ASIAPHOS

ANNUAL REPORT 2024

TABLE OF CONTENTS

01 ABOUT US

02 MESSAGE TO SHAREHOLDERS

04 FINANCIAL REVIEW

07 BOARD OF DIRECTORS

10 CORPORATE INFORMATION

11 ADDITIONAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

19 SENIOR MANAGEMENT

20 CORPORATE SOCIAL RESPONSIBILITY

21 REPORT ON CORPORATE GOVERNANCE

42 RISK STATEMENT

43 FINANCIAL STATEMENTS

121 SUBSTANTIAL SHAREHOLDERS

122 STATISTICS OF SHAREHOLDINGS

123 NOTICE OF ANNUAL GENERAL MEETING

PROXY FORM

This document has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr Jerry Chua (Tel: (65) 6241 6626), at 160 Robinson Road, #20-01/02, SBF Center, Singapore 068914.

ABOUT US

AsiaPhos Limited (together with its subsidiaries, the "**Group**") was listed on the Catalist Board of Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 7 October 2013, and was the first mineral resources company listed on the SGX-ST focused on the mining of phosphate and the production of downstream phosphate-based chemical products. The Group owned and operated a downstream processing facility in the Gongxing Industrial Park (Sichuan) to produce yellow phosphorus ("**P4**") and sodium tripolyphosphate ("**STPP**").

As disclosed in recent public announcements, the Group has been involved in international arbitration with the Chinese Government on the Chinese Government's order to cease operations of the Mining Assets and to vacate its Mining Assets. Following the cessation of mining in 2017 and production of P4 in 2018, the Group has been focused primarily on trading of chemicals and commodity products.

Management will continue to source for other corporate, business, acquisition and financing opportunities as and when available and appropriate in order to enhance the value for shareholders.

MESSAGE TO SHAREHOLDERS

DEAR VALUED SHAREHOLDERS

2024 – A Year of Significant Change

2024 represented a year of significant changes for Asiaphos Limited (the "**Company**" and, together with its subsidiaries, the "**Group**").

These changes have allowed the Group to largely put the legacy mining business behind it to make a fresh start and include:

- The sale of the Group's yellow phosphorus ("**P4**") downstream chemical operations to Sichuan Rongda Yuexiang Chemical Group Co., Ltd;
- The appointment of Mr Ong Eng Keong as the Company's new Chief Executive Officer and Executive Director, following the retirement of Dr Ong Hian Eng;
- The approval by the shareholders at an Extraordinary General Meeting of the Company of, among others, the proposed diversification of the Group's existing business to further expand the trading business to include the Renewable Energy Business;
- The appointment by the Company of a new Chairman (Mr Wong Quee Quee, Jeffrey) and new independent directors, Mr Gabriel Lu King Seng and Mr James Cheemee Wong, and the changes in the composition of the committees of the Board;
- The completion of a non-underwritten rights issue (net proceeds of approximately S$2.22 million) to improve the Company's financial position and to use the proceeds as working capital for the Group's existing operations and organic and inorganic expansion;
- The disposal of the Norwest Chemicals subsidiary group and its subsidiaries that housed the legacy China mining and chemicals operations;
- The expansion of the Group's trading business through the acquisition of a 51% shareholding in Velora Pte Ltd; and
- The entry into a settlement agreement with the Chinese Government regarding the Group's legacy discontinued mining operations.

Disposal of P4 Plant Assets

In February 2024, the Group received proceeds from the disposal of the yellow phosphorus plant assets (the "**P4 Plant Assets**"), including plant buildings, plant facilities and equipment, process devices, projects under construction, and other civil constructions and structures, etc. (excluding certain other assets like mining assets) for the production of yellow phosphorus sufficient to settle its existing obligations, as well as to fund its operations.

In 2023, the Group, via Sichuan Mianzhu Norwest Phosphate Chemical Co., Ltd ("**SMNPC**"), entered into a Cooperation Agreement (as amended by subsequent supplemental agreements, the "**Cooperation Agreement**") with Sichuan Rongda Yuexiang Chemical Group Co., Ltd. ("**Rongda**") in relation to the disposal of the P4 Plant Assets to Rongda for a cash consideration (the "**Consideration**") of RMB71.39 million. The cash consideration is inclusive of RMB8 million of rental in respect of a 12-month lease of the P4 Plant Assets to Rongda from March 2023 (the "**Rental**"), RMB4 million of deposit (the "**Deposit**") and RMB20 million for the repayment of SMNPC's bank loan which was secured by the P4 Plant Assets. The Rental and the Deposit were non-refundable if SMNPC did not breach the Cooperation Agreement.

The Group received the RMB12 million in respect of the Rental and the Deposit in 2023. In January 2024, the Group received RMB20 million from Rongda and utilised the amount to repay SMNPC's bank loan of RMB18.09 million (equivalent to S$3,367,000) as at 31 December 2023.

In February 2024, Rongda paid the remaining balance of the Consideration of RMB39.39 million into an escrow account (the "**Escrow Account**").

In April 2024, the transfer of the P4 Plant Assets, the relevant personnel, and the trade and other payables relating to the P4 Plant Assets of RMB14.61 million (the "**P4 Plant Liabilities**") from SMNPC to Sichuan Rongdafeng Chemical Co. Ltd. ("**Rongdafeng**") was completed. Legal and operational control of Rongdafeng was transferred to Rongda. Consequently, Rongdafeng was deconsolidated, and the P4 Plant Assets and Liabilities were derecognised in the Group's Statement of Financial Position. The monies in the Escrow Account were released to the Group, save for an amount of RMB7 million that remains frozen pursuant to a court order for a matter that is separate from, and not connected with, the disposal of the P4 Plant to Rongda. Although SMNPC is no longer a part of the Group following the Company's disposal of the subsidiaries, the frozen funds of RMB7 million, if released, shall still be remitted to the Group. The Company has made an announcement on 17 July 2024 on the status of the court order.

Disposal of Norwest Chemicals and Its Subsidiaries

In July 2024, the Company entered into a sale and purchase agreement to dispose of all its shares in a subsidiary, Norwest Chemicals Pte. Ltd. ("**NWC**"). Upon completion of the sale on 31 August 2024, the Group had substantially disposed of its business of exploration, mining and sale of phosphate rocks and the manufacturing, trading and selling of phosphate chemical products (the "**Mining Business**"). The Mining Business was discontinued in 2017 due to a dispute with the PRC government and the shutdown of SMNPC's Sodium Tripolyphosphate plan and the P4 Plant

MESSAGE TO SHAREHOLDERS

Assets, causing the Group to be in a loss-making position. Accordingly, the disposal would allow for a more efficient allocation of available resources to grow the Group's Trading and Renewable Energy Businesses.

Rights Issue

In July 2024, the Group completed a rights issue of shares, raising $2.22 million in net proceeds. The Company undertook the rights issue with the objectives of: (i) augmenting and strengthening the Group's equity base; and (ii) minimising cash outflows needed for the repayment of the outstanding loans due to controlling shareholders of the Company.

Velora Acquisition

In August 2024, the Company acquired 51% of the issued share capital of Velora Pte. Ltd. ("**Velora**"). Velora's principal business is the wholesale trade of fertilisers, with operations in various countries. This acquisition was aligned with the Group's diversification strategy to augment its business.

Other Business Updates

In October 2023, a subsidiary of the Company entered into a non-binding term sheet pertaining to a potential acquisition of a renewable energy business, namely Global Resources SP (Taiwan) Co. Ltd. The potential acquisition was subject to the execution of a definitive agreement and, if completed, would allow the Company to diversify and supplement the Group's existing businesses. At the present time, the parties have not yet proceeded further with the acquisition.

The Company shall continue to source for other corporate, business, acquisition and financing opportunities as and when available and appropriate in order to enhance the value for shareholders.

Financial Review

Revenue from continuing operations in FY2024 increased 152% y-o-y, to S$4.3 million. The Group recorded a higher trading revenue in FY2024 mainly due to increased sales of other commodity products, following the acquisition of Velora in August 2024.

Other income: Other income decreased in FY2024 mainly due to (i) smaller foreign exchange gains and (ii) funding for arbitration being recorded in FY2023 but not FY2024.

Selling and distribution costs: Selling and distribution costs decreased due to lower quantities of chemical products sold.

General and administrative costs: General and administrative expenses decreased in FY2024 primarily due to lower legal and professional fees and other arbitration-related costs following the cessation of the Group's litigation against the Chinese government in 2024.

Finance costs: Finance costs decreased in FY2024 due to the full repayment of the only outstanding bank loan of the Group in January 2024 and repayments of loans due to controlling shareholders of the Company in July 2024.

Other expenses: Other expenses increased in FY2024 mainly due to a provision for impairment made for receivables from a previous subsidiary.

Discontinued operations: Profit before tax from discontinued operations decreased in FY2024 mainly due to a one-off reversal of provision for impairment loss related to the P4 Plant Assets in 4Q2023.

In Appreciation

On behalf of the Board, we would like to express our gratitude and appreciation to our shareholders and other stakeholders for their support. We would especially like to acknowledge our management and staff for their dedication and hard work despite the challenges that we have faced.

Asiaphos shall continue working hard to justify the continued support of our shareholders and other stakeholders.

WONG QUEE QUEE, JEFFREY
Non-Executive Chairman

ONG ENG KEONG (WANG RONGKANG)
CEO and Executive Director

FINANCIAL REVIEW

INCOME STATEMENT

	FY2024 $'000	FY2023 $'000	Change %
Continuing operations			
Revenue	4,291	1,701	152
Cost of sales	(3,924)	(1,373)	186
Gross profit	367	328	12
	9%	19%	
Other income	282	801	(65)
Selling and distribution costs	(74)	(126)	(41)
General and administrative costs	(2,208)	(4,728)	(53)
Finance costs	(245)	(349)	(30)
Other expenses	(692)	(25)	2,668
Loss before tax from continuing operations	**(2,570)**	**(4,099)**	(37)
Taxation	(15)	(70)	(79)
Loss from continuing operations, net of tax	**(2,585)**	**(4,169)**	(38)
Discontinued operation			
Profit from discontinued operations, net of tax	**3,707**	**6,242**	(41)
Profit for the year	**1,122**	**2,073**	(46)

"N.M." denotes not meaningful

The Group recorded higher trading revenue in FY2024 due to increased sales of other commodity products, following the acquisition of a new subsidiary, whose principal business is in the wholesale trade of fertilisers, in August 2024.

The increase in gross profit was mainly due to changes in sales mix in FY2024. Consequently, gross profit margin was 9% in FY2024, compared to 19% in FY2023.

The decrease in other income in FY2024 was mainly due to a smaller foreign exchange gain recorded due to exchange rate fluctuation. The decrease in FY2024 against FY2023 was also due to funding for arbitration recorded in FY2023.

Selling and distribution costs decreased due to lower quantities of chemical products sold.

The reduction in general and administrative costs was mainly attributed to the lower legal and professional fees and other arbitration-related costs following the unsuccessful result of the group's appeal to the Swiss court in January 2024.

The decrease in finance costs was mainly due to full repayment of the only outstanding bank loan in January 2024 and repayments of loan due to controlling shareholders in July 2024.

Other expenses increased mainly due to a provision for impairment made on receivables from a previous subsidiary.

The decrease in taxation was caused by lower income taxes incurred on unremitted foreign income.

The decrease in profit from discontinued operations was mainly due to a one-off reversal of provision for impairment loss related to the P4 Plant Assets in FY2023.

As a result of the above, the Group recorded profit for the year of $1.12 million in FY2024, relative to a profit of $2.07 million in FY2023.

FINANCIAL REVIEW

BALANCE SHEET

	FY2024 $'000	FY2023 $'000	Change %
Non-current assets	**488**	**401**	**22**
mainly comprised of:			
Right-of-use assets	179	186	(4)
Property, plant and equipment	46	27	70
Goodwill	263	–	N.M.
Deferred tax assets	–	178	(100)
Current assets	**4,104**	**1,436**	**186**
mainly comprised of:			
Inventories	37	52	(29)
Trade receivables	1,714	51	3,261
Other receivables and prepayments	928	468	98
Cash and bank balances	1,425	865	65
Assets of disposal group	**–**	**13,665**	**(100)**
Non-current assets held for sale	**–**	**5,546**	**(100)**
Non-current liabilities	**154**	**2,738**	**(94)**
mainly comprised of:			
Deferred income	–	1,812	(100)
Provision for reinstatement costs	26	767	(97)
Liabilities of disposal group	**–**	**6,086**	**(100)**
Current liabilities	**1,015**	**12,427**	**(92)**
mainly comprised of:			
Trade and other payables	984	8,999	(89)
Contract liabilities	–	524	(100)
Loan due to a director	–	1,753	(100)
Loan due to a controlling shareholder	–	1,121	(100)
Net current assets/ (liabilities)	**3,089**	**(10,991)**	**N.M.**
Net assets/(liabilities)	**3,423**	**(203)**	**N.M.**
Equity attributable to owners of the Company			
Share capital	80,703	78,283	3
Reserves	(77,319)	(75,953)	2
	3,384	2,330	45
Non-controlling interests	39	(2,533)	N.M.
Total equity	**3,423**	**(203)**	**N.M.**

"N.M." denotes not meaningful

The increase in non-current assets was a result of the following:

- Increases in goodwill and property, plant and equipment mainly due to the acquisition of a new subsidiary in FY2024.
- A decrease in deferred tax assets mainly attributed to the disposal of subsidiaries in FY2024.

The increase in current assets was a result of the following:

- A decrease in inventory levels due to the disposal of subsidiaries in FY2024.
- An increase in trade receivables attributed to higher sales of other commodity products following the acquisition of a new subsidiary in FY2024.
- An increase in other receivables and prepayments mainly due to amounts receivable from a previous subsidiary that was disposed of in FY2024.

The decrease in assets of disposal group is due to the disposal of subsidiaries in FY2024.

The decrease in non-current assets held for sale was due to the disposal of subsidiaries in FY2024.

The decrease in non-current liabilities was a result of the following:

- Decreases in deferred income and provision of reinstatement costs due to the disposal of subsidiaries in FY2024.

The decrease in liabilities of disposal group was mainly due to the disposal of subsidiaries in FY2024.

The decrease in current liabilities was a result of the following:

- A decrease in trade and other payables attributed to the disposal of subsidiaries and the payment of legal costs awarded to China in FY2024.
- A decrease in contract liabilities attributed to the disposal of subsidiaries in FY2024.
- A decrease in loans due to a director and controlling shareholders due to repayment of loans in FY2024.

As a result of the above, total equity attributable to owners of the Company increased by 45% in FY2024.

FINANCIAL REVIEW

CASH FLOW

	FY2024 $'000	FY2023 $'000	Change %
Net cash (used in)/ generated from operating activities	**(4,844)**	**170**	N.M.
Net cash generated from/(used in) investing activities	**9,602**	**(175)**	N.M.
Net cash (used in)/ generated from financing activities	**(3,777)**	**167**	N.M.
Net increase in cash and cash equivalents	981	162	506
Cash and cash equivalents at beginning of the year	426	271	57
Effect of exchange rate changes on cash and cash equivalents	18	(7)	N.M.
Cash and cash equivalents at end of the year	**1,425**	**426**	235

"N.M." denotes not meaningful

The net cash outflow for operating activities in FY2024 was mainly due to payments made for legal costs awarded to China and professional fees in relation to various corporate exercises.

The net cash inflow for investing activities in FY2024 was mainly due to cash receipts from Rongda in connection with the disposal of the P4 Plant.

The net cash outflow for financing activities in FY2024 was mainly due to repayments of an interest-bearing bank loan and loans due to a director and controlling shareholders, partially offset by proceeds from a rights issue.

As a result of the above, there was a larger net increase in cash and cash equivalents in FY2024, relative to FY2023.

BOARD OF DIRECTORS

WONG QUEE QUEE JEFFREY

Independent and Non-Executive Chairman and Chairman of Nominating Committee

Mr Wong Quee Quee, Jeffrey, is our Independent Director. He has more than 20 years of experience in corporate transactional work covering the legal and investment banking aspects. Mr Wong is a Partner of Solitaire LLP. Prior to that, he was the Chief Executive of Soochow CSSD Capital Markets (Asia) Pte Ltd. (now known as Soochow Singapore Capital Markets (Asia) Pte. Ltd.) ("**SCCM**") and then a Senior Advisor of SCCM. Before joining SCCM, he held various senior positions within the Religare Capital Markets group. Before Religare Capital Markets, Mr Wong worked at UBS AG and Allen & Gledhill LLP. Mr Wong was awarded Singapore In-house Lawyer of the Year at the Asian Legal Business South-East Asia Law Awards 2009 and was a member of the Auditing and Assurance Standards Committee in the Institute of Certified Public Accountants of Singapore (now known as the Institute of Singapore Chartered Accountants) for the 2009/2010 term. Mr Wong graduated with a Bachelor of Laws (Honours) from the National University of Singapore and is an advocate and solicitor of the Singapore Supreme Court. He was also previously a Chartered Valuer and Appraiser, Institute of Valuers and Appraisers Singapore.

GOH YEOW TIN

Non-Independent and Non-Executive Director

Mr Goh Yeow was appointed as a Director and the Chairman of the Remuneration and Nominating Committees on 22 August 2013. He was also a member of the Audit Committee. Mr Goh was appointed as the Chairman of the Board on 3 May 2019. He was last re-elected on 30 April 2024. He was re-designated from Independent and Non-Executive Chairman to Non-Independent and Non-Executive Chairman on 30 April 2024. On 31 May 2024, Mr Goh re-designated from Non-Independent and Non-Executive Chairman to Non-Independent and Non-Executive Director. Co-terminus with the re-designation, Mr Goh's appointment on all the Board Committees had ceased but he remains a member of the Nominating Committee.

Mr Goh began his career with the Economic Development Board ("**EDB**") where he headed the Local Industries Unit and was subsequently appointed a Director of EDB's Automation Applications Centre between 1986 and 1988. He served as Deputy Executive Director of the Singapore Manufacturers' Association (now known as the Singapore Manufacturers' Federation) from 1983 to 1984. In 1988, Mr Goh joined Tonhow Industries Limited (now known as Asiamedic Limited), and served as its Deputy Managing Director until 1990. In 1989, he founded, and served as general manager of, International Franchise Pte Ltd until 1991. Between 1990 and 2000, Mr Goh served as the Vice-President of Times Publishing Limited. From 2001 to 2011, he was the CEO of Sino-Sing Center Pte. Ltd..

He is currently the Non-Executive Chairman of Seacare Foundation Pte Ltd, and an Independent Director of Taka Jewellery Holdings Limited (formerly known as TLV Holdings Limited) and KTMG Limited (formerly known as Lereno Bio-Chem Ltd). His past directorship of public listed companies in Singapore include Sheng Siong Group Limited, Singapore Post Limited, Vicom Ltd and OEL (Holdings) Limited.

Mr Goh holds a Bachelor of Mechanical Engineering (Honours) from the University of Singapore (now known as the National University of Singapore) and a Masters' Degree in Engineering and Management from the Asian Institute of Technology. In 2015, Mr Goh was awarded the Public Service Star (Bar) and was appointed a Justice of Peace by the President of the Republic of Singapore. He is a member of the Singapore Institute of Directors.

BOARD OF DIRECTORS

LU KING SENG

Independent and Non-Executive Director and Chairman of Audit Committee

Mr Lu King Seng brings over 26 years of extensive commercial and audit experience, having worked in London, Singapore, and Malaysia with leading firms such as Deloitte & Touche, Ernst & Young, Arthur Andersen, PricewaterhouseCoopers, and KPMG. Throughout his career, Mr Lu has led numerous audit engagements, providing expertise in areas such as initial public offerings, due diligence reviews for mergers and acquisitions, and other key financial matters.

Mr Lu was appointed as Business Development Director of Geo Energy Resources Limited in June 2024. He is responsible for driving the company's business development efforts, with a focus on establishing new external partnerships and strengthening the company's existing relationships with both external partners and business units within the Geo Group. Currently, Mr Lu is also the Director of Orion Business Advisory Pte Ltd. Previously, he served as the Chief Financial Officer at SinCo Technologies Pte Ltd and SinCo Group Holdings Pte Ltd, where he oversaw a wide range of functions, including accounting, treasury, legal, and finance. His leadership was instrumental in the companies' group restructurings and mergers and acquisitions.

Mr Lu is a Fellow Member of the Association of Chartered Certified Accountants (ACCA) and a non-practising member of the Institute of Singapore Chartered Accountants (ISCA). He is also a member of the Singapore Institute of Directors. Mr Lu completed his professional qualification with ACCA in 1995, having graduated from Emile Woolf College, London.

ONG ENG HOCK SIMON

Non-Independent and Non-Executive Director

Mr Simon Ong has been an Executive Director since 1 October 2012 to 30 June 2019. He is re-designated as non executive director from 1 July 2019. He was last re-elected on 29 April 2023. He is a member of the Audit and Remuneration Committees. He has been serving as a Director of Mianzhu Norwest since January 2010.

Mr Ong started his career as an audit assistant at KPMG Peat Marwick in 1991 and was subsequently promoted to audit senior, audit supervisor and audit manager in 1992, 1994 and 1996, respectively. Between 1996 and 1999, he served as director of corporate and financial planning in King George Development Corporation. Between 2000 and 2002, he worked at KPMG as an audit manager.

He was later appointed as group finance manager of Hwa Hong Corporation Limited in 2002 and promoted to Chief Financial Officer in 2004, a position he held till July 2012.

Mr Ong is currently Chief Financial Officer of Rich Capital Holdings Limited.

Mr Ong studied accountancy at North East London Polytechnic (now known as University of East London) and qualified as a Fellow of The Association of Chartered Certified Accountants. He is also a Chartered Accountant, non-practising member of the Institute of Singapore Chartered Accountants and a member of Certified Practising Accountant, Australia.

BOARD OF DIRECTORS

ONG ENG KEONG
Executive Director and Chief Executive Officer

Mr Ong Eng Keong started his career in corporate banking with Citigroup, London in 2001. He moved to BNP Paribas, London, where he traded Asian corporate bonds from 2004 to 2009.

He moved back to Singapore with DZ Bank AG before joining Jefferies Singapore Limited to run the credit trading desk from 2010-2014. Mr Ong left the banking industry in 2016 to start his entrepreneur journey, running and advising multiple start-ups, including Bondlinc Pte Ltd, Geko Life Pte Ltd and Crushmetric (SEA) Pte Ltd.

Mr Ong's company responsibilities include exploring and advancing new business initiatives in the renewable energy space, as well as growing and scaling the existing trading business.

Mr Ong was previously appointed as an alternate director to Dr Ong Hian Eng at Hwa Hong Corporation on 31st May 2021. On 25th April 2022, he was redesignated as a non-independent, non-executive director where he served until the company was successfully privatized on 1st August 2022.

Mr Ong holds a Bachelor of Economics Degree (Upper Second Class) from London School of Economics and Political Science and had, on 21 October 2021, completed his LED (Listed Entity Director) programme organized by the Singapore Institute of Directors.

JAMES CHEEMEE WONG
Independent and Non-Executive Director and Chairman of Remuneration Committee

Mr James C Wong is a US Certified Public Accountant (CPA). His career included stints in public accounting with a Big-4 accounting firm, corporate financial management with a listed company in the US, three entrepreneurship business ventures, and adjunct teaching in two Singapore universities.

Over more than 25 years, Mr James Wong developed and enhanced professional skills and experience in financial reporting as well as business process risk and control issues peculiar to business operations in different industries. The first 11 years working with KPMG's audit and assurance practices in the US, Malaysia, and Singapore provided invaluable exposure to a wide range of business operations in various industries. After taking a year off for fulltime graduate studies, Mr Wong worked for seven years with a US-listed foodservice and manufacturing company headquartered initially in Los Angeles, CA. This stint provided useful business and industry perspectives from the other side of the table. For almost eight years following his return to KPMG Singapore, Mr James Wong was Partner, Risk Advisory Services and Practice Leader, Internal Audit Services. In this role, Mr Wong provided outsourced internal audit services and risk advisory services to Singapore listed companies. Additionally, he was the regional lead engagement partner for two KPMG US practice units' technology clients in the Asia Pacific covering northeast and southeast Asia, India as well as Australia and New Zealand.

Opting for early retirement from the KPMG Singapore partnership to pursue entrepreneurship, Mr James Wong spent more than 15 years in various business ventures. This started with a solo-business as an independent consultant providing risk advisory services for about 11 years, before moving on to two small public accounting joint-ventures for three and four plus years, respectively. Mr Wong was an Adjunct Professor teaching mostly the audit and assurance course to undergraduate and Master of Professional Accounting (MPA) students at the Singapore Management University (SMU) for about 12 years. He also taught the same course to undergraduate students at the Singapore University of Social Sciences (SUSS) for two years. Additionally, during the second JV, Mr Wong was appointed as independent director to several private companies advising foreign entrepreneurs on their corporate governance responsibilities relating to their Singapore-incorporated companies.

More than 30 years post CPA qualification, Mr James Wong was awarded the Chartered Global Management Accountant (CGMA) and Certification in Risk Management Assurance (CRMA) designations. These awards by two other US professional institutions were in recognition of Mr Wong's professional accomplishments in public accounting practice and corporate financial management. His most recent professional qualifications are Associate, Chartered Secretary (ACS) and Associate, Chartered Governance Professional (ACG) awarded by The Chartered Governance Institute (CGI) in the UK. Academically, he has BBA, MBA and doctoral (DBA) degrees from US and Australian universities, respectively.

CORPORATE INFORMATION

BOARD OF DIRECTORS

WONG QUEE QUEE, JEFFREY
(Independent and Non-Executive Chairman and Chairman of Nominating Committee)

ONG ENG KEONG
(Executive Director and Chief Executive Officer)

GOH YEOW TIN
(Non-Independent and Non-Executive Director)

LU KING SENG
(Independent and Non-Executive Director and Chairman of Audit Committee)

JAMES CHEEMEE WONG
(Independent and Non-Executive Director and Chairman of Remuneration Committee)

ONG ENG HOCK SIMON
(Non-Independent and Non-Executive Director)

AUDIT COMMITTEE
LU KING SENG *(Chairman)*
JAMES CHEEMEE WONG
ONG ENG HOCK SIMON

NOMINATING COMMITTEE
WONG QUEE QUEE, JEFFREY *(Chairman)*
LU KING SENG
GOH YEOW TIN

REMUNERATION COMMITTEE
JAMES CHEEMEE WONG *(Chairman)*
LU KING SENG
ONG ENG HOCK SIMON

COMPANY SECRETARY
NGIAM MAY LING, LLB (Hons)

REGISTERED OFFICE
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

PRINCIPAL PLACE OF BUSINESS
SINGAPORE
22 Kallang Avenue
#03-02 Hong Aik Industrial Building
Singapore 339413

PRC
Room 815, Building A,
Rui'an Center,
No. 89, North Forth section,
Second Ring Road,
Chengdu City, Sichuan Province
P.R.C.
Telephone: 0086 28 8663 0571

SPONSOR
EVOLVE CAPITAL ADVISORY PRIVATE LIMITED
160 Robinson Road
#20-01/02 SBF Center
Singapore 068914

AUDITORS
PKF-CAP LLP
6 Shenton way
#38-01 OUE Downtown 1
Singapore 068809

Partner in Charge:
Mr Lee Eng Kian
Date of Appointment: With effect from financial year ended 31 December 2024

SHARE REGISTRAR AND SHARE TRANSFER OFFICE
BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.
1 Harbourfront Avenue
#14-07 Keppel Bay Tower
Singapore 098632

PRINCIPAL BANKERS
OVERSEA-CHINESE BANKING CORPORATION LIMITED
65 Chulia Street
#06-00 OCBC Centre
Singapore 049513

ADDITIONAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

Additional Information on Directors seeking e-election or re-election pursuant to Rule 720(5) of Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist (the "Catalist Rules").

