,561
Contract liabilities	18	**5,127,528**	2,043,721	**–**	–
Loans and borrowings	17	**312,941**	190,566	**116,579**	–
Lease liabilities	15	**911,561**	1,023,368	**2,008**	–
Current liabilities		**7,500,525**	5,458,949	**411,698**	358,561
Total liabilities		**12,265,155**	8,101,923	**3,635,304**	358,561
Total equity and liabilities		**23,148,546**	21,740,577	**16,739,041**	14,757,695

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

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

YEAR ENDED 31 MARCH 2022

	Note	2022	2021
		$	$
Revenue	18	**7,190,826**	4,747,771
Cost of sales		**(4,191,456)**	(2,580,408)
Gross profit		**2,999,370**	2,167,363
Other operating income	19	**583,209**	926,618
Distribution expenses		**(1,440,492)**	(1,366,347)
Administrative expenses		**(4,681,476)**	(4,276,450)
Other operating expenses		**(71,114)**	(252,405)
Impairment loss on trade receivables and contract assets		**–**	(21,744)
Results from operating activities		**(2,610,503)**	(2,822,965)
Finance income	20	**48,360**	28,937
Finance costs	20	**(202,413)**	(381,195)
Net finance costs		**(154,053)**	(352,258)
Loss before tax	21	**(2,764,556)**	(3,175,223)
Tax expense	22	**–**	–
Loss for the year		**(2,764,556)**	(3,175,223)
Loss per share (cents)			
Basic and diluted	23	**(0.40)**	(0.55)

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2022

	2022 $	2021 $
Loss for the year	**(2,764,556)**	(3,175,223)
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Foreign currency translation differences		
- foreign operations	**9,293**	13,338
Other comprehensive income for the year, net of tax	**9,293**	13,338
Total comprehensive income for the year	**(2,755,263)**	(3,161,885)

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2022

	Share capital $	Translation reserve $	Accumulated losses $	Total equity $
At 1 April 2020	19,263,691	1,102	(5,999,116)	13,265,677
Total comprehensive income for the year				
Loss for the year	–	–	(3,175,223)	(3,175,223)
Other comprehensive income				
Foreign currency translation differences – foreign operations	–	13,338	–	13,338
Total comprehensive income for the year	–	13,338	(3,175,223)	(3,161,885)
Contribution by Owners				
Issuance of ordinary shares	3,534,862	–	–	3,534,862
At 31 March 2021	22,798,553	14,440	(9,174,339)	13,638,654
At 1 April 2021	22,798,553	14,440	(9,174,339)	13,638,654
Total comprehensive income for the year				
Loss for the year	–	–	(2,764,556)	(2,764,556)
Other comprehensive income				
Foreign currency translation differences – foreign operations	–	9,293	–	9,293
Total comprehensive income for the year	–	9,293	(2,764,556)	(2,755,263)
At 31 March 2022	**22,798,553**	**23,733**	**(11,938,895)**	**10,883,391**

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2022

	Note	2022 $	2021 $
Cash flows from operating activities			
Loss for the year		**(2,764,556)**	(3,175,223)
Adjustments for:			
Depreciation of property, plant and equipment	4	**122,742**	163,160
Depreciation of right-of-use assets	5	**1,144,460**	922,636
Impairment loss on property, plant and equipment	21	**–**	212,251
Amortisation of intangible assets	6	**26,440**	–
Gain on disposal of property, plant and equipment		**–**	(3,076)
Interest expense	20	**139,244**	153,730
Interest income	20	**(5,784)**	(28,937)
Net fair value gain on other investments	20	**(42,576)**	–
Amortisation of deferred grant income		**(11,564)**	–
		(1,391,594)	(1,755,459)
Changes in:			
– Inventories		**(1,761,185)**	(97,474)
– Contract assets		**21,296**	(27,824)
– Trade and other receivables		**(489,667)**	(548,337)
– Contract liabilities		**3,083,807**	839,317
– Trade and other payables		**(257,563)**	253,533
Net cash used in operating activities		**(794,906)**	(1,336,244)
Cash flows from investing activities			
Acquisition of property, plant and equipment		**(708,998)**	(855,617)
Acquisition of right-of-use assets		**(655,108)**	–
Fixed deposit pledged with financial institution	11	**(200,000)**	–
Debt investment	8	**–**	(500,000)
Proceeds from disposal of property, plant and equipment		**–**	4,501
Interest received		**5,784**	28,937
Net cash used in investing activities		**(1,558,322)**	(1,322,179)
Cash flows from financing activities			
Interest paid	20	**(61,371)**	(12,112)
Payment of interest on lease liabilities	20	**(61,970)**	(34,801)
Repayment of amounts due to affiliated companies		**(341,236)**	–
Repayment from loan from a director		**(458,339)**	(1,834,367)
Repayment of lease liabilities		**(1,003,613)**	(860,439)
Repayment of bank loans		**(293,138)**	(77,733)
Proceeds from share issuance		**–**	3,534,862
Proceeds from bank loan		**–**	1,000,000
Net cash from financing activities		**(2,219,667)**	1,715,410
Net decrease in cash and cash equivalents		**(4,572,895)**	(943,013)
Effect of currency translation cash and cash equivalents		**(4,751)**	–
Cash and cash equivalents at beginning of the year		**9,930,018**	10,873,031
Cash and cash equivalents at end of the year	11	**5,352,372**	9,930,018

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

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2022

Significant non-cash transactions

During the financial year, the Group and Company acquired a leasehold building, classified as right-of-use assets (Note 5). Details as follows:

	2022 $
Cost of leasehold building	4,426,722
Proceed from bank loan	(3,440,000)
Advance payment in prior year	(341,100)
Net cash outflow	645,622

During the finance year, the Group and Company acquired software, classified as intangible assets (Note 6), with an aggregate cost of $185,080. The software was paid in advance in the prior year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 13 July 2022.

1 DOMICILE AND ACTIVITIES

P5 Capital Holdings Ltd. (the "Company") is incorporated in the Republic of Singapore and has its registered office and principal place of business at 39 Kaki Bukit Place Eunos Techpark Singapore 416217.

The consolidated financial statements of the Group as at and for the year ended 31 March 2022 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

The principal activities of the Company are those of investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries are set out in Note 7 to the financial statements.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollars, which is the Company's functional currency.

2.4 Use of estimates and judgements

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

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

In particular, the information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amount recognised in the financial statements and that have a significant risk of resulting in a material adjustment within the next financial year are described in the following notes:

Notes 4, 6 – assessment of impairment of non-financial assets.

Note 10 – assessment of the allowance for inventory obsolescence or slow-moving inventories or for any shortfall in net realisable value of inventories.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

2 BASIS OF PREPARATION (CONT'D)

2.4 Use of estimates and judgements (Cont'd)

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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

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

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

Further information about the assumptions made in measuring fair values is included in Note 25 – Financial instruments.

2.5 Changes in accounting policies

New standards and amendments

The Group has applied the following SFRS(I)s, amendments to and interpretations of SFRS(I) for the first time for the annual period beginning on 1 April 2021:

- *COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to SFRS(I) 16)*
- *Interest Rate Benchmark Reform – Phase 2 (Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16*

Other than the amendment to SFRS(I) 16, the application of these amendments to standards and interpretations does not have a material effect on the financial statements.

The Group has adopted *COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to SFRS(I) 16)* issued on 31 March 2021. The amendment introduces an optional practical expedient for leases in which the Group is a lessee – i.e. for leases to which the Group applies the practical expedient, the Group is not required to assess whether eligible rent concessions that are a direct consequence of the COVID-19 coronavirus pandemic are lease modifications. The Group has applied the amendment retrospectively. Details of the accounting policies are set out in Note 3.8.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Basis of consolidation

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular 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 and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. 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.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests (NCI) in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

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

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

Business combinations (Cont'd)

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

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

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

Subsidiaries

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

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

(i) Acquisitions from entities under common control

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

(ii) Loss of control

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

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.1 Basis of consolidation (Cont'd)

Subsidiaries (Cont'd)

(iii) Transactions eliminated on consolidation

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

(iv) Accounting for subsidiaries in the separate financial statements

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

3.2 Foreign currency

(i) Foreign currency transactions

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

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

(ii) Foreign operations

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 Foreign currency (Cont'd)

(ii) Foreign operations (Cont'd)

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

3.3 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

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

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

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

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

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(ii) Classification and subsequent measurement (Cont'd)

Non-derivative financial assets (Cont'd)

Financial assets at amortised cost

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

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

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

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

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(ii) Classification and subsequent measurement (Cont'd)

Financial assets: Business model assessment (Cont'd)

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

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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

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

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

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

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

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(ii) Classification and subsequent measurement (Cont'd)

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

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

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

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

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

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

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.3 Financial instruments (Cont'd)

(iii) Derecognition (Cont'd)

Financial liabilities

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

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

(iv) Offsetting

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

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

(vi) Share capital

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

3.4 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.4 Property, plant and equipment (Cont'd)

(i) Recognition and measurement (Cont'd)

- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

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

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

(ii) Subsequent costs

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

(iii) Depreciation

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

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset. Construction-in-progress is not depreciated.

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

The estimated useful lives are as follows:

Plant and machinery	5 to 10 years
Renovation, furniture and fittings	4 to 8 years
Office equipment	1 to 10 years

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 Intangible assets

(i) Goodwill

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

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

(ii) Other intangible assets

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

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(iv) Amortisation

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

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

Patented technology	15 years
Unpatented technology	15 years
Software	7 years

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

3.6 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

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

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Impairment

(i) Non-derivative financial assets and contract assets

The Group recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised costs and contract assets.

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

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

Simplified approach

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

General approach

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (Cont'd)

(i) Non-derivative financial assets and contract assets (Cont'd)

General approach (Cont'd)

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

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

Measurement of ECLs

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

Credit-impaired financial assets

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

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

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being outstanding for more than the reasonable range of past due days;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of financial position

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

Write-off

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

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 Impairment (Cont'd)

(ii) Non-financial assets

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

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

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

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

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

3.8 Leases

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

As a lessee

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

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Leases (Cont'd)

As a lessee (Cont'd)

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

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

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

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

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

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

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

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.8 Leases (Cont'd)

As a lessee (Cont'd)

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

The Group has elected not to assess whether rent concessions, occurring as a direct consequence of the Covid-19 pandemic, is a lease modification. Rent concessions are recognised as "other operating income".

The Group presents right-of-use assets and lease liabilities separately in the statement of financial position.

3.9 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.10 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.11 Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer.

The following provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.11 Revenue (Cont'd)

Sale of goods (i.e. furniture and lightings)

Revenue is recognised when goods are delivered to the customer and all criteria for acceptance have been satisfied. Generally, invoices are generated prior to revenue recognition. For protective reasons, a portion of the contract consideration may be received upfront. As the payment terms are for reasons other than financing, no financing component has been recognised. Invoices are payable ranging from before delivery to three months.

Products usually come with a standard warranty term of 1 year under which the customers are able to replace any defective products.

Bespoke carpentry services

Revenue from bespoke carpentry services are recognised over time as performance obligations are satisfied as work progresses. Invoices are generated based on the agreed billing milestone stipulated in the contracts. Invoices are usually payable within 30 days.