Mr Wong Quee Quee, Jeffrey, Mr Lu King Seng, Mr James Cheemee Wong and Mr Ong Eng Hock Simon are the Directors seeking election or re-election at the forthcoming annual general meeting of the Company to be convened on 24 April 2025 ("**AGM**") under Ordinary Resolutions 2, 3, 4 and 5 as set out in the Notice of AGM dated 9 April 2025 (collectively, the "**Retiring Directors**" and each a "**Retiring Director**").

Information relating to the Retiring Directors, pursuant to Rule 720(5) of the Catalist Rules, as set out in Appendix 7F of the Catalist Rules, is as set out below:

	WONG QUEE QUEE, JEFFREY	LU KING SENG	JAMES CHEEMEE WONG	ONG ENG HOCK SIMON
Date of Appointment	31 May 2024	31 May 2024	31 May 2024	1 October 2012
Date of last re-appointment (if applicable)	Not applicable	Not applicable	Not applicable	29 April 2023
Age	50	55	73	60
Country of principal residence	Singapore	Singapore	Singapore	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The election of Mr Jeffrey Wong as the Independent and Non-Executive Chairman of the Company was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Jeffrey Wong's qualifications, expertise, past experiences and overall contributions since his appointment as a Director of the Company.	The election of Mr Lu as the Independent and Non-Executive Director of the Company was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Lu's qualifications, expertise, past experiences and overall contributions since his appointment as a Director of the Company.	The election of Mr James Wong as the Independent and Non-Executive Director of the Company was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr James Wong's qualifications, expertise, past experiences and overall contributions since his appointment as a Director of the Company.	The re-election of Mr Simon Ong as the Non-Independent and Non-Executive Director of the Company was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Simon Ong's qualifications, expertise, past experiences and overall contributions since he was appointed as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC member, etc.)	• Chairman of the Board • Independent and Non-Executive Director • Chairman of Nominating Committee	• Independent and Non-Executive Director • Chairman of Audit Committee • Member of Nominating and Remuneration Committees	• Independent and Non-Executive Director • Chairman of Remuneration Committee • Member of Audit Committee	• Non-Independent and Non-Executive Director • Member of Audit and Remuneration Committees
Professional qualifications	• Advocate and Solicitor of the Supreme Court of Singapore	• Chartered Certified Accountant, Emile Woolf College of Accountancy, London, United Kingdom • Chartered Certified Accountant, Association of Chartered Certified Accountants (ACCA) • Non-Practising member, Institute of Singapore Chartered Accountants (ISCA) • Member of the Singapore Institute of Directors	• Certified Public Accountant (CPA), US • Chartered Global Management Accountant (CGMA) • Certification in Risk Management Assurance (CRMA) • Associate, Chartered Governance Professional (ACG) • Associate, Chartered Secretary (ACS)	• Diploma in Accounting at North East London Polytechnic (now known as University of East London) • Fellow of The Association of Chartered Certified Accountants • Non-Practising Member of the Institute of Singapore Chartered Accountants • Member of Certified Practicing Accountant, Australia

ADDITIONAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

	WONG QUEE QUEE, JEFFREY	LU KING SENG	JAMES CHEEMEE WONG	ONG ENG HOCK SIMON
Working experience and occupation(s) during the past 10 years	January 2023 – Present • Partner, Solitaire LLP February 2023 – April 2023 • Senior Advisor to Soochow Singapore Capital Markets (Asia) Pte. Ltd. (now known as Soochow Singapore Capital Markets (Asia) Pte. Ltd.) ("SCCM") December 2017 – January 2023 • Chief Executive Officer of SCCM July 2010 – November 2017 • Head of Investment Banking, Religare Capital Markets Corporate Finance Pte. Limited	Since 2013, Mr Lu has served as Director and Chief Financial Officer at Orion Advisory Group, a company where he also held a shareholder position. His role involved overseeing financial strategies and operations, enhancing corporate governance, and driving key business initiatives. He concluded his tenure at Orion Advisory Group in March 2024. Mr Lu has been appointed as Business Development Director of GEO Energy Resources Limited, effective 3 June 2024.	January 2019 – 31 March 2023 • Partner, H.A. Christie & Co, Chartered Accountants Singapore • Director, Christie Corporate Services Pte. Ltd. • Director, Christie Cosec Services Pte. Ltd. January 2016 – December 2018 • Managing Director, Axcelasia Singapore Pte. Ltd. (the Singapore subsidiary of then SGX Catalist Board listed Axcelasia Inc.) 2017 – 2018 • Adjunct Professor, Singapore University of Social Sciences (SUSS) 2004 – December 2015 • Independent Consultant • Adjunct Professor, Singapore Management University (to 2017)	August 2020 – Present • Chief Financial Officer, Rich Capital Holdings Limited July 2019 – Present • Non-Executive and Non-Independent, AsiaPhos Limited May 2019 – Present • Director, Abacus Corporate & Consulting Services Pte Ltd October 2012 – June 2019 • Executive Director, AsiaPhos Limited March 2002 – July 2012 • Chief Financial Officer, Hwa Hong Corporation Limited
Shareholding interest in the listed issuer and its subsidiaries	Refer to Directors' Statement on pages 43 to 45 of this Annual Report.			
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil	There were none except that Mr James Wong was on the KPMG Risk Advisory Services team (up to July 2004), which provided outsourced internal audit services and conducted an internal audit review at Norwest Chemicals in China in 2004. After the Company was listed, he provided independent consulting services, specifically assisting with setting up its risk management process. The risk advisory services fieldwork was conducted between November 2013 and January 2016 at his independent consulting firm, JCW Consultants Pte. Ltd., which is presently dormant.	Mr Simon Ong is the cousin of Mr Ong Eng Keong, the Company's Executive Director and Chief Executive Officer, the nephew of Dr Ong Hian Eng and the brother of Ms Ong Bee Kuan Melissa who are the substantial shareholders of the Company.
Conflict of interest (including any competing business)	Nil	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes

ADDITIONAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

	WONG QUEE QUEE, JEFFREY	LU KING SENG	JAMES CHEEMEE WONG	ONG ENG HOCK SIMON
Other Principal Commitments* Including Directorships# * *"Principal Commitments" has the same meaning as defined in the Code – "principal commitments" includes all commitments which involve significant time commitment such as full-time occupation, consultancy work, committee work, non-listed company board representations and directorships and involvement in non-profit organisations. Where a director sits on the boards of non-active related corporations, those appointments should not normally be considered principal commitments* # *These fields are not applicable for announcements of appointments pursuant to Rule 704(8)*	**Past (for the last 5 years)** Directorship • Solum Capital Limited (struck off) • Sunstone Capital Markets Private. Limited (struck off) • Rich Capital Holdings Limited • Soochow Singapore Capital Markets (Asia) Pte. Ltd. (now known as Soochow Singapore Capital Markets (Asia) Pte. Ltd.) Other Principal Commitment Senior Advisor and Chief Executive Officer of SCCM	**Past (for the last 5 years)** Directorship • Swag EV Pte. Ltd. • Taka Jewellery Holdings Limited • JLogo Holdings Limited • Orion Advisory Pte. Ltd. • Orion Polymer Pte. Ltd. • Supreme Wagon Automotive Pte. Ltd. • Lincotrade & Associates Holdings Limited • GEO Energy Resources Limited Other Principal Commitment Director and Chief Financial Officer at Orion Advisory Group	**Past (for the last 5 years)** Directorship • Director, Matlock Consultants Pte Ltd (struck off) • Alternate Director, Pelagic Trading Singapore Pte. Ltd. (dissolved) • Director, Nexant Singapore Pte. Ltd. (struck off) • Director, Axington Singapore Pte. Ltd. (struck off) • Director, Hospo Hero Pte. Ltd. (struck off) • Director, Aishitoto Pte. Ltd. (struck off) Other Principal Commitment • Partner, H.A. Christie & Co, Chartered Accountants Singapore • Director, Christie Corporate Services Pte. Ltd. • Director, Christie Cosec Services Pte. Ltd.	**Past (for the last 5 years)** Directorship • Norwest Chemicals Pte Ltd • LY Resources Pte Ltd • AsiaPhos Resources Pte Ltd • Nucera Solutions Pte Ltd • APC Limited • RF Acquisition Corp • Sichuan Mianzhu Norwest Phosphate Chemical Company Limited • Deyang City Xianrong Technical Consulting Co., Ltd. • Deyang Fengtai Mining Co Ltd Other Principal Commitment Nil
	Present Directorship • Procurri Corporation Limited • GKE Corporation Limited • Truth Assets Management (S) Pte. Ltd. • Truth Wealth Management VCC • GSS Energy Limited • Katrina Group Ltd • Solitaire LLP • Hwa Chong Alumni Association • Singapore Judo Federation • MCST 3682 • Hwa Chong Foundation Limited Other Principal Commitment • Partner, Solitaire LLP • Senior Advisor, DHC Capital Pte. Ltd.	**Present** Directorship • Orion Business Advisory Pte. Ltd. • Orion Business Consultancy Pte. Ltd. • Optimus Peak Pte. Ltd. • Rainwood International Pte. Ltd. • Aqua Sand Mining Pte. Ltd. • Crystal Sand Trading Pte. Ltd. • Softwind Capital & Advisory Pte. Ltd. • Rainmaker Deli Resource Pte. Ltd. • Trinity Alliance Resources Pte. Ltd. • P&W Consulting Pte Ltd • Squarebook Advisory Pte Ltd • Pro 1 Management Consultants Pte Ltd Other Principal Commitment Business Development Director of GEO Energy Resources Limited	**Present** Directorship • Director, JCW Consultants Pte. Ltd. • Director, Bravo Events & Experiential Pte. Ltd. Other Principal Commitment Nil	**Present** Directorship • Astute Investment Holdings Pte Ltd • Astute Ventures Pte Ltd • Oxley Batam Pte Ltd • XDL Resources Pte Ltd • Rich Batam Private Limited • Abacus Corporate & Consulting Services Pte Ltd and its subsidiary Abacus Support Services Sdn Bhd • Aagora Pte Ltd • Latitude Horizon Pte Ltd • Merco Pte Ltd Other Principal Commitment Chief Financial Officer of Rich Capital Holdings Limited

ADDITIONAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

	WONG QUEE QUEE, JEFFREY	LU KING SENG	JAMES CHEEMEE WONG	ONG ENG HOCK SIMON
Information required				
Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.				
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No	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?	Yes. Mr Jeffrey Wong was previously a non-executive board director of Honestbee Pte. Ltd. ("**Honestbee**") and resigned from such position with effect from 15 August 2019. Subsequent to his resignation, the Singapore courts had, on 7 July 2020, issued an order for Honestbee to be wound up.	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

	WONG QUEE QUEE, JEFFREY	LU KING SENG	JAMES CHEEMEE WONG	ONG ENG HOCK SIMON
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

	WONG QUEE QUEE, JEFFREY	LU KING SENG	JAMES CHEEMEE WONG	ONG ENG HOCK SIMON
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–				
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No	Yes On 26 January 2021, the Singapore Exchange Regulation ("**SGX RegCo**") issued a regulatory announcement in connection with the findings by the independent reviewer on Rich Capital Holdings Limited ("**Rich Capital**"), inter alia, that the SGX RegCo will investigate further into the potential listing rule breaches and report the matter to the relevant authorities. Please refer to the regulatory announcement dated 26 January 2021 for further details. The potential lapses/breaches/contraventions related to transactions that occurred prior to Mr Simon Ong's appointment as CFO of Rich Capital with effect of 28 August 2020. Mr Simon Ong confirms that he is not subject to any investigation and/or independent review.
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

	WONG QUEE QUEE, JEFFREY	LU KING SENG	JAMES CHEEMEE WONG	ONG ENG HOCK SIMON
(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?	Yes Mr Jeffrey Wong was previously a director of Soochow Singapore Capital Markets (Asia) Pte. Ltd. (now known as Soochow Singapore Capital Markets (Asia) Pte. Ltd.) ("**SCCM**"). In February 2023, SCCM received a supervisory reminder from the Monetary Authority of Singapore (the "**Authority**") to maintain its base capital at or above the minimum requirement required by the Authority. Mr Jeffrey Wong is an independent Non-Executive Director of Procurri Corporation Limited ("**Procurri**"). On 4 August 2020, the Authority issued a reminder to Procurri to comply with Section 137G(1) of the Securities and Futures Act. Mr Jeffrey Wong was an executive board director of Religare Capital Markets Corporate Finance Pte. Limited ("**RCMCF**") between December 2010 and November 2017. In July 2016, RCMCF received a supervisory reminder from the Authority informing RCMCF in respect of its breach of Regulation 6(1)(a) of the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licences) Regulations (the "**SF(FRM)R**"), which required the holder of a capital markets services licence granted under the Securities and Futures Act to ensure that its financial resources do not fall below its total risk requirement. In July 2017, another breach of the SF(FRM)R by RCMCF was discovered, and, in February 2018, the Authority issued a supervisory reminder to remind RCMCF to ensure compliance with all applicable regulations at all times.	No	No	No

ADDITIONAL INFORMATION ON DIRECTORS SEEKING ELECTION OR RE-ELECTION

	WONG QUEE QUEE, JEFFREY	LU KING SENG	JAMES CHEEMEE WONG	ONG ENG HOCK SIMON
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No	No

SENIOR MANAGEMENT

JAIME CHIEW CHI LOONG
Chief Risk Officer/Head of Investor Relations

Mr Jaime Chiew joined the Group in 2014 as Chief Risk Officer and is primarily responsible for overseeing the Group's risk management activities, forecasting/budgeting and monitoring of key management processes.

Mr Chiew started his career at Ernst & Young London in 1998 as an audit associate in Insurance/Financial Services, where he qualified as a Chartered Accountant and was promoted to manager within Ernst & Young London's audit/regulatory advisory practice, a position he held until 2006. Between 2006 and 2014, he held various roles in Citibank Asia Pacific, primarily in financial control, planning and analysis.

Mr Chiew holds an Accounting and Finance degree (Honours) from University of Southampton, UK.

He is a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW).

CHIA CHIN HAU
Group Financial Controller

Mr Chia Chin Hau joined the Group as Financial Controller in 2008 and was appointed as Manager (Special Projects) in 2012. He assists in the implementation of risk management and internal controls of the operations in the PRC.

Mr Chia Chin Hau was appointed Group Financial Controller with effect from 15 June 2020.

Mr Chia started his career as an audit assistant at Paul Chuah & Co in 1994. Between 1995 and 2000, he served as audit senior with Tay & Associates and Hals & Associates. In 2000, he joined Pembinaan Angkasan Holding Sdn Bhd as accountant. In 2002, he joined HHEO as a special project accountant and was seconded to the PRC subsidiaries of HHEO in the same year, including serving as Financial Controller to Mianzhu Norwest for the period from 2004 to 2008.

Mr Chia holds a Master of Economics from the Universiti Putra Malaysia.

CORPORATE SOCIAL RESPONSIBILITY

Following the cessation of mining in 2017 and production of P4 in 2018, the Group is focused primarily on trading of chemicals and commodity products. We are aware of our responsibility towards the environment, our employees and the local community. We strive to make good use of and conserve resources, protect our environment, improve the welfare of our employees, and facilitate social and economic development of the neighbouring areas. While we expand our business operations, we continuously strive to ensure that the requirements of a responsible corporate citizen are embedded within our daily operations.

ENVIRONMENTAL AND SAFETY

Currently, the Company's operations are focused on sales and trading of phosphate products.

We recognise that environmental monitoring is an ongoing obligation. We will continue to invest in safety and environmental protection features in new business that we will acquire.

EMPLOYEES

The Group strives to further improve on human resource recruitment, training, appraisal and remuneration management.

The Group has standardised its form of employment, so as to ensure that the basic rights and interests of employees are protected, and to maintain good labour relations. We purchased all necessary insurance for the employees in accordance with the relevant labour laws. We ensure that our employees and our outsourced workers pass the relevant health checks, possess social and commercial insurance before they undertake any work at our premises.

The Group is committed to staff upgrading. The Group sends employees to attend training, courses and seminars relevant to their scope of work, including orientation training for new employees, training for middle and senior management, professional training and safety training.

SOCIAL

We strive to make a positive impact on the lives of people who live in the areas where we have a presence. We, as far as possible, employ local workers and provide these workers with relevant training and skills development.

The Group is committed to be in strict compliance with the laws, responding positively to government policies, paying taxes in due course, and helping to improve local employment, thus making significant contribution to the local fiscal revenue.

We seek to support and promote local businesses and economic activities by engaging them as suppliers. We currently procure our materials from local suppliers within the vicinity of our operations.

REPORT ON CORPORATE GOVERNANCE

The board (the "**Board**") of directors (the "**Directors**") and the management (the "**Management**") of AsiaPhos Limited (the "**Company**") are committed to achieving and maintaining high standards of corporate governance within the Company and its subsidiaries (together, the "**Group**"), so as to ensure greater transparency, accountability, and maximisation of long-term shareholder value.

For the financial year ended 31 December 2024 ("**FY2024**"), the Board and the Management are pleased to confirm that the Company has, in all material aspects, adhered to the principles and provisions of the Code of Corporate Governance 2018 (the "**Code**") and Rule 710 of Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") issued by Singapore Exchange Securities Trading Limited (the "**SGX-ST**").

This report outlines the Company's corporate governance processes and structure, with specific reference to the principles and provisions of the Code. Unless otherwise stated, the corporate governance processes were in place during the financial year.

(A) BOARD MATTERS

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

All Directors recognise that they have to discharge their duties and responsibilities in the best interests of the Company and hold Management accountable for performance. Each of them is expected to act in good faith and be honest and diligent in exercising his independent judgement in overseeing the business and affairs of the Company. In any situation that involves a conflict of interest with the Group, the Director who has the conflict of interest would recuse himself from discussions and decisions involving the relevant matter.

While the duties imposed by law are the same for all directors, a listed Board will generally have different classes of directors (Executive, Non-Executive and Independent Directors) with different roles. All Directors are to act in the best interests of the Company as a whole and not of any particular group of shareholders or stakeholders.

Executive Directors are usually members of senior management and are involved in the day-to-day running of the business. Executive Directors are expected to:

- provide insights on the Group's day-to-day operations, as appropriate;
- provide Management's views without undermining management accountability to the Board; and
- collaborate closely with Non-Executive Directors for the long-term success of the Company.

Non-Executive Directors are not part of Management. They are not employees of the Company and do not participate in the Company's day-to-day management. Non-Executive Directors are expected to:

- be familiar with the business and stay informed of the activities of the Company;
- constructively challenge Management and help develop proposals on strategy;
- review the performance of Management in meeting agreed goals and objectives; and
- participate in decisions on the appointment, assessment and remuneration of the Executive Directors and key management personnel generally.

REPORT ON CORPORATE GOVERNANCE

Independent Directors are Non-Executive Directors who are deemed independent by the Board. Independent Directors have the duties of the Non-Executive Directors and additionally provide an independent and objective check on Management and other non-independent Directors.

The Board oversees the corporate policy and overall strategy for the Group. The principal roles and responsibilities of the Board include:

- Setting the appropriate tone-from-the-top and desired organisational culture and ensuring proper accountability and ethical culture within the Group;
- Providing entrepreneurial leadership, overseeing the overall strategic plans, including considering sustainability, environmental and ethical issues as part of its strategic formulation, strategic human resources framework, and financial objectives of the Group;
- Ensuring that sufficient resources are in place to meet the Group's objectives;
- Reviewing the operational and financial performance of the Group, including reviewing the performance of the Management and constructively challenging the Management;
- Approving financial results announcements, circulars and audited financial statements and annual reports of the Company;
- Overseeing and safeguarding the shareholders' interest and Group's assets through a robust system of effective internal controls, risk management, financial reporting and compliance;
- Overseeing and enhancing corporate governance and practices within the Group;
- Dealing with matters such as conflict of interest issues relating to Directors and substantial shareholders of the Company, the Group's annual budget, interested person transactions, major acquisitions and disposals of material assets, dividends and other distributions to shareholders, and those transactions or matters which require the Board's approval under the provisions of the Catalist Rules, from time to time, or any applicable regulations;
- Approving changes in the composition of the Board;
- Identifying key stakeholder groups, ensuring transparency and accountability to the stakeholders, and recognising that their perceptions affect the Company's reputation;
- Approving the appointment of the senior management, approving the policies and guidelines for the Board and senior management executives' remuneration, in addition to approving the appointment of new Directors;
- Approving the appointment and removal of Company Secretary; and
- Assume responsibility for corporate governance.

REPORT ON CORPORATE GOVERNANCE

The Board has delegated specific responsibilities to three (3) Board committees, namely, the Audit Committee (the "**AC**"), the Nominating Committee (the "**NC**") and the Remuneration Committee (the "**RC**") (collectively, the "**Committees**") to support its role and responsibilities. The Committees operate within their own clearly defined terms of reference (the "**Charter**"), which have been approved by the Board and operating procedures are reviewed on a regular basis and improved as and when required to meet the changes in laws and other guidelines. All the Committees are chaired by Independent Directors and comprise a majority of Independent Directors. The Committees examine specific issues and report to the Board with their decisions and/or recommendations. While the Management performs the day-to-day management functions, the Board is the highest authority of approval and ultimate responsibility for the final decision on all matters lies with the entire Board. The Board is supported by the Company Secretary, whose role is clearly defined. The Company Secretary's responsibilities include advising the Board on corporate and administrative matters, as well as facilitating orientation and assisting with professional development as required.

The Board may make decisions by way of resolutions in writing. While there is no specific written policy on matters reserved for the Board as this may limit the type of matters or transactions, certain transactions, including new material investments, disposal of assets/business and review of interested party transactions ("**IPT**"), share issues, all commitments to banks and declaration of dividends are subject to the approval of the Board. Release of financial results and other announcements are also approved by the Board. Other significant matters or transactions for Board's approval are notified by the Management to the Board as and when they occur.

Directors have been able to devote sufficient time to the Group's matters. In order to ensure that each Director is able to commit sufficient time and attention to the matters of the Group, the Board conducts scheduled meetings on a quarterly basis, which are scheduled at the beginning of each calendar year. Additional meetings are convened as and when circumstances warrant. The Management provides the 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. The Constitution of the Company allows Board meetings to be conducted via any form of audio or audio-visual communication. The Board is updated on changing commercial risks and key changes in the relevant legal and regulatory requirements, as well as accounting standards.

The Board will receive updates on the Group's business and strategic developments, industry developments, and matters related to the Group, at a minimum, on a quarterly basis. Throughout the financial year, the Directors have separate and independent access to Management, the Company Secretary and external advisers (where necessary) at the Company's expense. The Company adopts a policy that welcomes the Directors to request further explanations, briefings or informal discussions on any aspect of the Group's operations or business from the Management. The Directors are free to discuss any information or views presented by any member of the Board and the Management. Additional information, where needed, is provided in a timely manner.

Where necessary or appropriate, members of the Board exchange views outside the formal environment of Board meetings. All Directors exercise due diligence and independent judgment and are obliged to act in good faith and at all times consider the best interests of the Company as fiduciaries of the Company.

REPORT ON CORPORATE GOVERNANCE

The attendance of the Directors at the meetings of the Board and the Committees and the general meetings during FY2024 is disclosed below:

Name of Director	Number of meetings attended in FY2024					
	Board	**AC**	**NC**	**RC**	**Annual General Meeting**	**Extraordinary General Meeting**
Goh Yeow Tin[(1)] ("**Mr Goh**")	4	1	2	2	1	2
Dr. Ong Hian Eng[(2)] ("**Dr Ong**")	1	–	2	–	1	–
Francis Lee Fook Wah ("**Francis Lee**")[(3)]	1	1	2	2	1	–
Ong Eng Hock Simon[(4)] ("**Simon Ong**")	4	3	–	3	1	2
Ong Eng Keong[(5)]	3	–	–	–	1	2
Wong Quee Quee, Jeffrey ("**Jeffrey Wong**")[(6)]	2	–	–	–	–	1
Gabriel Lu King Seng ("**Gabriel Lu**")[(7)]	2	2	–	1	–	1
James Cheemee Wong ("**James Wong**")[(8)]	2	2	–	1	–	1
Number of meetings held in FY2024	**4**	**4**	**2**	**3**	**1**	**2**

Notes:

(1) Mr Goh was re-designated from Non-Independent and Non-Executive Chairman to Non-Independent and Non-Executive Director of the Company with effect from 31 May 2024. Concurrently with the re-designation, Mr Goh's appointments on all the Board Committees also ceased, save that he remains as member of the NC.

(2) Dr Ong is the father of our Executive Director and Chief Executive Officer, Mr Ong Eng Keong, uncle of our Non-Executive Non-Independent Director, Mr Simon Ong, and a substantial shareholder of the Company, Ms Ong Bee Kuan Melissa. Dr Ong retired as the Executive Director and Chief Executive Officer of the Company and member of the NC with effect from 30 April 2024.

(3) Mr Francis Lee retired as the Independent and Non-Executive Director of the Company, Chairman of the AC and member of the NC and RC with effect from 30 April 2024.

(4) Mr Simon Ong is the nephew of Dr Ong, the brother of a substantial shareholder of the Company, Ms Ong Bee Kuan Melissa, and cousin of Mr Ong Eng Keong.

(5) Mr Ong Eng Keong is the son of Dr Ong, the cousin of Mr Simon Ong and the cousin of a substantial shareholder of the Company, Ms Ong Bee Kuan Melissa. Mr Ong Eng Keong was appointed as the Executive Director of the Company with effect from 22 March 2024. Following the retirement of Dr Ong, Mr Ong Eng Keong was appointed as the Executive Director and Chief Executive Officer of the Company and a member of the NC with effect from 30 April 2024. He ceased to be a member of NC with effect from 31 May 2024.

(6) Mr Jeffrey Wong was appointed as the Independent and Non-Executive Chairman of the Company and the Chairman of the NC with effect from 31 May 2024.

(7) Mr Gabriel Lu was appointed as the Independent and Non-Executive Director of the Company, Chairman of the AC and member of the NC and RC with effect from 31 May 2024.

(8) Mr James Wong was appointed as the Independent and Non-Executive Director of the Company, Chairman of the RC and member of the AC with effect from 31 May 2024.

Newly appointed Directors will be given briefings and orientation by the Executive Director and Chief Executive Officer (the "**CEO**") and the Management to familiarise themselves with the businesses and operations of the Group. The newly appointed Directors will be given relevant information, such as annual reports, the latest internal audit reports, internal risk assessment reports and the latest external auditor report so that they understand the Group's financial and control environment as well as the significant risks faced by the Group. A formal letter will be sent to newly appointed Directors upon their appointment explaining, among other things, their roles, duties and responsibilities as members of the Board.

REPORT ON CORPORATE GOVERNANCE

Pursuant to Catalist Rule 406(3)(a), where a company appoints a director who has no prior experience serving as a director of a company listed on the Singapore Exchange, such appointee is required to undergo the Listed Company Director Programme as well as sustainability training. Mr Jeffrey Wong and Mr Gabriel Lu possess prior experience as directors of listed companies and have therefore satisfied the requirements set out under Catalist Rule 406(3)(a). Mr James Wong, having no prior experience as a director of a listed company, is completing the requisite training programmes in compliance with Catalist Rule 406(3)(a).

The Directors may join relevant institutes and professional associations and participate in training seminars or informative sessions from time to time in order to enhance their ability to discharge their duties effectively. The Company supports and funds the Directors' attendance at courses covering areas such as directors' duties and responsibilities, corporate governance, regulatory developments, and industry-specific matters. During FY2024, the Board was provided with regular updates on accounting and regulatory developments, including the Singapore Financial Reporting Standards (International), the Catalist Rules, the Companies Act 1967, as well as other relevant updates issued by the SGX-ST and the Monetary Authority of Singapore, where applicable. In addition, the Directors, except for Mr James Wong who is currently doing so, the Directors have attended the prescribed training on sustainability matters in accordance with the requirements of the SGX-ST.

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

As at the date of this report, the Board comprises six (6) Directors, details of whom are set out below. The Board is not required to be made up of a majority of Independent Directors as the Chairman, Mr Jeffrey Wong, is an Independent Non-Executive Director. Together with Mr Simon Ong, a Non-Independent Non-Executive Director and Mr Gabriel Lu and Mr James Wong, both of them being Independent Non-Executive Directors, the Non-Executive Directors made up a majority of the Board.

Director	Age	Designation	Date of Appointment as Director	Date of Last Re-Election as Director	AC	NC	RC
Jeffrey Wong(1)	50	Independent Non-Executive Chairman	31 May 2024	Not Applicable	–	Chairman	–
Ong Eng Keong(2)	47	Executive, CEO	22 March 2024	30 April 2024	–	–	–
Simon Ong(3)	60	Non-Executive and Non-Independent	1 October 2012	29 April 2023	Member	–	Member
Goh Yeow Tin(4)	74	Non-Executive and Non-Independent	22 August 2013	30 April 2024	–	Member	–
Gabriel Lu(5)	55	Non-Executive and Independent	31 May 2024	Not Applicable	Chairman	Member	Member
James Wong(6)	73	Non-Executive and Independent	31 May 2024	Not Applicable	Member	–	Chairman

Notes:

(1) Mr Jeffrey Wong was appointed as the Independent and Non-Executive Chairman of the Company and the Chairman of the NC with effect from 31 May 2024.

(2) Mr Ong Eng Keong is the son of Dr Ong, the cousin of Mr Simon Ong and the cousin of a substantial shareholder of the Company, Ms Ong Bee Kuan Melissa. Mr Ong Eng Keong was appointed as the Executive Director of the Company with effect from 22 March 2024. Following the retirement of Dr Ong, Mr Ong Eng Keong was appointed as the Executive Director and Chief Executive Officer of the Company and a member of the NC with effect from 30 April 2024. He ceased to be a member of NC with effect from 31 May 2024.

(3) Mr Simon Ong is the nephew of Dr Ong, the brother of a substantial shareholder of the Company, Ms Ong Bee Kuan Melissa, and cousin of Mr Ong Eng Keong.

(4) Mr Goh was re-designated from Non-Independent and Non-Executive Chairman to Non-Independent and Non-Executive Director of the Company with effect from 31 May 2024. Concurrent with the re-designation, Mr Goh's appointments on all the Board Committees also ceased, save that he remains as member of the NC.

(5) Mr Gabriel Lu was appointed as the Independent and Non-Executive Director of the Company, Chairman of the AC and member of the NC and RC with effect from 31 May 2024.

(6) Mr James Wong was appointed as the Independent and Non-Executive Director of the Company, Chairman of the RC and member of the AC with effect from 31 May 2024.

REPORT ON CORPORATE GOVERNANCE

The Board, based on the views of the NC, determines on an annual basis whether or not a Director is independent after taking into account the provisions provided under the Code and other relevant circumstances and facts. The NC has assessed the independence of each Independent Director and considered Mr Jeffrey Wong, Mr Gabriel Lu and Mr James Wong to be independent under the Code as well as the Catalist Rules up to the end of FY2024. Each member of the NC has abstained from deliberations with respect to the assessment of his own independence.

The Board has also sought and obtained written confirmation from each of the Independent Directors that, apart from their office as Directors, none of them has any relationship (business or otherwise) 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 Directors' independent business judgement in the best interests of the Company.

The role of the Non-Executive Directors is important in ensuring that all strategies and objectives proposed by the Management are fully discussed and examined and the long-term interests of the shareholders and all other stakeholders are taken into account. The Non-Executive Directors constructively challenge and assist in the development of the business strategies and assist the Board in reviewing and monitoring the Management's performance.

Where necessary or appropriate, the Independent Directors may meet separately without the presence of the Management. Two of the Directors (Mr Simon Ong and Mr Ong Eng Keong) would recuse himself/themselves during such meetings given that Mr Ong Eng Keong is the CEO and their familial relationship with the Management.

The Board has considered the relevant provisions of the Code of Corporate Governance/Practice Guidance (including Provision 2.4 on the appropriate level of independence and diversity) and adopted a board diversity policy which requires the NC to discuss and agree on the relevant, measurable objectives for promoting and achieving adequate diversity on the Board and make recommendations for consideration and approval by the Board. The NC will monitor and implement this policy, and will take the principles of the policy into consideration when determining the optimal composition of the Board, and when recommending any proposed changes to the Board. On the recommendation of the NC, the Board may set certain measurable objectives and specific diversity targets with a view to achieving an optimal Board composition, and the NC may review these objectives and specific diversity targets from time to time to ensure their appropriateness.

The Board endeavours to achieve the balance and diversity necessary to maximise its effectiveness as part of its Board diversity policy, which endorses the principle that its Board should have the balance of skills, knowledge, experience and other aspects of diversity that support the Company in the pursuit of its strategic and business objectives, and its sustainable development. The policy seeks to promote the inclusion of different perspectives, ideas and insights and ensure that the Company can benefit from all available sources of talent.

In determining the optimum composition and size of the Board and each Board committee, the Board diversity policy provides for the NC to consider a combination of factors such as skills, knowledge, professional experience, educational background, gender, age, and length of service. The skills, knowledge and experience to be considered include finance, accounting, business acumen, management experience, exchange industry knowledge, familiarity with regulatory requirements and knowledge of risk management, audit and internal controls.

A skills matrix is used to help identify the gaps. The skills matrix classifies the skills, knowledge and professional experience of existing Directors into several broad categories, such as industry knowledge; financial markets; regulation, compliance and/or government relations; leadership; cybersecurity and technology; environmental, social and governance ("**ESG**"), and also where such skills, knowledge and professional experience were acquired or utilised geographically.

Suitable candidates will then be identified, including through external search firms (if appropriate). External search firms that are engaged are instructed that diversity is a key criterion in the search, particularly gender diversity.

Following its assessment of the candidates, the NC will then interview the short-listed candidates. The NC will thereafter make its recommendations to the Board, including appointments to the appropriate Board committee(s) after matching the candidates' skills to the needs of each Board committee. The Board, taking into account the views of the NC, will consider if its Directors meet the criteria under its Board diversity policy and possess the necessary competencies to govern the Company effectively.

REPORT ON CORPORATE GOVERNANCE

Pursuant to Catalist Rules 710A(2), the Company wishes to disclose the following:

(a) the issuer's targets to achieve diversity on its board: The Group values diversity but does not practise discrimination (including reverse discrimination). Accordingly, we do not set any hard targets in relation to board diversity;

(b) the issuer's accompanying plans and timelines for achieving the targets: The Group values diversity but does not set hard targets or specific timelines, as the Company is committed to a non-discriminatory approach to board appointments. Diversity is promoted through merit-based selection without practising any form of discrimination.

In terms of gender representation, the current Board comprises six male directors and does not presently include any female directors. Nonetheless, the Board is committed to a merit-based approach and will consider suitably qualified female candidates when there is a need to appoint a new director, taking into account the skills, experience, and diversity that each candidate can bring to the Board.

Following the board renewal in 2024, the Board has made meaningful progress in enhancing the diversity of skillsets, knowledge and age within its composition. The Board also recognises that gender diversity is only one facet of overall Board diversity. In terms of qualifications and competencies, the Board comprises seasoned professionals with expertise spanning investment, financial, accounting, and legal fields. The Board believes that the varied backgrounds, experience, age, gender, tenure, and skill sets of its members collectively contribute to a broad range of perspectives, thereby enhancing the quality of its deliberations and decision-making. The profiles of the Directors are on pages 7 to 9 of the Annual Report.

The Board is of the view that the current composition of the Board, including its diversity, is appropriate and serves the requirements of the Group's current businesses. When reviewing and assessing the composition of the Board and making recommendations to the Board for the appointment of its members, the NC will consider the various aspects of board diversity and set practical timelines to implement the policy. It will also report to the Board on an annual basis on the progress made in promoting and achieving its board diversity objectives.

***Principle 3:* Chairman and Chief Executive Officer**
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.

To maintain an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making, the roles of the Chairman and CEO of the Company are separate. The Chairman of the Board, Mr Jeffrey Wong, is an Independent Non-Executive Director, and Mr Ong Eng Keong is the CEO. The Chairman and the CEO are not related.

The Chairman:

- provides overall leadership to the Board, and with the help of the Company Secretary, ensures that Board meetings are held as and when necessary and sets the meeting agenda in consultation with the CEO and fellow Directors and other executives, and, if warranted, with professional advisors, and ensures adequate time allocated to discuss the items;

- assumes the lead role in promoting high standards of corporate governance processes as well as the culture of openness and debate at Board meetings and ensures effective communication with shareholders. He ensures that the directors receive complete, adequate and timely information and facilitates the effective contribution of other Board members;

- encourages constructive relations within the Board and between the Board and the Management, and facilitates communication between the Board and shareholders or other stakeholders of the Company; and

- provides clear oversight, advice and guidance to the Management on strategies and business operations.

REPORT ON CORPORATE GOVERNANCE

The CEO has executive responsibility over the business directions and operational decisions of the Group and is responsible for implementing the Group's strategies and policies.

The Board does not have a lead Independent Director, as it has an independent Chairman. In situations where a director faces a potential conflict of interest in the matter discussed, he is required to abstain from all discussions and decision-making involving that matter. In situations where there are concerns and for which contact through the normal channels of communication with the Chairman or the Management is inappropriate or inadequate, the Group has a whistleblowing policy (including anti-corruption in-scope) whereby staff of the Group and relevant external parties may, in confidence, raise concerns about possible irregularities in matters of financial reporting or other matters. The policy defines the processes clearly to ensure independent investigation of such matters and permits whistleblowers to report directly either to their supervisor or the chairman of the AC in writing or telephone or meet in confidence at a location to be determined together. The chairman of the AC is an Independent and Non-Executive Director.

Consequently, the Company has implemented a whistleblowing policy (including anti-corruption in-scope) aligned to the relevant Catalist Rules and the Code, namely:

(a) the issuer has designated an independent function to investigate whistleblowing reports made in good faith (i.e. the AC);

(b) the issuer ensures that the identity of the whistleblower is kept confidential;

(c) the issuer confirms its commitment to ensuring the protection of the whistleblower against detrimental or unfair treatment; and

(d) the AC is responsible for oversight and monitoring of whistleblowing. For FY2024, no whistleblowing incidents were reported.

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

The NC comprises three (3) Directors, of which two (2), including the NC Chairman, are non-executive and independent. The composition of the NC is as follows:

- Mr Jeffrey Wong (Chairman, Independent and Non-Executive Director)
- Mr Gabriel Lu (Member, Independent and Non-Executive Director)
- Mr Goh Yeow Tin (Member, Non-Independent and Non-Executive Director)

The NC meets at least once annually, with additional meetings convened at the discretion of the chairman of the NC if deemed necessary. During the financial year, the NC held two (2) meetings, which all members attended.

The NC makes recommendations to the Board on all Board appointments. The key duties and responsibilities of the NC under its Charter include:

- Reviewing board succession plans for Directors and key management personnel ("**KMP**"), meaning the CEO and other persons having authority and responsibility for planning, directing and controlling the activities of the Company as defined in the Code, in particular, the Non-Executive Chairman and the CEO;
- Developing a process for evaluation of the performance of the Board, the Committees and Directors;
- Reviewing the training and professional development programs for the Board;
- Appointing and re-appointing Directors (including alternate Directors, if applicable);

REPORT ON CORPORATE GOVERNANCE

- Determining annually, and as and when circumstances require, whether or not a Director is independent, bearing in mind the salient factors set out in the Code and the Catalist Rules;

- Where a Director has multiple board representations on various companies, determining if the Director is able to and has been adequately carrying out his duties as a director of the Company, having regard to the Director's number of listed company board representations and other principal commitments;

- Reviewing and approving any new employment of related persons and the proposed terms of their employment;

- Deciding how the Board's performance is to be evaluated and proposing objective performance criteria, which allow for comparison with industry peers, and should be approved by the Board and address how the Board has enhanced long-term shareholder value;

- Assessing the effectiveness of the Board as a whole and its committees and assessing the contribution by the Chairman of the Board and each individual Director to the effectiveness of the Board and implementing performance evaluation established and approved by the Board;

- Implementing a process for assessing the effectiveness of the Board as a whole and its Committees and assessing the contribution by the Chairman of the Board and each individual Director to the effectiveness of the Board;

- Assessing whether each Director continues to contribute effectively and demonstrate commitment to the role (including commitment of time for board and committee meetings and any other duties);

- Reviewing and making recommendations on all nominations of Directors (including the Independent Directors) for re-appointment and re-election having regard to the Director's past contributions and performance;

- Establishing the criteria and desirable attributes of new appointees to the Board and to make recommendations to the Board on all Board appointments, including Committee appointments; and

- Engaging external search consultants to search for new Directors, if necessary.

The NC generally avoids recommending the appointment of alternate directors. Alternate directors should only be appointed for limited periods in exceptional cases, such as when a director has a medical condition. For the appointment of an individual as alternate Director to an Independent Director, NC would review to determine whether the individual would similarly qualify as an Independent Director before his appointment as an alternate Director. None of the Directors has an alternate Director. As a Director is expected to be able to commit time to the affairs of the Company, the NC will generally not support the appointment of an alternate Director.

In recommending a Director for re-election to the Board, the NC considers, *among others*, his or her performance and contributions to the Board (including attendance and participation at meetings and time and effort accorded to the Group's business and affairs). The Company's Constitution requires that newly appointed Directors by the Board retire at the next AGM following their appointment. One-third of the Board (or, if their number is not a multiple of three, the number nearest to but not less than one-third) is to retire from office by rotation at every subsequent AGM. The Directors to retire by rotation shall be those longest in office since their last re-election or appointment.

At the forthcoming AGM, the retiring Directors submit themselves for re-nomination and election or re-election. Accordingly, Mr Jeffrey Wong, Mr Gabriel Lu, Mr James Wong and Mr Simon Ong are the four (4) Directors retiring at the forthcoming AGM. They have indicated their consent to continue in office and, being eligible, offered themselves for election or re-election.

The NC recommended them for re-appointment to the Board, and the Board has accepted the NC's recommendations to put forth these Directors for election or re-election at the forthcoming AGM.

No member of the NC had participated in deliberations or decisions on recommendations for his own re-nomination to the Board.

REPORT ON CORPORATE GOVERNANCE

Based on the board diversity policy, in assessing and recommending a candidate for appointment to the Board, the NC takes into consideration the balance and diversity of background, qualifications, experience, gender and knowledge that a candidate brings with regard to the skills required and the skills represented by the Board. Other important issues to be considered as part of the process for the selection, appointment and re-appointment of Directors include composition and progressive renewal of the Board and each Director's competencies, commitment, contribution and performance (e.g. attendance, preparedness, participation and candour), if applicable, as an Independent Director. The search for a suitable candidate could be drawn from contacts and networks of existing Directors or external recommendations. The NC may also engage external search consultants to search for new Directors at the Company's expense.

The NC has assessed the Independence of each Independent Director and considered Mr Jeffrey Wong, Mr Gabriel Lu and Mr James Wong to be independent under the Code as well as the Catalist Rules up to the end of FY2024. Each member of the NC has abstained from deliberations with respect to the assessment of his own independence. Each Independent Director has also provided written confirmation to the NC that he has no relationship (business or otherwise) with the Company, its related corporations, its substantial shareholders or its officers, which may affect their independence.

The NC considered and is of the opinion that the multiple board representations held by the Directors of the Company do not impede their performance in carrying out their duties to the Company. For FY2024, after reviewing the number of directorships and time involved in the Company of every Director, the Board did not set any cap on the number of directorships (albeit the Board resolved that any Director proposing to have more than five listed company directorships would be required to be assessed by the NC) given that all Non-Executive or Independent Directors were able to dedicate their time to the business of the Company and diligently discharge their duties. The NC believe that each individual Director is best placed to determine and ensure that he is able to devote sufficient time and attention to discharge his duties and responsibilities as a Director, bearing in mind his other commitments. Nevertheless, if the Board finds that time commitment is lacking from any particular Director, they may consider imposing a cap in future.

The key information, including listed company directorships and principal commitments, regarding the Directors are set out on pages 7 to 9 of this Annual Report.

Additional information on Mr Jeffrey Wong, Mr Gabriel Lu, Mr James Wong and Mr Simon Ong, being the Directors who have been nominated for election or re-election, required under Appendix 7F of the Catalist Rules are set out on pages 11 to 18 of the Annual Report.

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

The NC is responsible for assessing the effectiveness of the Board as a whole and its Committees and for assessing the contribution of each individual Director. The NC decides how the Board's performance may be evaluated and proposes objective performance criteria that are approved by the Board.

The criteria for evaluation of the performance of individual Directors include qualitative and quantitative factors such as performance of principal functions and fiduciary duties, the Director's attendance at meetings and his contribution and performance at such meetings. The performance evaluation includes preparedness, intensity of participation, candour at meetings, and the Director's accessibility to Management for guidance or the exchange of views outside the formal environment of the meetings. The NC and the Board strive to ensure that each Director, with his contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made. Contributions by a Director can also take other forms, including providing an objective perspective on issues facilitating business opportunities and strategic relationships.

The NC has an annual performance evaluation process in place to assess the effectiveness of the Board as a whole and its Committees. The Company Secretary will collate the evaluations and provide the summary observations to the Chairman of the NC. The NC would discuss and review the evaluations and feedback before concluding on the performance results and recommend the steps that need to be taken to strengthen the Board's stewardship. The performance criteria are not typically subject to changes from year to year. Nonetheless, where circumstances deem it necessary for any criteria to be changed, the NC will justify such changes.

REPORT ON CORPORATE GOVERNANCE

The NC had, at a meeting held in February 2025, assessed the performance of the Board, each Director and its Committees. The NC assessments utilised a confidential questionnaire, covering areas such as Board's and Committees' composition, Board's processes in managing the Group's performance, the effectiveness of the Board in its monitoring role and the effectiveness of the respective Committees. The assessment of the individual Directors is based on knowledge and experience, attendance and contributions during scheduled and ad-hoc Board and Committee meetings, as well as commitment to their role as Directors. In assessing the contributions of each Director (and contribution by the Chairman and the sub-committees as well), the NC also takes into consideration the in-depth knowledge and insights shared by each Director during discussions and meetings in his respective areas of expertise in the fields of engineering, business and management, accounting and finance.

The NC, in consultation with the Chairman, having reviewed the performance of the Board and its Committees in terms of its roles, responsibilities and the conduct of its affairs as a whole, is of the view that the Board and its Committees have operated effectively and each Director has contributed to the overall effectiveness of the Board in FY2024. No external facilitator was used in the evaluation process.

(B) REMUNERATION MATTERS

Principle 6: **Procedures for developing remuneration policies**
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 own remuneration.

Remuneration matters are discussed and reviewed by the RC. The RC comprises entirely Non-Executive Directors, of which two (2), including the RC Chairman, are independent. The composition of the RC is as follows:

- Mr James Wong (Chairman, Non-Executive and Independent Director)
- Mr Gabriel Lu (Member, Non-Executive and Independent Director)
- Mr Simon Ong (Member, Non-Executive and Non-Independent Director)

During FY2024, there were three (3) RC meetings held which all members attended.

The roles, duties and responsibilities of the RC cover the functions described in the Code, including, but not limited to, the following:

- Reviewing and recommending to the Board a general framework of remuneration for the Board and KMP of the Company and reviewing and recommending to the Board specific remuneration packages for each Director and KMP. The level and structure of remuneration packages shall be aligned with the long-term interest and risk policies of the Company and shall be appropriate to attract, retain and motivate (i) the Directors to provide good stewardship of the Company; and (ii) the KMP to successfully manage the Company;
- Submitting recommendations of remuneration for endorsement by the entire Board. All aspects of remuneration, including but not limited to directors' fees, salaries, allowances, bonuses, options, share-based incentives, awards, benefits-in-kind and termination benefits, are covered by the RC;
- Seeking expert advice inside and/or outside the Company on the remuneration of all Directors and ensuring that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants;
- Determining the contents of any service contracts for any Executive Director or KMP, and to consider what compensation commitments the Executive Director's or KMP's contracts of service, if any, would entail in the event of termination to ensure that such service contracts contain fair and reasonable termination clauses, with a view to be fair and avoid rewarding poor performance;
- Administering and approving any long-term incentive schemes (including share schemes as may be implemented) which may be approved by shareholders and to consider whether the Executive Director or KMP should be eligible for benefits under such long-term incentive schemes; and
- Considering the implementation of schemes to encourage Non-Executive Directors to hold shares in the Company so as to better align the interests of such Non-Executive Directors with the interests of shareholders.

REPORT ON CORPORATE GOVERNANCE

No member of the RC was involved in setting his own remuneration package. As and when deemed appropriate by the RC, independent expert advice is, or will be, sought at the Company's expense. The Board has not engaged any external remuneration consultant to assist in the review of compensation and remuneration for FY2024.

All recommendations made by the RC on the remuneration of Directors and KMP will be submitted for endorsement by the Board.

***Principle 7:* Level and Mix of Remuneration**
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.

The Non-Executive Directors receive directors' fees after taking into consideration the performance of the Group and individual assessment of each Non-Executive Director, the level of contribution to the Company and Board, taking into account various factors including, but not limited to, effort and time spent, responsibilities and duties of the Directors. The review of remuneration packages takes into consideration the financial performance, business needs, and long-term interests of the Group.

The Group considers profits to be the main condition for the determination of payment of incentives to the Management as this will align performance to shareholders' interest. The Group recognises that the remuneration should be linked to performance and has structured the service agreements accordingly. The Group will continue to reward the Executive Director and KMP based on the achievement of long-term goals set by the Board.

The RC recommends to the Board the quantum of Directors' fees, and the Board, in turn, endorses the recommendation for shareholders' approval at each AGM. To facilitate timely payment of Directors' fees, the Company has recommended that the Directors' fees be paid in arrears on a quarterly basis.

For FY2024, the RC reviewed the service agreements and compensation packages of the Executive Director and KMP. The service agreement for the Executive Director is for an initial period of three (3) years unless terminated by (i) either party giving not less than six (6) months' notice in writing to the other; or (ii) the Company paying salary in lieu of the period of time, if mutually agreed. Upon expiry of the initial three (3) years, unless either party notifies the other in writing at least six (6) months prior to the last day of the existing period, the service agreements for the Executive Director shall automatically be renewed for a further period of three (3) years on the same terms and conditions. Service agreements for the KMP have no fixed terms. After confirmation, the service agreements provide for a termination notice period of three (3) months by either party. Termination in lieu of notice by either party is subject to payment of compensation equivalent to three (3) months' salary.

These service agreements cover the terms of employment and the salaries and bonuses of the Executive Director and the KMP. The Company may terminate a service agreement if, among others, the relevant Executive Director or KMP is guilty of dishonesty or serious or persistent misconduct, becomes bankrupt or otherwise acts to the Company's prejudice. The Company currently does not have any contractual provisions which allow it to reclaim incentives from the Executive Director and KMP in certain circumstances. The Board is of the view that as the Group pays performance bonuses based on the actual performance of the Group and/or Company (and not on forward-looking results) as well as the actual results of its Executive Director and KMP, "claw-back" provisions in the service agreements may not be as relevant or appropriate.

Directors' fees do not form part of the terms of the service agreement of the Executive Director. There are no termination, retirement or post-employment benefits that may be granted to the Executive Director and KMP.

Pursuant to the terms of the service agreements with the Executive Director and the KMP, they are each entitled to a basic monthly salary, an annual wage supplement of one (1) month's salary and an annual incentive bonus based on the Group's profit before tax. Where a KMP's contract does not provide for an annual incentive bonus, the KMP is considered for an exgratia bonus subject to the Group's financial performance.

In FY2024, the Group incurred total comprehensive losses (from continuing operations) of approximately S$2.6 million (excluding discontinued operations and the writeback of provision for impairment of P4/other assets). As such, the Executive Director and the KMP did not receive any incentive bonus or annual wage supplement. The RC concurred that an ex-gratia bonus should be paid to the KMP (other than the CEO).

REPORT ON CORPORATE GOVERNANCE

The RC carries out the reviews of the compensation to ensure that the remuneration of the Executive Director and KMP commensurate with their performance and that of the Company, giving due consideration to the financial health and business needs of the Group. The performance of the CEO (together with KMP) is reviewed periodically by the RC and the Board.

The RC will ensure that the Independent Directors are not overcompensated to the extent that their independence may be compromised.

During FY2024, the RC reviewed the Non-Executive Directors' fees, compensation and remuneration packages for the Executive Director and KMP and believes that those are appropriate to attract, retain and motivate the Non-Executive Directors and the Executive Director to provide good stewardship of the Company and KMP to successfully manage the Group for the long-term as the Directors and the Management are sufficiently compensated.

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

The breakdown (rounded to nearest thousands of dollars) of the remuneration of Directors for the FY2024 is set out below:

	Salary (S$)	Directors' fee (S$)	CPF (S$)	Variable or Performance-related Income/Bonus (S$)	Total (S$)
Jeffrey Wong[(1)]	–	21,000	–	–	21,000
Ong Eng Keong[(2)]	91,950	–	11,672	–	103,622
Simon Ong[(3)]	–	36,000	–	–	36,000
Goh Yeow Tin[(4)]	–	36,000	–	–	36,000
Gabriel Lu[(5)]	–	21,000	–	–	21,000
James Wong[(6)]	–	21,000	–	–	21,000
Dr Ong[(7)]	36,780	–	2,085	–	38,865
Francis Lee[(8)]	–	12,000	–	–	12,000

Notes:

(1) Mr Jeffrey Wong was appointed as the Independent and Non-Executive Chairman of the Company and the Chairman of the NC with effect from 31 May 2024.

(2) Mr Ong Eng Keong is the son of Dr Ong, the cousin of Mr Simon Ong and the cousin of a substantial shareholder of the Company, Ms Ong Bee Kuan Melissa. Mr Ong Eng Keong was appointed as the Executive Director of the Company with effect from 22 March 2024. Following the retirement of Dr Ong, Mr Ong Eng Keong was appointed as the Executive Director and Chief Executive Officer of the Company and a member of the NC with effect from 30 April 2024. He ceased to be a member of NC with effect from 31 May 2024.

(3) Mr Simon Ong is the nephew of Dr Ong, the brother of a substantial shareholder of the Company, Ms Ong Bee Kuan Melissa and cousin of Mr Ong Eng Keong.

(4) Mr Goh was re-designated from Non-Independent and Non-Executive Chairman to Non-Independent and Non-Executive Director of the Company with effect from 31 May 2024. Concurrent with the re-designation, Mr Goh's appointments on all the Board Committees also ceased, but he remains a member of the NC.

(5) Mr Gabriel Lu was appointed as the Independent and Non-Executive Director of the Company, Chairman of the AC and member of the NC and RC with effect from 31 May 2024.

(6) Mr James Wong was appointed as the Independent and Non-Executive Director of the Company, Chairman of the RC and member of the AC with effect from 31 May 2024.

(7) Dr Ong is the father of our Executive Director and Chief Executive Officer, Mr Ong Eng Keong, uncle of our Non-Executive Non-Independent Director, Mr Simon Ong and a substantial shareholder of the Company, Ms Ong Bee Kuan Melissa. Dr Ong retired as the Executive Director and Chief Executive Officer of the Company and member of the NC with effect from 30 April 2024.

(8) Mr Francis Lee retired as the Independent and Non-Executive Director of the Company, Chairman of the AC and member of the NC and RC with effect from 30 April 2024.