Revenue is recognised progressively based on the percentage of completion method. The stage of completion is typically assessed by reference to the cost incurred relative to total estimated costs (input method), which is commensurate with the pattern of transfer of control to the customer. The related costs are recognised in profit or loss when they are incurred, unless they relate to future performance obligations.

If the value of services rendered exceeds payments received from the customer, a contract asset is recognised and presented separately on the balance sheet. The contract asset is transferred to receivables when the entitlement to payment becomes unconditional. If the amounts invoiced to the customer exceeds the value of services rendered, a contract liability is recognised and separately presented on the statements of financial position.

Management fee income

Income from management services rendered is recognised in the profit or loss over the course of services rendered.

3.12 Deferred income

Deferred income comprises government grants related to assets.

Government grants related to assets are initially recognised as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants related to the acquisition of assets are then recognised in profit or loss as 'other operating income' on a systematic basis over the useful life of the asset.

Grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other operating income' on a systematic basis in the periods in which the expenses are recognised, unless the conditions for receiving the grant are met after the related expenses have been recognised. In this case, the grant is recognised when it becomes receivable.

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.13 Finance income and finance costs

The Group's finance income and finance costs include:

- Net fair value gain on other investments;
- interest income;
- interest expense; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised, using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.14 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*.

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

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 Tax (Cont'd)

Deferred tax is not recognised for:

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

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

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

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

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

3.15 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

3 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.16 Segment reporting

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

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

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

3.17 New standards and interpretations not adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 April 2021 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these financial statements.

The following amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to SFRS(I) 10 and SFRS(I) 1-28)*
- *SFRS(I) 17 Insurance Contracts and amendments to SFRS(I) 17 Insurance Contracts*
- *Initial Application of SFRS(I) 17 and SFRS(I) 9 – Comparative Information (Amendments to SFRS(I) 17)*
- *Reference to the Conceptual Framework (Amendments to SFRS(I) 3)*
- *Property, plant and equipment – Proceeds before Intended Use (Amendments to SFRS(I) 1-16)*
- *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to SFRS(I) 37)*
- *Classification of Liabilities as Current or Non-current (Amendments to SFRS(I) 1-1)*
- *Annual Improvements to SFRS(I)s 2018-2020*
- *Disclosure of Accounting Policies (Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2)*
- *Definition of Accounting Estimates (Amendments to SFRS(I) 1-8)*
- *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to SFRS(I) 1-12)*

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

4 PROPERTY, PLANT AND EQUIPMENT

Group	Note	Construction in progress $	Plant and machinery $	Renovation, furniture and fittings $	Office equipment $	Motor vehicles $	Total $
Cost							
At 1 April 2020		2,306,389	–	527,400	237,557	173,519	3,244,865
Reclassification to right-of-use assets	5	–	–	–	–	(173,519)	(173,519)
Additions		784,389	–	34,986	36,242	–	855,617
Transfer from inventories	10	–	–	29,147	–	–	29,147
Disposals/Write off		–	–	(3,287)	(2,080)	–	(5,367)
Effect of movements in exchange rates		(124,399)	–	–	(126)	–	(124,525)
At 31 March 2021		2,966,379	–	588,246	271,593	–	3,826,218
Additions		293,499	28,470	292,675	94,354	–	708,998
Disposals		–	–	–	(25,250)	–	(25,250)
Effect of movements in exchange rates		12,118	–	71	24	–	12,213
At 31 March 2022		**3,271,996**	**28,470**	**880,992**	**340,721**	**–**	**4,522,179**
Accumulated depreciation and impairment losses							
At 1 April 2020		–	–	196,916	150,910	74,378	422,204
Reclassification to right-of-use assets	5	–	–	–	–	(74,378)	(74,378)
Depreciation for the year		–	–	117,324	45,836	–	163,160
Impairment loss		–	–	184,243	28,008	–	212,251
Disposals/Write off		–	–	(1,863)	(2,079)	–	(3,942)
Effect of movement in exchange rates		–	–	–	(85)	–	(85)
At 31 March 2021		–	–	496,620	222,590	–	719,210
Depreciation for the year		–	514	70,642	51,586	–	122,742
Disposals		–	–	–	(25,250)	–	(25,250)
Effect of movement in exchange rates		–	–	13	16	–	29
At 31 March 2022		**–**	**514**	**567,275**	**248,942**	**–**	**816,731**
Carrying amounts							
At 1 April 2020		2,306,389	–	330,484	86,647	99,141	2,822,661
At 31 March 2021		2,966,379	–	91,626	49,003	–	3,107,008
At 31 March 2022		**3,271,996**	**27,956**	**313,717**	**91,779**	**–**	**3,705,448**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Renovation, furniture and fittings $	Office equipment $	Total $
Cost			
At 1 April 2020	–	–	–
Additions	–	19,002	19,002
At 31 March 2021	–	19,002	19,002
Additions	162,846	81,795	244,641
At 31 March 2022	**162,846**	**100,797**	**263,643**
Accumulated depreciation			
At 1 April 2020	–	–	–
Depreciation for the year	–	4,751	4,751
At 31 March 2021	–	4,751	4,751
Depreciation for the year	24,044	29,234	53,278
At 31 March 2022	**24,044**	**33,985**	**58,029**
Carrying amounts			
At 1 April 2020	–	–	–
At 31 March 2021	–	14,251	14,251
At 31 March 2022	**138,802**	**66,812**	**205,614**

Sources of estimation uncertainty

An impairment exists when the carrying value of the cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use. Where value-in-use calculations are undertaken, management will estimate the expected future cash flows from the cash-generating unit (CGU) and choose a suitable discount rate in order to calculate the present value of those cash flows.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

4 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Impairment testing

As a result of the continued losses suffered by the Group, management performed impairment testing on the Group's CGUs by estimating the recoverable amount of each CGU. Management has identified each segment to be a CGU. In 2021, an impairment loss of $212,251 has been recognised for the lighting segment (comprising of P5 Luminaire Pte. Ltd.) and mid-range furniture segment (comprising of P5 Studio Pte. Ltd.). The impairment loss is derived based on the excess of carrying amount over the recoverable amount of the CGU. The recoverable amount is computed based on value-in-use calculations using discounted cash flow projections derived from the CGU's 5-year business plans, discounted at a pre-tax discount rate of 13% and a terminal growth rate of 2.6%.

The recoverable amount of the CGUs for which impairment loss has been recognised in the prior year was as follows:

	2021 $
Lighting	834,215
Mid-range furniture	618,457

No further impairment losses were required for the year ended 31 March 2022.

Property, plant and equipment under construction

Construction in progress relates to a synthetic diesel production equipment acquired by the Group with the intention of producing renewable diesel and biochar.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

5 RIGHT-OF-USE ASSETS

	Note	Leasehold building $	Leasehold land $	Office equipment $	Motor Vehicles $	Total $
Group						
Cost						
As at 1 April 2020		1,529,558	124,394	29,154	–	1,683,106
Reclassification from property, plant and equipment	4	–	–	–	173,519	173,519
Additions		2,701,304	–	–	–	2,701,304
Disposals		(202,332)	–	–	–	(202,332)
Effect of movement in exchange rates		–	7,561	–	–	7,561
At 31 March 2021		4,028,530	131,955	29,154	173,519	4,363,158
Additions		4,426,722	–	9,486	–	4,436,208
Disposals		–	–	(5,217)	–	(5,217)
Write-off		(10,832)	–	–	–	(10,832)
Effect of movement in exchange rates		–	2,523	–	–	2,523
At 31 March 2022		**8,444,420**	**134,478**	**33,423**	**173,519**	**8,785,840**
Accumulated depreciation						
At 1 April 2020		799,634	4,147	7,324	–	811,105
Reclassification from property, plant and equipment	4	–	–	–	74,378	74,378
Depreciation for the year		853,206	26,699	7,972	34,759	922,636
Disposals		(202,332)	–	–	–	(202,332)
Effect of movement in exchange rates		–	(59)	–	–	(59)
At 31 March 2021		1,450,508	30,787	15,296	109,137	1,605,728
Depreciation for the year		1,075,244	26,822	7,643	34,751	1,144,460
Disposals		–	–	(5,024)	–	(5,024)
Effect of movement in exchange rates		–	663	–	–	663
At 31 March 2022		**2,525,752**	**58,272**	**17,915**	**143,888**	**2,745,827**
Carrying amounts						
As at 1 April 2020		729,924	120,247	21,830	–	872,001
At 31 March 2021		2,578,022	101,168	13,858	64,382	2,757,430
At 31 March 2022		**5,918,668**	**76,206**	**15,508**	**29,631**	**6,040,013**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

5 RIGHT-OF-USE ASSETS (CONT'D)

Company	Leasehold building $	Office equipment $	Total $
Cost			
At 1 April 2020 and 31 March 2021	–	–	–
Additions	4,426,722	5,259	4,431,981
At 31 March 2022	**4,426,722**	**5,259**	**4,431,981**
Accumulated depreciation			
At 1 April 2020 and 31 March 2021	–	–	–
Depreciation for the year	119,347	508	119,855
At 31 March 2022	119,347	508	119,855
Carrying amounts			
At 1 April 2020 and 31 March 2021	–	–	–
At 31 March 2022	**4,307,375**	**4,751**	**4,312,126**

Security

As at 31 March 2022, leasehold building of the Group and Company with carrying amount of $4,307,375 is pledged as security to secure a bank loan (see Note 17).

6 INTANGIBLE ASSETS

Group	Goodwill $	Patented and Unpatented Technology $	Software	Total $
Cost				
At 1 April 2020 and 31 March 2021	77,367	587,920	–	665,287
Additions	–	–	185,080	185,080
At 31 March 2022	**77,367**	**587,920**	**185,080**	**850,367**
Accumulated amortisation				
At 1 April 2020 and 31 March 2021	–	–	–	–
Amortisation for the year	–	–	26,440	26,440
At 31 March 2022	**–**	**–**	**26,440**	**26,440**
Carrying amounts				
At 1 April 2020 and 31 March 2021	77,367	587,920	–	665,287
At 31 March 2022	**77,367**	**587,920**	**158,640**	**823,927**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

6 INTANGIBLE ASSETS (CONT'D)

	Software
Company	
Cost	
At 1 April 2020 and 31 March 2021	–
Additions	185,080
At 31 March 2022	**185,080**
Accumulated amortisation	
At 1 April 2020 and 31 March 2021	–
Amortisation for the year	26,440
At 31 March 2022	**26,440**
Carrying amounts	
At 1 April 2020 and 31 March 2021	–
At 31 March 2022	**158,640**

Patented and unpatented technology

The amortisation of patented and unpatented technology has not commenced as it is not yet available for use as at 31 March 2022.

Sources of estimation uncertainty

An impairment exists when the carrying value of the cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value-in-use. Where value-in-use calculations are undertaken, management shall estimate the expected future cash flows from the cash-generating unit (CGU) and choose a suitable discount rate in order to calculate the present value of those cash flows.

Annual impairment testing for cash-generating units containing goodwill and cash-generating units containing intangible assets not yet available for use

For the purposes of impairment testing, the intangible assets are allocated to the following CGU of the Group:

Intangible asset	**CGU**
Goodwill	High-end furniture segment (comprising of P5 Pte Ltd)
Patented and unpatented technology not yet available for use	Energy segment (comprising of Green Energy Investment Holding Private Limited and its subsidiaries)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

6 INTANGIBLE ASSETS (CONT'D)

Annual impairment testing for cash-generating units containing goodwill and cash-generating units containing intangible assets not yet available for use (Cont'd)

The recoverable amounts of the CGUs are determined based on value-in-use calculations, using discounted cash flow projections derived from the CGU's five-year business plans. The key assumptions used in the calculation of the recoverable amounts are as follows:

Key assumptions	Basis	Goodwill	Patented and Unpatented Technology
Terminal growth rate	Nominal gross domestic product (GDP) rates of the country in which the operations are based in.	3% (2021: 3%)	3% (2021: 0%)
Pre-tax discount rate	Weighted cost of capital of the CGU.	14.9% (2021: 13%)	14.7% (2021: 13%)

No sensitivity analysis was disclosed as the Group believes that any reasonable change in the key assumptions is not likely to materially cause the recoverable amount to be lower than its carrying amount.

7 SUBSIDIARIES

	Company 2022 $	Company 2021 $
Investments in subsidiaries, at cost	**5,694,531**	5,694,531
Impairment losses	**(3,655,033)**	(3,655,033)
	2,039,498	2,039,498

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal activities	Country of incorporation	Effective equity held by the Group 2022 %	Effective equity held by the Group 2021 %
P5 Design Ventures Pte. Ltd. ("P5DV")[1]	Investment holding company and provision of management services	Singapore	**100**	100
Green Energy Investment Holding Private Limited[1]	Recycling of non-metal waste	Singapore	**100**	100

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

7 SUBSIDIARIES (CONT'D)

Name of subsidiaries	Principal activities	Country of incorporation	Effective equity held by the Group 2022 %	2021 %
Subsidiaries of P5 Design Ventures Pte. Ltd.				
P5 Pte. Ltd. ("P5PL")[1]	Sale and distribution of furniture, kitchen and wardrobe systems and decorative lighting	Singapore	**100**	100
P5 Luminaire Pte. Ltd. ("PLPL")[1]	Sale and distribution of lightings	Singapore	**100**	100
P5 Studio Pte. Ltd. ("PSPL")[1]	Supply of mid-range furniture	Singapore	**100**	100
Subsidiaries of Green Energy Investment Holding Private Limited				
PT. Indo Global Green Energy One[2, 3]	Sale of advanced biodiesel and activated carbon	Indonesia	**–**	88
PT. Gold Fifty One[2]	Sale of advanced biodiesel and activated carbon	Indonesia	**100**	100
Green Waste Recycling Company Private Limited[1]	Recycling of non-metal waste	Singapore	**100**	100

1 Audited by KPMG LLP Singapore.
2 No statutory audit requirement.
3 The entity has been liquidated during the financial year.

Impairment testing

As a result of the continued losses suffered by the Group, management performed impairment testing on the Group's CGUs by estimating the recoverable amount of each CGU. Management has identified each segment to be a CGU. In 2021, an impairment loss for investments in subsidiaries of $3,655,033 has been recognised for the lighting segment (comprising of P5 Luminaire Pte. Ltd.) and mid-range furniture segment (comprising of P5 Studio Pte. Ltd.). Further information about the impairment loss is included in Note 4.

No further impairment losses were required for the year ended 31 March 2022.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

8 OTHER INVESTMENT

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Debt investment – mandatorily at FVTPL:				
– Non-current	**–**	500,000	**–**	500,000
– Current	**542,576**	–	**542,576**	–
	542,576	500,000	**542,576**	500,000

In 2021, the Group entered into a project investment agreement with Gashubunited Utility Private Limited ("GUPL") and Gashubunited Holding Private Limited for an investment amounting to $500,000 to fund the construction of the Liquefied Natural Gas "LNG" Bottling Station in Jurong Island. The investment is for a period of two years, from 15 December 2020 to 14 December 2022, and the Company is entitled to receive 7% per annum plus a 6.5% share of the net profit after tax attributable to the operations of the LNG Bottling Station from the date on which GUPL obtains the temporary occupation permit.

9 TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022	2021	2022	2021
	$	$	$	$
Trade receivables:				
– External parties	**571,357**	555,080	**–**	–
– Affiliated companies	**371,204**	–	**371,204**	**–**
	942,561	555,080	**371,204**	**–**
Impairment losses	**(97,801)**	(97,801)	**–**	–
	844,760	457,279	**371,204**	–
Loans to subsidiaries	**–**	–	**6,241,072**	3,650,029
Grant receivables	**80,945**	254,766	**80,945**	126,335
Other receivables	**9,838**	20,959	**648**	544
Deposits	**358,818**	321,458	**2,568**	–
Financial assets measured at amortised costs	**1,294,361**	1,054,462	**6,696,437**	3,776,908
Prepayments	**1,085,611**	1,307,837	**12,848**	508,219
GST receivables	**–**	54,186	**2,446**	26,719
	2,379,972	2,416,485	**6,711,731**	4,311,846
Non-current	**–**	–	**6,241,072**	3,650,029
Current	**2,379,972**	2,416,485	**470,659**	661,817
	2,379,972	2,416,485	**6,711,731**	4,311,846

9 TRADE AND OTHER RECEIVABLES (CONT'D)

The loans to subsidiaries are unsecured, interest-free and are repayable on demand. The amounts are classified as non-current as the Company does not expect to receive the payment within the next 12 months. There is no allowance for doubtful debts arising from these outstanding balances as the ECL is not material.

The Group and the Company's exposure to credit and foreign currency risks, impairment losses for trade and other receivables, and the sensitivity analysis for trade and other receivables is disclosed in Note 25.

10 INVENTORIES

	Group	
	2022	**2021**
	$	**$**
Finished goods	**3,716,997**	2,171,340
Goods-in-transit	**307,840**	92,312
	4,024,837	2,263,652

The cost of inventories included in the Group's 'cost of sales' amounted to $3,708,146 (2021: $2,250,619).

In 2021, inventories amounting to $29,147 were reclassified to property, plant and equipment as these inventories were repurposed for use in the showroom.

Allowance for stock obsolescence of $71,114 (2021: $40,153) was made based on management's assessment of future demand of certain aged products.

Source of estimation uncertainty

The Group has assessed the net realisable value of its inventories on a yearly basis. Inventories have been written down to net realisable value to be consistent with the view that assets should not be carried in excess of amounts expected to be realised from their sale or use. Estimates of net realisable value are based on the most reliable evidence available at the balance sheet date. These estimates take into consideration market demand, competition, selling price and cost directly relating to events occurring after the end of the financial year, to the extent that such events confirm conditions existing at the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

11 CASH AND CASH HELD WITH FINANCIAL INSTITUTIONS

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**
Cash at bank and in hand	**3,260,503**	5,859,400	**496,987**	3,821,482
Fixed deposits with banks	**2,291,869**	4,070,618	**2,271,869**	4,070,618
	5,552,372	9,930,018	**2,768,856**	7,892,100
Fixed deposits pledged	**(200,000)**	–	**(200,000)**	–
Cash and cash equivalent per statement of cash-flows	**5,352,372**	9,930,018	**2,568,856**	7,892,100

The weighted average effective interest rate per annum relating to fixed deposits with banks at the reporting date for the Group and the Company are 0.17% (2021: 0.15%) and 0.17% (2021: 0.15%), respectively. Interest rates reprice at intervals of one to twelve months.

Fixed deposits amounting to $200,000 was pledged to the bank to secure a bank loan (see Note 17).

The Group and the Company's exposure to foreign currency risk for cash and cash held with financial institutions are disclosed in Note 25.

12 SHARE CAPITAL

	Company	
	2022	**2021**
	No. of shares	**No. of shares**
At 1 April	**689,524,443**	557,524,443
Issuance during the year	**–**	132,000,000
At 31 March	**689,524,443**	689,524,443

On 19 January 2021, the Company announced that it had entered into a subscription agreement with 18 subscribers ("Placement") to issue 132,000,000 new ordinary shares at $0.027 per share. The placement was completed on 4 February 2021. Incremental costs directly attributable to the issue of ordinary shares amounting to $29,138 was deducted from share capital.

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All issued shares are fully paid, with no par value. All ordinary shares rank equally with regard to the Company's residual assets.

12 SHARE CAPITAL (CONT'D)

Capital management

The Group defines capital as share capital, translation reserve and accumulated losses.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes on the Group's approach to capital management during the year.

The Company and its subsidiaries are not subject to externally imposed capital requirements.

13 RESERVES

	Group	
	2022	**2021**
	$	**$**
Translation reserve	**23,733**	14,440

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

14 DEFERRED TAX LIABILITIES

(a) Recognised deferred tax liabilities

Deferred tax liabilities are attributable to the following:

	Group	
	2022	**2021**
	$	**$**
Intangible assets	**99,946**	99,946

There was no movement in deferred tax balances during the year.

(b) Unrecognised deferred tax assets

Deferred tax assets for the Group have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

	2022		2021	
	Gross amount	**Tax effect**	**Gross amount**	**Tax effect**
	$	**$**	**$**	**$**
Deductible temporary differences	**426,749**	**72,547**	420,915	71,556
Tax losses	**4,897,110**	**832,509**	3,963,698	673,829
	5,323,859	**905,056**	4,384,613	745,385

The deductible temporary differences and tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the Group operates. The deductible temporary differences and tax losses do not expire under current tax legislation.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

15 LEASE LIABILITIES

	Group		Company	
	2022	2021	**2022**	2021
	$	$	**$**	$
Lease liabilities	**1,820,057**	2,834,695	**4,765**	–
Repayable:				
Within 1 year	**911,561**	1,023,368	**2,008**	–
After 1 year but within 5 years	**908,496**	1,811,327	**2,757**	–
	1,820,057	2,834,695	**4,765**	–

Leases as lessee

The Group leases land and building for its office space, warehouse and showroom. The leases typically run for a period of 2 to 5 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The Group also leases motor vehicles and office equipment with contract terms of 7 years and 5 years respectively.

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

	2022	2021
	$	$
Amounts recognised in profit or loss		
Interest on lease liabilities	**61,970**	34,801
Amounts recognised in statement of cash flows		
Total cash outflow for leases	**1,065,583**	895,240

Extension options

Some leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension options, would result in an increase in lease liabilities of $923,991 (2021: $711,683).