REPORT ON CORPORATE GOVERNANCE

Given the highly competitive conditions of the business environment of the Group and the sensitive nature of the subject, the Group believes that the disclosure of the total remuneration of each individual KMP as recommended by the Code may not be in the best interest of the Group. Nevertheless (and having noted Principle 8 of the Code, "Disclosure on Remuneration"), the Group has sought to provide the remuneration of these executives in the bands of S$250,000 and also in percentage terms. For FY2024, the Company only has four (4) KMPs (who are not Directors or the CEO). The percentage terms of the remuneration of the KMPs (who are not Directors or CEO) for FY2024 are set out below:

Below S$250,000	Designation, Name of Entity	Salary and allowance (%)
Wang Xuebo[2]	General Manager, Mianzhu Norwest	100.0
Xu Long[2]	Deputy General Manager, Mianzhu Norwest	100.0
Jaime Chiew Chi Loong[1]	Chief Risk Officer, Company	100.0
Chia Chin Hau	Group Financial Controller, Company	100.0

Note:

(1) Our Chief Risk Officer ("**CRO**"), Mr Jaime Chiew Chi Loong, is the spouse of our former Non-Executive Non-Independent Director, Ms Ong Bee Pheng and the brother-in-law of our CEO and Executive Director, Mr Ong Eng Keong (i.e. who are substantial shareholders and together with the other members of the Ong family represent the controlling shareholders). Mr Jaime Chiew Chi Loong's annual remuneration for FY2024 was between S$100,000 and S$150,000.

(2) On 31 August 2024, the Company completed the sale of all its shares in a subsidiary, Norwest Chemicals Pte. Ltd. ("NWC"), effectively disposing of its entire interest in NWC and other subsidiaries. As a result, Mr. Wang Xuebo and Mr. Xu Long are no longer a part of the Key Management Personnel (KMP).

There were no long-term incentives paid to the KMP (who are not Directors or CEO) in FY2024. The Executive Director did not receive any incentive bonus or annual wage supplement. The RC concurred that an ex-gratia bonus should be paid to the KMP (other than the CEO).

In aggregate, the total remuneration paid to the KMP (who are not Directors or the CEO) was S$366,100 in FY2024.

No termination, retirement or post-employment benefits were granted to the Directors, CEO and KMP (who are not Directors or the CEO) of the Group in FY2024.

Save as disclosed, there were no employees of the Company who are substantial shareholders of the Company or immediate family members of a Director, the CEO or a substantial shareholder of the Company and whose remuneration exceeded S$100,000 during the financial year.

Share options scheme and performance share scheme

The Company had adopted a performance share plan known as the "AsiaPhos Performance Share Plan" (the "**Share Plan**" or "**PSP**"), which was approved by the shareholders of the Company at an extraordinary general meeting held on 22 August 2013. The Share Plan expired on 22 August 2023.

The Company acknowledges that Practice Guidance 8 and PG 8.7 (in the Code of Corporate Governance) recommend the adoption of PSP or Employee Share Option Plans ("**ESOS**") where applicable. Our priority is to restore profitability and build shareholder value. The Company will reconsider employee share incentive schemes at the appropriate time. The Company will seek the approval of shareholders in a general meeting and of any relevant authorities, which may then be required in case of adopting a new share incentive scheme.

REPORT ON CORPORATE GOVERNANCE

(C) ACCOUNTABILITY AND AUDIT

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

The Board ensures a sound system of risk management and internal controls. The Board also instils the right risk-focused tone at the top for effective risk governance throughout the Group.

The Group does not have a formal risk management committee. However, the Company has appointed Mr Jaime Chiew Chi Loong, the CRO, to oversee the Group's risk management activities. The AC, on behalf of the Board, with the assistance of the CRO, reviews the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems established by the Management at least annually. This ensures that such systems are sound, adequate, and effective in providing reasonable assurance in safeguarding shareholders' interests and the Group's assets.

The Group's internal controls and risk management systems are designed to provide reasonable assurance of the integrity and reliability of the financial information and to safeguard and maintain accountability of assets. Procedures are in place to identify major business risks and evaluate potential financial implications, as well as for the authorisation of material capital expenditure and investments.

The Management regularly reviews the Group's business and operations to identify areas of significant business risks and set out appropriate mitigating actions and monitoring mechanisms to respond to these risks. The Management will highlight all significant matters to the AC and Board. The Board is ultimately responsible for the governance of risk and exercises oversight in risk management strategy and framework.

The Risk Statement can be found on page 42 of this Annual Report.

The Group's financial risk management objectives and policies are discussed further in note 37 to the financial statements. For FY2024, the Board has also received assurance from the CEO, the CRO and the Group Financial Controller that (i) the financial records have been properly maintained, and the financial statements give a true and fair view of the Group's operations and finances; and (ii) the Group's risk management and internal control systems are adequate and effective. Both the Board and the AC did not identify any material weaknesses in the Group's internal controls in FY2024.

Based on the internal controls established and maintained by the Group, the statutory audit conducted by the external auditor, and reviews performed by the Management and the AC as assisted by Internal Audit, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls addressing financial, operational, compliance, information technology controls, risk management systems or significant business risks are adequate and effective to meet the needs of the Group in its current business environment as at 31 December 2024.

The system of internal controls provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal controls can provide absolute assurance in this regard or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, losses, fraud or other irregularities.

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

The AC comprises three (3) members, all of whom are non-executive. Two (2) of the members, including the AC Chairman, are Independent Directors. The members of the AC are:

- Mr Gabriel Lu (Chairman, Non-executive Independent Director)
- Mr James Wong (Member, Non-executive Independent Director)
- Mr Simon Ong (Member, Non-executive Non-Independent Director)

REPORT ON CORPORATE GOVERNANCE

In FY2024, the Board has assessed and reviewed, together with the assistance of the NC, and is of the view that the members of the AC are appropriately qualified to discharge their responsibilities. The Board's view is that the Management has properly rendered adequate and reasonable assistance and support to the AC and that the AC has effectively and efficiently contributed to the Board and the Group. In addition, all the members of the AC have relevant accounting and related financial management expertise, experience, and knowledge. The Chairman of the AC is a Chartered Accountant and non-practising member of the Institute of Singapore Chartered Accountants.

The AC meets at least four (4) times a year. Additional meetings are scheduled if considered necessary by the chairman of the AC. During FY2024, the AC held three (3) scheduled meetings, which were attended by all Directors and Management.

The duties and functions of the AC include the following:

- Reviewing the significant financial reporting issues and judgments with the Management and external auditor so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance before the submission of the same to the Board;

- Reviewing and reporting to the Board at least annually the effectiveness and adequacy of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management systems established by the Management. Such reviews may be carried out internally or with the assistance of any competent third parties;

- Reviewing the assurance from the CEO, the CRO and the Group Financial Controller on the financial records and financial statements;

- Nominating firms as internal and external auditors (notwithstanding anything contained in the Company's Constitution or under Section 205 of the Companies Act 1967), reviewing their appointment or re-appointment as well as matters relating to their remuneration, resignation or dismissal or terms of engagement;

- Reviewing the adequacy, effectiveness, independence, scope and results of the Group's external and internal audit

- Reviewing and discussing with the external and internal auditors any suspected fraud, irregularity, or suspected infringement of any relevant laws, rules or regulations and the Management's response;

- Meeting with external and internal auditors, in each case without the presence of the Management, at least annually and reviewing the cooperation given by the Management to external and internal auditors;

- Reviewing and approving interested person transactions and reviewing procedures thereof;

- Reviewing potential conflicts of interests (if any) and setting out a framework to resolve or mitigate any potential conflicts of interests; and

- Reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

The Company has a whistleblowing policy pursuant to which staff of the Group and relevant external parties may, in confidence, raise concerns about possible irregularities in matters of financial reporting or other matters. The policy defines the processes clearly to ensure independent investigation of such matters and permits whistleblowers to report directly either to their supervisor or the chairman of the AC in writing or telephone or meet in confidence at a location to be determined together. The AC has the power to conduct or authorise investigations into any matter within the AC's scope of responsibility. The policy is designed to ensure that the identity of the whistleblower is kept strictly confidential, and the Company is committed to protecting the whistleblower from any form of reprisal. No whistle-blowing reports were received in FY2024. Details of the whistleblowing policy are made available to all employees of the Group and can be found on the Company's website.

REPORT ON CORPORATE GOVERNANCE

The AC has express authority to investigate any matter within its terms of reference. Throughout the financial year, it has full access to the Management and full discretion to invite any Director or KMP to attend its meetings, and it is provided with reasonable resources to enable it to discharge its functions properly. The Management was present at the AC meetings to report and brief the AC members on the financial and operating performance of the Group and to answer any queries from the AC members on any aspect of the operations of the Group.

The AC has direct access to the external auditors and, during FY2024, met with the external auditors without the presence of the Management to discuss any matters arising from the financial reporting process and systems of internal controls. The external auditors were also invited to be present at all AC meetings held during the year to, among others, answer or clarify any matter on accounting and auditing or internal controls.

The financial statements of the Company and its subsidiaries are audited by PKF-CAP LLP ("**PKF**") and its member firm. The AC and the Board are of the view that the audit firms are adequately resourced and of appropriate standing with international affiliation. They have reviewed and are satisfied that the appointment of PKF as the Company's external auditor would not compromise the standard and effectiveness of the audit of the Group and that the Company has complied with Rule 712 and Rule 715 of the Catalist Rules.

During FY2024, the AC reviewed the planned audit procedures and the potential key audit areas as presented by PKF. These material issues which PKF assessed to be most significant in its audit are, namely, acquisition of a subsidiary, impairment of trade and other receivables, disposal of subsidiaries, revenue recognition and going concern assumption.

Following the review and discussions, the AC was satisfied with the approach and appropriateness of methodologies used by the Management, as adopted and disclosed in the financial statements, and the AC made the recommendation to the Board to approve the financial statements.

During the course of review of the financial statements for FY2024, the AC discussed with the Management and PKF on the significant issues that were brought to the AC's attention. The AC reviewed the work performed by the Management and made enquiries relevant to the key audit focus areas. In addition, the AC also reviewed and discussed the findings presented and related work performed by PKF.

The AC was satisfied that significant matters highlighted had been properly addressed and appropriately adopted and disclosed in the financial statements. The AC recommended that the Board approve the financial statements, and the Board accepted its recommendation.

For FY2024, PKF confirmed that the firm and audit team members have complied with the independence requirements in the Code of Professional Conduct and Ethics of the Singapore Accountants (Public Accountants) Rules. There were no non-audit services provided by PKF in FY2024. A breakdown of fees paid to PKF and its member firms for audit and non-audit services provided to the Group during FY2024 is as follows:

	(S$'000)
Audit fees	115
Non-Audit fees	–
Total	115

None of the AC members was a former partner of the Company's existing external auditor, PKF, within the previous two years or had any financial interest in the firm.

The AC also has considered the adequacy of the resources, experience and competence of PKF and has taken into account the Audit Quality Indicators relating to PKF at the firm level and on the audit engagement level. Consideration is also given to the experience of the engagement partner and key team members in handling the audit team's ability to work in a co-operative manner with Management whilst maintaining integrity and objectivity and delivering their services professionally and within agreed timelines.

REPORT ON CORPORATE GOVERNANCE

On the basis of the above, the AC is of the opinion that PKF is independent for the purpose of the Group's statutory audit and satisfied with the standard and quality of work performed by PKF. The AC has recommended to the Board the nomination of PKF for re-appointment as the Company's external auditor at the forthcoming AGM.

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

With the recommendation of the AC, the Board has appointed Baker Tilly as the Group's internal auditor and commencing the internal audit for FY2024. The internal auditor reports directly to the AC. The AC also reviews and approves the annual internal audit plans and resources to ensure that the internal auditor has adequate resources to perform its functions.

The annual internal audit plan is prepared in consultation with (but independent of) Management, and submitted to the AC for approval. The AC ensures that the internal audit function has appropriate standing within the Company. The findings and recommendations made by the internal auditor have been adequately followed through and implemented by Management in the financial year. The AC participates in and approves the hiring, removal, evaluation and compensation of the internal audit function. The internal auditor is given unfettered access to all company documents, records, properties and personnel, including access to the AC.

The AC reviews the adequacy and effectiveness of the internal audit function at least annually to, amongst others, ensure that (i) the majority of the identified risks are audited by cycle, (ii) the recommendations of the internal auditor are properly implemented, and (iii) the effectiveness and independence of the internal auditor. In doing so, the AC takes into consideration the service level, attentiveness, professionalism and calibre of the assigned personnel who carried out the internal audit activities during the financial year. The AC is satisfied that the internal audit function was independent, adequately resourced and effective in FY2024.

The AC is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals with the requisite experience and relevant skill sets to perform its function effectively and that the internal auditor has met the standards set by nationally or internationally recognised professional bodies, including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT
(E) MANAGING STAKEHOLDER RELATIONSHIPS

Principle 11: **Shareholder rights and conduct of general meetings**
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.

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

For further details on how the Group identifies and engages with material stakeholder groups, please refer to the Group's Sustainability Report, which is published on SGXNET and separate from the Annual Report.

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

The Board is responsible for providing a balanced and understandable assessment of the Group's performance, position and prospects, including interim financial results and other information and reports to regulators (if required).

The Company strives to disclose information on a timely basis to shareholders and other stakeholders and ensures any disclosure of price-sensitive information is not made to a selective group. Price-sensitive information will be publicly released before the Company provides such information to any group of shareholders, investors or research analysts.

REPORT ON CORPORATE GOVERNANCE

Financial results, annual reports, and sustainability reports are announced and issued within the prescribed statutory periods. All material announcements, annual reports, sustainability reports, and press releases on major developments in the business of the Group are released on the SGX-ST's website. For further details on how the group identifies and engages with material stakeholder groups, please refer to the Group's Sustainability Report, which is published on SGXNET and separate from the Annual Report.

The Company may, from time to time, participate in investors' seminars and briefings organised by external organisations. The Company generally publishes such presentation slides used during the seminars and briefings on SGX-ST's website. Shareholders, analysts and the press can contact the Company directly via the office telephone number. Enquiries received are handled by designated members of senior Management.

The shareholders are informed of general meetings through notices enclosed together with the annual reports or circulars sent to all shareholders. Notices of general meetings to shareholders are issued at least 14 days (or as required) before the scheduled date of such meetings. These notices are also posted on SGX-ST's website.

Directors, including the chairmen of the Board and Committees, and senior Management are generally present at the general meetings to answer shareholders' questions.

At each general meeting, shareholders are communicated with relevant rules and procedures governing such meetings. They will be given the opportunity to voice their views and ask the Directors and the Management questions regarding the Group and its business. The Directors and the Management also take the opportunity to interact with shareholders before and after the meeting. The external auditor will also be present at annual general meetings to assist the Directors in addressing any relevant queries from the shareholders.

The Company Secretary prepares the minutes of each general meeting, which include substantial or relevant comments from shareholders and responses from the Board and the Management. Such minutes will be published on SGX-ST's website within one (1) month from the date of such general meeting.

Pursuant to Rule 730A(2) of the Catalist Rules, all resolutions will be put to vote by way of a poll and the detailed results showing the number of votes cast for and against each resolution and the respective percentages will be announced on SGX-ST's website after the conclusion of the general meeting. The voting procedures are also explained to all the shareholders during the general meetings. All resolutions are separate unless they are interdependent and linked, in which case, the reasons and material implications are explained. Under the Constitution of the Company, absentia voting at general meetings of shareholders is allowed. However, as authentication of shareholder identity information and other related security issues remains a concern, the Company has decided, for the time being, not to implement voting in absentia by mail, e-mail or fax.

Shareholders can vote in person or appoint not more than two proxies to attend, speak and vote on their behalf at general meetings, with the exception that shareholders such as nominee companies, which provide custodial services for securities, are able to appoint more than two (2) proxies to attend, speak and vote at general meetings.

Pursuant to legislative amendments (with effect from 1 July 2023) to the Companies Act 1967, as read with Listing Rule 730A and practice guidance issued by the SGX-ST on the conduct of general meetings by issuers on and after 1 July 2023, listed companies are required to hold all their general meetings either at a physical place in Singapore or at a physical place in Singapore and using virtual meeting technology. Listed companies are guided by the SGX-ST to have regard to the size and needs of their shareholder base and to facilitate shareholder engagement. In this regard, the Company's forthcoming AGM will be in a wholly physical format in Singapore.

Apart from creating long-term value for its shareholders and upholding high standards of governance, the Group also recognises the importance of environmental sustainability and social responsibilities to other stakeholders. The Company will publish its standalone sustainability report for FY2024 within the prescribed timeline on the SGX-ST's website.

The Company does not have a fixed dividend policy at present. The declaration and payment of dividends by the Group is subject to many factors, including but not limited to the Group's results of operations, cash flows and financial position, the Group's expansion and working capital requirements and the Group's future growth and prospects. There was no dividend recommended with respect to FY2024 as the Group continues to work on strengthening its balance sheet and working capital positions.

REPORT ON CORPORATE GOVERNANCE

(F) DEALINGS IN SECURITIES

The Group has adopted an internal code on dealings in securities, which is in compliance with Rule 1204(19) of the Catalist Rules and that has been disseminated to all employees within the Group. The Company will also send a notification via email to notify all its officers and employees at least a day prior to the close of the window for trading of the Company's securities.

Directors and employees of the Group are reminded not to deal (whether directly or indirectly) in the Company's securities on short-term considerations and to be mindful of the law on insider trading as prescribed by the Securities and Futures Act 2001.

The internal code on dealings in securities also makes clear that it is an offence to deal in the Company's securities, while in possession of unpublished price-sensitive information and prohibits trading in the following periods:

(i) The period commencing two (2) weeks before the announcement of the Company's financial statements for the first, second and third quarters of its financial year; and

(ii) The period commencing one (1) month before the announcement of the Company's financial statements for its full financial year.

Each of the above periods will end on the date of the announcement of the relevant results of the Company.

Directors are required to report to the Company Secretary whenever they deal in the Company's shares. Thereafter, the Company Secretary updates the Register of Directors' Shareholdings and makes the necessary announcements on the SGX-ST's website.

(G) INTERESTED PERSON TRANSACTIONS

The Company has established procedures to ensure that all transactions with interested persons ("**IPTs**") within the meaning of the Catalist Rules are reported in a timely manner to the AC and that the transactions are carried out on normal commercial terms and are not prejudicial to the interests of the Group and its minority shareholders.

No IPT mandate has been obtained from shareholders of the Company.

On 21 June 2013, the Chief Executive Officer and Executive Director of the Company, Dr. Ong Hian Eng ("**Dr. Ong**"), Mr Ong Kwee Eng (an associate of Dr. Ong), and key executives Mr Wang Xuebo and Mr Chia Chin Hau (collectively, the "Indemnitors") signed a deed of indemnity, under which they have jointly and severally undertaken, inter alia, to indemnify and hold harmless the Group against losses in connection with certain land use rights and certain licences, permits and approvals for the Group's PRC operations (the "Indemnity").

On 20 February 2017, the Company and the Indemnitors entered into a supplemental deed, pursuant to which it was agreed that the Indemnity should terminate upon the occurrence of (i) any transaction or series of transactions resulting in the Indemnitors and their associates (as defined in the Catalist Rules) collectively holding less than 51.0% of the total issued and paid-up share capital of the Company; and (ii) Dr. Ong, Mr Ong Eng Hock Simon, Mr Ong Eng Siew Raymond and Ms Ong Bee Pheng, and any relative (including by marriage) of Dr. Ong from time to time, no longer collectively constituting a majority representation on the Board.

During the year ended 31 December 2024, the Indemnity was terminated following the disposal of the subsidiaries, as the Company is no longer exposed to losses in connection with the land use rights and certain licenses, permits and approvals for the PRC operations.

During the year, loans from Dr. Ong and Astute Ventures to the Group have been fully repaid i.e. during 3Q2024.

Accrued interest for the period from January to July 2024 followed the Singapore Exchange Trading Securities Limited's (the "**SGX-ST**") approval on the use of the Company's market capitalisation as at the end of the preceding financial year for the purpose of computing the IPT transactions thresholds under the Catalist Rules 905 and 906. The Company can continue to adopt the market capitalisation method as long as its net tangible assets ("**NTA**") remain negative (as of the latest set of audited consolidated financial statements).

REPORT ON CORPORATE GOVERNANCE

Based on the loans extended as of 30 July 2024, the total interest from January to July 2024 as a percentage of the Company's market capitalisation as of 31 December 2023 was 1.9%. Please refer to the Company's announcement on 27 October 2023 for details of the SGX-ST's approval.

The Audit Committee has discussed the terms of the loans during FY2023, and is of the view that the loans were (i) for the benefit of the Group; (ii) on normal commercial terms; and (iii) not prejudicial to the interests of the Company and its minority shareholders.

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)
Dr Ong Hian Eng[c]	Director (until 30 April 2024), controlling shareholder	$91,000[a]	Not applicable
Astute Ventures Pte Ltd	Controlling shareholder	$66,000[b]	Not applicable

Notes:

(a) The interest accrued from January to July 2024 amounted to $91,000.

(b) The interest accrued from January to July 2024 amounted to $66,000.

(c) Dr Ong Hian Eng retired as the Chief Executive Officer and Executive Director of the Company at the conclusion of the Company's previous Annual General Meeting, which took place on 30 April 2024. Please see the Company's announcement dated 12 April 2024 for details.

(H) MATERIAL CONTRACTS

Please refer to the preceding section for the disclosures on the shareholder loans that were fully repaid during FY2024.

The interest amounts were accrued following Singapore Exchange Trading Securities Limited's (the "**SGX-ST**") approval on the use of the Company's market capitalisation as at the end of the preceding financial year for the purpose of computing the IPT transactions thresholds under the Catalist Rules 905 and 906. The Company can continue to adopt the market capitalisation method as long as its net tangible assets ("**NTA**") remain negative (as of the latest set of audited consolidated financial statements).

The Audit Committee has discussed the terms of the loans and is of the view that the loans were (i) for the benefit of the Group; (ii) on normal commercial terms; and (iii) not prejudicial to the interests of the issuer and its minority shareholders.

(I) NON-SPONSOR FEES

No fees relating to non-sponsorship activities or services were paid to the current sponsor, Evolve Capital Advisory Private Limited, during FY2024.

(J) SUSTAINABILITY REPORT

The Company will be publishing its Sustainability Report based on the Global Reporting Initiative Standards. The report will be available on the SGX-ST's website on or before 30 April 2025.

RISK STATEMENT

The Group recognises that risk is inherent in a business and its operations and that commercial risks are taken in the course of generating a return on business activities. The Group's policy is that risks should be managed within the Group's overall risk tolerance.

The Management regularly reviews the Group's business and operational activities to identify areas of significant business and process risks and appropriate measures to control and mitigate these risks. On an ongoing basis, the Management reviews all significant business processes and control policies and procedures and highlights all significant matters to the Board and the AC.

The main objective of risk management policies of the Group is to protect the Group against material losses that may result from taking on risks for which it may not be adequately compensated. The Board's philosophy on risk management is that all material risks must be identified, understood, monitored and managed. Furthermore, risk management processes must be closely aligned with the Group's vision and strategy.

The Group believes that effective risk management is the responsibility of all employees and that the Board is ultimately responsible for the oversight of the Group's overall risk management systems and policies. The AC assists the Board in the oversight of financial reporting risks, adequacy and effectiveness of the Group's internal controls and risk management system, information technology controls and other operational risks. A sound system of internal control is essential, and in this regard, the responsibilities of process managers are designed such that there is adequate segregation of duties so that there is a system of checks and balances in the key areas of operations.

The Group has outsourced its internal audit function to an established accounting firm, namely Baker Tilly Singapore (the "**IA**"). The work undertaken by the IA is carried out in accordance with internationally recognised professional bodies, including Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The work undertaken by the IA includes reviewing the Group's system of internal financial, operational and compliance controls over its key operations. The IA has reported their review findings and recommendations directly to the AC.

In performing their audit of the financial statements, the external auditors test the operating effectiveness of certain controls that they intend to rely on and that are relevant to the Group's preparation of financial statements. The external auditors also report any significant deficiencies, if any, in such internal controls to the AC.

The AC reviews the effectiveness of the actions taken by the Management based in response to the recommendations made by the external auditors and IA.

Although the Group currently does not have a formal executive risk management committee, the Management regularly reviews the Group's business and operations to identify areas of significant business risks and controls to mitigate the risks. The Management will highlight all significant matters to the Board and the AC. A more detailed discussion of the Group's financial risk management objectives and policies can be found in note 37 in the financial statements.

Based on the internal controls established and maintained by the Group, the statutory audit conducted by the external auditors, and reviews performed by the Management and the AC as assisted by Internal Audit, the Board, with the concurrence of the AC, is of the opinion that the Group's internal controls addressing financial, operational, compliance, information technology controls, risk management systems or significant business risks are adequate and effective to meet the needs of the Group in its current business environment as at 31 December 2024.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The directors are pleased to present their statement to the members together with the audited financial statements of AsiaPhos Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

1. Opinion of the directors

(a) having regard to the matters disclosed in the notes to the financial statements, the accompanying financial statements of the Group and statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 (the "**Act**") 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.

2. Directors

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

Wong Quee Quee, Jeffrey (Chairman)	(Appointed on 31 May 2024)
Ong Eng Keong (Wang Rongkang)	(Appointed on 22 March 2024)
Goh Yeow Tin	
Lu King Seng	(Appointed on 31 May 2024)
James Cheemee Wong	(Appointed on 31 May 2024)
Ong Eng Hock Simon	

3. Arrangements to acquire shares, debentures, warrants or options

During and at the end of the financial year, neither the Company nor any of its subsidiaries was a party to any arrangement of which the objective was to enable the directors to acquire benefits through the acquisition of shares, debentures, warrants or options of the Company or any other corporate body, other than as disclosed in this report.

4. Directors' interest in shares, debentures, warrants or options

According to the register of directors' shareholdings kept by the Company under Section 164 of the Act, the following directors, who held office at the end of the financial year, had an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Directors' interest in shares, debentures, warrants or options (Cont'd)

Name of directors	Direct interest: At the beginning of financial year or date of appointment	Direct interest: At the end of financial year	Deemed interest: At the beginning of financial year or date of appointment	Deemed interest: At the end of financial year
	Ordinary shares of the Company			
Ong Eng Keong (Wang Rongkang)	5,373,841	8,060,761	-	-
Ong Eng Hock Simon	2,919,306	4,378,959	-	-

There is no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2025.

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

5. AsiaPhos Performance Share Plan (the "Share Plan")

The Share Plan of the Company was approved at an Extraordinary General Meeting held on 22 August 2013.

Details and terms of the Share Plan had been disclosed in the annual report for the last financial year.

Since the adoption of the Share Plan, no share had been awarded to any participant under the Share Plan. The Share Plan expired on 22 August 2023. The Board will seek the approval of shareholders in a general meeting and of any relevant authorities which may then be required when adopting a new performance share plan.

6. Audit Committee

The audit committee (the "**AC**") has carried out its functions in accordance with Section 201B (5) of the Companies Act 1967, the Catalist Rules of the SGX-ST and the Code of Corporate Governance 2018. The functions performed are detailed in the Report on Corporate Governance set out in the Annual Report of the Company for the financial year ended 31 December 2024.

There were no non-audit services provided by the external auditor, PKF-CAP LLP nor any other members of the PKF network.

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. Audit Committee (Cont'd)

The AC has conducted a review of interested person transactions. The AC convened three meetings during the year with full attendance from all members. The AC has also met with the external auditor, without the presence of the Company's management. One director recused himself during the meeting without the management given his familial relationship with the management.

The AC is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the auditor, PKF-CAP LLP, be nominated for appointment as auditor at the forthcoming Annual General Meeting of the Company.