The Group's exposure to liquidity risk, interest rate risk and foreign currency risk for lease liabilities are disclosed in Note 25.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

15 LEASE LIABILITIES (CONT'D)

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

	Amount due to affiliated companies	Loan from a director	Lease liabilities	Loans and Borrowings	Total
	$	$	$	$	$
Balance at 1 April 2020	423,843	2,371,000	993,830	–	3,788,673
Changes from financing cash flows					
Proceeds from bank loan	–	–	–	1,000,000	1,000,000
Repayment of loan from a director	–	(1,834,367)	–	–	(1,834,367)
Repayment of bank loan	–	–	–	(77,733)	(77,733)
Repayment of lease liabilities	–	–	(860,439)	–	(860,439)
Interest paid	–	–	(34,801)	(12,112)	(46,913)
Total changes from financing cash flows	–	(1,834,367)	(895,240)	910,155	(1,819,452)
The effect of changes in foreign exchange rates	–	(52,158)	–	–	(52,158)
Other changes					
New leases	–	–	2,701,304	–	2,701,304
Interest expense	22,563	84,254	34,801	12,112	153,730
Other payables	38,894	51,158	–	–	90,052
Total other changes	61,457	135,412	2,736,105	12,112	2,945,086
Balance at 31 March 2021	485,300	619,887	2,834,695	922,267	4,862,149

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

15 LEASE LIABILITIES (CONT'D)

Reconciliation of movements of liabilities to cash flows arising from financing activities (Cont'd)

	Amount due to affiliated companies $	Loan from a director $	Lease liabilities $	Loans and Borrowings $	Total $
Balance at 1 April 2021	485,300	619,887	2,834,695	922,267	4,862,149
Changes from financing cash flows					
Repayment of amounts due to affiliated companies	(341,236)	–	–	–	(341,236)
Repayment of loan from a director	–	(458,339)	–	–	(458,339)
Repayment of bank loan	–	–	–	(293,138)	(293,138)
Repayment of lease liabilities	–	–	(1,003,613)	–	(1,003,613)
Interest paid	–	–	(61,970)	(61,371)	(123,341)
Total changes from financing cash flows	(341,236)	(458,339)	(1,065,583)	(354,509)	(2,219,667)
Other changes					
Bank loan to purchase leasehold land	–	–	–	3,440,000	3,440,000
Leases termination	–	–	(11,025)	–	(11,025)
Interest expense	–	15,903	61,970	61,371	139,244
Total other changes	–	15,903	50,945	3,501,371	3,568,219
Balance at 31 March 2022	**144,064**	**177,451**	**1,820,057**	**4,069,129**	**6,210,701**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

16 TRADE AND OTHER PAYABLES

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**
Trade payables and accruals	**430,689**	475,887	**126,025**	184,060
Other payables	**196,292**	208,334	**27,231**	–
Accruals for employee benefits	**98,914**	66,494	**33,484**	17,551
Amounts due to subsidiaries	**–**	–	**27,321**	30,615
Loan from a director	**177,451**	619,887	**426**	–
Amounts due to affiliated companies	**144,064**	485,300	**9,243**	–
Financial liabilities	**1,047,410**	1,855,902	**223,730**	232,226
Deferred grant income	**69,381**	254,766	**69,381**	126,335
GST payables	**31,704**	90,626	**–**	–
	1,148,495	2,201,294	**293,111**	358,561

The Group and the Company's exposure to liquidity risk and foreign currency risk for trade and other payables are disclosed in Note 25.

Loan from a director and amounts due to his affiliated companies are non-trade in nature, unsecured and interest-free.

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

17 LOANS AND BORROWINGS

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**
Non-current				
Unsecured bank loan	**535,339**	731,701	**–**	–
Secured bank loan	**3,220,849**	–	**3,220,849**	–
	3,756,188	731,701	**3,220,849**	–
Current				
Unsecured bank loan	**196,362**	190,566	**–**	–
Secured bank loan	**116,579**	–	**116,579**	–
	312,941	190,566	**116,579**	–
Total	**4,069,129**	922,267	**3,337,428**	–

17 LOANS AND BORROWINGS (CONT'D)

Terms and conditions of outstanding loans and borrowings are as follows:

	Nominal interest rate	Year of maturity	2022 Face value $	2022 Carrying amount $	2021 Face value $	2021 Carrying amount $
Group						
SGD secured bank loan	SIBOR + 0.85%	2045	**3,337,428**	**3,337,428**	–	–
SGD unsecured bank loan	3%	2025	**731,701**	**731,701**	922,267	922,267
			4,069,129	**4,069,129**	922,267	922,267
Company						
SGD secured bank loan	SIBOR + 0.85%	2045	**3,337,428**	**3,337,428**	–	–

Leasehold building and fixed deposits of the Group and Company with carrying amount of $4,307,375 (Note 5) and $200,000 (Note 11) respectively is pledged as security for the secured bank loan.

The Group's exposure to liquidity risk for loans and borrowings are disclosed in Note 25.

Intra-group financial guarantee

The Company has provided a financial guarantee to the bank for the unsecured bank loan obtained by a subsidiary. Management of the Company has assessed the fair value of the financial guarantee on inception to be insignificant. At the reporting date, the Company has not recognised a provision as the Company does not consider it probable that a claim will be made against the Company under the guarantee.

18 REVENUE

	2022 $	2021 $
Revenue from contracts with customers	**7,190,826**	4,747,771

NOTES TO THE
FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

18 REVENUE (CONT'D)

The following tables provide information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Furniture segment

Nature of goods or services	The Group sells and distributes furniture, kitchen, and wardrobe systems to its customers.
When revenue is recognised	Revenue is recognised when goods are delivered to the customer and all criteria for acceptance has been met.
Significant payment terms	Payment is received just before or when the goods are delivered to customers. For protective reasons, a portion of the contract consideration may be received upfront. As such, no financing component has been recognised as the payment terms are for reasons other than financing.
Obligations for returns and refunds, if any	Customers are not entitled to returns or refunds; unless due to defective products.
Obligations for warranties	Products usually come with a standard warranty term of 1 year under which the customers are able to replace any defective products.

Lighting segment

Nature of goods or services	The Group sells and distributes lighting products to its customers.
When revenue is recognised	Revenue is recognised when goods are delivered to the customer and all criteria for acceptance has been met.
Significant payment terms	Payment is received before or when the goods are delivered to customers. For certain corporate customers, the payment terms are governed by contracts signed with customers. For protective reasons, a portion of the contract consideration may be received upfront. As such, no financing component has been recognised as the payment terms are for reasons other than financing.
Obligations for returns and refunds, if any	Customers are not entitled to returns or refunds; unless due to defective products.
Obligations for warranties	Products usually come with a standard warranty term of 1 year under which the customers are able to replace any defective products.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

18 REVENUE (CONT'D)

Bespoke carpentry segment

Nature of goods or services	The Group supplies contract furniture and bespoke carpentry works to its customers. Bespoke carpentry services are constructed and tailored to specifications detailed in contracts with customers.
When revenue is recognised	The Group has assessed that these contracts qualify for over time revenue recognition as bespoke carpentry works have no alternative use for the Group due to the contractual restrictions, and the Group generally has enforceable rights to payment for performance completed till date. The stage of completion is assessed by reference to the contract costs incurred till date in proportion to the total estimated contract costs of each contract.
Significant payment terms	Progress billings to the customer are based on a payment schedule in the contract that is dependent on the achievement of specified milestones. If the value of the services rendered exceeds payments received from the customer, a contract asset is recognised. Where the period between the satisfaction of a performance obligation and payment by the customer exceeds a year, the Group adjust the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the Group uses a discount rate that would reflect that of a separate financing transaction between the Group and its customer at contract inception. The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of good or service to a customer and the payment date is one year or less.

Investment holding segment

Nature of goods or services	Provision of management services to its affiliated companies.
When revenue is recognised	Revenue is recognised over time as the services are rendered.
Significant payment terms	Payable immediately upon completion of service.

Other segment

Nature of goods or services	Sale of steel pipes and fittings
When revenue is recognised	At point in time upon transfer of goods.
Significant payment terms	30 days from invoice date.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

18 REVENUE (CONT'D)

Disaggregation of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical markets, major products and service lines and timing of revenue recognition.

	Investment Holding		Furniture		Lighting		Bespoke Carpentry		Others		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	$	$	$	$	$	$	$	$	$	$	$	$
Primary geographical markets												
Singapore	**346,920**	–	**6,298,541**	4,107,469	**153,334**	399,486	**108,232**	239,538	**283,799**	1,278	**7,190,826**	4,747,771
Major products/service line												
Sales of goods	**–**	–	**6,298,541**	4,107,469	**153,334**	399,486	**–**	–	**283,799**	1,278	**6,735,674**	4,508,233
Bespoke carpentry services	**–**	–	**–**	–	**–**	–	**108,232**	239,538	**–**	–	**108,232**	239,538
Management fee income	**346,920**	–	**–**	–	**–**	–	**–**	–	**–**	–	**346,920**	–
	346,920	–	**6,298,541**	4,107,469	**153,334**	399,486	**108,232**	239,538	**283,799**	1,278	**7,190,826**	4,747,771
Timing of revenue recognition												
Products transferred at a point in time	**–**	–	**6,298,541**	4,107,469	**153,334**	399,486	**–**	–	**283,799**	1,278	**6,735,674**	4,508,233
Products and services transferred over time	**346,920**	–	**–**	–	**–**	–	**108,232**	239,538	**–**	–	**455,152**	239,538
	346,920	–	**6,298,541**	4,107,469	**153,334**	399,486	**108,232**	239,538	**283,799**	1,278	**7,190,826**	4,747,771

18 REVENUE (CONT'D)

Contract balances

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

	Note	2022 $	2021 $
Trade receivables, net	9	**844,760**	457,279
Contract assets		**79,401**	100,697
Contract liabilities		**(5,127,528)**	(2,043,721)

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

The contract liabilities primarily relate to advance consideration received from customers for sale of furniture, lightings and bespoke carpentry works.

Significant changes in the contract assets and the contract liabilities balances during the period are as follows.

	Contract assets		Contract liabilities	
	2022 $	2021 $	2022 $	2021 $
Revenue recognised that was included in the contract liability balance at the beginning of the year	**–**	–	**1,497,715**	941,689
Increases due to cash received, excluding amounts recognised as revenue during the year	**–**	–	**(4,581,522)**	(1,781,006)
Contract assets reclassified to trade receivables	**(21,296)**	–	**–**	–
Changes in measurement of progress	**–**	27,824	**–**	–

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

18 REVENUE (CONT'D)

Contract balances (Cont'd)

The Group's exposure to impairment losses for contract assets is disclosed in Note 25.

The Group applies the practical expedient in paragraph 121 of SFRS(I) 15 and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

19 OTHER OPERATING INCOME

	Group	
	2022	**2021**
	$	**$**
Gain on disposal of property, plant and equipment	–	3,076
Government grants	**253,009**	594,316
Rental concessions	**156,329**	216,188
Miscellaneous income	**173,871**	113,038
	583,209	926,618

20 NET FINANCE COSTS

	Group	
	2022	**2021**
	$	**$**
Net fair value gain on other investments	**42,576**	–
Interest income	**5,784**	28,937
Finance income	**48,360**	28,937
Interest expense		
– lease liabilities	**(61,970)**	(34,801)
– unsecured bank loan	**(25,062)**	(12,112)
– secured bank loan	**(36,309)**	–
– accretion of interest on interest-free loans	**(15,903)**	(106,817)
Net foreign exchange loss	**(63,169)**	(227,465)
Finance costs	**(202,413)**	(381,195)
Net finance costs recognised in profit or loss	**(154,053)**	(352,258)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

21 LOSS BEFORE TAX

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

	Group	
	2022	2021
	$	$
Staff costs	(2,749,960)	(2,996,161)
Contributions to defined contribution plans	(270,217)	(290,678)
Allowance for inventory obsolescence	(71,114)	(40,153)
Depreciation of property, plant and equipment	(122,742)	(163,160)
Depreciation of right-of-use assets	(1,144,460)	(922,636)
Amortisation of intangible assets	(26,440)	–
Audit fees paid and payable to auditors of the Company	(130,000)	(108,000)
Non-audit fees paid and payable to auditors of the Company	(47,151)	(28,000)
Impairment loss on property, plant and equipment	–	(212,251)

22 TAX EXPENSE

	Group	
	2022	2021
	$	$
Current tax expense		
Current year	–	–
Deferred tax expense		
Movements in temporary differences	–	–
Total tax expense	–	–
Reconciliation of effective tax		
Loss before tax	(2,764,556)	(3,175,223)
Tax calculated using Singapore tax rate of 17% (2021: 17%)	(469,975)	(539,788)
Effect of different tax rate in other countries	(2,001)	–
Expenses not deductible for tax purposes	321,179	398,170
Tax-exempt income	(8,875)	(91,245)
Change in unrecognised temporary differences	992	52,202
Current year losses for which no deferred tax asset is recognised	158,680	180,661
	–	–

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

23 LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share has been based on the following loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	2022 $	2021 $
Basic loss per share is based on:		
Loss attributable to ordinary shareholders	**(2,764,556)**	(3,175,223)
Weighted average number of ordinary shares during the year	**689,524,443**	577,414,854
Basic loss per share (cents)	**(0.40)**	(0.55)

Diluted loss per share

There were no instruments that would have an effect of diluting the earnings of the Group that existed during or as at the end of the financial year.

24 OPERATING SEGMENTS

The Group has four reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Investment holding	:	Investment in entities engages in furniture and green energy related businesses for capital appreciation purpose.
High-end Furniture	:	Sale and distribution of high-end furniture, kitchen and wardrobe systems and decorative lighting.
Lighting	:	Sale and distribution of lightings.
Mid-range Furniture	:	Supply of mid-range contract furniture.
Energy	:	Production and sale of advanced biodiesel and activated carbon. This segment is not operational yet.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit/(loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

24 OPERATING SEGMENTS (CONT'D)

Information about reportable segments

	Investment Holding		High-end Furniture		Lighting		Mid-range Furniture		Energy		Total	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Group												
External revenue	**346,920**	–	**5,021,383**	2,855,069	**153,334**	399,486	**1,277,158**	1,252,400	**–**	1,278	**6,798,795**	4,508,233
Inter-segment revenue	**–**	–	**106,116**	279,102	**69,901**	152,082	**20,019**	19,388	**–**	–	**196,036**	450,572
Interest income	**5,719**	28,937	**4**	–	**–**	–	**4**	–	**57**	–	**5,784**	28,937
Interest expense	**(36,340)**	–	**(78,459)**	(30,358)	**(4,696)**	(8,357)	**(941)**	(4,497)	**(18,808)**	(110,518)	**(139,244)**	(153,730)
Depreciation and amortisation	**(199,573)**	(4,750)	**(874,884)**	(726,442)	**(150,423)**	(230,453)	**(35,570)**	(94,289)	**(32,712)**	(28,606)	**(1,293,162)**	(1,084,540)
Reportable segment loss before tax	**(1,223,645)**	(1,510,216)	**(125,938)**	(244,090)	**(446,751)**	(315,846)	**112,197**	(282,235)	**(756,112)**	(630,140)	**(2,440,249)**	(2,982,527)
Other material non-cash items:												
Allowance for inventory obsolescence	**–**	–	**(15,799)**	104	**(55,315)**	40,000	**–**	49	**–**	–	**(71,114)**	40,153
Impairment loss on receivables	**–**	–	**–**	3,465	**–**	18,279	**–**	–	**–**	–	**–**	21,744
Impairment loss on property, plant and equipment	**–**	–	**–**	–	**–**	86,151	**–**	126,100	**–**	–	**–**	212,251
Capital expenditure	**4,671,363**	19,002	**85,968**	54,540	**–**	21,426	**39,795**	4,051	**348,080**	784,785	**5,145,206**	883,804
Reportable segment assets	**8,450,767**	9,068,168	**7,356,255**	6,082,108	**820,277**	1,320,699	**1,601,992**	1,206,007	**4,581,999**	3,931,508	**22,811,290**	21,608,490
Reportable segment liabilities	**3,600,279**	327,947	**6,399,132**	5,169,205	**129,021**	446,872	**1,388,218**	572,088	**580,391**	1,493,627	**12,097,041**	8,009,739

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

24 OPERATING SEGMENTS (CONT'D)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2022 $	2021 $
Revenue		
Total revenue for reportable segments	**6,798,795**	4,508,233
Loss before tax		
Total loss for reportable segments	**(2,440,249)**	(2,982,527)
Unallocated corporate expenses	**(716,338)**	(432,234)
Unallocated revenue	**392,031**	239,538
Consolidated loss before tax	**(2,764,556)**	(3,175,223)
Assets		
Total assets for reportable segments	**22,811,290**	21,608,490
Other unallocated amounts	**337,256**	132,087
Consolidated total assets	**23,148,546**	21,740,577
Liabilities		
Total liabilities for reportable segments	**12,097,041**	8,009,739
Other unallocated amounts	**168,114**	92,184
Consolidated total liabilities	**12,265,155**	8,101,923

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of business operations. Segment assets are based on the geographical location of the assets.

	2022		2021	
	External revenues $	Non-current assets $	External revenues $	Non-current assets $
Singapore	**7,190,826**	**10,294,760**	4,747,771	6,734,551
Indonesia	**–**	**274,628**	–	295,174
	7,190,826	**10,569,388**	4,747,771	7,029,725

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS

Financial risk management

Overview

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

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk. Further quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group activities.

The Group's Audit Committee oversees how management monitors the compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Credit risk

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

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

Impairment losses on financial assets and contract assets recognised in profit or loss were as follows:

	2022 $	2021 $
Impairment loss on trade receivables and contract assets arising from contracts with customers	–	21,744

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Trade receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Details of concentration of revenue are included in Note 24.

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

The Group limits its exposure to credit risk from trade receivables by establishing maximum payment periods of up to three months for individual and corporate customers respectively.

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

Exposure to credit risk

The exposure to credit risk for trade receivables and contract assets at the reporting date by geographic region was as follows:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**
Singapore	**924,161**	557,976	**371,204**	–

The exposure to credit risk for trade receivables and contract assets at the reporting date by type of counterparties was:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**
Corporate customers	**769,483**	377,522	**371,204**	–
Individual customers	**154,678**	180,454	**–**	–
	924,161	557,976	**371,204**	–

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Trade receivables and contract assets (Cont'd)

Exposure to credit risk (Cont'd)

There are no other significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

A summary of the exposure to credit risk for trade receivables and contract assets is as follows:

	2022		2021	
	Not credit-impaired $	Credit-impaired $	Not credit-impaired $	Credit-impaired $
Group				
Trade receivables and contract assets	**924,161**	**97,801**	557,976	97,801
Loss allowance	**–**	**(97,801)**	–	(97,801)
Total	**924,161**	**–**	557,976	–
Company				
Trade receivables and contract assets	**371,204**	**–**	–	–
Loss allowance	**–**	**–**	–	–
Total	**371,204**	**–**	–	–

Expected credit loss assessment for customers

The Group uses an allowance matrix to measure the ECLs of trade receivables from customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the type of product purchased.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Expected credit loss assessment for customers (Cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets for customers:

	Weighted average loss rate %	Gross carrying amount $	Impairment loss allowance $	Credit impaired
Group				
2022				
Current (not past due)	**–**	**172,737**	**–**	**No**
Past due 1 to 30 days	**–**	**241,277**	**–**	**No**
Past due 31 to 90 days	**–**	**58,176**	**–**	**No**
More than 90 days	**17.79**	**549,772**	**(97,801)**	**Yes**
		1,021,962	**(97,801)**	
2021				
Current (not past due)	–	338,234	–	No
Past due 1 to 30 days	–	437	–	No
Past due 31 to 90 days	–	17,502	–	No
More than 90 days	32.64	299,604	(97,801)	Yes
		655,777	(97,801)	
Company				
2022				
Current (not past due)	**–**	**–**	**–**	**No**
Past due 1 to 30 days	**–**	**92,801**	**–**	**No**
Past due 31 to 90 days	**–**	**–**	**–**	**No**
More than 90 days	**–**	**278,403**	**–**	**No**
		371,204	**–**	
2021				
Current (not past due)	–	–	–	No
Past due 1 to 30 days	–	–	–	No
Past due 31 to 90 days	–	–	–	No
More than 90 days	–	–	–	No
		–	–	

25 FINANCIAL INSTRUMENTS (CONT'D)

Expected credit loss assessment for customers (Cont'd)

Loss rates are based on actual credit loss experience over the past three years. These rates are adjusted by scalar factors to reflect the differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. No scalar factors have been applied.

Movements in allowance for impairment in respect of trade receivables and contract assets

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows:

	Group		Company	
	2022	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**
Balance at 1 April	**97,801**	136,956	–	–
Impairment loss recognised	**–**	28,748	–	–
Impairment loss reversed	**–**	(7,004)	–	–
Write-off	**–**	(60,899)	–	–
Balance at 31 March	**97,801**	97,801	–	–

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Loans to subsidiaries

The Company held loans to subsidiaries of $6,241,072 (2021: $3,650,029). These balances are amounts lent to subsidiaries to satisfy short term funding requirements. The Company has considered qualitative factors in the assessment of ECLs for these receivables. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant.

Cash and cash equivalents

The Group and the Company held cash and cash equivalents of $5,552,372 and $2,768,856 respectively at 31 March 2022 (2021: $9,930,018 and $7,892,100 respectively) with reputable financial institutions.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Other receivables

Other receivables are short-term in nature. Impairment on other receivables has been measured on the 12-month expected loss basis and reflects the short maturities of exposures. The Group considers its other receivables to have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on other receivables is insignificant.