Full details regarding the AC are provided in the Report on Corporate Governance.

In appointing the auditors for the Company and its subsidiaries, the Company has complied with Rules 712 and 715 of the Catalist Rules of the SGX-ST.

7. Independent auditor

The independent auditor, PKF-CAP LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept appointment.

On behalf of the Board of Directors

....
ONG ENG KEONG
Chief Executive Officer, Director

....
WONG QUEE QUEE, JEFFREY
Director

Dated: 26 March 2025

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASIAPHOS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of AsiaPhos Limited (the "**Company**") and its subsidiaries (together with the Company, the "**Group**"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024, and the 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 material accounting policy information.

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 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("**SSAs**"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (the "**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 unmodified opinion on the consolidated financial position of the Group and financial position of the Company as at 31 December 2024.

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 for the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASIAPHOS LIMITED

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the matter
Acquisition of a subsidiary On 31 August 2024, the Group acquired 51% of the shares in Velora Pte Ltd ("**Velora**"). Under SFRS(I) 3 Business Combinations, the Group is required to allocate the purchase price between the acquired assets and liabilities, which could give rise to the recognition of tangible and intangible assets and goodwill or recognition of a gain on bargain purchase. This process of Purchase Price Allocation ("**PPA**") requires the exercise of significant judgement and estimates to determine the fair value of the assets and liabilities acquired and to identify any intangible assets acquired in the acquisition. At 31 December 2024, the Group's goodwill arising from this acquisition as disclosed in Note 6 to the financial statements amount to $263k which accounted for 6% of the Group's total assets as at 31 December 2024. The impairment assessment of goodwill is considered a key audit matter as it requires management to exercise significant judgement on the assessment of various key assumptions that are affected by future market and economic conditions. Management has performed an impairment review. Management made key assumptions in respect of future market and economic conditions such as revenue growth rates, earnings before interest and tax ("**EBIT**") margins, discount rates and long-term economic growth rates when performing the assessment. The Group's disclosure of the business combination accounting applied to the acquisition and the goodwill arising from the acquisition are set out in Notes 2 to the financial statements.	- Assessed the competency of management and evaluated the bases and assumptions of the valuation methodology used in the PPA. - Reviewed relevant documents supporting the acquisition and the PPA and evaluated the appropriateness of the accounting for the acquisition and classification of the assets acquired and liabilities assumed in accordance with SFRS(I) 3. - Engaged our valuation specialists to review key assumptions used in the valuation models. - Reviewed the discounted future cash flows used to assess the value in use of the CGU to which the goodwill is allocated for impairment testing, including reperforming the calculations to verify the accuracy. - Assessed that the discounted future cash flows are based on the budgets approved by the Board of Directors. - Assessed the appropriateness of the key assumptions used such as revenue growth rates, EBIT margins, discount rates and long-term economic growth rates when performing the assessment. - Performed sensitivity test on the key assumptions such as discount rate and growth rate. - Evaluated the adequacy and appropriateness of the related disclosures made in the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASIAPHOS LIMITED

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the matter
Impairment of trade and other receivables At 31 December 2024, the Group's trade and other receivables amounted to $1,714k and $928k respectively, which accounted for 37% and 20% respectively, of the Group's total assets as at 31 December 2024 after recognising the impairment loss of financial assets of $99k and $593k respectively as disclosed in Note 12 and 10. In accordance with SFRS(I) 9 Financial Instruments, the Group is required to recognise loss allowances for expected credit losses ("**ECL**") on financial assets. The allowance for impairment of trade and other receivables is estimated by management through the application of judgement and subjective assumptions. The estimate of impairment loss allowance is based on the historical trend of these receivables, which includes analysis of the age of these receivables, creditworthiness of the profile of the customers and future collectability. In addition, for a specific trade receivable, the Group has entered into an offsetting agreement with a former shareholder, allowing the outstanding balance to be offset over the next three years if unpaid. Refer to Note 12 for more details. For a specific other receivable from a former subsidiary, the Group has included a term in the Sales and Purchase Agreement requiring the remittance of frozen cash upon release. Refer to Note 10 for more details.	- Understood the basis and assumptions used by management in their assessment of ECL on trade and other receivables. - Reviewed management's assessment on the impairment of trade and other receivables and assessed the adequacy of the allowance for doubtful receivables in accordance with SFRS (I) 9 Financial Instruments. - Obtained and reviewed the terms of the offsetting agreement. - Obtained lawyer confirmation on the latest judgement on the frozen cash. - Reviewed the adequacy of disclosures made in the financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASIAPHOS LIMITED

Key Audit Matters (Cont'd)

Key audit matter	How our audit addressed the matter
Disposal of subsidiaries As disclosed in Note 9 to the accompanying financial statements, the Company entered into the sale and purchase agreement with Luo Yong (collectively "**Buyer**") on 29 July 2024 for the disposal of its entire 100% equity interest in Norwest Chemical Pte Ltd and its subsidiaries ("**NWC Group**"). The disposal was completed on 31 August 2024. The management has assessed that the Group lost control of the disposal group on the date of completion as the Groups is neither exposed to, nor has rights to, variable returns from its involvement with the entities and has no ability to affect those return through its power over the entities from that date. Accordingly, the management has derecognised assets and liabilities of the disposal group and recognised gain on disposal amounting to approximately $3.7million during the financial year ended 31 December 2024. We focused on this event as the disposal is considered a material transaction to the Group given that it is a material gain on disposal in the consolidated financial statements. The accounting policies for disposal of subsidiary corporations are set out in Note 2 to the consolidated financial statements.	- Obtained and reviewed the sale and purchase agreements between the Company and the Buyer. - Tested the accuracy of the assets and liabilities of the disposal subsidiaries on the date of disposal as disclosed in Note 9. - Recomputed the gain on disposal of the subsidiaries. - Reviewed the adequacy and appropriateness of the related disclosures made in the financial statements.

Other Matter

The financial statements for the financial year ended 31 December 2023 were audited by another auditor whose report dated 4 April 2024 expressed a disclaimer opinion on those financial statements.

Other information

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASIAPHOS LIMITED

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Companies Act 1967 (the "**Act**") and Singapore Financial Reporting Standards (International) ("**SFRS(I)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 authorised 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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ASIAPHOS LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose 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 year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Lee Eng Kian.

PKF-CAP LLP
Public Accountants and
Chartered Accountants

Singapore

26 March 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

	Note	The Group 2024 $'000	The Group 2023 $'000	The Company 2024 $'000	The Company 2023 $'000
ASSETS					
Non-Current					
Property, plant and equipment	4	46	27	-	-
Right-of-use assets	5	179	186	-	-
Goodwill	6	263	-	-	-
Intangible asset	7	-	-	-	-
Mining properties	8	-	-	-	-
Investment in subsidiaries	9	-	-	-	-
Deferred tax assets	20	-	178	-	-
Other receivables	10	-	10	-	-
		488	401	-	-
Current					
Inventories	11	37	52	-	-
Trade receivables	12	1,714	51	-	50
Other receivables and prepayments	10	928	468	780	50
Amounts due from subsidiaries	13	-	-	4,742	-
Cash and bank balances	14	1,425	865	120	61
		4,104	1,436	5,642	161
Assets of disposal group	15	-	13,665	-	-
Non-current assets held for sale	16	-	5,546	-	-
		4,104	20,647	5,642	161
Total Assets		4,592	21,048	5,642	161
EQUITY					
Capital and Reserves					
Share capital	17	80,703	78,283	80,703	78,283
Reserves	18	(77,319)	(75,953)	(77,158)	(85,437)
Equity attributable to owners of the Company		3,384	2,330	3,545	(7,154)
Non-controlling interests	9	39	(2,533)	-	-
Total Equity		3,423	(203)	3,545	(7,154)
LIABILITIES					
Non-current					
Deferred income	19	-	1,812	-	-
Deferred tax liabilities	20	-	-	-	-
Provision for reinstatement costs	21	26	767	-	-
Lease liability	22	128	159	-	-
		154	2,738	-	-
Current					
Trade and other payables	23	984	8,999	299	1,737
Contract liabilities	24	-	524	-	-
Interest-bearing bank loan	25	-	-	-	-
Amounts due to a director	26	-	1,753	-	1,713
Loan due to a controlling shareholder	27	-	1,121	-	1,121
Lease liability	22	31	30	-	-
Amounts due to subsidiaries	28	-	-	1,798	2,744
		1,015	12,427	2,097	7,315
Liabilities of disposal group	15	-	6,086	-	-
		1,015	18,513	2,097	7,315
Total Liabilities		1,169	21,251	2,097	7,315
Total Equity and Liabilities		4,592	21,048	5,642	161

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 $'000	2023 $'000
Continuing operations			
Revenue	29	4,291	1,701
Cost of sales		(3,924)	(1,373)
Gross profit		367	328
Other income	30	282	801
Selling and distribution costs		(74)	(126)
General and administrative expenses		(2,208)	(4,728)
Finance costs	31	(245)	(349)
Other expense		(692)	(25)
Loss before tax from continuing operations	31	(2,570)	(4,099)
Income tax expense	32	(15)	(70)
Loss from continuing operations, net of tax		(2,585)	(4,169)
Discontinued operations			
Profit from discontinued operations, net of tax	15	3,707	6,242
Profit for the year		1,122	2,073
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation gain/(loss) on consolidation of foreign operations, at nil tax		101	(751)
Total comprehensive income for the year		1,223	1,322
Profit/(Loss) for the year attributable to:			
Owners of the Company			
- Loss from continuing operations, net of tax	33	(2,533)	(4,168)
- Profit from discontinued operations, net of tax	33	3,707	6,242
		1,174	2,074
Non-controlling interest			
- Loss from continuing operations, net of tax		(52)	(1)
- Profit from discontinued operations, net of tax		-	-
		(52)	(1)
Profit for the year		1,122	2,073
Total comprehensive profit/(loss) for the year attributable to:			
Owners of the Company		1,275	1,317
Non-controlling interest		(52)	5
Total comprehensive income for the year		1,223	1,322
Earnings/(Loss) per share (cents per share)			
Basic and diluted			
- Continuing and discontinued operations	33	0.10	0.20
- Continuing operations	33	(0.20)	(0.40)
- Discontinued operations	33	0.30	0.60

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The Group	Share capital $'000	Merger reserve $'000	Accumulated losses $'000	Foreign currency translation reserve $'000	Safety fund surplus reserve $'000	Total attributable to owners of the Company $'000	Non-controlling interests $'000	Total equity $'000
At 1 January 2023	78,283	850	(80,567)	897	1,550	1,013	(2,538)	(1,525)
Profit/(loss) for the year, net of tax	-	-	2,074	-	-	2,074	(1)	2,073
Other comprehensive income								
Foreign currency translation	-	-	-	(757)	-	(757)	6	(751)
Total comprehensive income for the year	-	-	2,074	(757)	-	1,317	5	1,322
At 31 December 2023	78,283	850	(78,493)	140	1,550	2,330	(2,533)	(203)
At 1 January 2024	78,283	850	(78,493)	140	1,550	2,330	(2,533)	(203)
Issuance of rights shares (Note 17)	2,420	-	-	-	-	2,420	-	2,420
Profit/(loss) for the year, net of tax	-	-	1,174	-	-	1,174	(52)	1,122
Other comprehensive income								
Disposal of subsidiaries (Note 9)	-	(850)	2	142	(1,550)	(2,256)	2,531	275
Acquisition of subsidiary (Note 9)	-	-	-	-	-	-	93	93
Foreign currency translation	-	-	-	(284)	-	(284)	-	(284)
Total comprehensive income for the year	-	(850)	1,176	(142)	(1,550)	(1,366)	2,572	1,206
At 31 December 2024	80,703	-	(77,317)	(2)	-	3,384	39	3,423

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 $'000	2023 $'000
Cash Flows from Operating Activities			
Profit/(Loss) before tax from:			
- Continuing operations		(2,570)	(4,099)
- Discontinued operations	15	3,707	4,950
Profit before taxation		1,137	851
Adjustments for:			
Depreciation and amortisation expenses	4	10	51
Depreciation of right-of-use assets	5	37	18
Reversal of over-accruals of liabilities		(147)	(156)
Reversal of impairment loss on property, plant and equipment		-	(4,092)
Write-down in value of inventories		-	10
Interest expense	31	266	554
Impairment loss/(Reversal) on other receivables and prepayments, net	10, 31	593	(48)
Impairment loss on trade receivables	12	99	-
Interest income	30	(19)	(2)
Gain on disposal of subsidiaries		(3,728)	-
Unrealised exchange gain		(63)	-
Funding for arbitration	30	-	(222)
Operating loss before working capital changes		(1,815)	(3,036)
Change in inventories		6	164
Change in trade and other receivables		(3,394)	228
Change in trade and other payables		298	2,812
Cash (used in)/generated from operations		(4,905)	168
Interest received		19	2
Tax received		42	-
Net cash (used in)/generated from operating activities		(4,844)	170
Cash Flows from Investing Activities			
Payments for acquisition of property, plant and equipment		(28)	(175)
Payment received on disposal of assets		9,807	-
Acquisition of subsidiary, net of cash acquired	9	30	-
Disposal of subsidiaries, net of cash disposed of	9	(207)	-
Net cash generated from/(used in) investing activities		9,602	(175)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	2024 $'000	2023 $'000
Cash Flows from Financing Activities			
Repayment of bank loan	A	(3,390)	(3,558)
Proceeds from bank loan	A	-	3,426
Decrease in pledged deposits		241	32
Payments of principal portion of lease liability	A	(30)	(27)
Loan from a director	A	-	820
Repayment of loan from a director	A	(423)	(1,000)
(Repayment of)/Loan from a controlling shareholder	A	(1,053)	595
Interest paid		(27)	(343)
Proceeds from issuance of rights shares		905	-
Funding for arbitration received		-	222
Net cash (used in)/generated from financing activities		(3,777)	167
Net increase in cash and cash equivalents		981	162
Effect of exchange rate changes on cash and cash equivalents		18	(7)
Cash and cash equivalents at beginning of the year		426	271
Cash and cash equivalents at end of the year	14	1,425	426

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

Note A: Reconciliation of movements of liabilities to cash flows arising from financing activities, excluding equity items

			Cash flows				Non-cash changes			
	As at 1 January 2024 $'000	Additions $'000	Proceeds received $'000	Principal repayment $'000	Interest paid $'000	Interest expense $'000	Foreign exchange movement $'000	Subscription of right shares $'000	Disposal of subsidiaries $'000	As at 31 December 2024 $'000
Interest-bearing bank loan	3,367	-	-	(3,390)	(21)	21	23	-	-	-
Lease liability	189	-	-	(30)	(8)	8	-	-	-	159
Amounts due to a director	1,753	-	-	(962)	(91)	91	-	(751)	(40)	-
Loan due to a controlling shareholder	1,121	-	-	(357)	(66)	66	-	(764)	-	-
	6,430	-	-	(4,739)	(186)	186	23	(1,515)	(40)	159

			Cash flows			Non-cash changes		
	As at 1 January 2023 $'000	Additions $'000	Proceeds received $'000	Principal repayment $'000	Interest paid $'000	Interest expense $'000	Foreign exchange movement $'000	As at 31 December 2023 $'000
Interest-bearing bank loan	3,610	-	3,426	(3,558)	(257)	257	(111)	3,367
Lease liability	108	108	-	(27)	(6)	6	-	189
Amounts due to a director	1,792	-	820	(1,000)	-	141	-	1,753
Loan due to a controlling shareholder	456	-	595	-	-	70	-	1,121
	5,966	108	4,841	(4,585)	(263)	474	(111)	6,430

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. General information

The financial statements of the Group and the Company for the year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is incorporated in the Republic of Singapore on 3 January 2012 as a private company limited by shares under the name of "AsiaPhos Private Limited". On 6 September 2013, the Company changed its name to "AsiaPhos Limited" in connection with its conversion to a public company limited by shares. The Company was listed on Catalist Board of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 7 October 2013.

The registered office of the Company is located at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632. The principal place of business of the Company is located at 22 Kallang Avenue, #03-02 Hong Aik Industrial Building, Singapore 339413.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 9 to the financial statements.

AsiaPhos Limited and its subsidiaries (collectively, the "**Group**") operate in Singapore and the People's Republic of China ("**PRC**").

2. Material accounting policy information

(a) Basis of preparation

The financial statements are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("**SFRS(I)**"). The financial statements have been prepared under the historical cost convention except as otherwise described in the notes below.

The financial statements are presented in Singapore Dollar, which is the Company's functional currency. All financial information has been presented in Singapore Dollar and rounded to the nearest thousand ($'000), unless otherwise stated.

The financial statements have been prepared on the basis that the Group will continue to operate as a going concern.

The accounting policies used by the Group have been applied consistently to all periods presented in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(b) New and revised SFRS(I) in issue but not yet effective

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I), SFRS(I) INT and amendments to SFRS(I) that have been issued but are not yet effective.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-21	Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Various	Annual Improvements to SFRS(I)s	1 January 2026
Amendments to SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to SFRS(I) 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has performed a preliminary assessment and the directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

(c) Consolidation

i. <u>Basis of consolidation</u>

The consolidated financial statements incorporate the financial statements of the Company and investees (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company or its subsidiary:
- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company or its subsidiary reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company or its subsidiary has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company or its subsidiary considers all relevant facts and circumstances in assessing whether or not the Company's or its subsidiary's voting rights in an investee are sufficient to give it power, including:
- size of the Company's or its subsidiary's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company or its subsidiary, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances which indicate that the Company or its subsidiary has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(c) Consolidation (Cont'd)

i. Basis of consolidation (Cont'd)

Consolidation of a subsidiary begins when the Company or its subsidiary obtains control over the subsidiary or investee and ceases when the Company or its subsidiary loses control of the subsidiary or investee. Specifically, income and expenses of a subsidiary or an investee acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company or its subsidiary gains control until the date when the Company or its subsidiary ceases to control the subsidiary or investee.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries and investees are attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance when necessary, adjustments are made to the financial statements of subsidiaries or investees to bring their accounting policies in line with the Group's accounting policies.

ii. Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary, and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, or when applicable, the cost on initial recognition of an investment in an associate.

iii. Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(c) Consolidation (Cont'd)

iii. Acquisitions (Cont'd)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill. Please refer to the paragraph "Goodwill" for the subsequent accounting policy on goodwill.

iv. Disposals

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

(d) Investment in subsidiaries

Subsidiaries are entities controlled by the Company. In the Company's separate statement of financial position, subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

(e) Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(e) Business combinations (Cont'd)

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date on which the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 Income Taxes and SFRS(I) 1-19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer are recognised and measured in accordance with the method in SFRS(I) 2 Share-based Payment at the acquisition date; and
- disposal groups that are classified as held for sale in accordance with SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

(f) Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(f) Goodwill (Cont'd)

Goodwill is not amortised, but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, or an associate, the attributable amount of goodwill is included in the determination of the gain or loss on disposal of the entity or the relevant cash generating unit.

(g) Intangible assets

Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are written off where, in the opinion of the directors, no further future economic benefits are expected to arise.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Intangible asset represents the registration costs of a license to export to countries in the European Union.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(h) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment other than construction-in-progress ("**CIP**") are measured at cost less accumulated depreciation and any accumulated impairment losses. CIP is stated at cost less any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred to bring the asset to a working condition for its intended use. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. CIP comprises the costs of materials and labour, capitalised borrowing costs and costs directly attributable to bringing the assets to a working condition for their intended use. Costs incurred in testing the assets to determine if they are functioning as intended are capitalised, after deducting any proceeds received from selling the products produced while testing. Where these proceeds exceed the cost of testing, any excess is recognised in the profit or loss. CIP is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the profit or loss as incurred.

The depreciation method used shall reflect the pattern in which the asset's future economic benefits are expected to be consumed. Depreciation of the property, plant and equipment are as follows:

Leasehold buildings	20 years
Leasehold improvements, and motor vehicles and office equipment	3 to 10 years

Plant and machinery are depreciated using the unit-of-production ("**UOP**") method to depreciate the cost of the assets in proportion to the production of downstream products and extraction of the mineral resources. CIP are not depreciated as these assets are not yet available for use.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(h) Property, plant and equipment (Cont'd)

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal respectively. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

(i) Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

(a) 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 by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses the incremental borrowing rate specific to the lessee.

The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantee;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group recognises those lease payments in the statement of comprehensive income in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(i) Leases (Cont'd)

The Group as a lessee (Cont'd)

(a) Lease liability (Cont'd)

The lease liabilities are presented as a separate line item in the statement of financial position. The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to the statement of comprehensive income if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(b) Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Land use rights:	Over the lease period
Office premises:	Over the lease period

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the consolidated statement of financial position. The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(j) Impairment of non-financial assets

The carrying amounts of the Group's and Company's non-financial assets, except inventories, subject to impairment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash-generating units"). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management controls the related cash flows.

Individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal and value-in-use, based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to the profit or loss unless it reverses a previous revaluation in which case it is charged to equity.

- With the exception of goodwill,
- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decrease.
- 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 if no impairment loss had been recognised.
- A reversal of an impairment loss on a revalued asset is credited directly to equity. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the profit or loss, a reversal of that impairment loss is recognised as income in profit or loss.

An impairment loss in respect of goodwill is not reversed, even if it relates to impairment loss recognised in an interim period that would have been reduced or avoided had the impairment assessment been made at a subsequent reporting or end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the entity becomes party to the contractual provisions of the instruments.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of financial assets that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of financial asset not at fair value through profit or loss, transaction costs. Financial assets are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party if the financial assets do not contain a significant financing component at initial recognition.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest" ("**SPPI**") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Subsequent measurement of debt instruments depends on the Group's business model with the objective to hold financial assets in order to collect contractual cash flows and the contractual cash terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding on the asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(k) Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Financial assets at amortised cost (debt instruments) (Cont'd)

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

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

The Group's financial assets at amortised cost include trade and other receivables, excluding prepayments.

Financial assets at fair value through other comprehensive income (debt instruments)

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

The Group and the Company do not hold any investments in fair value through other comprehensive income (debt instruments).

Financial assets designated at fair value through other comprehensive income (equity instruments)

On initial recognition of an equity instruments that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. The classification is determined on an instrument-by-instrument basis. Dividends from such investments are to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in fair value of financial assets at fair value through profit or loss are recognised in profit or loss. Changes in fair value of financial assets at FVOCI are recognised in OCI are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group and the Company do not hold any financial assets designated at fair value through OCI (equity instruments).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(k) Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Subsequent measurement (Cont'd)

Financial assets at fair value through profit or loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. A gain or loss on a debt instruments that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss statement in the period in which it arises. Interest income from these financial assets is included in finance income.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

The Group and the Company do not hold any financial assets at fair value through profit or loss.

Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(k) Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ("**ECL**") associated with its debt instrument assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

For trade and other receivables, the Group measures the loss allowance at an amount equal to the lifetime expected credit losses as at the reporting date, the credit risk has not increased significantly since initial recognition. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The internal credit ratings have been mapped to external credit ratings determined by credit rating agencies such as Moody's and Fitch, so as to determine the appropriate expected credit loss rates.

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

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:
- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS

2. Material accounting policy information (Cont'd)

(k) Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

Write-off policy

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

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised initially at fair value less directly attributable transaction costs. The financial liabilities comprise borrowings, lease liabilities and trade and other payables, excluding deferred income and contract liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by SFRS(I) 9. Separate embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss when changes arise.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in SFRS (I) 9 are satisfied.

The Group and the Company do not have financial liabilities at fair value through profit or loss.

Financial liabilities that are not carried at fair value through profit or loss

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(k) Financial instruments (Cont'd)

(b) Financial liabilities (Cont'd)

Financial liabilities that are not carried at fair value through profit or loss (Cont'd)

Borrowings which are due to be settled within 12 months after the end of the reporting period are included in current borrowings in the statement of financial position even though the original terms were for a period longer than twelve months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of the reporting period. Borrowings to be settled within the Group's operating cycle are classified as current. Other borrowings due to be settled more than twelve months after the end of the reporting period are included in non-current borrowings in the statement of financial position.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(l) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average 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. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

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

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

(n) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

(o) Current assets (or disposal groups) held-for-sale and discontinued operations

Non-current assets and disposal groups classified as held for disposal are measured at the lower of their carrying amount and fair value less costs of disposal. Non-current assets and disposal groups are classified as held for disposal if their carrying amounts will be recovered principally through disposal, by sale or otherwise, rather than through continuing use. Property, plant and equipment and intangible assets once classified as held for disposal are not depreciated or amortised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(o) Current assets (or disposal groups) held-for-sale and discontinued operations (Cont'd)

Events or circumstances may extend the period to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude an asset (or disposal group) from being classified as held for sale if the delay is caused by events or circumstances beyond the Group's control and there is sufficient evidence that the Group remains committed to its plan to sell the asset (or disposal group).

A component of the Group is classified as a "discontinued operations" when the criteria to be classified as held for disposal have been met or it has been disposed of and such component represents a separate major line of business or geographical area of operations or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations. When an component is classified as discontinued operations, the comparative statement of profit or loss is re-presented as if that operation had been discontinued from the start of the comparative year.

(p) Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants that compensate the Group for expenses incurred are recognised in profit or loss as 'other income' on a systematic basis in the same periods in which the expenses are recognised.

Deferred capital grants are recognised in the statement of comprehensive income over the periods necessary to match the depreciation of the assets with the related grants. On disposal of the property, plant and equipment, the balance of the related grants is recognised in the statement of comprehensive income to match the net book value of property, plant and equipment written off.

(q) Contract liabilities

Where the amounts received or receivable from customers exceed the revenues recognised for contracts, contract liabilities are recognised in the statement of financial position. Contract liabilities are recognised as revenues when services are provided to customers.

(r) Income taxes

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the reporting period.

2. Material accounting policy information (Cont'd)

(r) Income taxes (Cont'd)

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Except for investment properties measured using the fair value model, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

(s) Employee benefits

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 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(s) Employee benefits (Cont'd)

Defined contribution plans

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

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to balance sheet date.

(t) Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Company. Directors and certain senior managerial personnel are considered key management personnel.

(u) Earnings per share

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

(v) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. The Group determines and presents operating segments based on information that is provided internally to the Chief Executive Officer, who is the Group's chief operating decision maker. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer to make decision about resources to be allocated to the segments and assess its performance, and for which discrete financial information is available.

(w) Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:
- (i) has control or joint control over the Company;
- (ii) has significant influence over the Company; or
- (iii) is a member of the key management personnel of the Company or of a parent of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(w) Related parties (Cont'd)

(b) An entity is related to the Company if any of the following conditions applies:

(i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

(x) Revenue recognition

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

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

(a) Sale of goods

Revenue is recognised when the goods are delivered to or collected by customers and all criteria for acceptance have been satisfied. The amount of revenue recognised is based on the contractual price.

(b) Interest income

Interest income is recognised using the effective interest method.

(y) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Singapore Dollar, which is also the functional currency of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

2. Material accounting policy information (Cont'd)

(z) Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of the transactions.

Translation of Group entities' financial statements

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

- Assets and liabilities are translated at the closing exchange rates at the end of the reporting period;
- Income and expenses for each statement presenting profit or loss and other comprehensive income (i.e. including comparatives) shall be translated at exchange rates at the dates of the transactions; and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the accumulated exchange differences in respect of that foreign operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period in which the estimates are revised and in any future periods affected. The areas involving significant judgement and critical accounting estimates and assumptions used are described below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

Significant judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that have been made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Assets and liabilities of disposal group (Note 15)
SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* requires non-current assets to be classified as held for sale if the carrying amount will be recovered principally through a sale transaction or otherwise rather than continuing use. The carrying value of the Mining related Assets is expected to be recovered principally through compensation receivable from the Chinese Government for the expropriation of the Mining related Assets.

SFRS(I) 5 also recognises that events and circumstances may extend the period required to complete the sale beyond one year. An extension of the period required to complete a sale does not preclude the disposal group from being classified as held for sale if the delay is caused by events or circumstances beyond the Group's control and there is sufficient evidence that the Group remains committed to its plan to sell the disposal group.

Mining assets
In November 2017, the assets (the "**Mining related Assets**") and directly associated liabilities (the "**Mining related Assets**") of Mine 1 and Mine 2 ("**Mine 1**" and "**Mine 2**") of Sichuan Mianzhu and the mine of Deyang Fengtai Mining Co., Ltd. ("**Fengtai Mine**") (collectively, the "**Mining Assets Group**") were reclassified as assets and liabilities of disposal group in the Group's consolidated statement of financial position as a result of the Chinese Government's request for the Group's evacuation and rehabilitation of its mining site in respect of Mine 2 and the Fengtai mine, and the non-renewal of the Mine 1 mining license.

In 2020, the Group commenced arbitration at the International Arbitration Tribunal (the "**Tribunal**") seeking compensation from the Chinese Government.

As at 31 December 2021, the Board reassessed the Group's position in the investment dispute with the Chinese Government and determined that it was unlikely that the dispute would be settled amicably. Any compensation was subject to the outcome of the arbitration. Accordingly, the Group recognised an impairment loss on the book value of $90,066,000 on the Mining related Assets presented within "Assets of disposal group" and reversed deferred tax liabilities of $16,383,000 from "Liabilities of disposal group" to "Tax credit" in "Profit/(Loss) from discontinued operations, net of tax".

As at 31 December 2022, the disposal of the Mining Assets Group had not been completed. Accordingly, the directors were of the view that it was appropriate for the Group to continue to present all mining related assets, liabilities and goodwill as "Assets of disposal group" and "Liabilities of disposal group" respectively on the Group's consolidated statement of financial position as at 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

Significant judgements in applying accounting policies (Cont'd)

Assets and liabilities of disposal group (Note 15) (Cont'd)

Mining assets (Cont'd)
In February 2023, the International Arbitration Tribunal ruled that Article 13(3) of China-Singapore Bilateral Investment Treaty (1985) did not afford jurisdiction over the Group's expropriation claims and Article 4 of the Treaty did not afford jurisdiction over the remaining claims. The Group filed a petition to the Swiss Supreme Court on 20 March 2023 seeking inter alia, to set aside the International Arbitration Tribunal jurisdictional award and the legal costs awarded to China. As announced on 25 January 2024, the Group was unsuccessful in its appeal to the Swiss Supreme Court. The Board ascertained that it was no longer appropriate to continue to classify the Mining Assets Group as a disposal group. As such, the Mining Assets Group were reclassified from "Assets of disposal group" to property, plant and equipment (Note 4), mining properties (Note 8), goodwill (Note 6) and other receivables (Note 10), and provision for rehabilitation from "Liabilities of disposal group" to provision for reinstatement cost (Note 21) during the financial year ended 31 December 2023.

As at 31 December 2024, the Mining Assets Group had been derecognised upon disposal of subsidiaries.

P4 Plant Assets
Pursuant to a Cooperation Agreement dated 20 March 2023, and subsequent supplemental agreements (collectively hereinafter referred to as the "**Cooperation Agreement**") entered into with Sichuan Rongda Yuexiang Chemical Group Co., Ltd. ("**Rongda**"), Sichuan Mianzhu, a wholly owned subsidiary, shall transfer to Rongda property, plant and equipment and land use rights (the "**P4 Plant Assets**"), via a newly set-up subsidiary of the Group, Sichuan Rongdafeng Chemical Co. Ltd. ("**Rongdafeng**"), for a cash consideration of RMB71.39 million. The cash consideration is inclusive of RMB8 million in respect of a 12-month lease of the P4 Plant Assets to Rongda from March 2023 (the "**rental**"), RMB4 million of rental deposit (the "**rental deposit**") and RMB20 million for repayment of Sichuan Mianzhu's bank loan which is secured by the P4 Plant Assets. The rental and rental deposit are non-refundable, if Sichuan Mianzhu is not in breach of the Cooperation Agreement. Sichuan Mianzhu shall transfer the P4 Plant Assets to Rongdafeng and subsequently dispose of its entire equity interest in Rongdafeng to Rongda. As part of the arrangement, Rongdafeng, as a subsidiary of Rongda, shall assume trade and other payables relating to the P4 Plant Assets of RMB14.61 million. As at 31 December 2023, the Group had received RMB12 million in respect of the rental and rental deposit.

In January 2024, the Group received RMB20 million from Rongda and utilised the amount to repay the bank loan of $3,367,000 (RMB18 million) as at 31 December 2023.In February 2024, Rongda paid the remaining balance of the proceeds of RMB39.39 million into an escrow account pursuant to a Supplementary Cooperation Agreement II dated 29 January 2024.

In March 2024, the asset transfer had been completed. The amount in the escrow account shall be released to the Group upon completion of the transfer of, inter alia, the RMB14.61 million Liability, and personnel of Sichuan Mianzhu to Rongdafeng.

Completion of the proposed P4 Plant disposal is subject to, among others, Sichuan Mianzhu's transfer of the P4 Plant Assets and the RMB14.61 million Liability to Rongdafeng, Sichuan Mianzhu's transfer of its 100% equity interest in Rongdafeng to Rongda, Sichuan Mianzhu's submission of application materials for real estate transfer/registration to the real estate registration department (including transfer of certified real estate to Rongdafeng and application materials for property ownership certificates and properties without certificate), change of Rongdafeng's legal representative, general manager, directors, supervisors and senior management personnel to Rongda's designated personnel, and transfer of all Rongdafeng's seals (company stamps), business licenses, bank accounts and other information required for operations of Rongdafeng to Rongda. The Group has up to 36 months from 30 January 2024 to complete the transfer of its entire equity interest in Rongdafeng to Rongda.

3. Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

Significant judgements in applying accounting policies (Cont'd)

Assets and liabilities of disposal group (Note 15) (Cont'd)

P4 Plant Assets (Cont'd)
In the financial year ended 31 December 2023, the carrying value of property, plant and equipment and the associated land use rights of the P4 Plant of $12,999,000 and $1,308,000, respectively, were reclassified to "Assets of disposal group" (Note 15) in the statement of financial position. As at 31 December 2023, completion of the disposal of the P4 Plant Assets was in progress.

As at 31 December 2024, the P4 Plant Assets had been derecognised upon disposal of subsidiaries.

Non-current assets held for sale (Note 16)
Accounting for non-current assets held for sale involves significant management judgement. These include, amongst others, the conditions to be met in classifying a non-current asset as held for sale, and valuation of the assets and presentation in the financial statements.

On 29 November 2021, the Company's subsidiary, Sichuan Mianzhu entered into a sale and purchase agreement ("**SPA**") with Sichuan Mianzhu Huaxinfeng Food Co., Ltd relating to the proposed disposal of its Sodium Tripolyphosphate plant ("**STPP**") (referred hereinafter as "**Phase 2 Factory Assets**") and the associated land use rights for cash consideration of RMB31.5 million.

On 31 October 2022, Sichuan Mianzhu received the full sales consideration in advance.

Completion of the disposal of the Phase 2 Factory Assets is pending the transfer of the title deeds of the Phase 2 Factory Assets and the related documents to the Purchaser. As announced on 4 July 2023, further delays to the completion of the transaction are expected as the Mianzhu Land Management Bureau has requested additional information pertaining to the Phase 2 Factory Assets. Both Sichuan Mianzhu and the Purchaser are working to comply with the requirements promptly to expedite the process.

As at 31 December 2024, the Phase 2 Factory Assets had been derecognised upon disposal of subsidiaries.

Income tax
The Group has exposure to income taxes in various jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Determination of the lease term
In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it.

The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. For leases of office premises, the Group considers factors including historical lease durations and the costs and business disruption required to replace the leased asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

3. Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are discussed below.

Impairment of property, plant and equipment and right-of-use assets (Notes 4 and 5)

Property, plant and equipment and right-of-use assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its value-in-use and fair value less costs of disposal. When value-in-use calculation is undertaken, management estimates the expected future cash flows from the asset or cash-generating unit by applying a suitable discount rate to calculate the present value of those cash flows. When fair value less costs of disposal is used, management uses the value estimated by professional valuers to determine the fair values using valuation techniques which involve the use of estimates and assumptions which are reflective of current market conditions.

The Group did not determine value-in-use or fair value less costs of disposal of the property, plant and equipment and right-of-use assets as at 31 December 2024 and 2023.

The carrying amount of the Group's property, plant and equipment and right-of-use assets are disclosed in Notes 4 and 5, respectively.

Goodwill

The amount of goodwill is tested annually for impairment. This annual impairment test is significant, and the process is complex. The test is based on assumptions that are affected by expected future market or economic conditions. As a result, judgement is required to evaluate the assumptions and methodologies adopted by the Management, especially those relating to the forecasted revenue growth and profit margins. The disclosures about goodwill are included in Note 6. Actual outcomes could vary from the relevant estimates.

Accounting for business combination

Accounting for a business combination requires an estimation of the fair value of identifiable assets acquired and liabilities assumed at the date of acquisition. The purchase price allocation process requires significant judgement and estimation on key assumptions, such as future market conditions, growth rates and discount rates. The fair values determined for the identifiable assets and liabilities are disclosed in Note 9.

Allowance for expected credit losses of trade and other receivables

The Group uses a provision matrix to calculate ECLs for trade and other receivables. The provision matrix is initially based on the Group's historical observed default rates. The Group calibrates the matrix to adjust historical credit loss experience with forward-looking information. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and forecast economic conditions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Property, plant and equipment

The Group

	Buildings $'000	Leasehold improvements $'000	Plant and machinery $'000	Motor vehicles and office equipment $'000	Mining infrastructure $'000	Construction-in-progress $'000	Total $'000
Cost							
At 1 January 2023	7,241	412	13,572	828	-	105	22,158
Additions	-	-	-	2	-	-	2
Reclassification from "Assets of disposal group" (Note 15) *	1,386	-	1,908	117	14,044	133	17,588
Reclassified to "Assets of disposal group" (Note 15) #	(7,179)	(371)	(13,487)	(428)	627	(99)	(20,937)
Currency realignment	(62)	-	(85)	(5)	(627)	(6)	(785)
At 31 December 2023	1,386	41	1,908	514	14,044	133	18,026
Additions	-	-	-	31	-	-	31
Additions upon acquisition of subsidiary	-	-	-	13	-	-	13
Derecognition upon disposal of subsidiaries	(1,372)	(26)	(1,889)	(508)	(13,901)	(132)	(17,828)
Currency realignment	(14)	-	(19)	(5)	(143)	(1)	(182)
At 31 December 2024	-	15	-	45	-	-	60

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Property, plant and equipment (Cont'd)

The Group

	Buildings $'000	Leasehold improvements $'000	Plant and machinery $'000	Motor vehicles and office equipment $'000	Mining infrastructure $'000	Construction-in-progress $'000	Total $'000
Accumulated depreciation and impairment loss							
At 1 January 2023	5,137	385	6,766	782	-	105	13,175
Depreciation for the year	37	6	4	4	-	-	51
Reclassification from "Assets of disposal group" (Note 15) *	1,386	-	1,908	117	14,044	133	17,588
Reclassified to "Assets of disposal group" (Note 15) #	(5,112)	(371)	(6,685)	(390)	627	(99)	(12,030)
Currency realignment	(62)	-	(85)	(5)	(627)	(6)	(785)
At 31 December 2023	1,386	20	1,908	508	14,044	133	17,999
Depreciation for the year	-	6	-	4	-	-	10
Additions upon acquisition of subsidiary	-	-	-	10	-	-	10
Derecognition upon disposal of subsidiaries	(1,372)	(24)	(1,889)	(508)	(13,901)	(132)	(17,826)
Currency realignment	(14)	-	(19)	(2)	(143)	(1)	(179)
At 31 December 2024	-	2	-	12	-	-	14
Net carrying amount							
At 31 December 2024	-	13	-	33	-	-	46
At 31 December 2023	-	21	-	6	-	-	27

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

4. Property, plant and equipment (Cont'd)

The Group	2024 $'000	2023 $'000
Mining assets		
Cost	-	17,588
Less: Accumulated depreciation and impairment loss	-	(17,588)
Net carrying amount	-	-
Others		
Cost	60	438
Less: Accumulated depreciation and impairment loss	(14)	(411)
Net carrying amount	46	27
Total net carrying amount	46	27

* Mining assets
As at 1 January 2023, Mining Assets were presented within "Assets of disposal group". During the financial year ended 31 December 2023, the underlying assets and liabilities were reclassified from "Assets and liabilities of disposal group" to the respective captions in the statement of financial position following the arbitral award issued by the International Arbitration Tribunal in favour of the counterparty. Property, plant and equipment in respect of the Mining Assets were fully impaired in prior years.

As at 31 December 2024, the Mining Assets had been derecognised upon disposal of subsidiaries (Note 9).

Elemental phosphorus ("**P4**") plant (the "**P4 Plant**")
Please refer to Note 3 for details.

Pursuant to the Cooperation Agreement signed with Rongda in relation to the disposal of the P4 Plant Assets, property, plant and equipment with a carrying value of $12,999,000 were reclassified to "Assets of disposal group" (Note 15) in the financial year ended 31 December 2023.

As at 31 December 2023, completion of the disposal of the P4 Plant Assets was in progress.

As at 31 December 2024, the P4 Plant Assets had been derecognised upon disposal of subsidiaries (Note 9).

Impairment testing

2024
In the financial year ended 31 December 2024, the Group received in full the proceeds from the P4 Plant disposal. As at 31 December 2024, the P4 Plant Assets had been derecognised upon disposal of subsidiaries (Note 9).

2023
In prior years, an impairment loss of $7,394,000 was recognised on property, plant and equipment of the P4 Plant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

5. Right-of-use assets

The Group	Land use rights $'000	Office premises $'000	Total $'000
Cost			
At 1 January 2023	1,660	190	1,850
Lease expiry	-	(190)	(190)
Additions	-	197	197
Reclassified to "Assets of disposal group" (Note 15)	(1,686)	-	(1,686)
Currency realignment	26	-	26
At 31 December 2023	-	197	197
Derecognition upon disposal of subsidiaries	-	(32)	(32)
Capitalisation of estimated costs of reinstatement	-	26	26
Adjustment		4	4
At 31 December 2024	-	195	195
Accumulated depreciation			
At 1 January 2023	365	190	555
Depreciation	7	11	18
Lease expiry	-	(190)	(190)
Reclassified to "Assets of disposal group" (Note 15)	(378)	-	(378)
Currency realignment	6	-	6
At 31 December 2023	-	11	11
Depreciation	-	37	37
Derecognition upon disposal of subsidiaries	-	(32)	(32)
At 31 December 2024	-	16	16
Net carrying amount			
At 31 December 2024	-	179	179
At 31 December 2023	-	186	186

Land use rights represented cost of land use rights in respect of one plot of land located in Sichuan Province, PRC. A PRC subsidiary obtained land use rights in Mianzhu City, Sichuan Province, PRC, with licensed tenure of approximately 50 years when obtained in December 2011 and February 2015.

Pursuant to the Cooperation Agreement signed with Rongda in relation to the disposal of the P4 Plant Assets, land use rights with a carrying value of $1,308,000 were reclassified to "Assets of disposal group" (Note 15) in the financial year ended 31 December 2023.

As at 31 December 2023, completion of the disposal of the P4 Plant Assets was in progress.

As at 31 December 2024, the P4 Plant Assets had been derecognised upon disposal of subsidiaries (Note 9).

6. Goodwill

The Group	$'000
Cost	
At 1 January 2023	-
Reclassification from "Assets of disposal group" (Note 15)	12,249
At 31 December 2023	12,249
Addition upon acquisition of subsidiary	263
Derecognition upon disposal of subsidiaries	(12,249)
At 31 December 2024	263
Accumulated impairment	
At 1 January 2023	-
Reclassification from "Assets of disposal group" (Note 15)	12,249
At 31 December 2023	12,249
Derecognition upon disposal of subsidiaries	(12,249)
At 31 December 2024	-
Net carrying amount	
At 31 December 2024	263
At 31 December 2023	-

The goodwill that had arisen from a past acquisition of a subsidiary was reclassified from "Assets of disposal group" (Note 15) in the financial year ended 31 December 2023. As at 31 December 2023, the said goodwill had been fully impaired. As of 31 December 2024, it had been derecognised upon disposal of subsidiaries (Note 9).

Separately, in the financial year ended 31 December 2024, goodwill arose from the acquisition of a new subsidiary (Note 9).

The Group performs testing on goodwill for impairment annually or more frequently if there are indications that goodwill might be impaired. The recoverable amount of the cash-generating unit ("**CGU**") is determined from value in use calculations.

The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and returns on earnings before interest, tax, depreciation and amortisation ("**EBITDA**") during the five-year period. The Management estimates discount rates using pre-tax rates that reflect current assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts. Returns on EBITDA are based on past results and expectations of future changes in the market.

The calculation of the value-in-use is most sensitive to the following key assumptions:

(i) *Discount rate*
The discount rate applied is 9.30% This reflects the current market assessments of the risks specific to the CGU and time value of money.

(ii) *Revenue Growth Rates*
Forecasted revenue growth rates of 2.91% per annum had been used which does not exceed the long-term growth rate of the relevant market.

(iii) *Terminal Growth Rate*
The terminal growth rate applied to the future cash flow projections was 2.91%, determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

6. Goodwill (Cont'd)

The Management assessed that the recoverable amount of the CGU exceeds its carrying amount as of 31 December 2024, and that any reasonably possible change in the key assumptions of the relevant calculations would not result in its carrying amount exceeding its recoverable amount. Therefore, it was determined that no impairment of goodwill is required in the financial year ended 31 December 2024.

After considering all key assumptions, management considers that a reasonably possible change in only the following assumptions would cause the goodwill's carrying amount to exceed its recoverable amount:

(i) Discount rate
If the discount rate currently used of 9.3% increased by 2% (after incorporating any consequential effects of the change on other inputs used in the recoverable amount estimate), the CGU's recoverable amount would be equal to its carrying amount. This analysis incorporated reasonable changes in other key inputs into the discount rate including foreign currency, market risk premium, and the cost of debt.

(ii) Growth rate
If the assumed the growth rate decrease by 1.4% (after incorporating any consequential effects of the change on other inputs used in the recoverable amount estimate), the CGU's recoverable amount would be equal to its carrying amount.

7. Intangible assets

The Group	**$'000**
Cost	
At 1 January 2023	144
Currency realignment	(4)
At 31 December 2023	140
Currency realignment	(1)
Derecognition upon disposal of subsidiaries	(139)
At 31 December 2024	-
Accumulated amortisation	
At 1 January 2023	144
Currency realignment	(4)
At 31 December 2023	140
Currency realignment	(1)
Derecognition upon disposal of subsidiaries	(139)
At 31 December 2024	-
Net carrying amount	
At 31 December 2023 and **at 31 December 2024**	-

Intangible asset represents the registration costs of a license for export of chemical products to countries in the European Union. As at 31 December 2024, it had been derecognised upon disposal of subsidiaries (Note 9).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

8. Mining properties

The Group	Exploration and evaluation assets $'000	Producing mines $'000	Total $'000
Cost			
At 1 January 2023	-	-	-
Reclassified from "Assets of disposal group" (Note 15)	26,288	34,172	60,460
Currency realignment	(1,174)	(1,526)	(2,700)
At 31 December 2023	25,114	32,646	57,760
Derecognition upon disposal of subsidiaries	(24,858)	(32,313)	(57,171)
Currency realignment	(256)	(333)	(589)
At 31 December 2024	-	-	-
Accumulated depreciation and impairment			
At 1 January 2023	-	-	-
Reclassified from "Assets of disposal group" (Note 15)	26,288	34,172	60,460
Currency realignment	(1,174)	(1,526)	(2,700)
At 31 December 2023	25,114	32,646	57,760
Derecognition upon disposal of subsidiaries	(24,858)	(32,313)	(57,171)
Currency realignment	(256)	(333)	(589)
At 31 December 2024	-	-	-
Net carrying amount			
At 31 December 2023 and **at 31 December 2024**	-	-	-

The Group ceased presenting mining properties, fully impaired in prior years, within "Assets of disposal group" with the arbitral award issued by the International Arbitration Tribunal in favour of the counterparty in the financial year ended 31 December 2023. As at 31 December 2024, they had been derecognised upon the disposal of subsidiaries (Note 9).

9. Investment in subsidiaries

The Company	2024 $'000	2023 $'000
Unquoted shares, at cost:		
At 1 January	45,449	45,449
Additions	*	-
Disposal	(45,449)	-
At 31 December	*	45,449
Accumulated impairment		
At 1 January	45,449	36,049
Impairment loss	-	9,400
Disposal	(45,449)	-
At 31 December	-	45,449
Net carrying amount		
At 31 December	*	-

* Less than $1,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. Investment in subsidiaries (Cont'd)

Impairment testing

2024

During the financial year ended 31 December 2024, the Company disposed of its investment in subsidiaries for $2.

2023

During the financial year ended 31 December 2023, the management performed impairment testing on its investment in subsidiaries which has indication of impairment by comparing the carrying amount of the Cash Generating Unit ("**CGU**") with its recoverable amount. The impairment assessment was performed based on adjusted net assets of the subsidiaries. Based on the assessment, the Company recognised an impairment loss of $9,400,000 on investment in subsidiaries.

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation/ principal place of business	Percentage of equity held by the Company 2024 %	2023 %	Principal activities
Held by the Company				
Norwest Chemicals Pte. Ltd. [a]	Singapore	-	100	Investing in chemical projects, general wholesale trade and trading of chemicals
AP New Energy Pte. Ltd. [b]	Singapore	100	100	Investment holding and business development
Norwest Global Trading Pte. Ltd. [b]	Singapore	100	-	Wholesale trade of a variety of goods without a dominant product and carbon credit brokers/traders
AP Sustainable Solutions Sdn. Bhd.[d]	Malaysia	100	-	Investment holding
Held through Norwest Global Trading Pte. Ltd.				
Sichuan Norwest Trading Co., Ltd. [c]	People's Republic of China	100	-	Trading and sales of chemical products, food additives, fertiliser, feed additives, Import and export of goods
Velora Pte. Ltd. [b]	Singapore	51	-	Wholesale trade of fertilisers

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. Investment in subsidiaries (Cont'd)

Name of subsidiary	Country of incorporation/ principal place of business	Percentage of equity held by the Company 2024 %	2023 %	Principal activities
Held through Norwest Chemicals Pte. Ltd.				
Sichuan Mianzhu Norwest Phosphate Chemical Co., Ltd. [(a)]	People's Republic of China	-	100	Exploration, mining and sale of phosphate rocks, the production and sale of phosphorus and phosphate based chemical products
XDL Resources Pte. Ltd. [(a)]	Singapore	-	100	Investment holding
Held through Sichuan Mianzhu Norwest Phosphate Chemical Co., Ltd.				
Sichuan Rongdafeng Chemical Co., Ltd. [(a)]	People's Republic of China	-	100	Manufacturing and sale of chemical products
Held through XDL Resources Pte. Ltd.				
Deyang City Xianrong Technical Consulting Co., Ltd. [(a)]	People's Republic of China	-	100	Mining activities, internet technology consulting services, and wholesale of mineral products; and transportation services
Held through Deyang City Xianrong Technical Consulting Co., Ltd				
Deyang Fengtai Mining Co., Ltd. [(a)]	People's Republic of China	-	55	Sale of mineral products

(a) Audited by PKF-CAP LLP, Singapore for consolidation purposes. These entities have been disposed during the current financial year
(b) Audited by PKF-CAP LLP, Singapore
(c) Audited by PKF Shenzhen, a member firm of PKF International
(d) Dormant

Acquisition of subsidiary

On 31 August 2024, the Company acquired an aggregate of 178,500 shares, comprising 51% of the total number of shares, in the capital of Velora Pte. Ltd. ("**Velora**"). Velora was incorporated in Singapore in 2015, and its principal business is in the wholesale trade of fertilisers, with operations in various countries, mainly located in Southeast Asia.

Details of the purchase consideration, assets acquired, liabilities assumed, non-controlling interest recognised, and the effects on the cash flow of the Group, at the acquisition date are as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. Investment in subsidiaries (Cont'd)

Acquisition of subsidiary (Cont'd)

(a) Purchase consideration (at fair value on acquisition date)

	$'000
Cash paid	357
Consideration transferred	357

(b) Effects on the cash flow of the Group

	$'000
Cash paid	(357)
Add: Cash and cash equivalents in the subsidiary acquired	387
Net cash inflow arising from the acquisition	30

(c) Identifiable assets acquired and liabilities assumed

	At fair value $'000
Property, plant and equipment	3
Cash and bank balances	387
Trade receivables	504
Other receivables	341
	1,235
Trade and other payables	(1,051)
Total identifiable net assets	**184**

(d) Goodwill arising from the acquisition

	$'000
Fair value of the purchase consideration	357
Add: Non-controlling interest (e)	90
Less: Fair value of identifiable net assets	(184)
Goodwill arising from the acquisition	263

The goodwill of $263,000 arises from the acquisition of Velora Pte. Ltd.

(e) Non-controlling interest

The Group has chosen to recognise the 49% non-controlling interest of $90,000 based on the proportionate share of Velora's identifiable net assets at the time of acquisition.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. Investment in subsidiaries (Cont'd)

Acquisition of subsidiary (Cont'd)

(f) Revenue and profit contribution

The acquired business contributed revenue of $2,583,000 and a net loss of $73,000 to the Group from 31 August 2024 to 31 December 2024. Had Velora Pte. Ltd. been acquired from 1 January 2024, consolidated revenue and consolidated loss for the year ended 31 December 2024 would have been $3,412,000 and $12,000 respectively.

Disposal of subsidiaries

On 31 August 2024, the Company completed the sale of all its shares in a subsidiary, Norwest Chemicals Pte. Ltd. ("**NWC**"), effectively disposing of its entire interest in NWC and other subsidiaries.

The effects of the disposal of subsidiaries are as follows:

(a) Gain on disposal

	$'000
Consideration	*
Add: Net liabilities disposed	1,197
Add: Non-controlling interest deficit disposed	2,531
Gain on disposal	3,728

(b) Effects on the cash flow of the Group

	$'000
Total cash consideration satisfied by cash	*
Less: Cash and cash equivalents disposed	(207)
Net cash outflow arising from the disposal	(207)

* Less than $1,000

Interest in a subsidiary with material non-controlling interest

Below is the summarised financial information for the subsidiary that has non-controlling interests that are material to the Group. These are presented before inter-company eliminations.

The carrying amounts of non-controlling interests are as follows:

Name of subsidiary	Principal place of business	Proportion of ownership interest held by non-controlling interest	(Loss)/profit allocated to non-controlling interest during the period	Accumulated non-controlling interest at the end of the reporting period
		%	$'000	$'000
At 31 December 2024				
Velora Pte. Ltd.	Singapore	49	(52)	39
At 31 December 2023				
Deyang Fengtai Mining Co., Ltd.	People's Republic of China	45	5	(2,533)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. Investment in subsidiaries (Cont'd)

Interest in a subsidiary with material non-controlling interest (Cont'd)

Summarised financial information of a subsidiary with material non-controlling interest
In the financial year ended 31 December 2024, the Company acquired 51% of Velora Pte. Ltd. Summarised financial information of Velora Pte. Ltd. for the financial year ended 31 December 2024, before eliminations of intercompany balances, are as follows:

Summarised statement of financial position of Velora Pte. Ltd.

	2024 $'000
Current assets	1,563
Non-current assets	2
Current liabilities	(1,377)
Net assets	188

Summarised statement of comprehensive income of Velora Pte. Ltd.