Liquidity risk

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

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically the Group ensures that it has sufficient cash on demand to meet expected operational expenses including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (Cont'd)

The following are the expected contractual undiscounted cash outflows of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying amount	Contractual cash flows	Cash outflows		
			Within one year	Within one to five years	More than five years
	$	$	$	$	$
Group					
31 March 2022					
Non-derivative financial liabilities					
Trade and other payables*	**1,047,410**	**(1,047,410)**	**(1,047,410)**	**–**	**–**
Lease liabilities	**1,820,057**	**(1,869,060)**	**(946,974)**	**(922,086)**	**–**
Loans and borrowings	**4,069,129**	**(5,801,963)**	**(392,896)**	**(1,645,688)**	**(3,763,379)**
	6,936,596	**(8,718,433)**	**(2,387,280)**	**(2,567,774)**	**(3,763,379)**
31 March 2021					
Non-derivative financial liabilities					
Trade and other payables*	1,855,902	(1,871,920)	(1,871,920)	–	–
Lease liabilities	2,834,695	(2,938,799)	(1,084,355)	(1,854,444)	–
Loans and borrowings	922,267	(988,295)	(215,628)	(772,667)	–
	5,612,864	(5,799,014)	(3,171,903)	(2,627,111)	–

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk (Cont'd)

			Cash outflows		
	Carrying amount	**Contractual cash flows**	**Within one year**	**Within one to five years**	**More than five years**
	$	**$**	**$**	**$**	**$**
Company					
31 March 2022					
Non-derivative financial liabilities					
Trade and other payables*	**223,730**	**(223,730)**	**(223,730)**	**–**	**–**
Lease liabilities	**4,765**	**(4,900)**	**(2,100)**	**(2,800)**	**–**
Loans and borrowings	**3,337,428**	**(5,029,296)**	**(177,268)**	**(1,088,649)**	**(3,763,379)**
Intra-group financial guarantee	**–**	**(772,667)**	**(215,628)**	**(557,039)**	**–**
	3,565,923	**(6,030,593)**	**(618,726)**	**(1,648,488)**	**(3,763,379)**
31 March 2021					
Non-derivative financial liabilities					
Trade and other payables*	232,226	(232,226)	(232,226)	–	–
Intra-group financial guarantee	–	(988,295)	(215,628)	(772,667)	–
	232,226	(1,220,521)	(447,854)	(772,667)	–

* Excludes deferred grant income and GST payables

Market risk

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

Interest rate risk

The Group's exposure to changes in interest rates relates primarily to its interest-bearing financial instruments. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by an adverse movement in interest rates. The Group does not use any derivative financial instruments to hedge its interest rate risk.

25 FINANCIAL INSTRUMENTS (CONT'D)

Interest rate risk (Cont'd)

Exposure to interest rate risk

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

	Group Carrying amount		Company Carrying amount	
	2022	**2021**	**2022**	**2021**
	$	**$**	**$**	**$**
Fixed rate instrument				
Fixed deposits with banks	**2,291,869**	4,070,618	**2,271,869**	4,070,618
Debt investment – mandatorily at FVTPL	**542,576**	500,000	**542,576**	500,000
Unsecured bank loan	**(731,701)**	(922,267)	**–**	–
	2,102,744	3,648,351	**2,814,445**	4,570,618
Variable rate instrument				
Secured bank loan	**(3,337,428)**	–	**(3,337,428)**	–

Fair value sensitivity analysis for fixed rate instruments

For debt investment accounted at FVTPL, an increase of 100 basis points in interest rate would have decreased profit or loss by approximately $3,666 (2021: $7,913) for the Group and Company. A decrease of 100 basis points in interest rate would have increased profit or loss by approximately $3,726 (2021: $8,115) for the Group and Company. This analysis assumes that all other variables, in particular foreign currency exchange rates, remains constant.

For other fixed rate instruments, they are not accounted at FVTPL. Therefore, in respect of those fixed rate instruments, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and (increased)/decreased loss after tax by the amounts shown below. This analysis assumes that all other variables remain constant.

	Loss before tax		Equity	
	100 bp Increase	**100 bp Decrease**	**100 bp Increase**	**100 bp Decrease**
	$	**$**	**$**	**$**
Group and Company				
31 March 2022				
Secured bank loan	**(33,374)**	**33,374**	**(33,374)**	**33,374**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Currency risk

The Group is exposed to transactional foreign currency risk on sales, purchases, including inter-company sales, purchases and inter-company balances that are denominated in currencies other than the respective functional currencies of the Group's entities. The currencies giving rise to this risk are primarily US dollar (USD), Euro (EUR) and Indonesian Rupiah (IDR).

There is no formal hedging policy with respect to foreign currency exposure. Exposure to currency risk is monitored on an on-going basis and the Group endeavours to keep the net exposures at an acceptable level.

The Group's exposure to foreign currency risk was as follows:

	USD $	EUR $	IDR $
Group			
31 March 2022			
Trade and other receivables	**8,841**	**–**	**36,249**
Cash and cash held with financial institutions	**368,179**	**1,508**	**596**
Trade and other payables	**–**	**(97,580)**	**(7,238)**
Net financial assets/(liabilities)	**377,020**	**(96,072)**	**29,607**
31 March 2021			
Trade and other receivables	–	–	28,867
Cash and cash held with financial institutions	589,254	–	13,563
Trade and other payables	(141,937)	(59,783)	–
Net financial assets/(liabilities)	447,317	(59,783)	42,430

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Currency risk (Cont'd)

Sensitivity analysis

A 5% strengthening of the Singapore dollar against the following currencies of the Group entities at the reporting date would increase/(decrease) the Group's loss before tax by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2021 and 2022, that the reasonably possible foreign exchange rate variances were different, as indicated below:

	Group	
	Increase/(Decrease)	
	2022	2021
	$	$
US dollar	**18,851**	22,366
Euro	**(4,804)**	(2,989)
Indonesian Rupiah	**1,480**	2,122

A 5% weakening of Singapore dollar against the above functional currencies of the Group entities at the reporting date would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables, in particular interest rates, remain constant.

As all the Company's transactions are denominated in Singapore dollar, the Company is not exposed to currency risk.

Determination of fair values

A number of the Group's accounting and disclosures require the determination of fair value, for financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Other investments

The fair value of the debt investment is based on the expected future cash flows from the investment, discounted using a risk-adjusted discount rate.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash held with financial institutions, and trade and other payables) are reasonable approximations of their fair values because of the short period to maturity.

For loans to subsidiaries classified as non-current, the effect of discounting is assessed to be immaterial.

The carrying amount of loan from a director and amounts due to affiliated companies are discounted using the Singapore prime lending rate, which approximates the Company's cost of borrowing.

25 FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximate of fair value.

		Carrying amount				Fair value			
	Note	Fair value through profit or loss $	Amortised cost $	Other financial liabilities $	Total $	Level 1 $	Level 2 $	Level 3 $	Total $
Group									
31 March 2022									
Financial asset measured at fair value									
Other investment	8	**542,576**	–	–-	**542,576**	–	–	**542,576**	**542,576**
Financial assets not measured at fair value									
Trade and other receivables#	9	–	**1,294,361**	–	**1,294,361**				
Cash and cash held with financial institutions	11	–	**5,552,372**	–	**5,552,372**				
		–	**6,846,733**	–	**6,846,733**				
Financial liabilities not measured at fair value									
Trade and other payables*	16	–	–	**(1,047,410)**	**(1,047,410)**				
Loans and borrowings	17	–	–	**(4,069,129)**	**(4,069,129)**				
		–	–	**(5,116,539)**	**(5,116,539)**				

Excludes prepayments and GST receivables

* Excludes deferred grant income and GST payables

25 FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (Cont'd)

Fair values versus carrying amounts (Cont'd)

		Carrying amount				Fair value			
	Note	Fair value through profit or loss $	Amortised cost $	Other financial liabilities $	Total $	Level 1 $	Level 2 $	Level 3 $	Total $
Group									
31 March 2021									
Financial asset measured at fair value									
Other investment	8	500,000	–	–	500,000	–	–	500,000	500,000
Financial assets not measured at fair value									
Trade and other receivables#	9	–	1,054,462	–	1,054,462				
Cash and cash held with financial institutions	11	–	9,930,018	–	9,930,018				
		–	10,984,480	–	10,984,480				
Financial liabilities not measured at fair value									
Trade and other payables*	16	–	–	(1,855,902)	(1,855,902)				
Loans and borrowings	17	–	–	(922,267)	(922,267)				
		–	–	(2,778,169)	(2,778,169)				

\# Excludes prepayments and GST receivables

* Excludes deferred grant income and GST payables

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (Cont'd)

Fair values versus carrying amounts (Cont'd)

	Note	Carrying amount Fair value through profit or loss $	Amortised cost $	Other financial liabilities $	Total $	Fair value Level 1 $	Level 2 $	Level 3 $	Total $
Company									
31 March 2022									
Financial asset measured at fair value									
Other investment	8	**542,576**	**–**	**–-**	**542,576**	**–**	**–**	**542,576**	**542,576**
Financial assets not measured at fair value									
Trade and other receivables#	9	**–**	**6,696,437**	**–**	**6,696,437**				
Cash and cash held with financial institutions	11	**–**	**2,768,856**	**–**	**2,768,856**				
		–	**9,465,293**	**–**	**9,465,293**				
Financial liabilities not measured at fair value									
Trade and other payables*	16	**–**	**–**	**223,730**	**223,730**				
Loans and borrowings	17	**–**	**–**	**3,337,428**	**3,337,428**				
		–	**–**	**3,561,158**	**3,561,158**				

25 FINANCIAL INSTRUMENTS (CONT'D)

Accounting classifications and fair values (Cont'd)

Fair values versus carrying amounts (Cont'd)

		Carrying amount				Fair value			
	Note	Fair value through profit or loss $	Amortised cost $	Other financial liabilities $	Total $	Level 1 $	Level 2 $	Level 3 $	Total $
Company									
31 March 2021									
Financial asset measured at fair value									
Other investment	8	500,000	–	–	500,000	–	–	500,000	500,000
Financial assets not measured at fair value									
Trade and other receivables#	9	–	3,776,908	–	3,776,908				
Cash and cash held with financial institutions	11	–	7,892,100	–	7,892,100				
		–	11,669,008	–	11,669,008				
Financial liability not measured at fair value									
Trade and other payables*	16	–	–	(232,226)	(232,226)				

\# Excludes prepayments and GST receivables

* Excludes deferred grant income

NOTES TO THE
FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

25 FINANCIAL INSTRUMENTS (CONT'D)

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Debt investment – mandatorily at FVTPL	The fair value of the debt investment is based on the expected future cash flows from the investment, discounted using a risk-adjusted discount rate.	• Expected future cash flows $570,000 (2021: $570,000) • Risk-adjusted discount rate 7% (2021: 7.9%)	The estimated fair value would increase/(decrease) if: • the expected future cash flows were higher/(lower) • the risk-adjusted discount rate was lower/(higher)

Level 3 fair values

The following table shows a reconciliation from the opening balances to the ending balances for level 3 fair values:

	Group 2022 $	Group 2021 $
At 1 April	**500,000**	–
Net fair value gain on other investments	**42,576**	–
Addition	**–**	500,000
At 31 March	**542,576**	500,000

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. There were no transfers between Level 1, Level 2 and Level 3 during 2022 and 2021.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

26 RELATED PARTIES

Key management personnel compensation

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. The directors and senior management team are considered as key management personnel of the Group.