	31.08.2024 to 31.12.2024 $'000
Revenue	2,583
Loss before taxation	(104)
Total comprehensive loss	(106)
Total comprehensive loss allocated to non-controlling interest	(52)

Summarised statement of cash flows of Velora Pte. Ltd.

	2024 $'000
Net cash flows used in operating activities	(555)
Net cash flows from financing activities	348

As of 31 December 2024, Deyang Fengtai Mining Co., Ltd. has ceased to be a subsidiary of the Company. Summarised financial information of Deyang Fengtai Mining Co., Ltd. for the financial year ended 31 December 2023, including goodwill on acquisition but before eliminations of intercompany balances, are as follows:

Summarised statement of financial position of Deyang Fengtai Mining Co., Ltd.

	2024 $'000	2023 $'000
Current assets	-	7
Current liabilities	-	(490)
Net liabilities	-	(483)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

9. Investment in subsidiaries (Cont'd)

Interest in a subsidiary with material non-controlling interest (Cont'd)

Summarised financial information of a subsidiary with material non-controlling interest (Cont'd)

Summarised statement of comprehensive income of Deyang Fengtai Mining Co., Ltd.

	2024 $'000	2023 $'000
Loss before taxation	(2)	(2)
Total comprehensive profit	3	13

Summarised statement of comprehensive income of Deyang Fengtai Mining Co., Ltd.

	2024 $'000	2023 $'000
Net cash flows used in operating activities	(2)	(2)
Net cash flows used in investing activities	(16)	-
Net cash flows from financing activities	11	2

10. Other receivables and prepayments

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Non-current				
Deposits for rehabilitation and mining levy	-	38	-	-
Less: Impairment losses	-	(38)	-	-
	-	-	-	-
Deposits	-	10	-	-
	-	10	-	-
Current				
Miscellaneous prepayments	131	117	27	31
Prepaid tax	-	248	-	-
Other receivables	1,390	513	1,313	19
Less: Impairment losses	(593)	(410)	(560)	-
	797	103	753	19
	928	468	780	50

In 2023, deposits for rehabilitation and mining levy represent payments made to local PRC authorities in respect of i) the Group's rehabilitation obligations upon mine closure; and ii) the Group's obligations for future payments of mining levy during the term of mining operations.

In 2023, prepaid tax relates to tax paid in advance on the proposed disposal of the Phase 2 Factory Assets based on a preliminary estimation.

As at 31 December 2024, the above deposits and prepaid tax had been derecognised upon the disposal of subsidiaries (Note 9).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

10. Other receivables and prepayments (Cont'd)

Other receivables are unsecured, interest-free and repayable on demand and denominated in the functional currencies of the respective entities at the end of the reporting period.

Movements in impairment losses on deposits for rehabilitation and mining levy are as follows:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Balance at beginning of the year	38	-	-	-
Reclassification from "Assets of disposal group" (Note 15)	-	38	-	-
Derecognition upon disposal of subsidiaries	(38)	-	-	-
Balance at end of the year	-	38	-	-

Legal claim and freezing of bank account of a former subsidiary

Other receivables as of 31 December 2024 include an amount of RMB4 million (approximately $747k), net of impairment of RMB3 million (approximately $560k), owing from a former subsidiary in relation to a frozen cash.

On 27 March 2024, the Group's former subsidiary, Sichuan Mianzhu was informed that Huili Country Jiahong Chemical Co., Ltd. ("**Huili Jiahong**") had applied to the Mianzhu Municipal People's Court ("**the Court**") and obtained a court order to freeze one Sichuan Mianzhu's bank accounts with Agriculture Bank of China (Mianzhu Branch) up to the maximum amount of RMB7 million.

According to the terms of Sales and Purchase Agreement signed, this RMB7 million is required to be remitted to the Group after deducting the aggregate amount payable to Huili Jiahong. In November 2024, the court has ordered the Sichuan Mianzhu to pay Huili Jiahong RMB3 million (approximately $560k). Sichuan Mianzhu has filed an appeal to waive the above-mentioned amount payable. Despite the appeal, management has made impairment loss on this other receivable of RMB3 million (approximately $560k) as at 31 December 2024.

On 26 March 2025, Mianzhu Municipal People's Court (the "**Court**") informed the legal adviser of Sichuan Mianzhu that Sichuan Mianzhu's funds of RMB7 million that had been frozen by the Court, shall continue to be frozen for a further period of one year, until 21 March 2026. Refer to Note 40 for the subsequent event disclosure.

Movements in impairment losses on other receivables are as follows:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Balance at beginning of the year	410	458	-	-
Impairment loss recognised	593	-	560	-
Impairment loss reversed	-	(48)	-	-
Derecognition upon disposal of subsidiaries	(410)	-	-	-
Balance at end of the year	593	410	560	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

11. Inventories

The Group	2024 $'000	2023 $'000
Finished goods, at net realisable value	37	52
Consolidated statement of comprehensive income		
Write-down in value of inventories	-	10
Write-off of inventories	-	12
Stocks recognised as an expense in cost of sales		
- Continuing operations	3,924	1,373

12. Trade receivables

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Trade receivables	1,813	124	-	50
Less: Impairment loss recognised	(99)	(73)	-	-
	1,714	51	-	50

Trade receivables are non-interest bearing and are generally on 30 to 60 days' terms.

Trade receivables are denominated in the functional currencies of the respective entities as at the end of the reporting period.

Trade receivables as of 31 December 2024 include receivables from Ferta Sdn Bhd of $373k that is to be settled under an offsetting arrangement. The offsetting agreement allows the outstanding balance to be offset over the next three years if it remains unpaid.

Movements in impairment losses in respect of trade receivables are as follows:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
At 1 January	73	75	-	-
Addition	99	-	-	-
Derecognition upon disposal of subsidiaries	(73)	-	-	-
Currency realignment	-	(2)	-	-
At 31 December	99	73	-	-

13. Amounts due from subsidiaries

The Company	2024 $'000	2023 $'000
Amounts due from subsidiaries		
- Non-trade	4,742	42
	4,742	42
Less: Impairment losses	-	(42)
	4,742	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

13. Amounts due from subsidiaries (Cont'd)

Amounts due from subsidiaries were unsecured, interest-free, repayable on demand.

Movements in impairment losses in respect of amounts due from subsidiaries are as follows:

The Group	2024 $'000	2023 $'000
At 1 January	42	42
Derecognition upon disposal of subsidiaries	(42)	-
At 31 December	-	42

14. Cash and bank balances

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Cash and bank balances	1,425	426	120	61
Fixed deposits	-	439	-	-
	1,425	865	120	61

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

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Cash and bank balances	1,425	865	120	61
Less: Pledged deposit for bank loan	-	(241)	-	-
Less: Restricted deposits	-	(198)	-	-
Cash and cash equivalents	1,425	426	120	61

Pledged deposit relates to the balance in a bank account which can only be used for payment of interest on a bank loan (Note 25).

In 2019, the Chinese government refunded deposits in respect of Group's rehabilitation obligations for its mines and requires the amounts to be held in specific bank accounts. The use of these deposits is restricted until the completion of the rehabilitation of the mines.

Cash and bank balances are denominated in the following currencies:

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
United States Dollar	493	5	18	1
Euro	2	1	1	1
Chinese Renminbi	441	761	-	-
Singapore Dollar	489	98	101	59
	1,425	865	120	61

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. Discontinued operations and disposal group

The Group	2024 $'000	2023 $'000
Assets of disposal group	-	13,665
Liabilities of disposal group	-	6,086

The Group	2024 $'000	2023 $'000
Assets of disposal group:		
Property, plant and equipment	-	12,418
Land use rights	-	1,247
	-	13,665
Liabilities of disposal group:		
Interest-bearing bank loan	-	(3,367)
Other payables	-	(2,719)
	-	(6,086)
Net assets of disposal group	-	7,579

P4 Plant Assets
Please refer to Note 3 for details.

Pursuant to the Cooperation Agreement signed with Rongda in relation to the disposal of the P4 Plant Assets, property, plant and equipment with a carrying value of $12,999,000 and land use rights with a carrying value of $1,308,000 were reclassified from "Property, plant and equipment" (Note 4) and "Right-of-use assets" (Note 5) respectively in the financial year ended 31 December 2023.

As at 31 December 2023, completion of the disposal of the P4 Plant Assets was in progress.

As at 31 December 2024, the P4 Plant Assets had been derecognised upon disposal of subsidiaries.

Profit or loss disclosures:

The results of discontinued operations for the year ended 31 December 2024 and 2023 are as follows:

The Group	2024 $'000	2023 $'000
Revenue	-	-
Cost of sales	-	-
Gross profit	-	-
Finance costs	(21)	(205)
Other income	3,728	5,155
Profit before tax from discontinued operations	3,707	4,950
Tax credit (Note 31)	-	1,292
Profit from discontinued operations, net of tax	3,707	6,242

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

15. **Discontinued operations and disposal group (Cont'd)**

Profit or loss disclosures: (Cont'd)

2024
Other income comprises gain on disposal of subsidiaries of $3,728,000.

2023
Other income comprises rental income on the lease of the P4 Plant Assets of $1,063,000, and reversal of impairment loss on property, plant and equipment of the P4 Plant Assets of $4,092,000. Tax credit of $1,292,000 relates to the reversal of deferred tax liabilities relating to the P4 Plant Assets.

Cash flow statement disclosures:

The cash flows attributable to discontinued operations are as follows:

The Group	**2024 $'000**	**2023 $'000**
Net cash generated from operating activities	-	858
Net cash generated from investing activities	9,807	1,242
Net cash generated used in financing activities	(3,390)	-

16. **Non-current assets held for sale**

The Group	**2024 $'000**	**2023 $'000**
Right-of-use assets (land use rights)	-	2,299
Property, plant and equipment	-	3,247
	-	5,546

On 29 November 2021, the Company's subsidiary, Sichuan Mianzhu entered into a sale and purchase agreement ("**SPA**") with Sichuan Mianzhu Huaxinfeng Food Co., Ltd relating to the proposed disposal of the Phase 2 Factory Assets and the associated land use rights for cash consideration of RMB31,500,000. The land use right, measuring approximately 92,425 square metres with a 50-year tenure with effect from January 2015, is located at Xiangliu Village, Gongxing Town, Mianzhu City, Sichuan Province, PRC. Arising therefrom, Phase 2 Factory Assets, comprising factory and office buildings, plant and equipment and land use rights were transferred from "Property, plant and equipment" and "Right-of-use assets" (land use rights) to "Non-current assets held for sale" and presented separately in the statement of financial position.

As at 31 December 2024, the Phase 2 Factory Assets had been derecognised upon disposal of subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

17. Share capital

The Company	2024	2023	2024	2023
	No. of ordinary shares		$'000	$'000
	'000	'000		
Ordinary shares issued and fully paid, with no par value:				
Balance at beginning of the year	1,031,525	1,031,525	78,283	78,283
Issued during the year	448,102	-	2,420	-
Balance at end of year	1,479,627	1,031,525	80,703	78,283

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value. An issuance of rights shares by the Company was completed on 18 July 2024.

Issuance of right shares of $2,420k were settled by $905k cash and offset with loans from a director and controlling shareholders amounting to $1,515k.

18. Reserves

	The Group		The Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Accumulated losses	(77,317)	(78,493)	(77,158)	(85,437)
Foreign currency translation reserve	(2)	140	-	-
Merger reserve	-	850	-	-
Safety fund surplus reserve	-	1,550	-	-
	(77,319)	(75,953)	(77,158)	(85,437)

(a) Foreign currency translation reserve

Foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Company's presentation currency.

(b) Merger reserve

Merger reserve arose from the restructuring exercise involving entities under common control which took place in 2013 and represented the difference between the consideration paid and the equity acquired under the pooling of interest method. All assets and liabilities acquired by the Group were recorded at their carrying values at the date of acquisition.

As at 31 December 2024, the merger reserve had been derecognised upon disposal of subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

18. Reserves (Cont'd)

(c) Safety fund surplus reserve

In accordance with the Notice regarding Safety Production Expenditure jointly issued by the Ministry of Finance and the State Administration of Work Safety of the PRC in February 2012, a PRC subsidiary is required to make appropriation to a Safety Fund Surplus Reserve based on the volume of mineral ore extracted and revenue of elemental phosphorus sold in the previous financial year. The reserve can only be transferred to retained earnings to offset safety related expenses as and when incurred, including expenses related to safety production facilities and equipment improvement and maintenance as well as safety production inspection, appraisal, consultation and training.

As at 31 December 2024, the safety fund surplus reserve had been derecognised upon disposal of subsidiaries.

19. Deferred income

The Group	2024 $'000	2023 $'000
Non-current		
At 1 January	1,812	1,869
Currency realignment	(18)	(57)
Derecognition upon disposal of subsidiaries	(1,794)	-
At 31 December	-	1,812

Non-current deferred income represented government grants received in relation to the P4 Plant. The Group had ceased amortisation of deferred income until resumption of operations at the P4 Plant and depreciation of the underlying assets for which the government grants were provided.

As at 31 December 2024, deferred income had been derecognised upon disposal of subsidiary which owned the P4 Plant.

20. Deferred tax assets and liabilities

The Group	2024 $'000	2023 $'000
Deferred tax assets/(liabilities)		
At 1 January	178	(995)
Credit to profit or loss	-	1,222
Currency realignment	(2)	(49)
Derecognised upon disposal of subsidiaries	(176)	-
At 31 December	-	178

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

20. Deferred tax assets and liabilities (Cont'd)

Deferred tax assets/(liabilities) comprise the following:

The Group	2024 $'000	2023 $'000
Deferred income	-	468
Unremitted foreign income	-	(290)
	-	178

Movement of deferred tax assets/(liabilities) is as follows:

Deferred income

The Group	2024 $'000	2023 $'000
At 1 January	468	483
Currency realignment	(5)	(15)
Derecognised upon disposal of subsidiaries	(463)	-
At 31 December	-	468

Unremitted foreign income

The Group	2024 $'000	2023 $'000
At 1 January	(290)	(228)
Charge to profit or loss	-	(70)
Currency realignment	3	8
Derecognised upon disposal of subsidiaries	287	-
At 31 December	-	(290)

21. Provision for reinstatement costs

Movements in provision for reinstatement cost are as follows:

The Group	2024 $'000	2023 $'000
At 1 January	767	27
Reclassification from "Liabilities of disposal group" (Note 15)	-	764
Derecognition upon disposal of subsidiaries	(759)	-
Addition	26	-
Currency realignment	(8)	(24)
At 31 December	26	767

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

21. Provision for reinstatement costs (Cont'd)

Provision for reinstatement cost is denominated in the following currencies:

The Group	2024 $'000	2023 $'000
Chinese Renminbi	-	740
Singapore Dollar	26	27
	26	767

The Group	2024 $'000	2023 $'000
Presented as:		
Non-current	26	767

Provision for reinstatement costs relates to estimated costs of dismantlement, removal or reinstatement of right-of-use assets arising from the lease of office premises and rehabilitation of mining sites. As of 31 December 2024, the provision for costs for the rehabilitation of mining sites was derecognised upon disposal of subsidiaries.

22. Lease liability

The Group	2024 $'000	2023 $'000
Undiscounted lease payments due:		
- Year 1	38	38
- Year 2	38	38
- Year 3	38	38
- Year 4	38	38
- Year 5	25	38
- Year 6	-	25
	177	215
Less: unearned interest costs	(18)	(26)
Lease liability	159	189
Presented as:		
- Non-current	128	159
- Current	31	30
	159	189

(a) Total cash outflows for the Group's leased office premises during the year amount to $37,800 (2023: $33,600).

(b) Interest expense on lease liability of $8,000 (2023: $6,000) is recognised within "finance costs" in profit or loss.

22. Lease liability (Cont'd)

(c) Future cash outflow which are not capitalised in lease liabilities

Extension options

The leases for office premises contain extension period, for which the related lease payments had not been included in lease liabilities as the Company is not reasonably certain to exercise the extension option. The Company negotiates extension options to optimise operational flexibility in terms of managing the assets used in the Company's operations. The extension option is exercisable by the Company and not by the lessor.

23. Trade and other payables

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Trade payables	92	49	-	-
Rental deposit – P4 Plant Assets	-	744	-	-
Other payables	666	1,793	94	1,602
Accrued liabilities	226	551	205	135
	984	3,137	299	1,737
Advance sales consideration received from proposed assets disposal *	-	5,862	-	-
	984	8,999	299	1,737

* As at 31 December 2023, advance payment relates to full sales consideration received on the proposed disposal of the Phase 2 Factory Assets classified as "Non-current assets held for sale" (Note 16).

Trade payables are unsecured, non-interest bearing, normally settled on 30 to 60 days' terms and are to be settled in cash.

Trade and other payables were denominated in the functional currencies of the respective entities at the end of the reporting period.

24. Contract liabilities

	The Group		The Company	
	2024	**2023**	**2024**	**2023**
	$'000	**$'000**	**$'000**	**$'000**
Advances received, represented as:				
Current liabilities	-	524	-	-

Contract liabilities represent income received in advance for goods which have not been delivered as at the end of reporting period of $Nil (2023: $78,000) and advance rental received in respect of the P4 Plant Assets of $Nil (2023: $446,000).

Revenue recognised for the year ended 31 December 2024 included an amount of $78,000 (2023: $303,000) from the contract liability balance at the beginning of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

25. Interest-bearing bank loan

As at 31 December 2024, there was no outstanding interest-bearing bank loan.

As at 31 December 2023, a fixed-rate bank loan bearing interest at 7% per annum, was denominated in Renminbi and secured by land use rights (Note 5), certain property, plant and equipment (Note 4), a pledged deposit (Note 14) and a corporate guarantee provided by the Company of $3,648,000 (RMB19,000,000).

During the financial year ended 31 December 2023, the loan was reclassified to "Liabilities of disposal group" (Note 15). On 30 January 2024, the loan was fully repaid.

26. Amounts due to a director

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
(i) Loan				
- Principal	-	1,420	-	1,420
- Interest	-	293	-	293
	-	1,713	-	1,713
(ii) Expense claims	-	40	-	-
	-	1,753	-	1,713

As at 31 December 2023, amounts due to a director was due to Dr. Ong Hian Eng ("**Dr. Ong**"), then Executive Director and controlling shareholder of the Company. The loan was unsecured, repayable on demand and bore interest at 11% per annum (2023: 11%). The expense claims were interest-free, unsecured and repayable on demand.

On 30 April 2024, Dr. Ong ceased to be a director. The amounts were fully settled during the financial year ended 31 December 2024.

27. Loan due to a controlling shareholder

	The Group		The Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Principal	-	1,028	-	1,028
Interest	-	93	-	93
	-	1,121	-	1,121

As at 31 December 2023, the loan was for working capital, unsecured, repayable on demand and bore interest at 11% per annum. The loan was fully settled during the financial year ended 31 December 2024.

28. Amounts due to subsidiaries

The Company	2024 $'000	2023 $'000
Amounts due to subsidiaries		
- Advances	-	853
- Non-trade	1,798	1,891
	1,798	2,744

Amounts due to subsidiaries, comprising mainly advances and payments made on behalf of the Company, are unsecured, interest-free, repayable on demand and are to be settled in cash.

29. Revenue

Revenue from continuing operations represents invoiced trading sales of phosphate chemical products and other commodity products and is shown net of taxes.

	2024		2023	
The Group	At a point in time $'000	Total $'000	At a point in time $'000	Total $'000
From continuing operations				
Sale of chemical products	1,025	1,025	1,278	1,278
Sale of other commodity products	3,266	3,266	423	423
	4,291	4,291	1,701	1,701

30. Other income

The Group	2024 $'000	2023 $'000
From continuing operations		
Foreign exchange gain	74	393
Reversal of impairment loss on other receivables and prepayments	-	48
Interest income	19	2
Funding for arbitration #	-	222
Others	189	136
	282	801

\# On 18 August 2022, the Company and its wholly-owned subsidiary, Norwest Chemicals Pte Ltd, entered into an agreement with a US-based fund pertaining to a non-recourse funding to the Group in connection with the arbitration fees and costs for the international arbitration proceedings against the government of the People's Republic of China in respect of the Mining Assets Group. Following the conclusion of the arbitration proceedings in January 2024, no funding was received in the financial year ended 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

31. Profit/(Loss) before taxation

The following items have been included in arriving at profit/(loss) before tax from continuing operations and discontinued operations:

31.1 From continuing operations

The Group	2024 $'000	2023 $'000
Audit fees		
- Auditors of the Company	112	90
- Affiliates of auditors of the Company	3	17
Depreciation and amortisation expense		
- Property, plant and equipment	10	51
- Right-of-use asset	37	18
Staff costs	463	373
Contribution to defined contribution plan	57	26
Directors' fees		
- Directors of the Company	147	108
Directors' remuneration		
- Directors of the Company	142	116
- Directors of subsidiaries	-	75
Finance costs		
- Interest on bank loan - P4 Plant	-	52
- Interest on lease liability	8	6
- Interest on amounts due to a director	91	141
- Interest on loan due to a controlling shareholder	66	70
- Other interest expense	80	80
	245	349
Impairment/(Reversal off) loss on other receivables and prepayments, net (Note 10)	593	(48)
Impairment loss on trade receivables (Note 12)	99	73

31.2 From discontinued operations

The Group	2024 $'000	2023 $'000
Finance costs - P4 Plant		
- Interest on bank loan	21	205
Rental income - P4 Plant	-	(1,063)
Reversal of impairment loss on disposal group	-	(4,092)
Gain on disposal of subsidiaries (Note 9)	(3,728)	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

32. Income tax expense

The Group	2024 $'000	2023 $'000
Continuing operations		
Current tax expense		
Current year	57	-
Tax refund on prior year tax payment	(42)	-
	15	-
Deferred tax expense		
Movements in temporary differences (Note 20)	-	70
Income tax expense attributable to continuing operations **(A)**	15	70
Discontinued operations		
Deferred income tax		
Reversal of deferred tax liabilities # (Note 20)	-	(1,292)
Income tax credit attributable to discontinued operations **(B)**	-	(1,292)
Total (continuing operations and discontinued operations) **(A)+(B)**	15	(1,222)

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on losses as a result of the following:

The Group	2024 $'000	2023 $'000
Loss before tax from continuing operations	(2,570)	(4,099)
Profit before tax from discontinued operations	3,707	4,950
Profit before taxation	1,137	851
Tax at statutory rate of 17% (2023: 17%)	193	145
Tax effect on non-deductible expenses	567	224
Tax effect on non-taxable income	(643)	(722)
Effect of tax rates of foreign jurisdictions	(60)	154
Withholding tax	-	70
Deferred tax assets on losses not recognised	-	199
Over provision in prior financial years	(42)	-
Continuing operations (A)	15	70
Discontinued operations		
Reversal of deferred tax liabilities # (Note 15, 20) **(B)**	-	(1,292)
Total (continuing operations and discontinued operations) (A)+(B)	(15)	(1,222)

Expenses not deductible for tax purposes relate mainly to tax loss of the Company not allowed for carry-forward and disallowable expenses incurred in the ordinary course of business

Non-taxable income comprises mainly reversal of impairment loss on property, plant and equipment and exchange differences of capital nature.

Deferred tax liabilities related to the P4 Plant were reversed upon the reclassification of the P4 Plant Assets to “Assets of disposal group”.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

32. Income tax expense (Cont'd)

Unrecorded tax losses
As at the end of the reporting period, the Group had estimated unutilised tax losses amounting to approximately $Nil (2023: $7,410,000) that are available for offset against future taxable profits of the Group. Unutilised tax losses of $5,460,000 in financial year ended 31 December 2023 expire between 2025 and 2029. The use of these unutilised tax losses is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation.

The unutilised tax losses of the Group from the previous financial years arose from the subsidiaries that have been disposed during the year.

During the financial year ended 31 December 2024, the Group reversed deferred tax liabilities of $Nil (2023: $1,292,000) as it considered it probable that future taxable profit, from the proposed disposal of the P4 Plant Assets, would be available against which such losses can be used.

Except as disclosed, at the reporting date, the Group has not recognised deferred tax assets in respect of unutilised tax loss due to the uncertainty whether future taxable profits will be available against which the Group can utilise the benefits.

33. Earnings/(Loss) per share

The following table reflect the profit/(loss) data used in the computation of basic and diluted earnings/(loss) per share for the year ended 31 December:

The Group	Loss from continuing operations, net of tax $'000	Profit from discontinued operation, net of tax $'000	Profit/ for the year $'000
31 December 2024	**(2,533)**	**3,707**	**1,174**
31 December 2023	(4,168)	6,242	2,074

The Group	2024 '000	2023 '000
Weighted average number of ordinary shares for basic and diluted earnings/(loss) per share computation	**1,235,987**	1,031,525
Earnings/(Loss) per share (cents per share)		
Basic and diluted		
- Continuing and discontinued operations	**0.10**	0.20
- Continuing operations	**(0.20)**	(0.40)
- Discontinued operations	**0.30**	0.60

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. Operating segments

The principal activities of the Group were previously organised into product units and comprised of two reportable segments as follows:

(a) # The upstream segment which comprised of the business of exploration, mining and sale of phosphate rocks; and

(b) The downstream segment which comprised of the business of manufacturing, sale and trading of phosphate chemical products such as Sodium Tripolyphosphate ("**STPP**"), Sodium Hexametaphosphate ("**SHMP**") as well as other polyphosphate chemicals.

Following the cessation of the business activities of the upstream segment, the Group's continuing activities comprise trading of phosphate chemical products and trading of a non-chemical products (other commodity products).

The Chief Executive Officer monitors the operating results of its product units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. However, the information on additions to right-of-use assets, land use rights and property, plant and equipment by operating segments is regularly provided to the Chief Executive Officer.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. Operating segments (Cont'd)

The Group	Exploration, mining and sale of phosphate rocks (Discontinued operations)		Trading of phosphate chemical products (Continuing operations)		Trading of other commodity products (Continuing operations)		Adjustments and eliminations		Total (Continuing operations)	
	31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000	31 December 2024 $'000	31 December 2023 $'000
Revenue - external	-	-	1,025	1,278	3,266	423	-	-	4,291	1,701
Depreciation of property, plant and equipment	-	-	(10)	(51)	-	-	-	-	(10)	(51)
Depreciation of right-of-use asset	-	-	(37)	(18)	-	-	-	-	(37)	(18)
Reversal of impairment loss on property, plant equipment	-	4,092	-	-	-	-	-	(4,092)	-	-
Interest income	-	-	3	2	-	-	16	-	19	2
Rental income	-	1,063	-	-	-	-	-	(1,063)	-	-
Gain on disposal of subsidiaries	3,728	-	-	-	-	-	(3,728)	-	-	-
Finance costs	(21)	(205)	(72)	(349)	(14)	-	(138)	205	(245)	(349)
Reversal of impairment loss/(Impairment loss) on other receivables and prepayments, net (Note 10)	-	-	-	48	(33)	-	(560)	-	(593)	48
Impairment loss on trade receivables (Note 12)	-	-	-	-	(99)	-	-	-	(99)	-
Segment profit/(loss) before tax	3,707	4,950	42	(272)	64	80	(6,383)	(8,857)	(2,570)	(4,099)
Other information										
Additions to property, plant and equipment (including additions upon acquisition of subsidiary)	-	-	31	2	-	-	-	-	31	2

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. Operating segments (Cont'd)

The Group	2024 $'000	2023 $'000
Segment assets	3,692	20,887
Trade receivables	-	50
Other receivables and prepayments	780	50
Cash and bank balances	120	61
Total assets	**4,592**	**21,048**
Segment liabilities	870	16,680
Other payables	299	1,737
Amounts due to a director	-	1,713
Loan due to a controlling shareholder	-	1,121
Total liabilities	**1,169**	**21,251**

Geographical information

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

The Group	Revenue 2024 $'000	Revenue 2023 $'000	Non-current assets 2024 $'000	Non-current assets 2023 $'000
Asia	3,077	1,134	488	223
Europe	1,084	423	-	-
Africa	94	-	-	-
Others	36	144	-	-
Total	4,291	1,701	488	223

Non-current assets presented above consist of property, plant and equipment, right-of-use assets, goodwill and other receivables, as presented in the statement of financial position.