Key management personnel compensation comprised:

	Group	
	2022	**2021**
	$	**$**
Short-term employee benefits	**639,684**	871,641
Contributions to defined contribution plans	**40,025**	64,119
	679,709	935,760

The Company's directors receiving remuneration and fees from the Group as at the reporting date:

	Number of directors	
	2022	**2021**
$250,000 to $499,999	**1**	1
Below $250,000	**5**	5
	6	6

Related parties transactions

Other than disclosed elsewhere in the financial statements, significant related party transactions carried out based on terms agreed between the parties are as follows:

	Group Transaction value for the year ended 31 March	
	2022	**2021**
	$	**$**
Affiliated companies		
Management fee income	**346,920**	–
Rental income	**42,000**	–
Deposits received	**12,000**	–
Expenses recharged from affiliated companies	**(80,439)**	–
Supply of labour from affiliated companies for construction in progress	**(124,993)**	–
Debt investment	**–**	500,000
Director		
Expenses paid on behalf by a Director	**–**	89,724

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2022

27 COMMITMENTS

Capital commitments

	Group and Company	
	2022	**2021**
	$	**$**
Capital expenditure contracted for but not provided in the financial statements	–	4,085,000

28 SUBSEQUENT EVENTS

On 30 May 2022, the Company obtained Shareholders' approval in relation to the proposed acquisition by the Company from Gashubunited Holding Private Limited ("**GHPL**") of such number of shares in Gashubunited Utility Private Limited ("**GUPL**") representing approximately 51% total an enlarged number of shares in GUPL.

The GUPL acquisition was completed on 28 June 2022. Pursuant to the Sale and Purchase Agreement ("**SPA**") signed on 31 Dec 2021, the Company has allotted and issued 409,672,131 Consideration Shares to GHPL, in satisfaction of the Purchase Consideration for the acquisition. Following the allotment and issue of the abovementioned 409,672,131 Consideration Shares at the issue price of S$0.0305, the total number of shares (excluding treasury shares and subsidiary holdings) of the Company has increased from 689,524,443 Shares to 1,099,196,574 Shares.

As the completion of the acquisition only took place on 28 June 2022, the Company has yet to perform the Purchase Price Allocation ("PPA") exercise, therefore the estimate of financial effect cannot be made. PPA is the process of allocating the purchase price paid for an acquired company to the acquired company's tangible and intangible assets.

SHAREHOLDINGS STATISTICS

AS AT 30 JUNE 2022

No of Issued Share	:	1,099,196,574
Class of shares	:	Ordinary shares
No of Subsidiary Holdings Held	:	Nil
Voting rights	:	1 vote for each ordinary share (excluding treasury shares)

There are no treasury shares held by the Company as at 30 June 2022.

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on information available to the Company as at 30 June 2022, 47.84% of the issued ordinary shares of the Company is held by the public and therefore Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited has been complied with.

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	28	2.23	1,325	0.00
100 – 1,000	105	8.35	62,286	0.01
1,001 – 10,000	172	13.67	889,199	0.08
10,001 – 1,000,000	880	69.95	159,332,491	14.49
1,000,001 and above	73	5.80	938,911,273	85.42
Total	**1,258**	**100.00**	**1,099,196,574**	**100.00**

SHAREHOLDINGS STATISTICS

AS AT 30 JUNE 2022

TOP 20 SHAREHOLDERS

S/No.	Name of Shareholder	No. of Shares	%
1	Gashubunited Holding Private Limited	409,672,131	37.27
2	Lim Shao-Lin	163,699,808	14.89
3	DBS Nominees Pte Ltd	22,166,666	2.02
4	OCBC Securities Private Ltd	20,101,299	1.83
5	Chua Weijie	19,000,000	1.73
6	Tan Kheng Chai	18,778,500	1.71
7	Citibank Nominees Singapore Pte Ltd	18,164,100	1.65
8	Sim Siew Tin Carol (Shen Xiuzhen Carol)	17,260,000	1.57
9	Ho Chwee Seng	17,174,800	1.56
10	Phillip Securities Pte Ltd	14,187,666	1.29
11	Tan Wee Han	10,772,800	0.98
12	Low Lay Kheng	10,000,000	0.91
13	Goh Leng Thong	8,531,600	0.78
14	Tan Boon Seng	8,466,666	0.77
15	Bernon Tan Boon Siang	8,403,500	0.76
16	Maybank Securities Pte. Ltd.	7,872,398	0.72
17	Tee Chui Yong	7,200,000	0.65
18	Tee Heng Thai	6,249,800	0.57
19	Lim Sim Whee (Lin Qinwei)	5,500,000	0.50
20	Chieng Pei Wen	5,278,200	0.48
		798,479,934	**72.64**

SUBSTANTIAL SHAREHOLDERS

Name of Substantial Shareholder	Number of shares registered in the name of the substantial shareholder	%	Number of shares in which the substantial shareholder is deemed to have an interest	Total	%
Gashubunited Holding Private Limited	409,672,131	37.27	–	409,672,131	37.27
Lim Shao-Lin[1]	163,699,808	14.89	409,672,131	573,371,939	52.16

Note:

(1) Mr Lim is deemed to be interested in all the 409,672,131 Shares held by Gashubunited Holding Private Limited under Section 7 of the Companies Act 1967 and Section 4 of the Securities and Futures Act 2001 of Singapore.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Third Annual General Meeting (the "**AGM**") of P5 Capital Holdings Ltd. (the "**Company**") will be held by way of electronic means on Thursday, 28 July 2022 at 10.00 a.m. to transact the following businesses:–

AS ORDINARY BUSINESS

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

2. To re-elect Mr Lau Ping Sum Pearce, who is retiring in accordance with Regulation 106 of the Company's Constitution, as Director of the Company. **(Resolution 2)**
[See Explanatory Note (i)]

3. To re-elect Mr Tay Shui Wen, who is retiring in accordance with Regulation 110(1) of the Company's Constitution, as Director of the Company. **(Resolution 3)**
[See Explanatory Note (ii)]

4. To approve the payment of Directors' fees of S$130,000 for the financial year ending 31 March 2023, to be paid quarterly in arrears. (2022: S$69,075) **(Resolution 4)**

5. To approve the payment of one-off Directors' fees of S$20,000 for the financial year ended 31 March 2022. **(Resolution 5)**
[See Explanatory Note (iii)]

6. To note that Messrs KPMG LLP will not be seeking re-appointment as the Independent Auditors of the Company.
[See Explanatory Note (iv)]

7. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

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

8. **Authority to allot and issue shares** **(Resolution 6)**

That pursuant to Section 161 of the Companies Act 1967 of Singapore ("**Companies Act**") and Rule 806 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors be authorised and empowered to:

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

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

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

NOTICE OF ANNUAL GENERAL MEETING

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

provided that:

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

(2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the 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 convertible securities;

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

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

Adjustments in accordance with sub-paragraphs (2)(a) and (2)(b) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

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

(4) (unless revoked or varied by the Company at a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier; or in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note (v)]

9. **The Proposed Renewal of the Share Buy Back Mandate** **(Resolution 7)**

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

(i) market purchases (each a "**Market Purchase**") transacted on the SGX-ST through the ready market, and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(ii) off-market purchases (each an "**Off-Market Purchase**") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other provisions of the Companies Act and the Catalist Rules as may for the time being be applicable (the "**Share Buy Back Mandate**");

(b) any Share that is purchased or otherwise acquired by the Company pursuant to the Share Buy Back 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 Shareholders of the Company at a general meeting, the authority conferred on the Directors for the purchases or acquisition of shares pursuant to the Share Buy Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next AGM of the Company is held or is required by law to be held;

(ii) the date on which pursuant to the Share Buy Back Mandate the share buy back is carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buy Back Mandate is varied or revoked by Shareholders of the Company in a general meeting;

(d) for the purposes of this resolution:

"**Prescribed Limit**" means 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of 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 (as hereinafter defined), in which event the total number of issued Shares shall be taken to be the total number of issued Shares as altered (excluding treasury shares and subsidiary holdings);

NOTICE OF ANNUAL GENERAL MEETING

"**Relevant Period**" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution; and

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

(i) in the case of a Market Purchase: One hundred and five per cent (105%) of the Average Closing Price (as defined below); and

(ii) in the case of an Off-Market Purchase: One hundred and twenty per cent (120%) of the Average Closing Price (as defined below),

where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) market days, on which transactions in the Shares were recorded, before the day on which the Market Purchase was made or, as the case may be, the day of making of the offer for an Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) market days period and the day on which the purchases or acquisitions of shares are made;

"**day of making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from members of the Company for an Off-Market Purchase, 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; and

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

(e) any of the Directors be and/or any of them 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 or he may consider desirable, expedient or necessary to give effect to the transactions contemplated by this Resolution.

[See Explanatory Note (vi)]

By Order of the Board

Tan Zi Jing, Clara
Company Secretary

Singapore,
13 July 2022

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr Lau Ping Sum Pearce, if re-elected, will remain as Independent Director, Chairman of the Board and Nominating Committee, and Members of the Audit and Remuneration Committees of the Company. He is considered independent by the Board of Directors of the Company for the purpose of Rule 704(7) of the Catalist Rules. Please refer to the "Additional Information on Directors Seeking Re-election" section of the Annual Report of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

(ii) Mr Tay Shui Wen, if re-elected, will remain as Independent Director, Chairman of Remuneration Committee and Members of Audit and Nominating Committees of the Company. He is considered independent by the Board of Directors of the Company for the purpose of Rule 704(7) of the Catalist Rules. Please refer to the "Additional Information on Directors Seeking Re-election" section of the Annual Report of the Company for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

(iii) The proposed one-off Directors' fees are an aggregate amount of S$20,000, in which each of Mr Lau Ping Sum Pearce and Mr Chia Soon Hin William will receive S$10,000, as a recognition and appreciation of their significant contribution of time and effort on the envisioning, structuring, planning and realization of the corporate exercises. Their added contributions and involvement in past corporate exercises, including the proposed acquisition of Gashubunited Utility Private Limited, were beyond their usual responsibilities in, amongst others, providing leadership to Management and overseeing the process of the exercises.

(iv) Messrs KPMG LLP has expressed that it will not be seeking re-appointment as Independent Auditors of the Company. The Company has identified a suitable auditing firm, and will convene an extraordinary general meeting to obtain shareholders' approval for the appointment of new Independent Auditors immediately after the conclusion of the Company's AGM to be convened on the same day. Please refer to the Company's Circular to Shareholders dated 6 July 2022 in relation to, among others, the appointment of new auditors, for detailed information.

(v) Ordinary Resolution 6 proposed in item 8 above, if passed, will empower the Directors of the Company from the date of this AGM until the conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held, or the date on which such authority is varied or revoked by the Company at a general meeting, whichever is the earlier, to issue new ordinary 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, one hundred per cent (100%) of the total number of issued ordinary shares, (excluding treasury shares and subsidiary holdings), up to fifty per cent (50%) of the total number of issues shares, (excluding treasury shares and subsidiary holdings), may be issued other than on a pro rata basis to Shareholders of the Company.

(vi) Ordinary Resolution 7 proposed in item 9 above, if passed, will empower the Directors, from the date of the AGM until the date on which the next AGM is held or is required by law to be held, the date on which the share buy back is carried out to the full extent mandated, or the date on which the authority contained in the Share Buy Back Mandate is varied or revoked by the Company at a general meeting, whichever is the earliest, to make purchases (whether by way of Market Purchases or Off-Market Purchases on an equal access scheme) from time to time of up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) at prices up to but not exceeding the Maximum Price. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buy Back Mandate are set out in greater detail in Appendix dated 13 July 2022 accompanying this notice.

Important Information

1. To minimise physical interactions and COVID-19 transmission risks, the AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. The Company will not accept any physical attendance by shareholders and any shareholder seeking to attend the AGM physically in person will be turned away.