Information about major customers

The Group	Revenue 31 December 2024 $'000	31 December 2024 %	31 December 2023 $'000	31 December 2023 %
Customer A	812	19%	936	55%
Customer B	764	18%	423	25%
Customer C	616	14%	134	8%

The major customers represent the top three customers in each year. The actual customers may vary from year to year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

34. Operating segments (Cont'd)

Information about products

Revenue information based on products is as follows:

The Group	2024 $'000	2023 $'000
Sodium Hexametaphosphate ("**SHMP**")	178	160
Sodium Trimetaphosphate ("**STMP**")	847	1,118
Other commodity products	3,266	423
Total revenue	4,291	1,701

35. Significant related party transactions

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

Compensation of key management personnel

The Group	2024 $'000	2023 $'000
Short-term employee benefits	523	521
Central Provident Fund contributions	50	35
	573	556
Comprise amounts paid to:		
Directors of the Company	289	224
Other key management personnel	284	332
	573	556

36. Commitments

Corporate guarantee

The Company had provided a corporate guarantee for a bank loan of $Nil (RMBNil) [2023: $3,367,000 (RMB18,090,000)] (Note 25) drawn down by a subsidiary. The bank loan was repaid in January 2024.

37. Financial risk management

The Group's and the Company's activities expose them to a variety of financial risks: currency risk, interest rate risk, credit risk and liquidity risk. The Group and the Company do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange. The Group's and the Company's overall risk management strategy seeks to minimise adverse effects from unpredictability of financial markets on the Group's and the Company's financial performance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. Financial risk management (Cont'd)

Accounting classification of financial assets and financial liabilities (by categories)

	The Group		The Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Financial assets at amortised cost				
Other receivables #	797	103	753	19
Deposits	-	10	-	-
Trade receivables	1,714	51	-	50
Amounts due from subsidiaries	-	-	4,742	-
Cash and bank balances	1,425	865	120	61
	3,936	1,029	5,615	130
Financial liabilities at amortised cost				
Lease liability	159	189	-	-
Trade and other payables @	985	3,137	299	1,737
Amounts due to a director	-	1,753	-	1,713
Loan due to a controlling shareholder	-	1,121	-	1,121
Amounts due to subsidiaries	-	-	1,789	2,744
	1,145	6,200	2,088	7,315

Exclude prepayments and prepaid tax on the proposed disposal of the Phase 2 Factory Assets
@ Exclude advance sales consideration received from proposed disposal of Phase 2 Factory Assets

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company.

The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables.

At the reporting date, the Group reviews the recoverable amount of debtors to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced.

Significant concentrations of credit risk
Concentrations of credit risk are managed by customers. 87% (2023: 100%) of the Group's trade receivables were due from 3 (2023: 4) customers at the end of the reporting period.

Exposure to credit risk
A summary of the Group's and the Company's exposures to credit risk for trade and other receivables is as follows:

The Group	Note	12-month/ Lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
At 31 December 2024					
Trade receivables	(1)	Lifetime ECL	1,813	(99)	1,714
Other receivables	(2)	Lifetime ECL	1,390	(593)	797
			3,203	(692)	2,511

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. Financial risk management (Cont'd)

Credit risk (Cont'd)

Exposure to credit risk (Cont'd)

The Group	Note	12-month/ Lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
At 31 December 2023					
Trade receivables	(1)	Lifetime ECL	124	(73)	51
Other receivables	(2)	Lifetime ECL	513	(410)	103
Deposits	(2)	Lifetime ECL	48	(38)	10
			685	(521)	164

The Company	Note	12-month/ Lifetime ECL	Gross carrying amount $'000	Loss allowance $'000	Net carrying amount $'000
At 31 December 2024					
Other receivables	(2)	Lifetime ECL	1,313	(560)	753
Non-trade amounts due from subsidiaries	(3)	Lifetime ECL	4,742	-	4,742
			6,055	(560)	5,495
At 31 December 2023					
Trade receivables	(1)	Lifetime ECL	50	-	50
Other receivables	(2)	Lifetime ECL	19	-	19
Non-trade amounts due from subsidiaries	(3)	Lifetime ECL	42	(42)	-
			111	(42)	69

(1) Trade receivables

Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses ("**ECL**"). The ECL on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the current financial situation of the debtor, debtor-specific information obtained directly from the debtor and public domain, where available, and an assessment of the current and future wider economic conditions and outlook for the industry in which the debtor operates at the reporting date.

(2) Other receivables and deposits

Loss allowance for other receivables is measured at an amount equal to lifetime expected credit losses ("**ECL**"), which is consistent with the approach adopted for trade receivables. The ECL on other receivables are estimated by reference to track record of the counterparties, their business and financial conditions where information is available, and knowledge of any events or circumstances impeding recovery of the amounts. At the reporting date, no loss allowance for other receivables was required except as disclosed. There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for other receivables.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. **Financial risk management (Cont'd)**

Credit risk (Cont'd)

Exposure to credit risk (Cont'd)

(3) Non-trade amounts due from subsidiaries

Expected credit loss allowance on non-trade amounts due from subsidiaries is assessed based on whether the related parties have sufficient accessible highly liquid assets to repay the amount to the Company if demanded at the reporting date.

An ageing analysis of trade receivables, net of impairment losses at the reporting date is as follows:

The Group	2024 $'000	2023 $'000
Not past due	1,282	51
Past due 0 - 30 days	56	-
Past due over 90 days	376	
	1,714	51

Cash and cash equivalents

Cash is placed with financial institutions which are regulated and have good credit ratings. 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.

Liquidity risk

Liquidity or funding risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The following are the contractual maturities of financial instruments based on expected contractual undiscounted cash flows of financial liabilities, including interest payments and excluding the impact of netting agreements:

The Group	Carrying amount $'000	Contractual undiscounted cash flows Total $'000	Less than 1 year $'000	Between 2 and 5 years $'000	Over 5 years $'000
As at 31 December 2024					
Financial liabilities					
Lease liability	159	176	38	138	-
Trade and other payables	984	984	984	-	-
	1,143	1,160	1,022	138	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. Financial risk management (Cont'd)

Liquidity risk (Cont'd)

The Group	Carrying amount $'000	Contractual undiscounted cash flows Total $'000	Less than 1 year $'000	Between 2 and 5 years $'000	Over 5 years $'000
As at 31 December 2023					
Financial liabilities					
Lease liability	189	215	38	152	25
Trade and other payables @	3,137	3,137	3,137	-	-
Amounts due to a director	1,753	1,753	1,753	-	-
Loan due to a controlling shareholder	1,121	1,121	1,121	-	-
	6,200	6,226	6,049	152	25

@ Exclude advance sales consideration received from proposed disposal of Phase 2 Factory Assets.

The Company	Carrying amount $'000	Contractual undiscounted cash flows Total $'000	Less than 1 year $'000	Between 2 and 5 years $'000	Over 5 years $'000
As at 31 December 2024					
Financial liabilities					
Other payables	299	299	299	-	-
Amounts due to subsidiaries	1,798	1,798	1,798	-	-
	2,097	2,097	2,097	-	-
As at 31 December 2023					
Financial liabilities					
Other payables	1,737	1,737	1,737	-	-
Amounts due to a director	1,713	1,713	1,713	-	-
Loan due to a controlling shareholder	1,121	1,121	1,121	-	-
Amounts due to subsidiaries	2,744	2,744	2,744	-	-
	7,315	7,315	7,315	-	-

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group does not use derivative financial instruments to protect against the volatility associated with foreign currency transactions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

37. Financial risk management (Cont'd)

Foreign currency risk (Cont'd)

The carrying amounts of the Group's monetary assets and monetary liabilities denominated in foreign currencies against the functional currencies of the respective Group's entities at the end of reporting period are as below:

The Group

	2024 $'000	2023 $'000
Assets		
- denominated in United States Dollar ("**USD**")	1,736	55
- denominated in Renminbi ("**RMB**")	1,350	1,175
Liabilities		
- denominated in United States Dollar ("**USD**")	92	370
- denominated in Renminbi ("**RMB**")	8	1,637

Sensitivity analysis for foreign currency risk
A 5% strengthening of the USD and RMB against the functional currencies of the Group entities at the reporting date would increase/(decrease) profit or 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 reporting date. A weakening of the USD and RMB would have an equal but opposite effect. This analysis has not taken into account the associated tax effects and assumes that all other variables, in particular interest rates, remain constant.

	2024		2023	
The Group	**Profit before tax increase/ (decrease) $'000**	**Equity increase/ (decrease) $'000**	**Loss before tax increase/ (decrease) $'000**	**Equity increase/ (decrease) $'000**
USD strengthens 5% (2023: 5%)	82	82	(37)	37
RMB strengthens 5% (2023: 5%)	67	67	(48)	48

The RMB is not freely convertible. Under the PRC foreign exchange rules and regulations, payments of current account items, including profit distributions, interest payments and expenditures related to business operations, are permitted to be made in foreign currencies without prior government approval but are subject to certain procedural requirements. Strict foreign exchange controls continue to apply to capital account transactions. Capital account transactions must be registered with and approved by the State Administration for Foreign Exchange of the PRC. Repayments of loan principal, distributions of returns on direct capital investment and investments in negotiable instruments are also subject to restrictions.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. As at the balance sheet date, the Group and the Company do not hold variable-rate financial instruments.

Market price risk
Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices. As at the balance sheet date, the Group and the Company do not hold any quoted or marketable financial instruments, hence is not exposed to any movement in market prices.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

38. Fair values of financial instruments

The analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

39. Capital management

The Group's and the Company's objectives when managing capital are:

(a) To safeguard the Group's and the Company's ability to continue as a going concern;
(b) To support the Group's and the Company's stability and growth;
(c) To provide capital for the purpose of strengthening the Group's and the Company's risk management capability; and
(d) To provide an adequate return to shareholders.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives or processes during the financial years ended 31 December 2023 and 2024.

The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, trade and other payables, interest-bearing bank loan, lease liability, amounts due to a director, loan to a controlling shareholder, less cash and bank balances. Capital includes equity attributable to owners of the Company.

The Group are not subject to externally imposed capital requirements. As at 31 December 2024, there are no material external borrowings. Accordingly, the debt-to-adjusted capital ratio does not provide a meaningful indicator of the risk of borrowings.

40. Subsequent event

<u>Legal claim and freezing of bank account of a former subsidiary</u>

On 26 March 2025, Mianzhu Municipal People's Court (the "**Court**") informed the legal adviser of Sichuan Mianzhu that Sichuan Mianzhu's funds of RMB7 million that had been frozen by the Court, shall continue to be frozen for a further period of one year, until 21 March 2026. The frozen/escrowed funds of RMB7 million, if released, shall still be remitted to the Group pursuant to the transaction documents entered into for the disposal.

SUBSTANTIAL SHAREHOLDERS

(AS RECORDED IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS AS AT 19 MARCH 2025)

Name of Substantial Shareholder	No. of Shares (Direct interest)	%[1]	No. of Shares (Deemed interest)	%[1]
1. Astute Ventures Pte. Ltd. ("**Astute Ventures**")	405,038,182	27.37	–	–
2. FICA (Pte.) Ltd. ("**FICA**")[2]	345,980,454	23.38	–	–
3. Dr. Ong Hian Eng ("**Dr. Ong**")[2]	13,536,591	0.91	345,980,454	23.38
4. Ong Bee Kuan Melissa[3]	8,050,785	0.54	405,038,182	27.37
5. Gavin Chong Shi Hien	115,150,000	7.78	–	–

Notes:

(1) Based on the issued share capital of 1,479,627,207 ordinary shares in the capital of the Company ("**Shares**") as at 19 March 2025.

(2) FICA is controlled by Dr. Ong and he is therefore deemed to be interested in the 345,980,454 Shares held by FICA.

(3) Ong Bee Kuan Melissa is a director of, and is entitled to exercise not less than 20% of the votes attached to the voting shares in the share capital of Astute Ventures. As such, she is deemed to be interested in the 405,038,182 Shares held by Astute Ventures.

STATISTICS OF SHAREHOLDINGS

AS AT 19 MARCH 2025

Issued and fully paid-up capital	:	S$82,432,677.42
Number of ordinary shares in issue (excluding treasury shares and subsidiary holdings)	:	1,479,627,207
Number of treasury shares held	:	Nil
Number of subsidiary holdings	:	Nil
Class of shares	:	Ordinary
Voting rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	12	1.30	505	0.00
100 – 1,000	41	4.46	19,939	0.00
1,001 – 10,000	119	12.93	763,050	0.05
10,001 – 1,000,000	660	71.74	121,354,387	8.20
1,000,001 AND ABOVE	88	9.57	1,357,489,326	91.75
TOTAL	**920**	**100.00**	**1,479,627,207**	**100.00**

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	ASTUTE VENTURES PTE LTD	405,038,182	27.37
2	FICA (PTE) LTD	345,980,454	23.38
3	GAVIN CHONG SHI HIEN	115,150,000	7.78
4	LUO YONG	62,277,900	4.21
5	ONG BEE PHENG (WANG MEIPING)	49,626,061	3.35
6	WYY INVESTMENT HOLDINGS PTE LTD	44,985,861	3.04
7	TAN YEW LIANG	22,200,000	1.50
8	CITIBANK NOMINEES SINGAPORE PTE LTD	18,010,661	1.22
9	OCBC SECURITIES PRIVATE LIMITED	17,952,350	1.21
10	PHILLIP SECURITIES PTE LTD	16,832,950	1.14
11	KOH LI HAN ERIC (XU LIHAN)	16,800,000	1.14
12	UOB KAY HIAN PRIVATE LIMITED	15,196,100	1.03
13	ONG HIAN ENG	13,536,591	0.91
14	DBS NOMINEES (PRIVATE) LIMITED	12,985,600	0.88
15	KONG SOU YAN	8,825,800	0.60
16	ONG ENG KEONG (WANG RONGKANG)	8,060,761	0.54
17	ONG BEE KUAN MELISSA (WANG MEIJUAN MELISSA)	8,050,785	0.54
18	GOH KHENG SHEN	7,950,000	0.54
19	TAN LYE SENG	7,944,800	0.54
20	SERENE WONG LAI LENG	6,700,000	0.45
	TOTAL	**1,204,104,856**	**81.37**

PUBLIC FLOAT

Based on the information available to the Company as at 19 March 2025, approximately 33.38% of the issued ordinary shares (excluding treasury shares and subsidiary holdings) of the Company is held by the public. Accordingly, the Company has complied with Rule 723 of the SGX-ST Listing Manual Section B: Rules of Catalist.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of AsiaPhos Limited (the "**Company**") will be held at 22 Kallang Avenue, #03-02 Hong Aik Industrial Building, Singapore 339413 on Thursday, 24 April 2025 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the audited financial statements of the Company for the financial year ended 31 December 2024 together with the Auditor's Report. **(Resolution 1)**

2. To elect the following Directors of the Company retiring pursuant to Article 87 of the Constitution of the Company:

   (i) Mr Wong Quee Quee, Jeffrey **(Resolution 2)**
   (ii) Mr Lu King Seng **(Resolution 3)**
   (iii) Mr James Cheemee Wong **(Resolution 4)**

   [See Explanatory Note (i)]

   Mr Wong Quee Quee, Jeffrey will, upon election as a Director of the Company, remain as the Chairman of the Board and the Chairman of the Nominating Committee and will be considered independent.

   Mr Lu King Seng will, upon election as a Director of the Company, remain as the Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

   Mr James Cheemee Wong will, upon election as a Director of the Company, remain as the Chairman of the Remuneration Committee and a member of the Audit Committee and will be considered independent for the purposes of Rule 704(7) of the Catalist Rules.

3. To re-elect Mr Ong Eng Hock Simon, a Director retiring pursuant to Article 88 of the Constitution of the Company. **(Resolution 5)**

   [See Explanatory Note (i)]

   Mr Ong Eng Hock Simon will, upon re-election as a Director of the Company, remain as a member of the Audit and Remuneration Committees and will be considered non-independent for the purposes of Rule 704(7) of the Catalist Rules.

4. To approve the payment of Directors' fees of up to S$180,000 for the financial year ending 31 December 2025, payable quarterly in arrears. (2024: S$180,000) **(Resolution 6)**

5. To re-appoint PKF-CAP LLP as the Auditor of the Company for the ensuing year and to authorise the Directors of the Company to fix its remuneration. **(Resolution 7)**

6. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. **Authority to issue ordinary shares in the capital of the Company and/or Instruments (as defined herein)**

   That pursuant to Section 161 of the Companies Act 1967 (the "**Companies Act**") and Rule 806 of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**"), the Directors be authorised and empowered to:

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

NOTICE OF ANNUAL GENERAL MEETING

(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 in their absolute discretion deem fit; and

(b) (notwithstanding the authority conferred by this Ordinary 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 the Instruments, made or granted pursuant to this Ordinary Resolution) to be issued pursuant to this Ordinary Resolution shall not exceed one hundred per centum (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 the Instruments made or granted pursuant to this Ordinary Resolution) to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed fifty per centum (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 of the passing of this Ordinary Resolution, after adjusting for:

(a) new Shares arising from the conversion or exercise of any convertible securities;

(b) new Shares arising from the exercise of share options or vesting of share awards; and

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

Adjustments in accordance with sub-paragraph (2)(a) or (2)(b) are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Ordinary Resolution.

(3) in exercising the authority conferred by this Ordinary 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) and the Constitution of the Company; and

(4) unless revoked or varied by the Company in a general meeting, such authority 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 the earlier.

[See Explanatory Note (ii)] **(Resolution 8)**

By Order of the Board

Ngiam May Ling
Company Secretary
Singapore,
9 April 2025

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Ordinary Resolutions 2, 3, 4 and 5 are for the election or re-election of Mr Wong Quee Quee, Jeffrey, Mr Lu King Seng, Mr James Cheemee Wong and Mr Ong Eng Hock Simon, being Directors of the Company who retire by rotation at the AGM. For more information on Mr Wong Quee Quee, Jeffrey, Mr Lu King Seng, Mr James Cheemee Wong and Mr Ong Eng Hock Simon, please refer to the sections entitled "Board of Directors" and "Additional Information on Directors seeking election/re-election" in the Annual Report 2024.

(ii) The Ordinary Resolution 8, if passed, will empower the Directors, effective 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, or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments, up to a number not exceeding, in total, one hundred per centum (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to fifty per centum (50%) may be issued other than on a pro-rata basis to existing shareholders of the Company.

For determining the aggregate number of Shares that may be issued, the total number of issued Shares (excluding treasury shares and subsidiary holdings) will be calculated based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Ordinary Resolution is passed after adjusting for new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards and any subsequent bonus issue, consolidation or subdivision of Shares. These adjustments 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 Ordinary Resolution.

Notes:

1. The AGM will be held in a wholly physical format at the venue, date and time stated above. Members, including SRS investors and (where applicable) duly appointed proxies and representatives, will be able to ask questions and vote in person at the AGM. There will be no option for Members to participate virtually.

2. Printed copies of this notice of AGM and Proxy Form will be sent to Members by post. These documents will also be made available on the SGX website at the URL https://www.sgx.com/securities/company-announcements.

3. Printed copies of the Annual Report 2024 will not be sent to the Members. The Annual Report 2024 will be available for download from the SGX website at the URL https://www.sgx.com/securities/companyannouncements from the date of this notice of AGM. The Members will need an internet browser and PDF reader to view the Annual Report 2024.

4. Any Member who wishes to receive a printed copy of the Annual Report 2024 should submit a written request via electronic mail to cosec@asiaphos.com by no later than **10.00 a.m. on Wednesday, 16 April 2025** with the following information:

   (i) your CDP Securities Account Number. If your shares are under/through your Supplementary Retirement Scheme Account or physical scrip(s), please indicate as such;

   (ii) your full name; and

   (iii) your mailing address.

5. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act.

   A Member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

6. A proxy need not be a Member of the Company. A Member may choose to appoint the Chairman of the AGM as his/her/its proxy.

NOTICE OF ANNUAL GENERAL MEETING

7. The instrument appointing a proxy(ies) must be submitted to the Company in the following manners:

   (a) if submitted personally or by post, be lodged at the registered office of the Company at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   (b) if submitted electronically, be submitted via email to cosec@asiaphos.com,

   and in either case, must be lodged or received (as the case may be) by **10.00 a.m. on Monday, 21 April 2025**, being not less than 72 hours before the time appointed for the holding of the AGM.

8. SRS investors:

   (a) may vote at the AGM if they are appointed as proxies by their respective SRS Operators and should contact their respective SRS Operators if they have any queries regarding their appointment as proxies; or

   (b) may appoint the Chairman of the AGM as a proxy to vote on their behalf at the AGM, in which case they should approach their respective SRS Operators by **10.00 a.m. on Monday, 14 April 2025**, to submit their votes.

9. Members, including SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the AGM in advance of the AGM. Such questions must be received by **10.00 a.m. on Wednesday, 16 April 2025**, and be submitted in the following manner:

   (a) if submitted personally or by post, be lodged at the registered office of the Company at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   (b) if submitted electronically, be submitted via email to cosec@asiaphos.com.

   When submitting questions by post or via email, Members should also provide the following information for verification purposes:

   (a) status: individual shareholder or corporate representative;

   (b) full name/full company name (as per CDP/SRS records);

   (c) NRIC/FIN/Passport No./UEN;

   (d) electronic mail address;

   (e) contact number (optional);

   (f) address; and

   (g) the manner in which the shareholder holds shares in the Company (e.g., via CDP, SRS).

10. The Company will address all substantial and relevant questions received from Members by the submission deadline by publishing the responses to such questions on the SGX website at the URL https://www.sgx.com/securities/company-announcements **after the close of market on Thursday, 17 April 2025**. If questions or follow-up questions are submitted after the deadline, the Company will endeavour to address these questions at the AGM itself. Where substantially similar questions are received, the Company will consolidate such questions, and consequently, not all questions may be individually addressed.

11. The Company will, within one month after the date of the AGM, publish the minutes of the AGM on the SGX website at the URL https://www.sgx.com/securities/company-announcements and the minutes will include the responses to the substantial and relevant questions raised during the AGM.

12. Members, including SRS investors and (where applicable) duly appointed proxies and representatives, can also ask the Chairman of the AGM substantial and relevant questions related to the resolutions to be tabled for approval at the AGM and at the AGM itself.

NOTICE OF ANNUAL GENERAL MEETING

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

This Notice has been reviewed by the Company's Sponsor, Evolve Capital Advisory Private Limited. It has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr. Jerry Chua (Tel: (65) 6241 6626), at 160 Robinson Road, #20-01/02, SBF Center, Singapore 068914.

ASIAPHOS LIMITED
(Company Registration No. 201200335G)
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. The Annual General Meeting will be held, in a wholly physical format, at the venue, date and time stated below. There will be no option for members to participate virtually. The Proxy Form will be made available to members via printed copy as well as electronically via the SGX website.
2. This Proxy Form is for use by members wishing to appoint a proxy(ies) for the Annual General Meeting. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).
3. This Proxy Form Is not valid for use by SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. SRS investors:
   (a) may vote at the Annual General Meeting if they are appointed as proxies by their respective SRS Operators, and should contact their respective SRS Operators if they have any queries regarding their appointment as proxies; or
   (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, in which case they should approach their respective SRS Operators by 10.00 a.m. on Monday, 14 April 2025 to submit their votes.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 9 April 2025.

PROXY FORM
ANNUAL GENERAL MEETING

I/We (Name) ______________________________ (NRIC/FIN/Passport No./UEN) ______________

of (Address) ______________________________
being a member/members of AsiaPhos Limited (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		Number of Shares	%
Address			

and/or (delete as appropriate)*

Name	NRIC/Passport No.	Proportion of Shareholdings	
		Number of Shares	%
Address			

as my/our proxy(ies) to attend, speak and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 22 Kallang Avenue, #03-02 Hong Aik Industrial Building, Singapore 339413, on Thursday, 24 April 2025 at 10.00 a.m. (the "**Meeting**" or "**AGM**"), and at any adjournment thereof. I/We direct my/our proxy(ies) to vote for or against, or to abstain from voting on, the resolutions to be proposed at the Meeting as indicated hereunder.

No.	Resolutions Relating to:	For*	Against*	Abstain*
As Ordinary Business				
1	Adoption of Directors' Statement and Audited Financial Statements for the financial year ended 31 December 2024			
2	Election of Mr Wong Quee Quee, Jeffrey as a Director of the Company			
3	Election of Mr Lu King Seng as a Director of the Company			
4	Election of Mr James Cheemee Wong as a Director of the Company			
5	Re-election of Mr Ong Eng Hock Simon as a Director of the Company			
6	Approval of Directors' fees of up to S$180,000 for the financial year ending 31 December 2025, payable quarterly in arrears			
7	Re-appointment of PKF-CAP LLP as the Auditor of the Company			
As Special Business				
8	Authority to issue ordinary shares in the capital of the Company and/or instruments			

* Voting will be conducted by poll. If you wish your proxy(ies) to cast all your votes "For" or "Against" a resolution, please tick (✓) within the "For" or "Against" box provided in respect of that resolution. Alternatively, please indicate the number of votes "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy(ies) to abstain from voting on a resolution, please tick (✓) within the "Abstain" box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy(ies) is directed to abstain from voting in the "Abstain" box provided in respect of that resolution. In any other case, the proxy(ies) may vote or abstain as the proxy(ies) deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the Meeting.

Dated this ____________ day of ____________________ 2025

Total Number of Shares in:	Number of Shares
(a) CDP Register	
(b) Register of Members	

____
Signature of Shareholder(s) or,
Common Seal of Corporate Shareholder

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the Meeting. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.

   (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

   A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

2. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.

3. A member should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this Proxy Form shall be deemed to relate to all the shares held by the member.

4. The appointment of a proxy(ies) shall not preclude a member from attending, speaking and voting at the Meeting. Any appointment of a proxy(ies) shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person(s) appointed under the instrument of proxy, to the Meeting.

5. The instrument appointing a proxy(ies) must be submitted in the following manner:

   (a) if submitted personally or by post, be lodged at the registered office of the Company at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

   (b) if submitted electronically, be submitted via email to cosec@asiaphos.com,

   and in either case, must be lodged or received (as the case may be) by 10.00 a.m. on Monday, 21 April 2025, being not less than 72 hours before the time appointed for the holding of the AGM.

   Members who wish to appoint a proxy(ies) can use the printed copy of the Proxy Form (which was sent by post to them), by completing and signing the Proxy Form before submitting it by post to the address provided above or, alternatively, scanning and submitting it via email to the email address provided above.

6. The instrument appointing a proxy or proxy(ies) must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxy(ies) is executed by a corporation, it must be executed either under its seal or under the hand of its attorney or a duly authorised officer.

7. Where the instrument appointing a proxy or proxy(ies) is signed on behalf of the appointor by an attorney, the power of attorney (or other authority under which it is signed, if applicable) or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted by post, be lodged with the instrument, or if the instrument is submitted electronically via email, be emailed together with the instrument, failing which the instrument may be treated as invalid.

8. The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject any instrument appointing a proxy(ies) lodged or submitted, if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for the holding of the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

ASIAPHOS LIMITED

22 Kallang Avenue
#03-02 Hong Aik Industrial Building
Singapore 339413
Tel: +65 6292 3119
Fax: +65 6292 3122

www.asiaphos.com