2. Alternative arrangements relating to:

   (a) attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via "live" audio-visual webcast or "live" audio-only stream);

   (b) submission of questions to the Chairman of the AGM in advance of the AGM, and addressing of substantial and relevant questions in advance of the AGM; and

   (c) voting at AGM by appointing the Chairman of the AGM as proxy to vote on the shareholders' behalf at the AGM.

   Shareholders will be able to participate in the AGM in the manner set out in the paragraphs below:

   Pre-registration

   Shareholders will be able to observe and/or listen to the AGM proceedings through a "live" audio-visual webcast or "live" audio-only stream via their mobile phones, tablets or computers, submit questions in advance of the AGM and vote at the AGM by appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM. To do so, they will need to complete the following steps.

   Shareholders, CPFIS Investors and SRS Investors who wish to follow the proceedings of the AGM must pre-register for access to the "live" audio-visual webcast or "live" audio-only stream of the AGM proceedings by submitting their particulars (comprising email address, full name, NRIC/passport number/company registration numbers, contact numbers, shareholding types and number of Shares held) by email to ir@p5.com.sg from 13 July 2022 onwards to no later than 10.00 a.m. on 25 July 2022 (being not less than seventy-two (72) hours before the time appointed for holding the AGM) to enable the Company to verify their status.

NOTICE OF ANNUAL GENERAL MEETING

Following the verification, authenticated Shareholders (including CPFIS Investors and SRS Investors) who have pre-registered via email will receive a confirmation email by 10.00 a.m. on 27 July 2022, which contains a unique link and dial-in number to access "live" audio-visual webcast or "live" audio-only stream to follow the proceedings of the AGM (via smartphones, tablets or laptop/computers), via the e-mail address provided during pre-registration.

Shareholders must not forward the aforementioned unique link or dial-in number to other persons who are not Shareholders and who are not entitled to attend the AGM. This is also to avoid any technical disruptions or overload to the "live" audio-visual webcast of the AGM proceedings. Shareholders (including CPFIS Investors and SRS Investors) who do not receive the confirmation email by 10.00 a.m. on 25 July 2022, but have registered by 10.00 a.m. on 25 July 2022, may contact the Company, by email at ir@p5.com.sg for assistance.

Questions

Shareholders, including CPFIS Investors and SRS Investors, can submit questions in relation to the resolutions set out in the Notice of AGM, in advance of the AGM.

Submission of substantial and relevant questions in advance of the AGM:

Shareholders, including CPFIS Investors and SRS Investors, can submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM to the Chairman of the AGM, in advance of the AGM, in the following manner:

(a) Shareholders may submit their questions via email to ir@p5.com.sg; and/or

(b) Shareholders may submit their questions by post to the Company's registered office at 39 Kaki Bukit Place, Eunos Techpark, Singapore 416217.

When sending in questions via email or by post, please also provide the following details: (a) full name; (b) address; and (c) the manner in which the Shares are held (e.g. via CDP, CPFIS, SRS and/or scrip).

All questions submitted in advance of the AGM via any of the above channels must be received by 10.00 a.m on 20 July 2022.

The Company will endeavour to address all substantial and relevant questions received from Shareholders prior to the AGM by publishing the responses to such questions on the SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL http://www.p5capital.com.sg before 10.00 a.m. on 23 July 2022. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

The Company will publish the minutes of the AGM on the SGXNet and the Company's website within one (1) month from the date of AGM.

Voting

Shareholders who wish to exercise their voting rights at the AGM must appoint the Chairman of the AGM as their proxy to vote on their behalf at the AGM.

Shareholders (whether individual or corporate) appointing the Chairman of the AGM as proxy must give specific instructions as to their manner of voting, or abstention from voting, in the Proxy Form, failing which the appointment will be treated as invalid.

The Chairman of the AGM, as proxy, need not be a member of the Company.

The Proxy Form must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.

Shareholders who wish to submit Proxy Forms (duly executed together with the power of attorney or other authority, if any, under which the Proxy Form is signed or a notarially certified copy of that power of attorney, or any other authority failing previous registration with the Company) must do so in the following manner:

(a) by post to the office of the Company's share registrar, M&C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902; or

(b) via email to gpb@mncsingapore.com,

in each case, by 10.00 a.m. on 25 July 2022 (not less than 72 hours before the time appointed for holding the AGM).

A Shareholder who wishes to submit a Proxy Form must first download a copy of the Proxy Form from the SGXNet or the Company's website, and complete and sign the Proxy Form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

CPFIS Investors and SRS Investors who wish to exercise their votes by appointing the Chairman of the AGM as proxy to vote on their behalf at the AGM, should approach their respective CPF Agent Banks and/or SRS Operators (as the case may be) to submit their votes at least seven (7) business days before the AGM (i.e. by 10.00 a.m. on 19 July 2022), in order to allow sufficient time for their respective CPF Agent Banks and/or SRS Operators to in turn submit a Proxy Form to appoint the Chairman of the AGM to vote on their behalf by 10.00 a.m. on 25 July 2022.

NOTICE OF ANNUAL GENERAL MEETING

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form appointing the Chairman of the AGM as proxy (such as in the case where the appointor submits more than one Proxy Form). In addition, in the case of Shares entered in the Depository Register, the Company may reject a Proxy Form if the Shareholder, being the appointor, is not shown to have Shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM as certified by CDP to the Company.

Documents

The Annual Report, the Notice of AGM and the Proxy Form will be sent to the Shareholders solely by electronic means via publication on the SGXNet and the Company's website. Printed copies of these documents will not be sent to Shareholders. Please refer to the SGXNet at the URL https://www.sgx.com/securities/company-announcements and the Company's website at the URL http://www.p5capital.com.sg for the (a) Annual Report; (b) Notice of AGM; and (c) Proxy Form.

As the COVID-19 pandemic continues to evolve, further measures and/or changes to the AGM arrangements may be made on short notice in the ensuing days, even up to the day of the AGM. Shareholders are advised to closely monitor announcements made on SGXNet and the Company's website for updates on the AGM.

The Company would like to thank Shareholders for their patience and co-operation in enabling the Company to hold its AGM with the optimum safe distancing measures amidst the current COVID-19 situation.

Personal Data Privacy:

By (a) submitting a form appointing the Chairman of the AGM as proxy to attend and vote at the AGM and/or any adjournment thereof, or (b) submitting details for the registration to observe the proceedings of the AGM via the "live" audio-visual webcast or "live" audio-only stream, or (c) submitting any question(s) before or during the AGM in accordance with this notice, a shareholder of the Company consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents or service providers) for the following purposes:

(i) processing and administration by the Company (or its agents or service providers) of the appointment of the Chairman of the AGM as proxy for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof);

(ii) processing of the registration for purpose of granting access to Shareholders (or their corporate representatives in the case of Shareholders which are legal entities) to observe the proceedings of the AGM and providing them with any technical assistance where necessary;

(iii) addressing relevant and substantial questions from Shareholders received before the AGM and if necessary, following up with the relevant Shareholders in relation to such questions; and

(iv) enabling the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines by the relevant authorities.

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 Shareholder'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.

P5 CAPITAL HOLDINGS LTD.
(Company Registration No. 199806046G)
(Incorporated in the Republic of Singapore)

PROXY FORM
ANNUAL GENERAL MEETING

IMPORTANT:
1. The AGM will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.
2. CPFIS Investors and SRS Investors may appoint the Chairman of the AGM as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks and/or SRS Operators to submit their votes by 10.00 a.m. on 19 July 2022.
3. This proxy form is not valid for use by CPFIS Investors and SRS Investors and shall be ineffective for all intents and purported to be used by them.

*I/We, ______________________ (Name) ______________ (*NRIC/Passport No./Company Registration No.)

of ____ (Address)

being a shareholder/shareholders* of P5 Capital Holdings Ltd. (the "**Company**"), hereby appoint the Chairman of the Annual General Meeting ("**AGM**") of the Company as my/our* proxy/proxies* to attend and vote for me/us* on my/our* behalf at the AGM of the Company to be held by electronic means on Thursday, 28 July 2022 at 10.00 a.m., and at any adjournment thereof, to vote for, vote against or abstain from voting on 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 for that resolution will be treated as invalid.**

Resolutions relating to:		For**	Against**	Abstain**
ORDINARY RESOLUTION				
1.	Adoption of the Directors' Statement and the Audited Financial Statements of the Company and the Group for the financial year ended 31 March 2022, together with the Independent Auditors' Report thereon.			
2.	Re-election of Mr Lau Ping Sum Pearce as Director of the Company.			
3.	Re-election of Mr Tay Shui Wen as Director of the Company.			
4.	Approval of payment of Directors' Fees of S$130,000 for the financial year ending 31 March 2023, to be paid quarterly in arrears.			
5.	Approval of payment of one-off Directors' fees of S$20,000 for the financial year ended 31 March 2022.			
SPECIAL BUSINESS				
6.	Authority to allot and issue shares.			
7.	Approval of the Proposed Renewal of the Share Buy Back Mandate.			

* Delete where inapplicable
** Compulsory for registration purposes. Only email address provided in the submitted proxy form will receive an email to pre-register for the AGM.
*** Please indicate your vote "For" or "Against" or "Abstain" 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 the Chairman of the AGM not to vote on that resolution on a poll and your votes will not be counted in computing the required majority on a poll.)

Dated this ________ day of ______________ 2022

Total number of Shares in	No. of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s)
or Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. If the shareholder has shares entered against his name in the Depository Register, he should insert that number of shares. If the shareholder has shares registered in his name in the Register of Members, he should insert that number of shares. If the shareholder has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this proxy form will be deemed to relate to all the shares held by the shareholder.

2. To minimise physical interactions and COVID-19 transmission risks, shareholders will not be able to attend the AGM in person. Shareholders (where such shareholders are individuals or corporates) appoint who wish to exercise their voting rights at the AGM must appoint the Chairman of the AGM as their proxy to vote on their behalf at the AGM.

   This proxy form may be downloaded from the SGXNet at the URL https://www.sgx.com/securities/company-announcements or the Company's website at the URL www.p5capital.com.sg.

3. The Chairman of the AGM, as proxy need not be a shareholder of the Company.

4. This proxy form, duly executed, must be submitted to the Company in the following manner:

   (a) by post to the office of the Company's share registrar, M&C Services Private Limited at 112 Robinson Road, #05-01, Singapore 068902; or

   (b) via email to gpb@mncsingapore.com,

   in each case, by 10.00 a.m. on 25 July 2022 (not less than 72 hours before the time appointed for holding the AGM).

5. This proxy form must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.

6. Where this proxy form is signed on behalf of the appointor by an attorney, the power of attorney or a notarially certified copy thereof (failing previous registration with the Company) must be lodged with this proxy form, failing which this proxy form may be treated as invalid.

7. A corporation which is a shareholder may authorise by a resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act 1967 of Singapore.

8. The Company shall be entitled to reject this proxy form 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 this proxy form (including any related attachment). In addition, in the case of a shareholder whose shares are entered in the Depository Register, the Company may reject any proxy form lodged if the shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting this proxy form, the shareholder is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of AGM of the Company dated 13 July 2022.

P5 CAPITAL HOLDINGS LTD.
Reg No: 199806046G

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